

WORKFORCE REVIEW

June 2019

A monthly review of labor market information for Silicon Valley

San Jose, San Francisco top Indeed's best cities for job seekers

- San Jose, California, topped Indeed's list of best cities for job seekers in 2019, followed by neighboring San Francisco as well as Boston; Birmingham, Alabama; and Nashville, Tennessee. Published June 13, the list ranked metropolitan areas based on which gave applicants the least competition for jobs, commanded the highest salaries, had the lowest unemployment rates and whose companies had earned the highest reviews on Indeed.
- Although located in Silicon Valley, where tech companies and jobs abound, the two highest-ranked cities faced talent shortages for tech workers and lower-paying jobs, according to Indeed, which attributed the problem in part to the high cost of housing. Salaries in the report were adjusted to the cost of living in metropolitan areas rather than which cities paid the highest wages. The top five cities ranked high in salaries because the cost of rent and goods fell below the national average, Indeed said. Birmingham had the highest adjusted salary score on the list, followed by Memphis, Tennessee; Cincinnati; Louisville, Kentucky; and Indianapolis.
- Nashville had the lowest unemployment rate of cities in the list, which Indeed attributed to strong growth from both tourism industry and in legal and finance jobs.
 Miami beat out several California cities for Indeed's highest score in the company reviews category.

Despite Indeed's rankings, Silicon Valley wages haven't always kept up with the high cost of housing in the area. The cost of living in the area was reportedly so high that 38% of tech workers in the San Francisco area were conducting searches for jobs outside the Valley, according to a 2017 Indeed report, up from 27% four years prior. At the time, Indeed said median monthly rent for a one-room apartment was \$2,500 in San Jose and \$3,000 in San Francisco.

In response to the high cost of living, San Francisco-based Zapier, a workflow automation startup, offered its staff

\$10,000 to put toward costs to "de-locate" from the city to other areas. Zapier CEO Wade Foster told media outlet SFGate that San Francisco had become too expensive for employees, including those with small families.

Some states and cities are keen on drawing remote workers with incentives. Tulsa, Oklahoma, recently announced it would offer such workers \$10,000 in financial incentives and bonuses to move there. The news followed a similar announcement by Vermont. Remote work can be feasible given the right technological systems and tools, but HR might need to draft policies that set expectations on hours, reimbursements and other criteria.

Cities in general, are expensive places to live, and nearly 75% of workers in big cities in a recent Citrix Systems report said they would move elsewhere if they could perform their work just as well in another area. Fifty-eight percent of respondents to Citrix said the cost of living in cities was "crippling." Still, other reports show cities also provide what younger generations within the workforce say they want, including access to retail establishments and public transportation.

Rank		Job Market Favorability Ranking	Salary Ranking	Company Reviews Ranking	Unemployment Rate Ranking	Overall Score
1.	San Jose, CA	100	40	93	99	332
2.	San Francisco, CA	98	37	79	97	312
3.	Boston, MA	91	61	51	91	293
4.	Birmingham, AL	63	100	49	63	275
5.	Nashville, TN	78	63	29	100	270
6.	Minneapolis-St. Pau	il, MN 93	45	33	95	266
7.	Milwaukee, WI	88	76	19	77	260
8.	Oklahoma City, OK	67	77	33	82	260
9.	Washington, DC	86	36	71	67	259
10.	Salt Lake City, UT	92	45	26	85	249

Source: HR Dive (06/19/19) https://bit.ly/2WUDP4C



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뉟	Region	May 2018	April 2019	May 2019	Percentage Point Change		
¥	negion	Way 2010 April 2015		Way 2019	1 month	12 months	
PLOYMENT	San José–Sunnyvale MSA	2.3%	2.4%	2.2%	- 0.2	- 0.1	
7	San Francisco MD	2.0%	2.0%	1.8%	- 0.2	- 0.2	
Ε×	California	3.7%	3.9%	3.5%	- 0.4	- 0.2	
Z	United States	3.6%	3.3%	3.4%	+ 0.1	- 0.2	

Sector — May 2019	San Jose MSA San Francisco MD		Combined Region	Percentage Change (Combined Region) 1 month 12 months		
₹ Total Nonfarm	1,153,000	1,182,600	2,335,600	+ 0.5%	+ 3.2%	
Construction	49,300	47,600	96,900	+ 1.8%	+ 6.6%	
Manufacturing	177,300	38,500	215,800	+ 0.1%	+ 2.9%	
₹ Retail Trade	84,600	78,100	162,700	- 0.4%	- 1.2%	
Information	99,200	91,000	190,200	+ 1.3%	+ 10.0%	
> Professional & Business Services	240,900	296,200	537,100	+ 0.3%	+ 3.3%	
Educational Services	48,600	29,400	78,000	- 0.3%	+ 0.6%	
Health Care & Social Assistance	127,800	115,300	243,100	- 0.1%	+ 3.0%	
Leisure & Hospitality	108,700	149,900	258,600	+ 1.8%	+ 3.2%	
Government	102,100	133,600	235,700	+ 0.3%	+ 1.9%	
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NOTE: San José MSA (San José-Sunnyvale-Santa Clara Metropolitan Statistical Area) = Santa Clara and San Benito Counties San Francisco MD (San Francisco-Redwood City-South San Francisco Metropolitan Division) = San Mateo and San Francisco Counties

Source: California Employment Development Department, LMID

CHANGE	Labor Force by NOVA Jurisdiction — Santa Clara County (partial) + San Mateo County (complete)									
Z	Labor Force			Unemployment			Unemployment Rate			
王		May 2018	May 2019	Change	May 2018	May 2019	Change	May 2018	May 2019	Change
	Santa Clara County	1,042,100	1,051,000	+ 0.9%	23,400	22,200	- 5.1%	2.2%	2.1%	- 0.1
A U	Cupertino	29,800	30,000	+ 0.7%	700	600	- 14.3%	2.3%	1.9%	- 0.4
ANNUAL	Los Altos	14,800	14,900	+0.7%	300	300	0.0%	2.1%	2.0%	- 0.1
A	Milpitas	41,500	41,900	+ 1.0%	1,000	1,000	0.0%	2.4%	2.4%	0.0
ంర	Mountain View	51,200	51,600	+ 0.8%	900	800	- 11.1%	1.7%	1.6%	- 0.1
В	Palo Alto	35,800 〈	36,000	+ 0.6%	700	600	- 14.3%	1.9%	1.6%	- 0.3
FORCE	Santa Clara	69,800	70,400	+ 0.9%	1,500	1,400	-6.7%	2.1%	1.9%	- 0.2
F	Sunnyvale	87,400	88,100	+ 0.8%	1,700	1,600	- 5.9%	1.9%	1.8%	- 0.1
OR	San Mateo County	449,700	458,100	+ 1.9%	8,500	8,000	- 5.9%	1.9%	1.7%	- 0.2
LABOR	NOVA Region	780,000	791,000	+ 1.4%	15,300	14,300	- 6.5%	2.0%	1.8%	- 0.2
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NOTE: NOVA Region consists of seven cities in Northern Santa Clara County and the entirety of San Mateo County

Source: California Employment Development Department, LMID

May 2019 Events			WARN SUMMARY
Company	Location	# Affected	Events YTD†: 76
Black Angus Steakhouse Charlotte Russe	Sunnyvale San Bruno	20 12	Individuals Affected YTD: 4,758
Core-Mark O Intel Corp.	South San Francisco Santa Clara	18 108	Individuals
Instacart	San Mateo	41	Previous YTD [‡] : 5,036
Marvell Semiconductor Office Depot	Santa Clara Sunnyvale	6 15	* WARN: Worker Adjustment and Retraining Notification
Payless Shoesource SAP	Multiple cities South San Francisco	37 94	(notice of mass layoff or closure) † YTD: Year to Date (Program year light Procent)
Verity Health	Daly City	5	(Program year: July 1–Present) * Previous YTD: (Same date range as YTD, one year prior)
<u>«</u>	Total	356	(Same date range as 115, one year prior)