WHAT ARE THE SIGNS TELLING US?

Engage2Excel
RECRUITMENT SOLUTIONS.

7.1 MILLION*
OPEN JOBS
*DEC JOLTS
JAN JOLTS NOT RELEASED

4.3 PERCENT
UNEMPLOYMENT RATE

130 THOUSAND
NEW JOBS ADDED

MONTHLY QUITS
3.3 MILLION

HOURLY EARNINGS
+0.4 PERCENT

LABOR FORCE PARTICIPATION RATE
62.5 PERCENT

OUTLOOK

January's labor market is entering the year with a sense of steady momentum, even amid delayed federal data and broader economic uncertainty. Private-sector insights show consistent hiring activity—particularly in education and healthcare—while mid-sized employers continue to lead the way with thoughtful, targeted job growth.

Although some organizations began 2026 with restructuring plans, most of these changes reflect strategic realignment, not retreat. Across regions, employment levels remain stable, and many employers are focusing on backfilling essential roles, leveraging temporary staffing for added flexibility and taking proactive steps to retain their most valuable talent.

Wage growth has also started to stabilize, giving HR leaders the clarity they need to plan compensation decisions with confidence.

Overall, the labor market is not weakening—it's transitioning. Employers are recalibrating, adapting and positioning their teams for long-term strength. This time offers HR leaders a powerful opportunity to reinforce culture, recognize critical roles and use data-driven insights to guide smarter workforce strategies for 2026.

SOURCES:
Federal Reserve Beige Book
ADP National Employment Report
Challenger Gray & Christmas Job Cut Report
CNBC
WSJ
Reuters
TD Economics
BLS: JOLTS

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