Increasingly diverse job markets are seeing lower unemployment

While the diversity of job listings can indicate a lot about the health of a job market and its economy, when paired with other external measures like unemployment, a richer picture is revealed. In our Q1 2019 Job Market Diversification Report, we explored changes in job market diversification scores in relation to changes in the unemployment rate and found an interesting relationship emerge.

REPORT HIGHLIGHTS

Job market diversification linked to unemployment

As job market diversification scores increase, an area's unemployment rate falls, and conversely when scores decrease, unemployment rises. [page 2]

Las Vegas wins in job market diversification gains

Despite having consistently low job market diversification scores, Las Vegas is seeing some of the biggest score gains year-over-year. [page 3]

New Orleans saw biggest negative change YoY

While New Orleans saw a 7% increase in job openings since last year, gains were dominated by just three occupations. [page 3]

Most diverse job market in Q1: Buffalo

The top five most diverse job markets in Q1 was a familiar list, however for the first time Buffalo, NY topped Salt Lake City as the most diverse job market. [page 4]

Higher job market diversification means a lower unemployment:

▲ If JMDR score increases, then unemployment decreases

▼ If JMDR score decreases, then unemployment increases

MSAs with the most change YoY:

Most diversified job markets in Q1:
- Large: Buffalo, NY
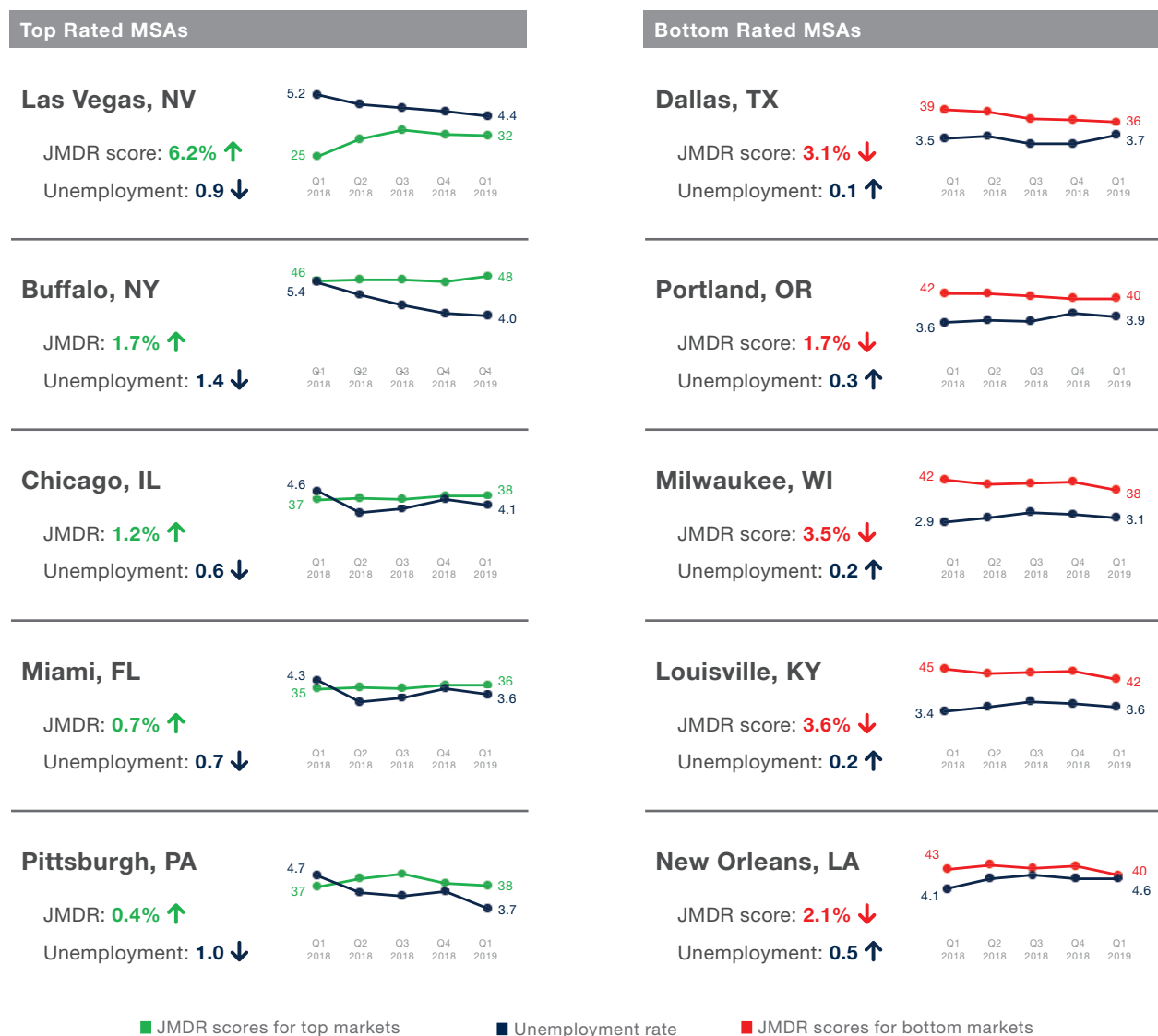- Mid: Spokane, WA
- Small: Salisbury, MD

Least diversified job markets in Q1:
- Large: Las Vegas, NV
- Mid: Columbia, SC
- Small: Springfield, MO

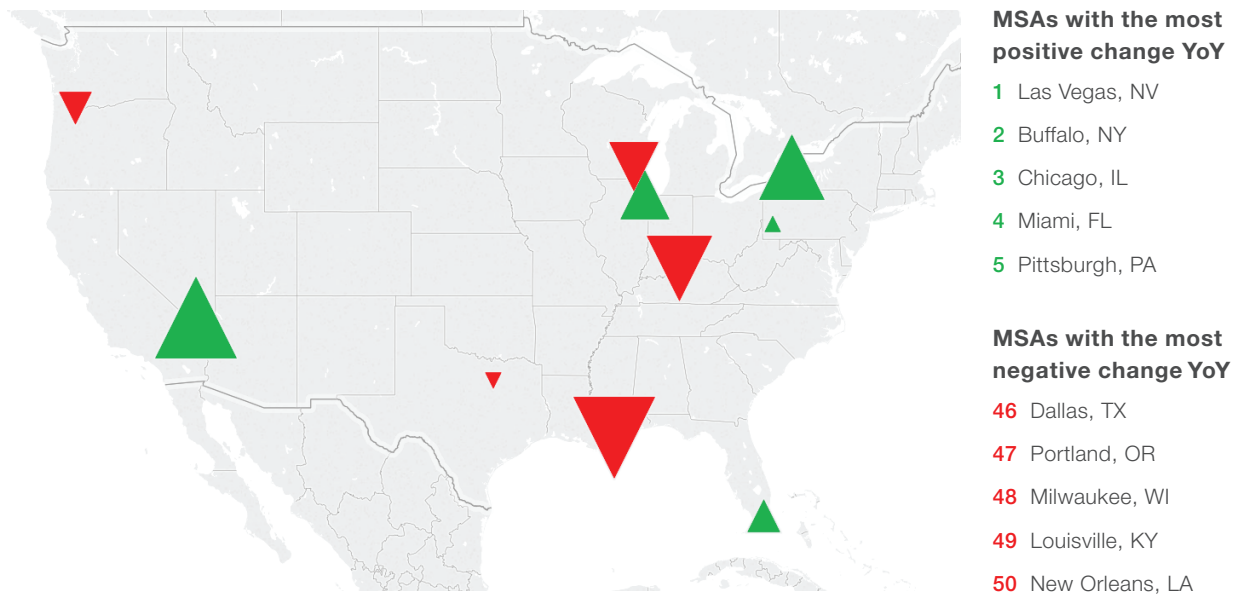## Increasingly diverse job markets see dropping unemployment

The unemployment rate is a common measure of economic health, and there are many factors that contribute to it. Education, automation, and demographics among other things, all influence an area's ability to employ its available labor force. The job market diversity of a region is another less considered factor affecting unemployment.

We have found that as job market diversification increases in a Metropolitan Statistical Areas (MSA), the unemployment rate decreases. Conversely, as a market's JMDR score declines, their unemployment rate increases. We looked to see which of the largest 50 MSAs were showing the most positive and negative changes in JMDR score and unemployment from Q1 2018 to Q1 2019.

Top Rated MSAs		Bottom Rated MSAs	

Las Vegas, NV

JMDR score: **6.2%** ↑
Unemployment: **0.9** ↓

Dallas, TX

JMDR score: **3.1%** ↓
Unemployment: **0.1** ↑

Buffalo, NY

JMDR: **1.7%** ↑
Unemployment: **1.4** ↓

Portland, OR

JMDR score: **1.7%** ↓
Unemployment: **0.3** ↑

Chicago, IL

JMDR: **1.2%** ↑
Unemployment: **0.6** ↓

Milwaukee, WI

JMDR score: **3.5%** ↓
Unemployment: **0.2** ↑

Miami, FL

JMDR: **0.7%** ↑
Unemployment: **0.7** ↓

Louisville, KY

JMDR score: **3.6%** ↓
Unemployment: **0.2** ↑

Pittsburgh, PA

JMDR: **0.4%** ↑
Unemployment: **1.0** ↓

New Orleans, LA

JMDR score: **2.1%** ↓
Unemployment: **0.5** ↑

■ JMDR scores for top markets   ■ Unemployment rate   ■ JMDR scores for bottom markets

MSAs that saw the biggest change YoY

We track JMDR scores each quarter to get a feel for which MSAs have the most diverse job markets at any given time. But even more importantly, we track the trajectory of these MSAs and how their job market diversification is trending over time. By factoring in unemployment as well, we can see a fuller picture of an area's job market.

MSAs with the most positive change YoY

1 Las Vegas, NV

2 Buffalo, NY

3 Chicago, IL

4 Miami, FL

5 Pittsburgh, PA

MSAs with the most negative change YoY

46 Dallas, TX

47 Portland, OR

48 Milwaukee, WI

49 Louisville, KY

50 New Orleans, LA

Las Vegas is consistently the big winner in positive change
While Las Vegas routinely has one of the lowest JMDR scores among large markets, it has also had some of the biggest gains quarter to quarter. Las Vegas' score has improved 6 points from Q1 2018 to Q1 2019. One driver of this increase had been the Clark County School District, which had almost twice as many job openings as the next highest company. This "monopoly" of sorts on job listings caused Las Vegas to consistently have a low JMDR score. However, Clark County School District has dramatically reduced its number of job openings throughout 2018. As a result, Las Vegas is still very dependent on Clark County Schools for job openings but that dependency has eased up.

Job growth in New Orleans would be more impactful if it was more evenly distributed
Consistently increasing job openings is a great sign for an MSA and its economy, but ideally that growth is balanced across companies and sectors. One thing all five MSAs on the bottom have in common is a few companies, occupations, or sectors that are growing much faster than the MSA overall. In New Orleans for example, job openings have increased 7% from Q1 2018 to Q1 2019. However, several O*NET occupations dominate that increase, such as Nursing Assistants (+40%), Pharmacy Technicians (+42%), and Software Developers, Applications (+114%). As New Orleans becomes more dependent on fewer occupations, its JMDR score will continue to decrease, and we expect unemployment will continue to slowly increase.

Q1 RESULTS: LARGE MARKETS (POPULATION > 1,100,000)

In Q1 2019 we saw some familiar MSAs pop to the top of the JMDR standings, including Salt Lake City, which has held the top spot as the most diversified job market since Q1 2018. In Q1 it did drop in the rankings, and is now the forth most diversified job market, tied with Oklahoma City. This decline in score was due in part to a 36% increase in job listings at University of Utah, giving it a bigger share of all hiring activity.

MOST DIVERSIFIED JOB MARKETS		LEAST DIVERSIFIED JOB MARKETS	
MARKET	2019 Q1 SCORE	MARKET	2019 Q1 SCORE
1 Buffalo, NY	47.6	46 New York, NY	34.9
2 Austin, TX	45.0	47 San Jose, CA	34.5
3 Oklahoma City, OK	44.5	48 Washington D.C.	34.5
4 Salt Lake City, UT	44.5	49 Detroit, MI	33.2
5 Sacramento, CA	44.4	50 Las Vegas, NV	31.9

The only Q4 2018 MSA to drop off the top five list this quarter was New Orleans. As mentioned previously, New Orleans saw the biggest drop in score last quarter because it has become more dependent on just a few occupations. This made room for Austin to jump back into the top five in Q1.

In terms of the least diverse job markets, Detroit fell back into the bottom five due to Fiat Chrysler adding 500 job openings and adding to the already heavy manufacturing sector. Washington D.C. dropped into the bottom five for the first time after the already dominant professional, scientific, and technical services sector saw an 8% increase in job listings.

APPENDIX A: LARGE MARKET JOB MARKET DIVERSIFICATION DATA (POPULATION > 1,100,000)

Q1 2019 RANK	MSA	POPULATION	Q1 2018	Q2 2018	Q3 2018	Q4 2018	Q1 2019	UNEMPLOYMENT RATE
1	Buffalo-Niagara Falls, NY	1,136,856	45.5	46.0	46.6	45.5	47.6	1
2	Austin-Round Rock, TX	2,115,827	44.6	43.4	44.6	43.7	45.0	32
3	Oklahoma City, OK	1,383,737	45.0	44.9	45.0	43.8	44.5	12
4	Salt Lake City-Ogden, UT	1,203,105	48.4	49.3	47.6	46.5	44.5	21
5	Sacramento-Arden-Arcade-Roseville, CA	2,324,884	36.7	40.2	41.2	44.8	44.4	40
6	Jacksonville, FL	1,504,980	40.9	43.7	44.4	43.5	43.4	26
7	Raleigh-Durham-Chapel Hill, NC	1,335,079	42.2	43.9	44.2	43.3	42.9	15
8	Tampa-St. Petersburg-Clearwater, FL	3,091,399	37.9	36.5	34.6	33.5	42.4	25
9	San Diego-Carlsbad-San Marcos, CA	3,337,685	38.6	41.2	42.5	43.2	42.1	41
10	Denver-Aurora, CO	2,888,227	41.5	41.7	42.0	42.2	41.9	50
11	Louisville/Jefferson County, KY-IN	1,293,953	45.1	45.1	44.1	41.0	41.5	44
12	San Francisco-Oakland-Fremont, CA	4,727,357	40.1	43.1	42.7	39.1	41.2	38
13	Providence-New Bedford-Fall River, RI-MA	1,621,122	41.2	41.9	39.9	41.2	41.1	5
14	New Orleans-Metairie-Kenner, LA	1,275,762	42.3	43.6	43.2	43.8	40.4	49
15	Nashville-Davidson-Murfreesboro-Franklin, TN	1,903,045	41.7	42.5	40.9	40.8	40.3	20
16	Birmingham-Hoover, AL	1,149,807	36.4	41.9	41.2	42.9	40.1	36
17	Phoenix-Mesa-Scottsdale, AZ	4,737,270	39.5	41.0	41.0	40.1	40.0	45
18	Portland-Vancouver-Beaverton, OR-WA	2,453,168	41.7	41.6	41.1	39.0	40.0	46
19	Cleveland-Elyria-Mentor, OH	2,058,844	37.5	39.8	38.1	38.0	39.5	27
20	San Antonio, TX	2,473,974	40.9	41.0	40.9	38.8	39.4	35
21	Virginia Beach-Norfolk-Newport News, VA	1,725,246	37.1	38.8	40.1	40.1	39.3	17
22	Cincinnati-Middletown, OH-KY-IN	2,179,082	41.5	41.6	40.8	40.7	39.2	42
23	Indianapolis-Carmel, IN	2,028,614	36.4	39.3	39.5	39.0	38.7	48
24	Minneapolis-St. Paul-Bloomington, MN-WI	3,600,618	39.1	37.9	37.2	36.8	38.7	34
25	Kansas City, MO-KS	2,128,912	38.4	38.2	39.0	40.8	38.7	22
26	Houston-Sugar Land-Baytown, TX	6,892,427	40.8	42.7	40.9	39.5	38.7	13
27	Los Angeles-Long Beach-Santa Ana, CA	13,353,907	38.4	38.1	37.1	36.8	38.6	33
28	Richmond-Petersburg, VA	1,294,204	37.6	37.9	37.7	38.1	38.6	14
29	Memphis, TN-AR-MS	1,348,260	47.4	45.5	43.7	39.8	38.4	28
30	Milwaukee-Waukesha-West Allis, WI	1,576,236	41.9	40.4	42.1	41.2	38.2	43
31	Chicago-Naperville-Joliet, IL-IN-WI	9,533,040	37.0	37.5	37.2	38.1	38.2	7
32	Pittsburgh, PA	2,333,367	37.3	39.0	40.2	38.2	37.9	2
33	Hartford-West Hartford-East Hartford, CT	1,210,259	44.0	43.3	40.4	40.9	37.6	8
34	Charlotte-Gastonia-Concord, NC-SC	2,525,305	36.6	40.0	39.7	36.9	37.2	9
35	Seattle-Tacoma-Bellevue, WA	3,867,046	36.7	35.4	35.3	34.5	37.0	24
36	Columbus, OH	2,078,725	37.1	38.1	37.5	37.2	36.9	47
37	St. Louis, MO-IL	2,807,338	36.5	37.8	38.9	37.3	36.8	37
38	Riverside-San Bernardino-Ontario, CA	4,580,670	36.9	38.3	38.8	37.1	36.7	29
39	Baltimore-Towson, MD	2,808,175	36.0	37.0	37.4	37.6	36.4	10
40	Boston-Cambridge-Quincy, MA-NH	4,836,531	39.8	38.1	38.9	37.3	36.0	11
41	Miami-Fort Lauderdale-Pompano Beach, FL	6,158,824	34.9	35.9	34.6	33.3	35.8	6
42	Dallas-Fort Worth-Arlington, TX	7,399,662	38.6	38.1	36.3	36.0	35.7	39
43	Atlanta-Sandy Springs-Marietta, GA	5,884,736	36.9	37.6	36.5	37.1	35.6	18
44	Philadelphia-Camden-Wilmington, PA-NJ-DE	6,096,120	39.1	39.1	37.1	36.5	35.3	4
45	Orlando-Kissimmee, FL	2,509,831	37.1	37.9	38.5	36.0	35.0	23
46	New York-North New Jersey-Long Island, NY-NJ	20,320,876	34.4	34.5	33.9	32.9	34.9	16
47	San Jose-Sunnyvale-Santa Clara, CA	1,998,463	34.7	33.7	34.8	31.3	34.5	30
48	Washington-Arlington-Alexandria, DC-VA	6,216,589	34.1	34.6	34.1	33.9	34.5	19
49	Detroit-Warren-Livonia, MI	4,313,002	32.4	33.0	32.1	34.6	33.2	31
50	Las Vegas-Paradise, NV	2,204,079	25.4	30.8	33.4	32.2	31.9	3

JOB MARKET DIVERSIFICATION REPORT: Q1 2019

APPENDIX B: MID MARKET JOB MARKET DIVERSIFICATION DATA (POPULATION 545,000 - 1,100,000)

Q1 2019 RANK	MSA	POPULATION	Q1 2018	Q2 2018	Q3 2018	Q4 2018	Q1 2019
1	Spokane, WA	564,236	52.4	56.3	56.1	56.5	55.3
2	Provo-Orem, UT	617,675	55.8	55.5	53.2	51.3	55.2
3	Scranton--Wilkes-Barre--Hazleton, PA	555,426	50.9	52.8	49.4	51.9	54.1
4	Omaha-Council Bluffs, NE-IA	933,316	35.9	47.5	48.0	49.6	51.5
5	Stockton-Lodi, CA	745,424	50.5	52.5	50.0	47.4	50.0
6	Bridgeport-Stamford-Norwalk, CT	949,921	51.9	50.7	50.4	52.9	49.9
7	Honolulu, HI	988,650	46.3	47.6	47.1	46.5	49.0
8	Greensboro-High Point, NC	761,184	48.3	48.9	49.4	48.4	48.8
9	Winston-Salem, NC	667,733	35.3	38.0	43.4	47.9	48.7
10	Greenville-Mauldin-Easley, SC	895,923	44.6	47.7	47.8	47.6	48.6
11	Oxnard-Thousand Oaks-Ventura, CA	854,223	52.2	51.7	51.8	51.2	48.4
12	Boise City-Nampa, ID	709,845	43.7	45.6	49.6	47.8	48.3
13	Baton Rouge, LA	834,159	45.1	49.7	47.9	49.5	48.0
14	Chattanooga, TN-GA	556,548	47.8	46.5	44.2	46.5	47.6
15	Lakeland-Winterhaven, FL	686,483	48.1	50.5	50.5	48.5	47.3
16	Akron, OH	703,505	40.5	41.2	37.1	44.5	47.1
17	Augusta-Richmond County, GA-SC	600,151	46.7	47.7	47.2	47.7	46.9
18	New Haven-Bridgeport-Stamford-Danbury, CT	860,435	50.5	50.6	48.5	49.1	46.7
19	Deltona-Daytona Beach-Ormond Beach, FL	649,202	43.5	46.2	51.0	45.4	46.7
20	Harrisburg-Carlisle, PA	571,903	34.3	33.5	32.5	36.0	46.3
21	Charleston-North Charleston, SC	775,831	49.1	47.7	48.8	49.9	45.7
22	Colorado Springs, CO	723,878	48.5	47.8	47.7	48.2	45.5
23	Sarasota-Bradenton-Venice, FL	804,690	47.1	47.9	44.6	45.0	45.3
24	Bakersfield, CA	893,119	47.3	48.1	46.1	43.5	45.2
25	Albuquerque, NM	910,726	43.4	44.0	43.2	44.4	45.0
26	Tulsa, OK	990,706	46.1	50.1	50.9	49.9	44.5
27	Madison, WI	654,230	44.3	46.2	44.9	43.8	44.2
28	Cape Coral-Fort Myers, FL	739,224	48.3	49.6	49.1	48.3	43.8
29	Wichita, KS	645,628	45.4	46.2	47.2	46.3	43.6
30	Des Moines-West Des Moines, IA	645,911	41.7	40.8	39.5	41.5	43.4
31	El Paso, TX	844,818	41.3	43.5	45.9	43.7	42.6
32	Modesto, CA	547,899	50.3	49.8	47.6	40.0	42.4
33	Knoxville, TN	877,104	41.3	42.6	41.1	42.4	42.2
34	Jackson, MS	578,715	45.1	47.8	46.3	44.3	41.9
35	Toledo, OH	603,668	40.6	43.9	43.2	40.3	41.7
36	Grand Rapids-Wyoming, MI	1,059,113	41.9	44.0	43.5	43.1	41.3
37	Little Rock-North Little Rock-Conway, AR	738,344	37.6	39.4	41.6	41.3	41.1
38	Allentown-Bethlehem-Easton, PA-NJ	840,550	32.8	37.3	34.4	36.5	41.1
39	Fresno, CA	989,255	45.8	50.2	49.3	43.4	41.0
40	Syracuse, NY	654,841	43.0	46.7	44.9	42.2	40.4
41	Albany-Schenectady-Troy, NY	886,188	41.4	43.5	42.0	41.8	39.7
42	Dayton-Springfield, OH	803,416	45.1	47.0	44.4	43.0	39.6
43	Palm Bay-Melbourne-Titusville, FL	589,162	46.0	43.9	41.8	39.8	39.5
44	Tucson, AZ	1,022,769	42.4	41.7	41.5	40.2	39.2
45	Rochester, NY	1,077,948	39.9	41.2	40.4	39.6	39.2
46	Mcallen-Edinburg-Mission, TX	860,661	43.7	39.1	39.7	36.1	35.9
47	Durham, NC	567,428	36.8	35.6	35.1	39.2	34.4
48	Worcester, MA	942,475	44.1	31.1	27.9	26.1	27.2
49	Springfield, MA	631,652	53.5	33.6	31.7	26.8	26.2
50	Columbia, SC	825,033	25.4	26.3	27.5	26.9	25.8

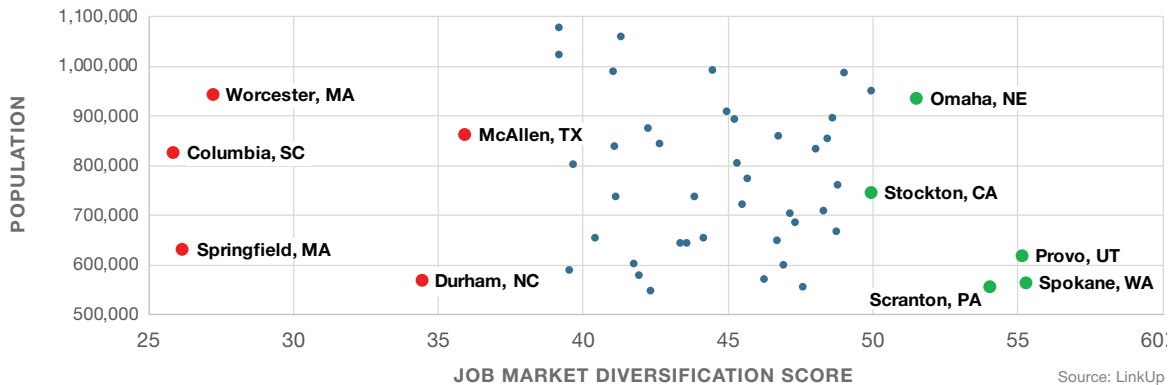## APPENDIX C: SMALL MARKET JOB MARKET DIVERSIFICATION DATA (POPULATION 338,000 - 545,000)

Q1 2019 Rank	MSA	POPULATION	Q1 2018	Q2 2018	Q3 2018	Q4 2018	Q1 2019
1	Salisbury, MD	405,853	45.5	43.0	55.7	53.6	55.5
2	Salem, OR	424,982	55.7	50.4	51.0	55.2	54.3
3	Beaumont-Port Arthur, TX	412,437	54.9	56.0	56.2	56.2	54.3
4	Lafayette, LA	491,558	49.9	51.2	50.4	50.3	54.3
5	Santa Barbara-Santa Maria-Goleta, CA	448,150	55.2	54.4	55.5	56.9	54.1
6	Anchorage, AK	400,888	51.4	50.2	50.8	52.6	53.9
7	Naples-Marco Island, FL	372,880	51.9	54.0	54.0	55.0	53.6
8	Santa Rosa-Petaluma, CA	504,217	53.1	51.3	55.7	54.2	53.2
9	Port St. Lucie, FL	473,429	49.7	52.1	52.4	52.1	53.0
10	Fort Wayne, IN	434,617	47.2	50.7	47.5	48.5	53.0
11	York-Hanover, PA	446,078	51.4	53.9	54.8	53.5	52.9
12	Vallejo-Fairfield, CA	445,458	50.3	54.1	56.0	56.7	52.5
13	Eugene-Springfield, OR	374,748	54.0	51.5	50.5	48.6	52.4
14	Savannah, GA	387,543	52.1	51.6	52.6	53.4	52.1
15	Fort Collins-Loveland, CO	343,976	51.7	49.6	50.2	50.6	50.9
16	Davenport-Moline-Rock Island, IA-IL	382,263	53.6	54.6	50.6	49.1	50.9
17	Killeen-Temple-Fort Hood, TX	443,773	41.4	51.4	50.3	53.0	50.8
18	Gulfport-Biloxi, MS	394,232	52.3	46.0	50.9	53.9	50.7
19	Corpus Christi, TX	454,008	49.6	53.6	53.0	51.7	50.6
20	Hickory-Lenoir-Morganton, NC	366,534	54.3	56.1	53.8	50.7	50.6
21	Lansing-East Lansing, MI	477,656	47.6	48.7	51.7	50.8	50.4
22	Reno-Sparks, NV	464,593	51.7	48.9	50.4	49.3	50.2
23	Brownsville-Harlingen, TX	423,725	48.9	49.9	53.0	48.0	49.7
24	Canton-Massillon, OH	399,927	45.7	47.5	49.2	46.5	49.4
25	Lancaster, PA	542,903	50.5	52.7	51.5	51.2	49.2
26	Salinas, CA	437,907	52.8	50.9	48.6	49.6	49.0
27	Asheville, NC	456,145	45.5	48.4	48.2	46.9	48.6
28	Visalia-Porterville, CA	464,493	43.8	44.6	50.3	54.7	48.1
29	Tallahassee, FL	382,627	38.9	40.8	40.3	43.0	47.9
30	Fayetteville, NC	386,662	43.9	44.6	43.1	47.4	47.9
31	Shreveport-Bossier City, LA	440,933	50.8	50.6	50.9	52.4	47.3
32	Mobile, AL	413,955	48.7	51.8	51.9	50.7	47.0
33	Myrtle Beach-Conway-North Myrtle Beach, SC	464,165	50.4	46.7	47.9	51.6	46.5
34	Manchester-Nashua, NH	409,697	49.4	46.0	46.0	45.7	45.9
35	Kalamazoo-Portage, MI	338,338	46.7	49.1	51.0	51.3	45.9
36	Trenton-Ewing, NJ	374,733	46.1	44.3	44.8	43.2	45.4
37	Reading, PA	417,854	53.7	56.5	47.4	46.2	44.8
38	Montgomery, AL	373,903	47.3	50.1	51.7	49.8	43.9
39	Flint, MI	407,385	46.5	43.9	42.3	43.6	43.9
40	Portland-South Portland-Biddeford, ME	532,083	41.7	37.7	39.9	43.2	43.8
41	Pensacola-Ferry Pass-Brent, FL	487,784	42.4	47.7	46.0	48.1	43.7
42	Huntington-Ashland, WV-KY-OH	356,474	41.8	45.3	45.5	43.9	43.0
43	Ocala, FL	354,353	44.9	46.9	48.2	42.2	41.1
44	Youngstown-Warren-Boardman, OH-PA	541,926	37.5	42.3	41.3	39.1	40.1
45	Peoria, IL	372,427	41.3	41.0	39.2	38.6	40.0
46	Ann Arbor, MI	367,627	36.6	38.4	39.6	40.2	39.0
47	Fayetteville-Springdale-Rogers, AR-M	537,463	36.6	35.9	36.5	36.0	38.8
48	Huntsville, AL	455,448	42.3	43.2	41.5	40.6	36.1
49	Lexington-Fayette, KY	512,650	36.7	37.4	39.3	41.3	35.8
50	Springfield, MO	462,369	32.5	34.1	37.5	41.6	35.1

APPENDIX D: SCATTER PLOT GRAPHS OF JOB MARKET DIVERSIFICATION DATA VS. POPULATIONS
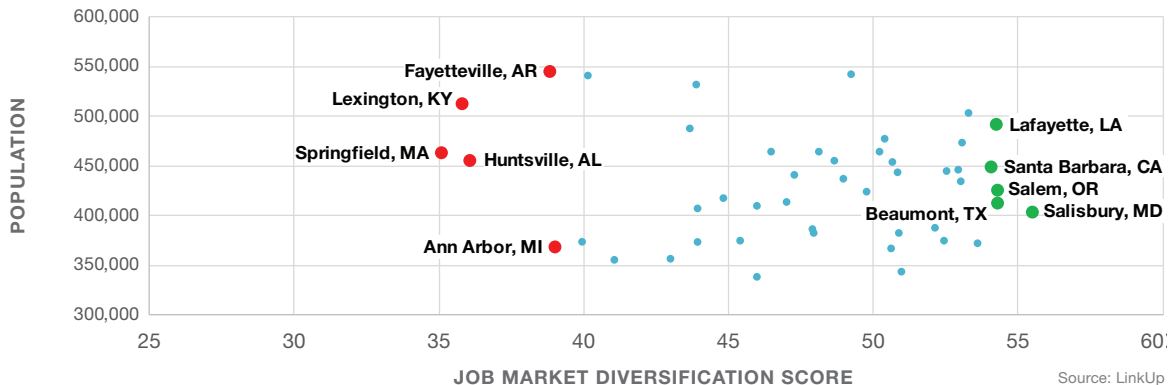
LARGE MARKET JOB MARKET DIVERSIFICATION SCORES VS. POPULATIONS
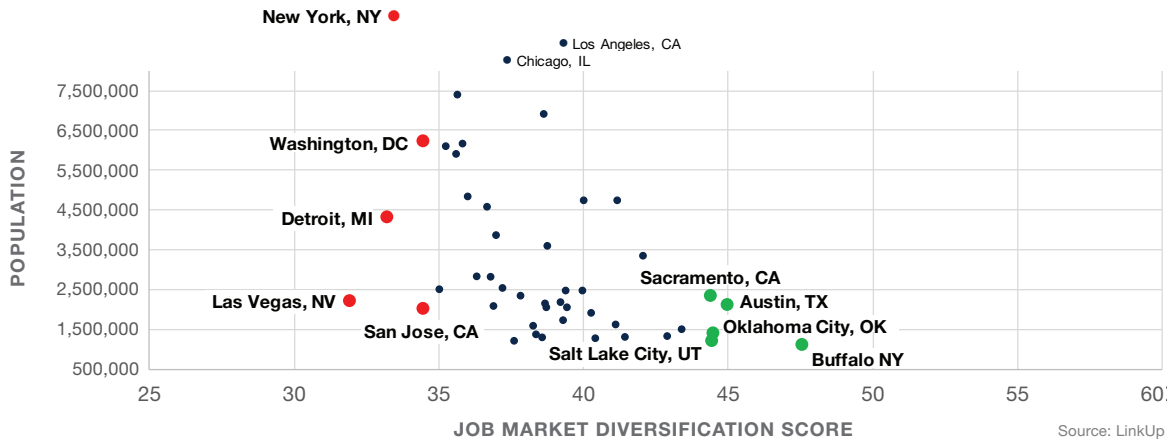
MID MARKET JOB MARKET DIVERSIFICATION SCORES VS. POPULATIONS

SMALL MARKET JOB MARKET DIVERSIFICATION SCORES VS. POPULATIONS

ABOUT LINKUP

LinkUp is a leading job search engine empowering people with knowledge obtained from the largest, highest quality database of global job listings. Through our proprietary and sophisticated technology, we index millions of job openings every day directly from employer websites. We leverage that unique, predictive dataset to power our candidate sourcing and job market data solutions, forever progressing towards our vision of delivering perfect job market information.