

The ZipRecruiter Job Seeker Confidence Index

The **ZipRecruiter Job Seeker Confidence Survey** is a nationally representative monthly survey of U.S. job seekers that measures how optimistic or pessimistic they are about their ability to land their dream jobs. Increased confidence is an indicator of future growth in wages and labor force participation.

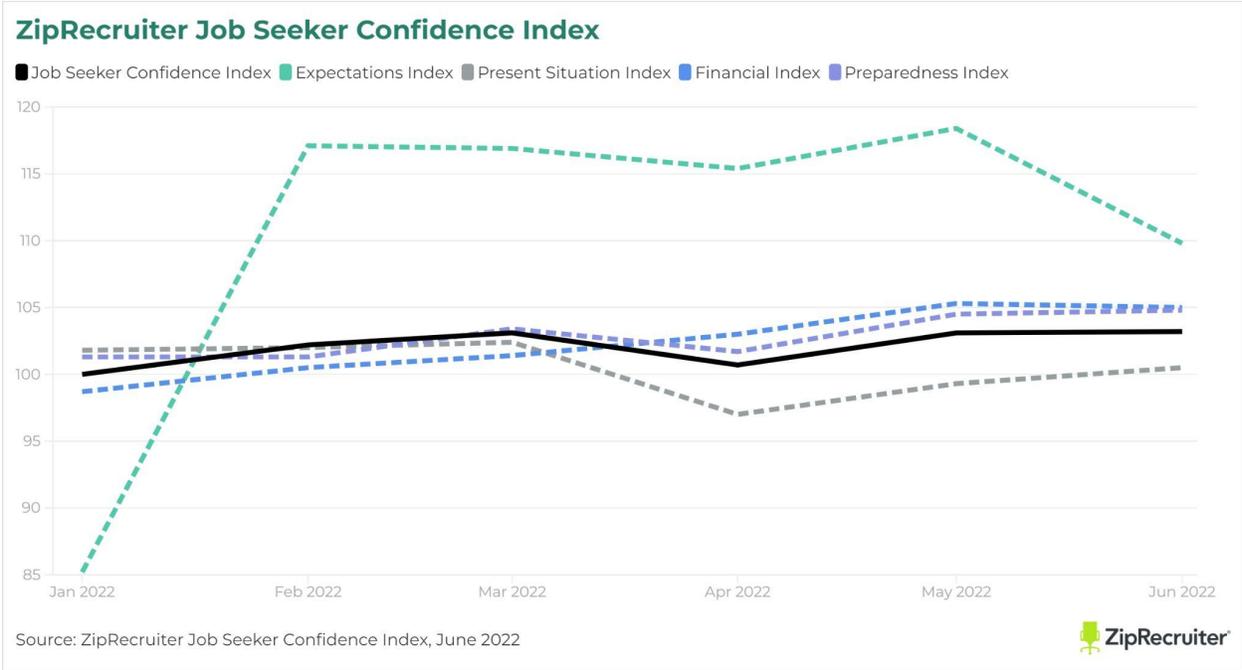
Data Spotlight

Latest Release
June, 2022

↓ 7.3% Expectations Index	↑ 0.4% Preparedness Index	↓ 0.3% Financial Wellbeing Index	↑ 1.3% Present Situation Index
Job seekers have been optimistic since the Omicron wave receded, but their short-term outlook plunged in June, amid inflation, interest rate hikes, and high-profile layoffs.	Job seekers continued to feel well-prepared for the job search process and confident in their skills. A vibrant labor market has been creating a broad range of opportunities.	For the first time since January 2022, job seekers' assessments of their financial health decreased as rising prices started to weigh on their finances.	Job seeker sentiment regarding current market conditions remained strong, even as future expectations weakened. Job seekers felt more confident that they would be hired if interviewed.

U.S. Job Seeker Confidence

The overall **ZipRecruiter Job Seeker Confidence Index** was steady in June at 103.2 (January 2022=100), but expectations for the future sank as more job seekers began to worry about a decrease in available jobs. High inflation, rising interest rates, and a recent spate of high-profile layoffs in the technology sector dragged optimism to a five-month low.



There were three large changes in the June survey, with offsetting effects:

- A sharp decline in the share of job seekers who believe there will be more jobs in the next 6 months to 28.8% in June, from 35.8% in May.
- A sharp decrease in the share of job seekers who are at least somewhat financially comfortable to 30.0% in June, from 36.0% in May.
- A sizable increase in the share of job seekers who say they are completely confident that they are adequately prepared and have the right skills for the jobs available to 40.3% in June, from 36.0% in May.

Despite growing concern about the future, job seekers continued to feel encouraged by their job search experiences in the labor market characterized by record-high job openings, low unemployment, and high nominal wage growth.

“Even though job seekers continued to enjoy considerable leverage in a hot job market, their expectations regarding future conditions took a nosedive in June.”

—Julia Pollak, ZipRecruiter Chief Economist

The ZipRecruiter Index

The overall **ZipRecruiter Job Seeker Confidence Index** comprises four subindices:

- The **Preparedness Index** measures how confident job seekers feel about their job skills, education, and training, as well as about their job search skills—that is, their ability to find relevant positions, develop application materials, and interview effectively.
- The **Financial Wellbeing Index** measures job seekers’ financial security—that is, whether they have peace of mind about their ability to meet their financial needs, or whether they are searching for work and negotiating job offers under financial pressure.
- The **Expectations Index** captures job seekers’ short-term outlook for labor market conditions. It is based on questions about whether they expect to find a job easily, and whether they expect the number of available jobs to increase or decrease.
- The **Present Situation Index** is based on job seekers’ assessment of current labor market conditions. It is based on questions about whether they expect to get interviews, find a job easily, and get the job they want, and how satisfied they are with their job search.

“For two years, the financial cushion from pandemic relief aid allowed job seekers to be more choosy about the jobs they took. Now, the falling share of job seekers who feel financially secure is an early indicator that the labor market is tilting back towards a pre-pandemic normal.”

—Ian Siegel, ZipRecruiter Co-Founder and CEO

Three ways that inflation is affecting job search:

- 1. High gas prices are making remote work more attractive:** 37.5% of job seekers said rising gasoline prices have made them more likely to look for remote work whereas another 10.1% said inflation had made them more likely to seek a higher-paying job.
- 2. Inflation is the main reason older workers are unretiring now:** Among the 21.5% of current job seekers who say that they previously retired at some point, 35.8% cited inflation as the number one reason that they have unretired and are now seeking employment. Another 26.2% said that they are rejoining the workforce because they are running out of retirement savings.
- 3. The main reason job seekers cite for rejecting job offers they have received is too little pay.** Among those job seekers who have received at least one job offer so far, 49.7% said they had rejected an offer, with 26.7% citing “not enough pay” as the reason for doing so.

More Detailed Findings

Overall, job seekers were confident in June, with a plurality feeling that their job search was going fairly well. But inflation and rising uncertainty clouded their short-term labor market outlook. The share of job seekers who said they were

confident that they would reject a dissatisfactory offer knowing that something better would come along decreased to 31.7%, from 33.4%.

Older job seekers continued to worry about ageism. The top barrier to finding a job that respondents cited was being perceived as too old (24%) or overqualified (17%) by employers. Other barriers included:

- lacking the right work experience (22%)
- lacking the right education (17%)
- lacking transportation (15%)
- having caregiving responsibilities (13%)

The main job search process challenges respondents said they confront include:

- not finding relevant opportunities (39%)
- never hearing back from employers (30%)
- not getting interviews (27%)
- being discouraged by time-consuming and repetitive application processes (25%)
- not knowing what they want (19%)
- not knowing what jobs they're qualified for (18%)
- getting interviews, but no offers (18%)
- difficulty navigating complicated hiring timelines (13%)
- difficulty putting together a resume (13%)

Of all the job search process challenges respondents face, not hearing back from employers and not knowing what jobs they are qualified for are most strongly associated with low overall confidence.

The Survey

The monthly **Ziprecruiter Job Seeker Confidence Survey** is based on an online sample and conducted for ZipRecruiter by Qualtrics. It is administered to 1,500 job seekers between the 10th and 16th of each month and weighted to the U.S. Census Bureau's American Community Survey. Respondents may be employed, unemployed, or not currently in the labor force, but they must reside in the United States and plan to find a new job "in the next six months" in order to be included in the sample.