



Meeting the Moment



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How representative is ADP employment data?



Industry comparison

March 2025

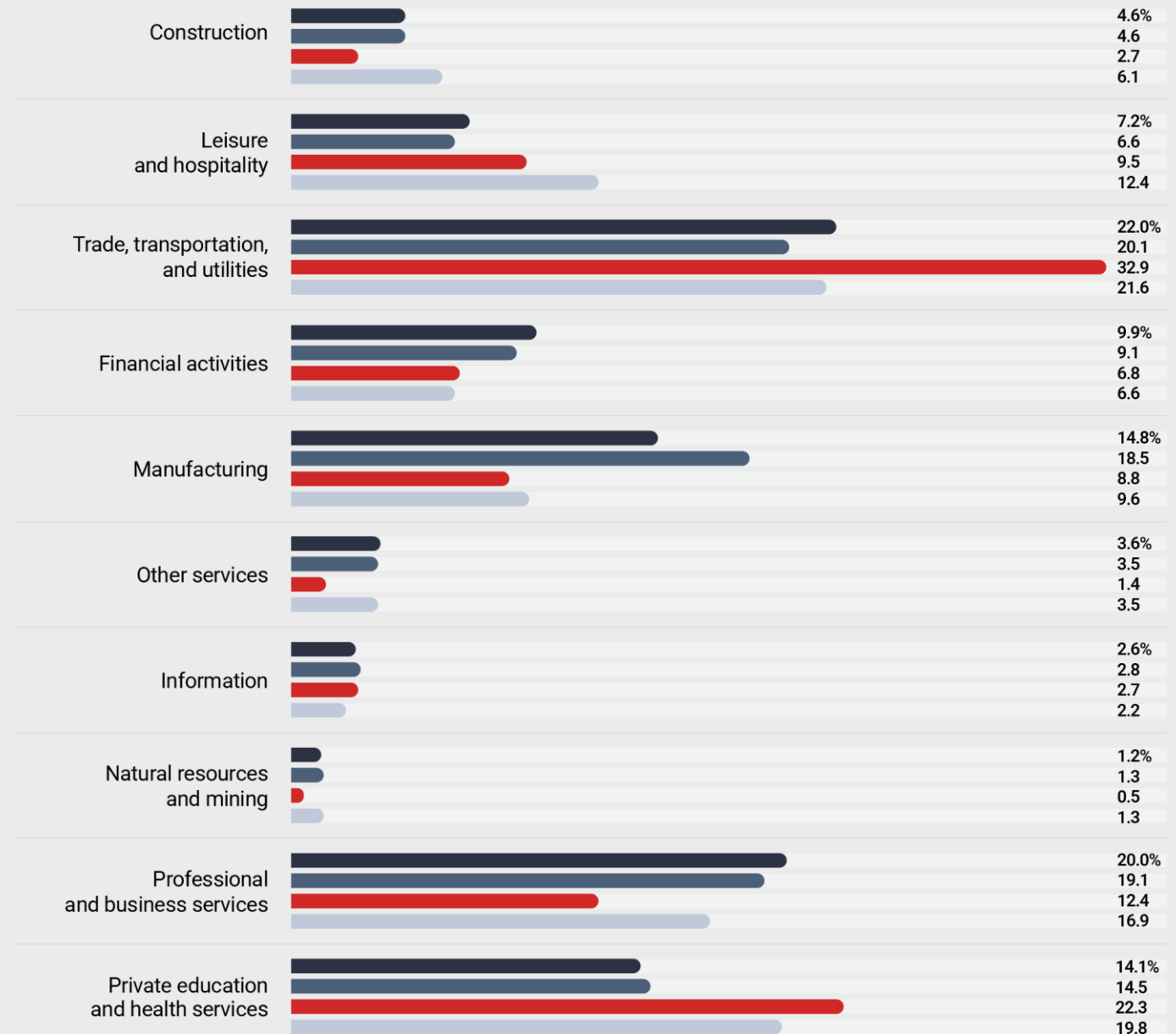
Share of overall sample,
March 2025

■ ADP active employment

■ ADP paid employment

■ BLS paid employment

■ QCEW paid employment



Sources: ADP Research, BLS, and author calculations

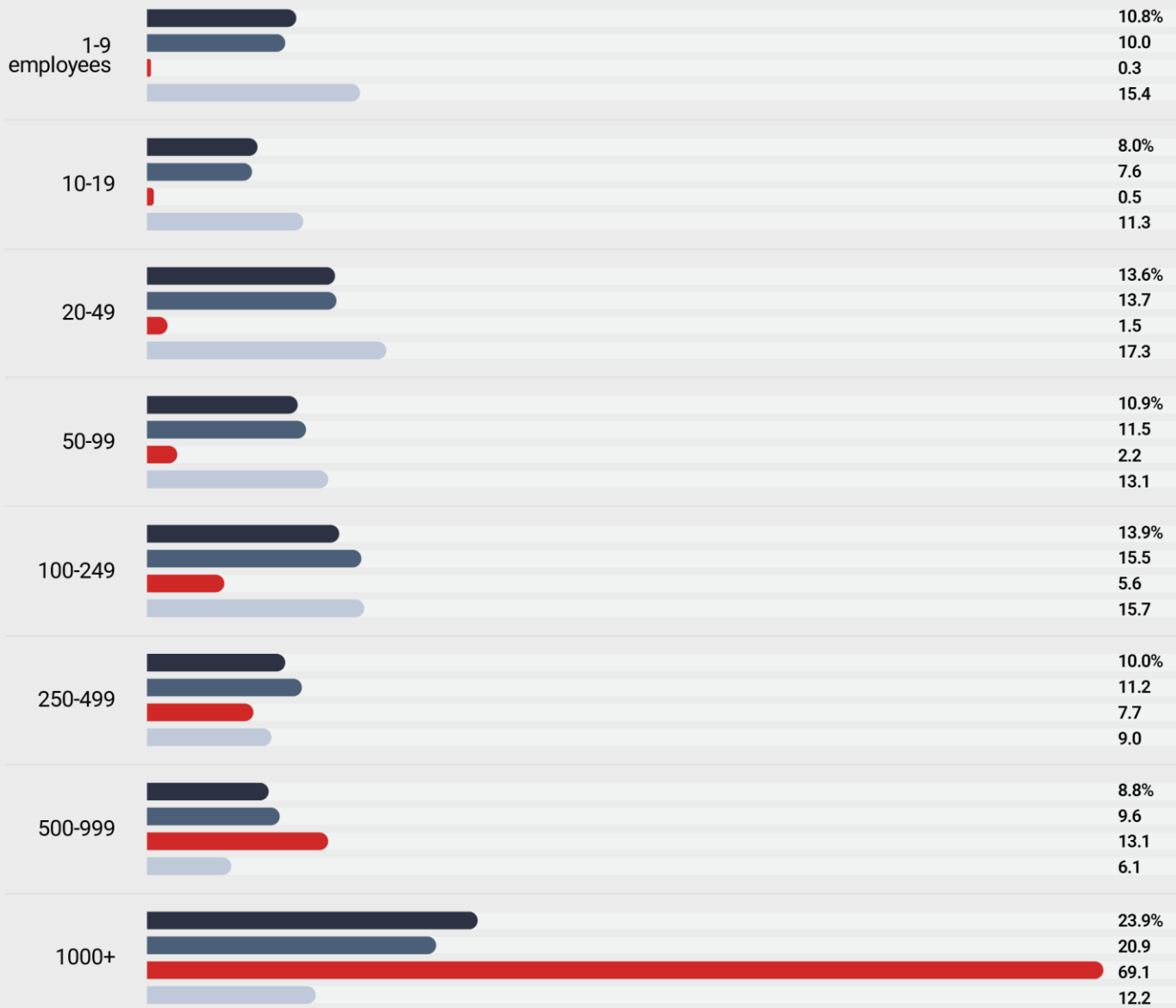
Establishment size comparison

March 2025

Share of overall sample,
March 2025

- ADP active employment
- ADP paid employment
- BLS paid employment
- QCEW paid employment

Sources: ADP Research, BLS, and author calculations



BLS and ADP

Original and revised BLS and ADP data from January to June 2025.

	BLS		ADP	
	Original	Revised	Original	Revised
2025-01	143,000	111,000	183,000	186,000
2025-02	151,000	102,000	77,000	84,000
2025-03	228,000	120,000	155,000	147,000
2025-04	177,000	158,000	62,000	60,000
2025-05	139,000	19,000	37,000	29,000
2025-06	147,000	-13,000	-33,000	-23,000
Total	985,000	497,000	481,000	483,000

	Employment (1000s)	
	Original	Revised
BLS	985	497
ADP	481	483
Difference	504	14

Slowing employment growth

2024-2034

U.S. employment will grow by just 0.4 percent annually over the next 10 years ...

0.3%

2013-2023

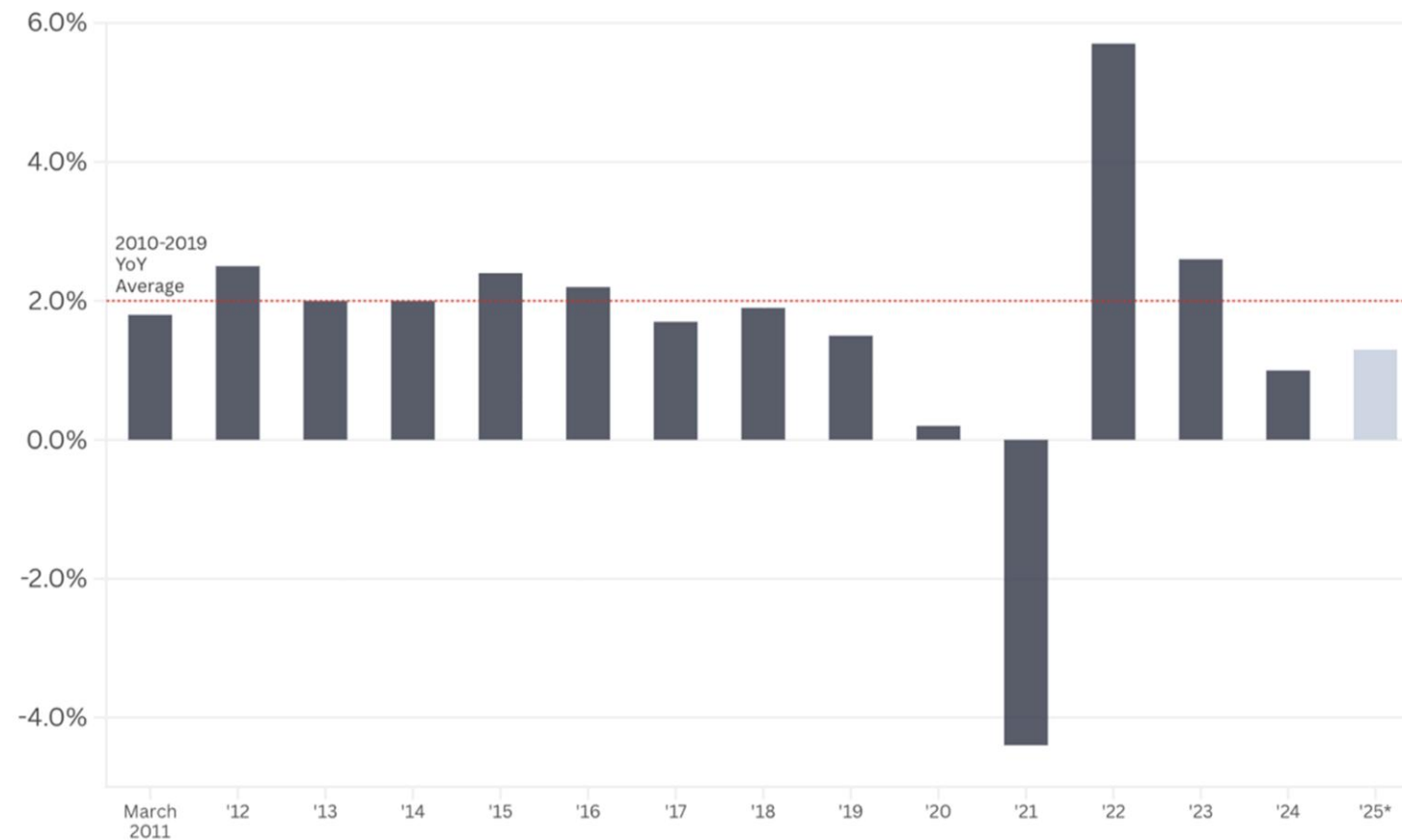
... just a fraction of the average 1.3 percent annual growth of the previous decade.

1.3%

How slow is too slow?

Year-over-year change in private-sector employment

March 1, 2011 - March 1, 2025



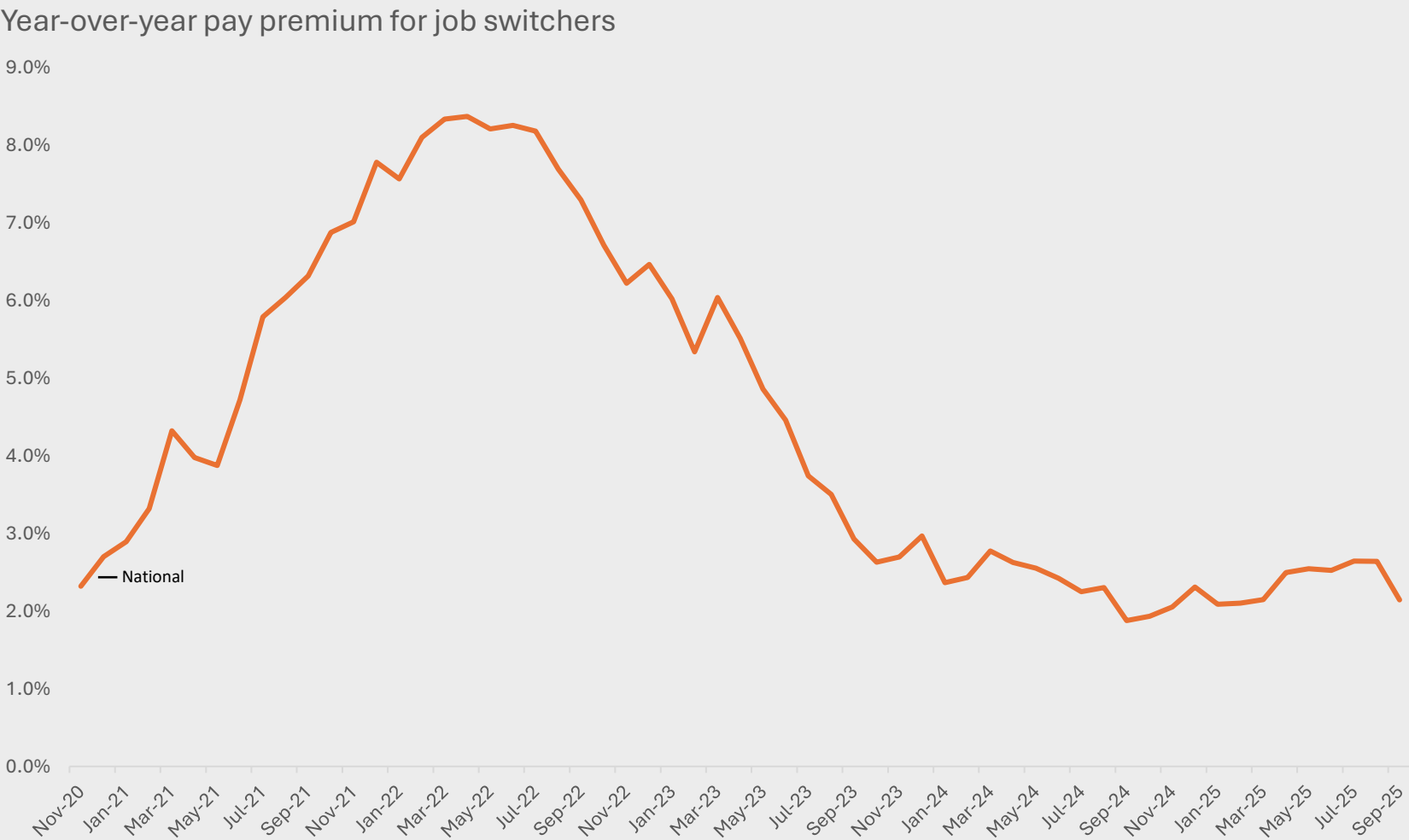
Source: ADP National Employment Report • *March 2025 data not yet benchmarked to the OCEW

ADP Research

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Modest pay returns to job switching

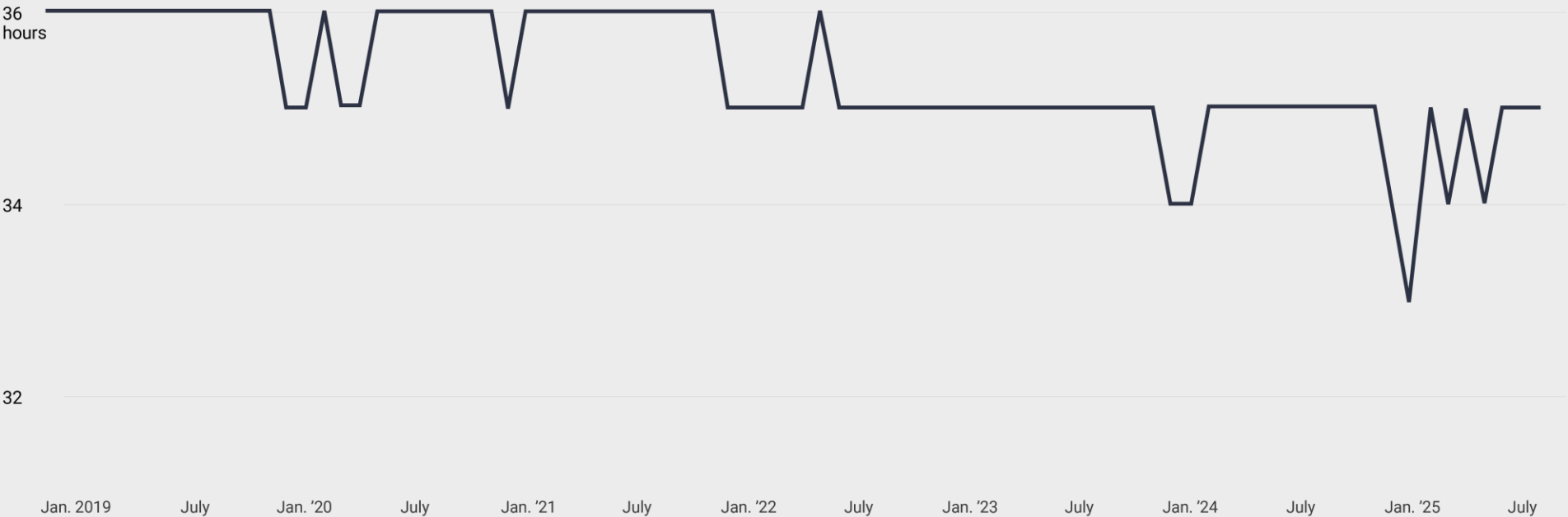
The pay premium for switching jobs is at a five-year low.



People are working less

Weekly
hours worked

**WORKERS ARE
PUTTING IN
FEWER HOURS**
Nov. 2018-Aug. 2025

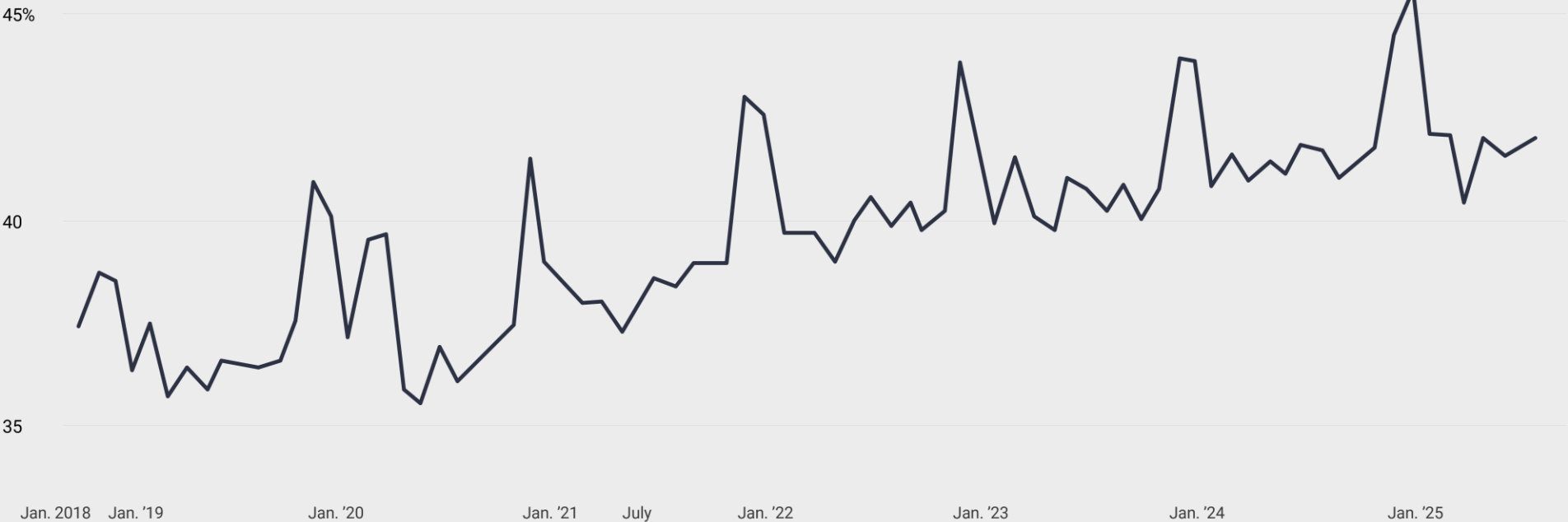


Source: ADP payroll data

More part-time job creation

The part-time share of workers is increasing

PART-TIME WORKERS
In percent, <35 hours weekly

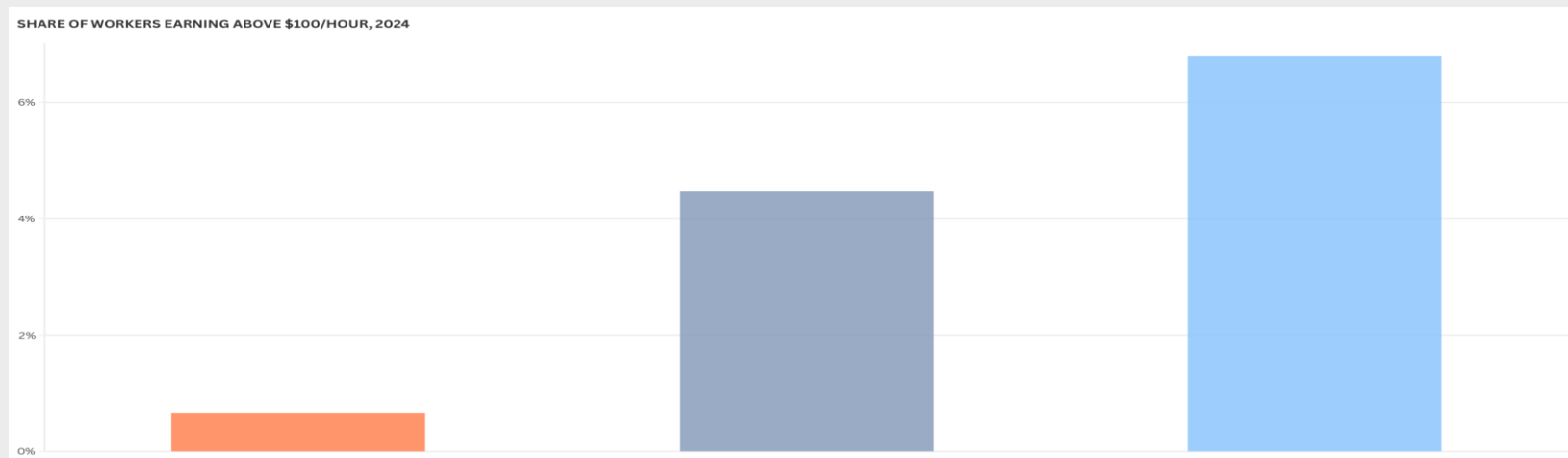
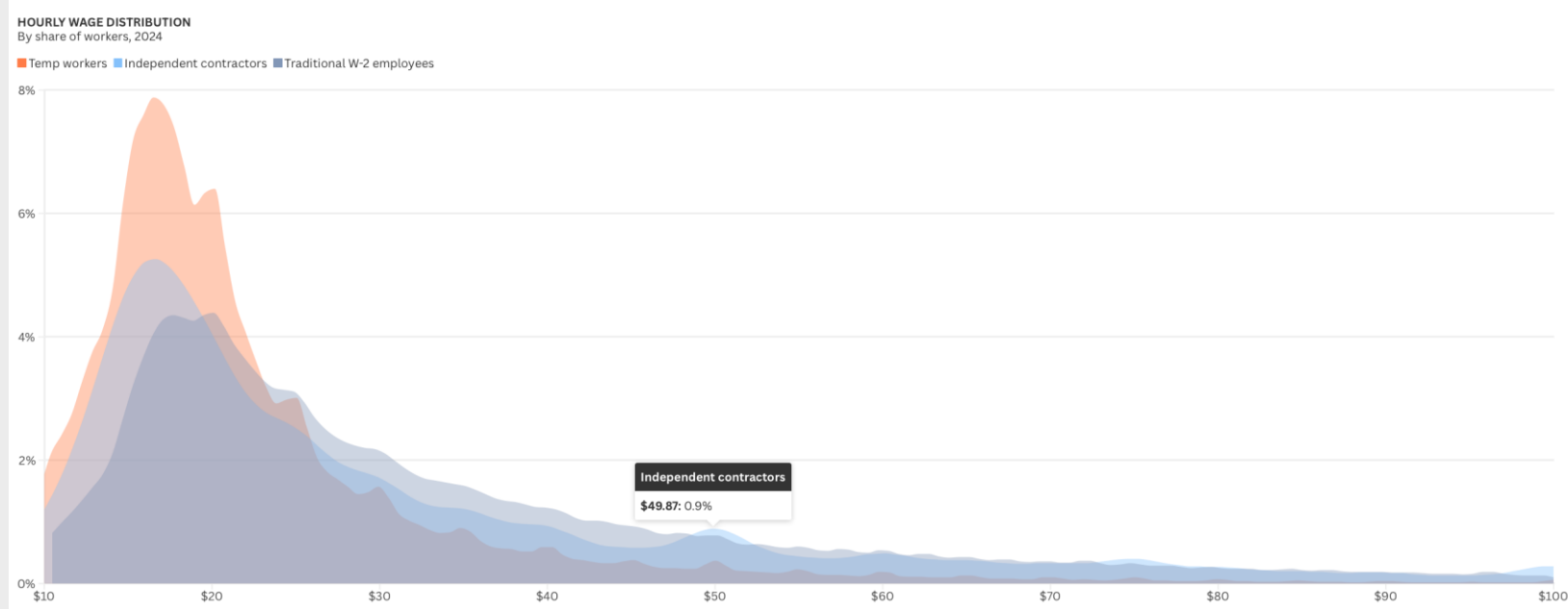


Source: ADP payroll data

The gigeconomy

A tale of two labor markets

Independent contractors are growing as a share of total employment, while temp workers become less prevalent.



A lop-sided pay distribution.

Gig workers range from highly paid specialist to less-skilled, lower paid task workers.

Meeting the Moment: ADP's new weekly labor-market pulse

As the economy undergoes long-term structural change driven by AI, demographics, and short-term business cycle fluctuations, our high-frequency NER pulse will provide a near real-time view of job creation and loss.



ADP's new weekly labor-market pulse

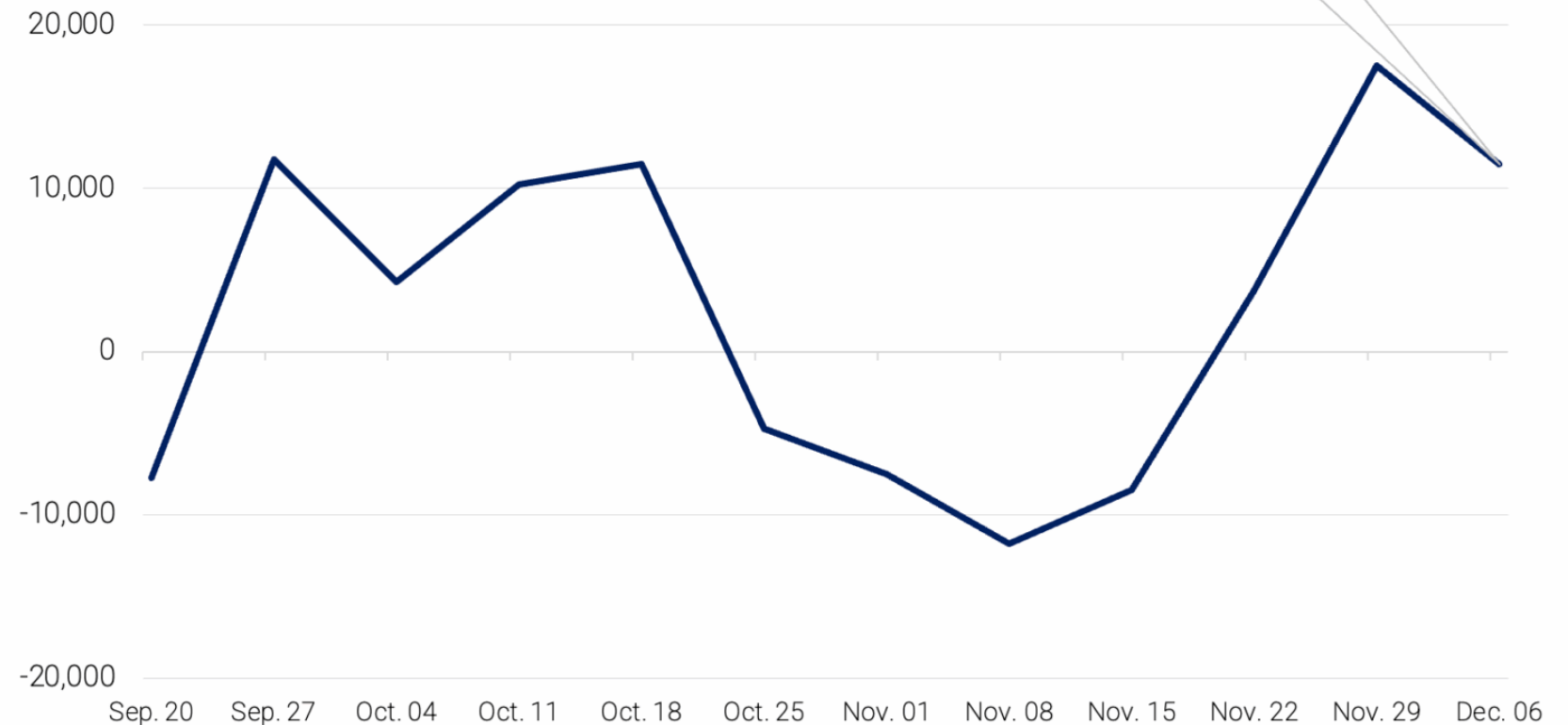
For the four weeks ending December 6, the NER pulse shows that private employers added an average of 11,500 jobs per week.

Not out of the woods

The labor market struggled to produce jobs consistently in recent weeks

The NER Pulse

Four-week moving average of private-sector job creation



Source: ADP payroll data

Where we're going: Skills in the era of AI and aging

Upskilling research



Based on the job histories of 51 million U.S. workers between January 2019 and February 2023.



We define upskilling as moving up at least one O*NET Job Zone from one month to the next.



We compared wages at each skill level to the skill level beneath it, and to the lowest skill level.

Where we're going: Skills in the era of AI and aging

Workforce investment

The value of upskilling by gender

When moving between job zones:



Men see a 44% wage premium



Women see a 30% premium

On average, the median wage is

37%

higher for each job zone level.

For highly complex jobs, the median wage rises:



44% for men who are upskilled

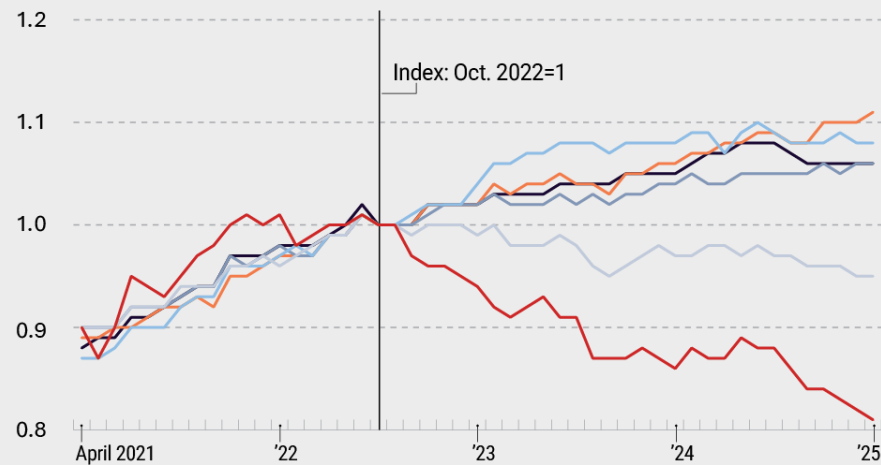


Just 15% for women who are upskilled

Where we're going: Skills in the era of AI and aging

Employment for early career software developers and customer service workers fell dramatically after the release of AI tools.

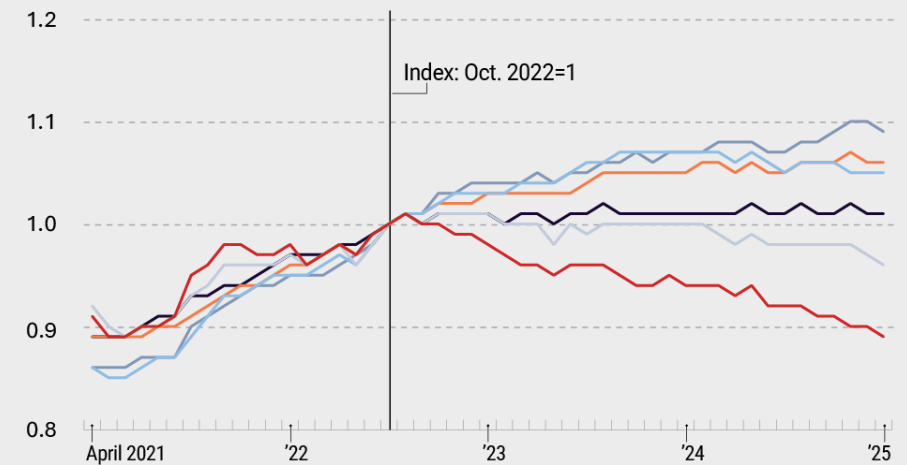
SOFTWARE DEVELOPERS (normalized), April 2021-'25



- Early Career 1 (age: 22-25)
- Early Career 2 (26-30)
- Developing (31-34)
- Mid-Career 1 (35-40)
- Mid-Career 2 (41-49)
- Senior (50+)

Source: ADP payroll data;
Stanford Digital Economy Lab

CUSTOMER SERVICE (normalized), April 2021-'25



Where we're going: Skills in the era of AI and aging

Employment for young home health aides, whose jobs have little exposure to the technology, was unaffected.

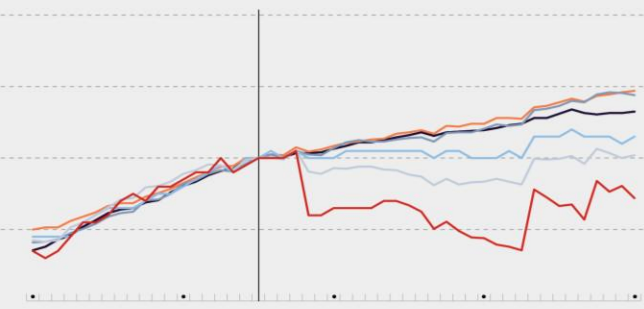
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Source: ADP payroll data;
Stanford Digital Economy Lab

FIRST-LINE PRODUCTION SUPERVISORS (normalized), April 2021-'25



MARKETING AND SALES MANAGERS (normalized), April 2021-'25



HEALTH AIDES (normalized), April 2021-'25



STOCK CLERKS (normalized), April 2021-'25



Where we're going: Meeting the moment

Key takeaways



The labor market is being transformed by AI, demographic change, and short-term business cycle fluctuations.



High-frequency data can tell us whether; a dip in hiring is just a bump in the road or something more. It can help us spot labor market weakness — or approaching recoveries. It can lead us to a deeper understanding of business cycles.



Technology is likely to change business functions and hiring needs at lightning speed.

Thank you

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