

Workplace and Economy Trends in the DMV

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Hire, pay, and manage your team all in one place.

Put the joy back in running your business. Work faster and reduce errors with automated payroll, HR, and more.

How Gusto works

Create account

- ✓ #1 Payroll Software of 2023
- ✓ 3 out of 4 customers say they run payroll in 10 minutes or less!

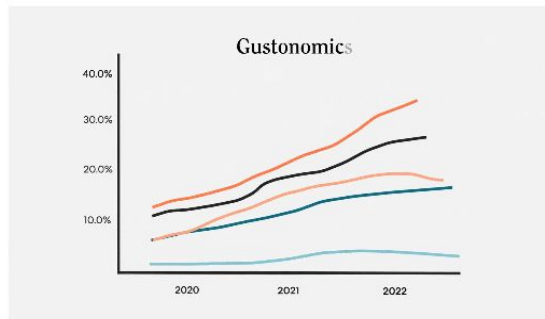
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Huckleberry Roasters,
Gusto customer

Gusto data & research

At Gusto we recognize the value data brings to helping our customers and the world better understand the SMB economy. Our team of economists gather the latest data from hundreds of thousands of businesses using Gusto to share insights, highlight emerging trends, and publish research that has been highlighted by leading institutions, policymakers and media among others.

[See the latest research](#)

Survey: The Data Is In – Here's What Makes Remote and Hybrid SMBs Successful

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Contracting is on the rise. Is your business ready to seize the opportunity?

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June 2023 SMB Hiring Insights: Hiring Softens While Layoffs Do Not Budge

[Read more](#)

Three Things

Soft Landing in Sights

- Slight economic slowdown
- DMV is robust, economically
- Tight talent markets remain
- Long-term talent shortage

Now and Future Trends

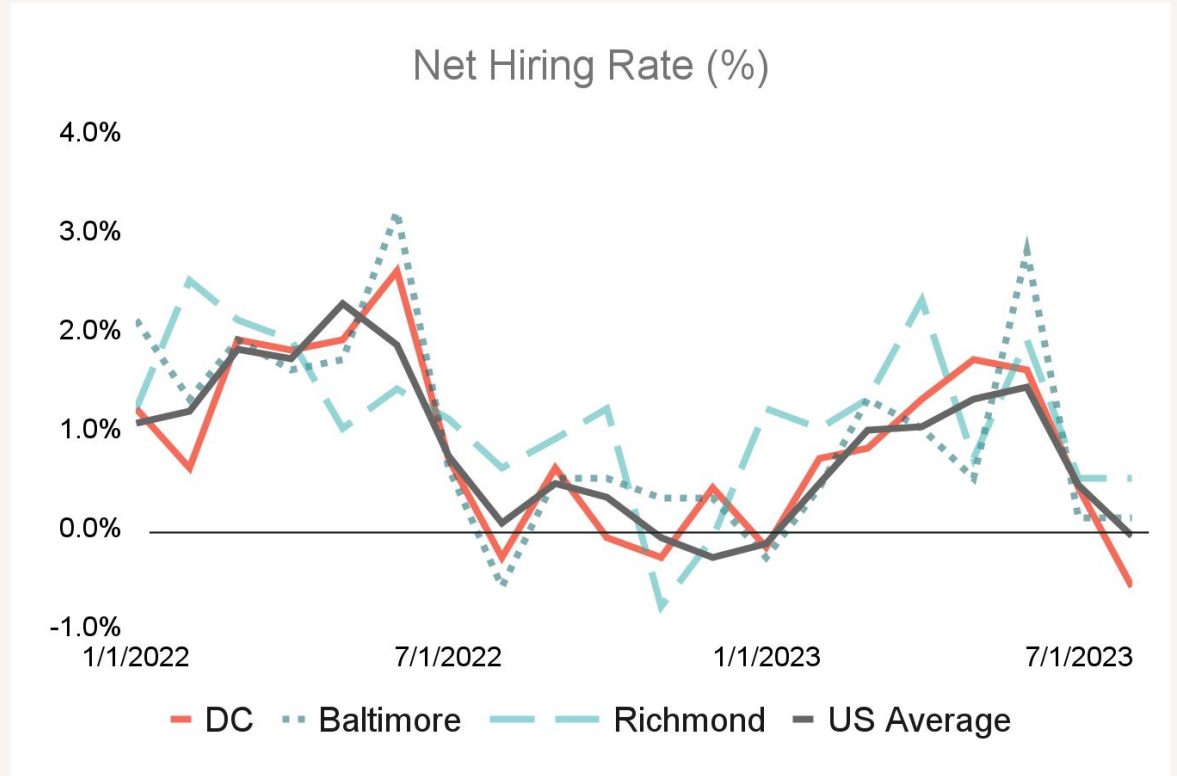
- Contractors / Freelancers
- International Employment
- Flexibility/Remote Work

Focus on

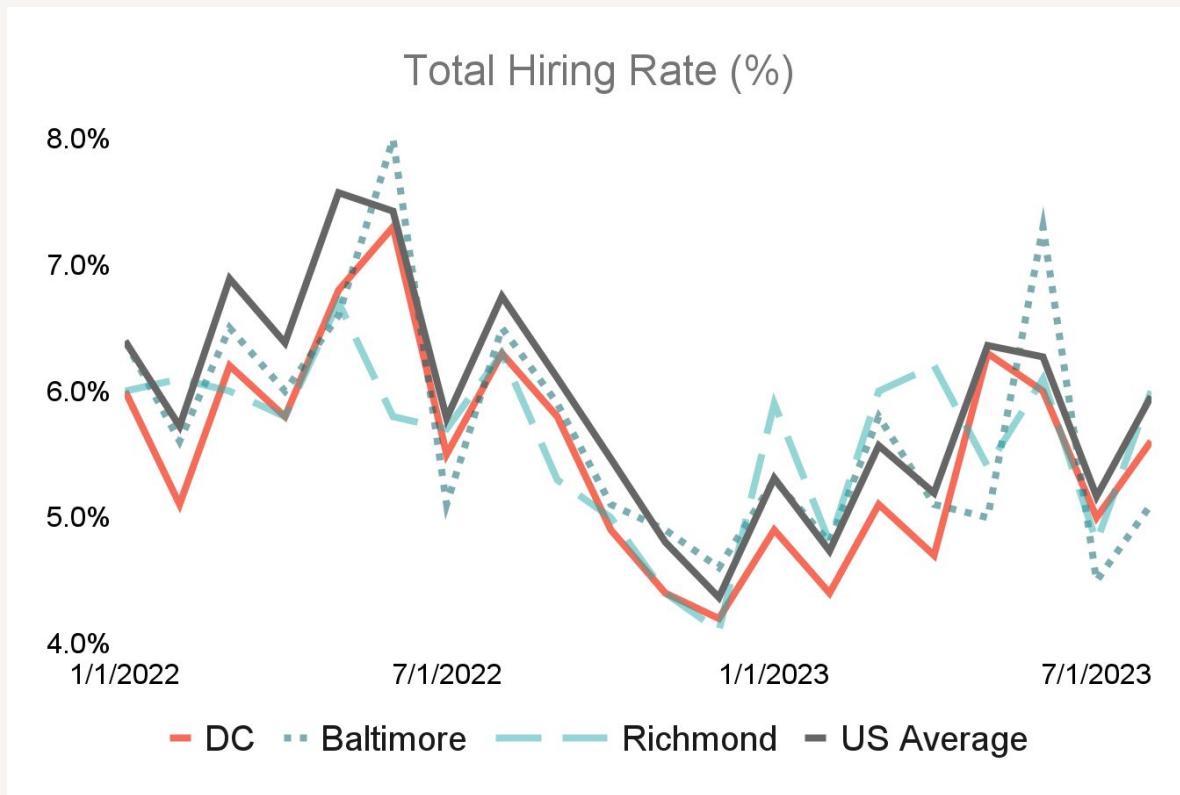
- Low-cost, high-value benefits
- Engagement and retention
- Workforce diversification

Coming in for a Soft Landing

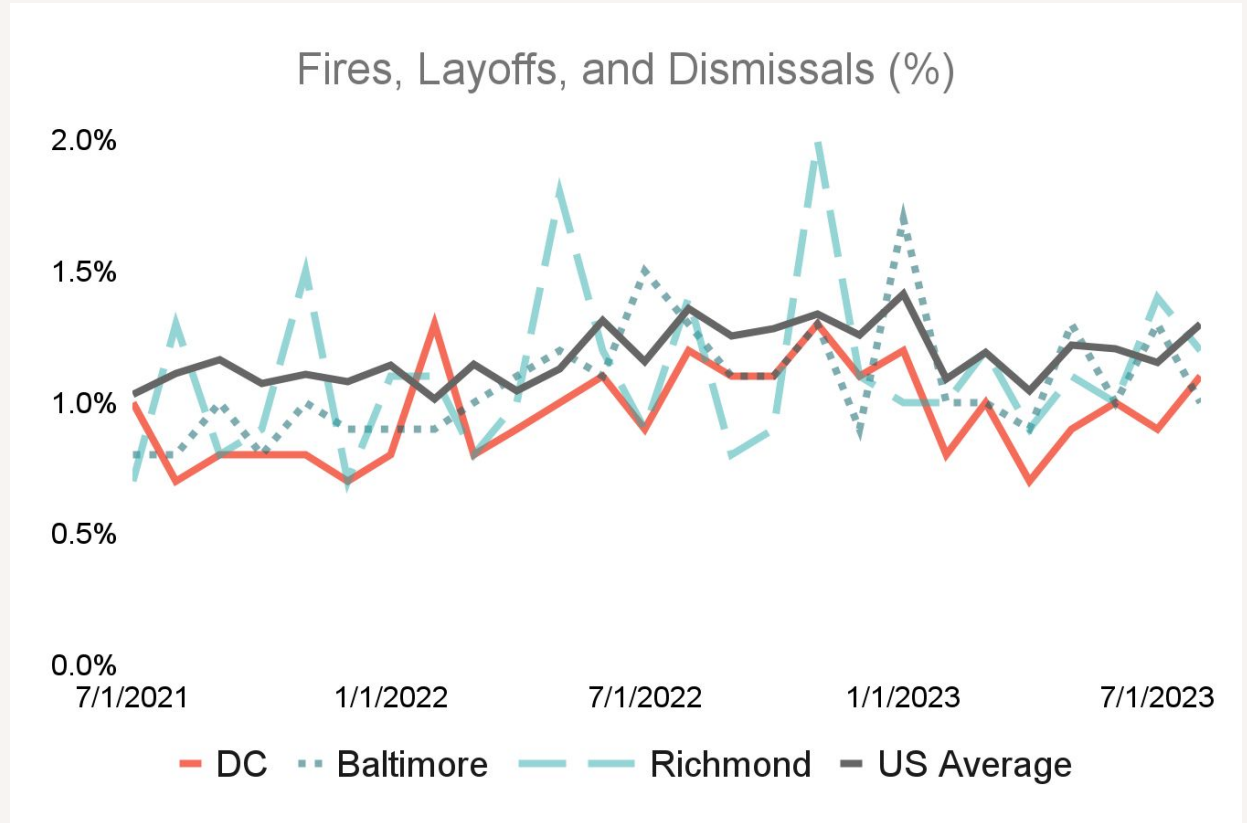
Regional job
growth slow
down tracks
(slight) US
trendline



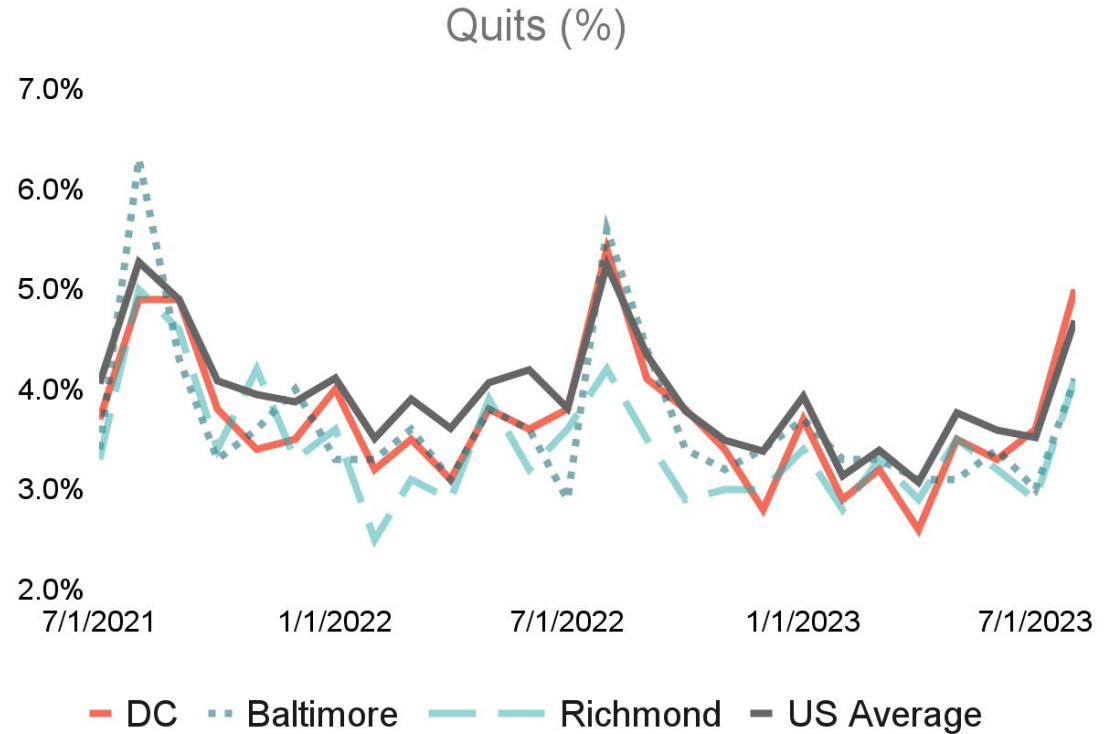
Due to
(slightly)
slower hiring



And a (slight)
upward trend
in dismissals
and layoffs.



Workers are settling in for (slightly) longer periods.



1.6

Jobs per
unemployed

3.5 - 4 million Americans turn
65 each year

4.7 million new employment by
2032

Key Trends:
**Flexibility is the Future in a
Forever Talent Shortage**

1:5

Contractors per employee

2x the 1:10 ratio from
pre-pandemic

58% of US-based contractors do
it primarily for the flexibility

74% are part-time

67% would NOT prefer full-time
employment with a single
company*

\$11k

Annual pay

Equivalent reduction
in attrition as remote
work

1.5x

companies that regularly express gratitude are more likely that hybrid teams report success

1.8x - 2.8x

Companies with highly effective documentation are more likely to be satisfied with remote/hybrid work

20%

Employ globally

New, remote
companies with
international
employees

74% of international contractors
are full-time

Focus on

**Low-cost,
high-value benefits**

Remote work

48% of workers accepted or rejected last job offer for flexibility reasons

401k

> 100% ROI for offering 401k

Tuition repayment

No SSI or Medicare tax up to \$5,250

Retention and Engagement

Long-term Productivity

Half of HR pros say a 3-year worker is at least **50%** more productive than a 6-month worker

Early gains, later gains

60% of HR pros who see gains up to 3 years also see gains up to 5 years

Disengagement = more disengagement

60% say disengaged employees create work and spread disengagement

Workforce diversification

Part-time and contract

Offers flexibility

Older and younger

Teen hiring 3x two years ago

50% of self-employed workers > age 60
are contractors

International

Focus on team-building and cohesive
experience



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