

# Workforce Report

Our data and insights support your recruiting success.

**October 2026** – Spotlight on holiday hiring

# The big picture

**Two markets with two different stories. After a hot summer, the U.S. cools as the heat continues in EMEA.**

In the U.S., hiring fell -7% below the September 2025 baseline, the steepest drop of the year, while job openings cooled to 3% above baseline, down from 12% in July. Application volume slipped -8% below baseline as well. Earlier this year, the strain sat in a gap between metrics. This month, there is no gap: hiring, openings and application volume are all moving the same direction, and that direction is down.

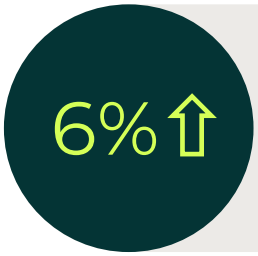
EMEA is telling the opposite story. Hiring, openings and application volume all moved up together in September, the first month this year all three metrics posted gains at once. Hiring remained -14% below baseline and job openings -5% below, but application volume is back to 6% above baseline after dipping below over the summer. Unlike the U.S., EMEA's pressure point this month is recovery, not retreat.

This month, the spotlight turns to **holiday hiring**. As holiday season approaches, will retailers find themselves already staffed or playing catch up?

## TOP FINDINGS



**U.S. hiring declined in September,** coming in -7% below the September 2025 baseline as applications continue to decline.




**EMEA applications grew 6%** above the baseline as hiring and job openings rebound slightly.

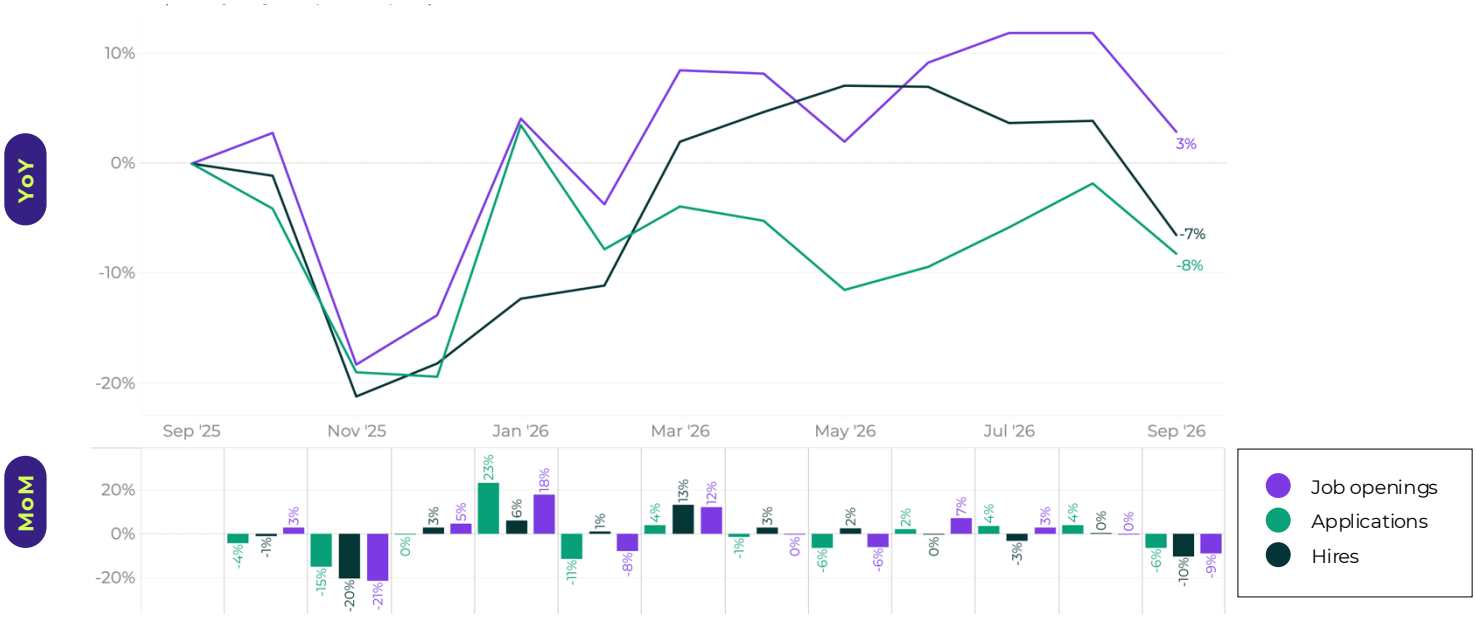


**The holiday hiring pool is now comprised of 40% Gen Z.**

**ICIMS Insights Workforce Reports** monitor monthly labor market activity based on hundreds of millions of applicants and millions of users. Organizations can use this data as a measuring stick to anticipate and adapt to ever-changing workforce dynamics.

# U.S. hiring falls and openings cool as the summer rebound unwinds

**US PLATFORM INDICATORS** | Job openings, applications and hires | September 2025–September 2026




**ICIMS INSIGHTS QUICK TAKE:** The heat from the summer has cooled in September as hiring, openings and application volumes cool.

## MARKET UPDATE

The summer months brought hot temperatures, and the heat was felt by many recruiting teams as the gap between job openings and hirings began to grow. September showed a cooling off in all three metrics. Hiring fell -7% below the September 2025 baseline, the steepest decline this year. Job openings cooled to 3% over baseline, down from 12% in July, and application volume fell -8% below baseline.

BLS data shows nonfarm payrolls up just 29,000 in September, against a 45,000 average over the prior year. Both the ICIMS Insights data and federal numbers point the same direction: hiring slowed in a month where job openings were not scarce.

In January, applications rose 23% and job openings rose 18% month-over-month, while hiring moved only 6%, the widest one-month gap between demand and hires this year. By September, applications fell -6%, job openings fell -9% and hiring fell furthest at -10% month-over-month, continuing the same pattern of hiring lagging the other two metrics.

The decline in both application volume and hiring points to continued stress in the hiring process. As application volume continues to weaken, it could drive hiring down even further in the coming months.

## STRATEGY

September's data points to two competing priorities for recruiting leaders. Job openings are cooling, but the gap between demand and hiring has not closed, which means capacity is still tight even as pressure on the business eases.

The first priority is prioritization. Recruiting leaders should work with business leaders now to rank open roles by priority before that capacity gets spread thin. In this environment, you do not want recruiters spending cycles on roles that are effectively stalled.

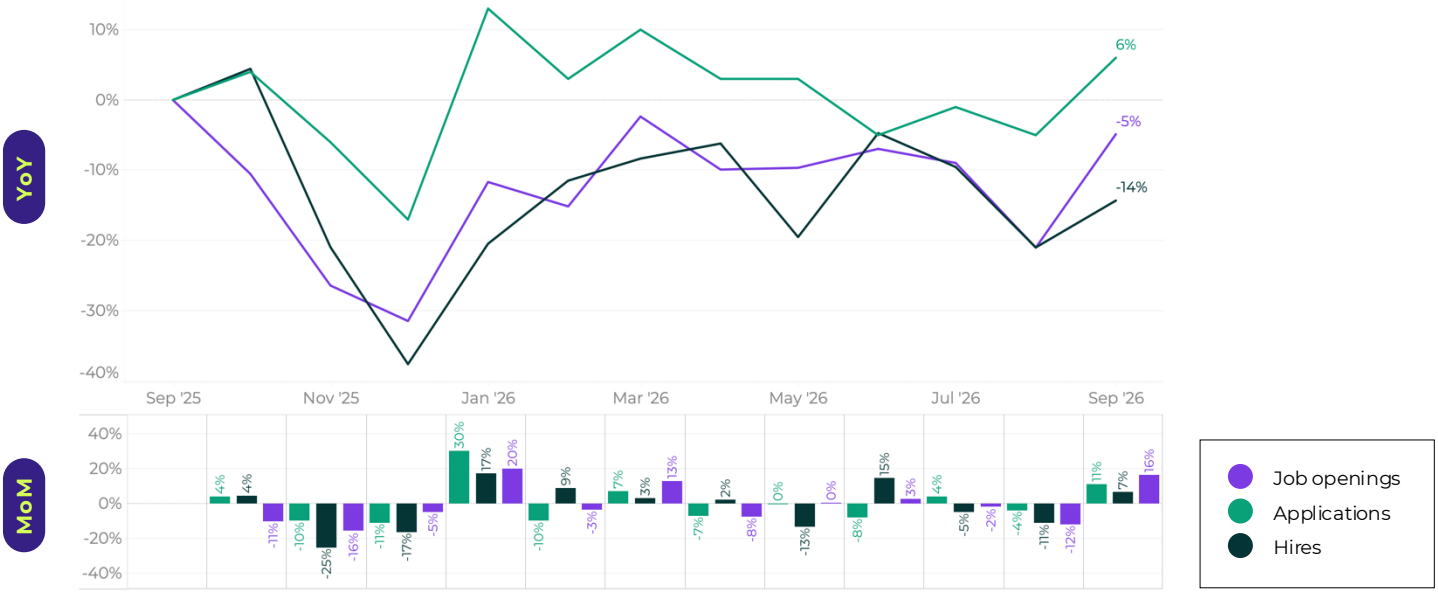
The second priority is a bottleneck audit, built on two metrics: average days in stage and average days open.

Average days in stage shows where candidates get hung up in the process, a critical read if application volume keeps dipping and recruiters need to fast track top talent into critical roles. Average days open is the leading indicator of the two, flagging which requisitions need attention before they go stale rather than after.

When you are able to show leadership the roles they have prioritized and how long they have been open, it will help you remove bottlenecks that are outside of the recruiting process.

# EMEA hiring and openings rebound as applications climb above baseline

**EMEA PLATFORM INDICATORS** | Job openings, applications and hires | September 2025–September 2026




**ICIMS INSIGHTS QUICK TAKE:**
Hiring activity picks up as the summer months end. Is this signs of seasonality or a recovery?

## MARKET UPDATE

EMEA activity picked up in September as the summer slowdown eased. Hiring came in -14% below the September 2025 baseline, an improvement from August. Job openings sat -5% below baseline, also better than the prior month. Application volume climbed 6% above baseline, its first reading back in positive territory after dipping below over the summer.

Indeed Hiring Lab's European data points the same direction. Job postings across the region kept drifting lower for much of this year. That slide leveled off in recent months, according to Indeed's September chartbook, even as momentum stays soft and demand narrows to fewer occupations. It is a similar story to the ICIMS data: still soft, but no longer sliding.

Month over month, all three metrics rose in September. Openings increased 16%, the second largest monthly gain in the past twelve months behind January. Application volume rose 11%, also second only to January's 30% jump. Hiring rose 7%, one of just five months this year with a positive month-over-month reading.

Three metrics turning up together in the same month could mark the start of a recovery in EMEA hiring. The region is still below baseline on hiring and job openings, so one good month does not undo the summer's losses.

## STRATEGY

With the exception of the summer months, application volume has stayed above baseline all year. That means there are likely strong candidates already sitting in your database, waiting for a reason to re-engage. AI-powered tools like ICIMS CXM is built for exactly this kind of moment, when application volume, hiring and job openings are all moving up together, as they did in September. Use it to resurface past candidates before sourcing a new pipeline from scratch.

Hiring picking up also puts pressure on the recruiting funnel. If hiring managers are moving quickly to extend offers, recruiters need enough candidates already in motion to keep pace. Revisit how many candidates are needed at the top of the funnel to sustain healthy candidate flow and keep offer activity from stalling.

Job openings are still below the September 2025 baseline, but the month-over-month jump is worth acting on. Recruiting leaders should work closely with business units now to set prioritization, so the momentum on open roles does not get lost and recruiter capacity is not stretched thin chasing every requisition at once.

REPORT FOCUS

# Holiday hiring

Holiday hiring has been the story to watch heading into this year's fourth quarter. The story is not just how much retailers are hiring. It is who is applying and how fast that pool is converting into seats filled before the season starts.

ICIMS Insights data shows the gap between frontline hiring and the candidates available to fill those roles widening again this month, even as applicant per opening (APO) sits at its lowest point of the year. Challenger, Gray & Christmas points to part of why: retailers are planning their smallest seasonal hiring push since 2008, leaning more on existing staff and automation than net-new seasonal headcount.

The pipeline of talent applying to these roles is also shifting. ICIMS Insights data points to a younger applicant pool this September, echoed by national labor data showing more young workers employed and fewer of them still searching.

This month's spotlight covers all three threads: the widening gap between frontline hiring and the candidates available to fill it, what Challenger, Gray & Christmas's outlook reveals about why retailers are pulling back and the generational shift already visible in who is applying.

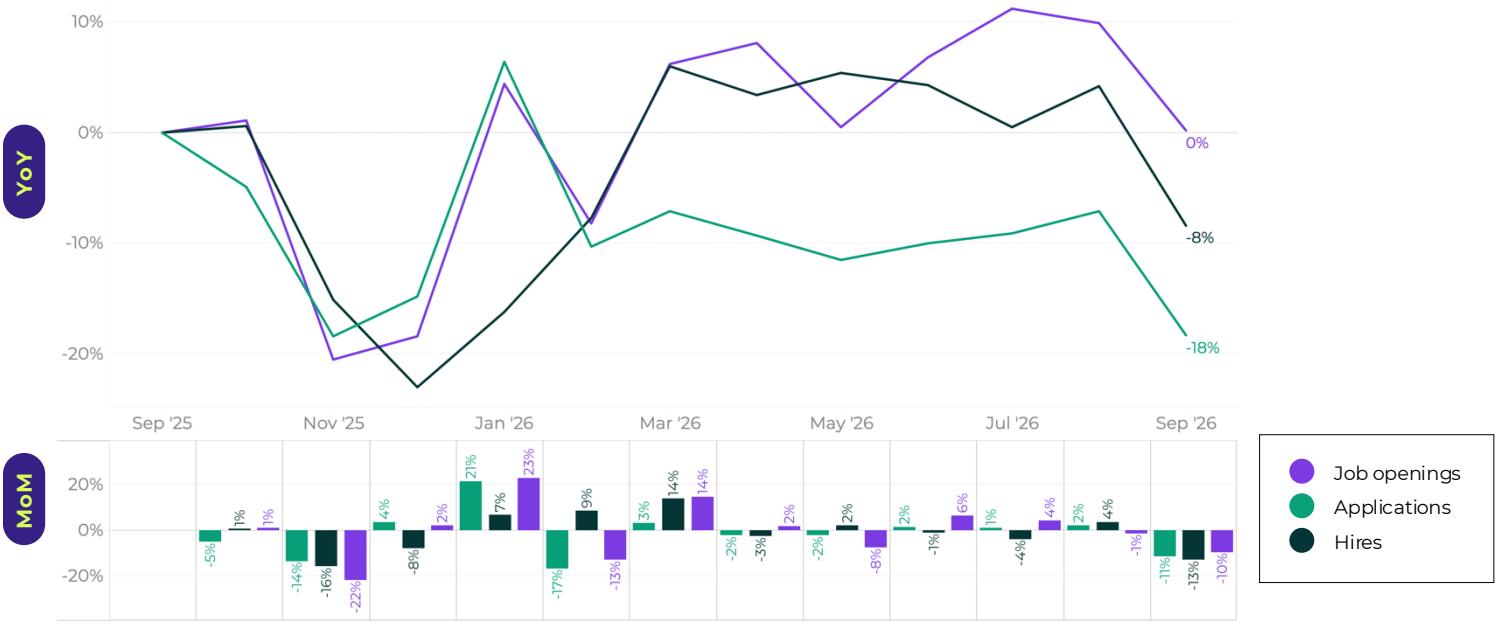
"Holiday hiring never stops being a hot topic, but the candidates behind it have changed. **Gen Z is now leading the pool**, and recruiting strategies built for a different generation will not hold up this season. The employers will need to adjust their processes for faster communication, clearer disclosure and an application built for how this generation applies."



**TRENT COTTON**
Head of
Talent Insights
ICIMS

# Holiday hiring cools as retailers plan their smallest holiday season since 2008

**HIGH VOLUME PLATFORM INDICATORS** | Job openings, applications and hires | September 2025–September 2026




**ICIMS INSIGHTS QUICK TAKE:** Frontline hiring, job openings and application volume all cooled together in September, signaling a softer holiday hiring season.

## MARKET UPDATE

High-volume hiring held above the September 2025 baseline from March through August, then cooled to -8% below baseline in September. Job openings kept pace with hiring through the Summer before pulling ahead, then dropped back to baseline in September after peaking in July and August. Application volume has not recovered since its initial fall in February, ending September at -18% below baseline, its steepest reading since November.

Month over month, all three metrics fell by double digits in September. Hiring dropped -13%, the steepest monthly decline of the year for that metric. Job openings fell -10%, the second steepest monthly drop this year behind February's -13% decline. Application volume fell -11%.

Challenger, Gray & Christmas points to the same pullback nationally. The firm's September outlook forecasts 450,000 seasonal retail jobs added this quarter, down from 461,500 last year and 543,100 the year before, a third straight annual decline and the lowest holiday hiring total since 2008. Retailers are leaning more on automation and existing staff rather than building out seasonal headcount.

A weaker national holiday hiring outlook could mean this frontline pullback holds through the rest of the quarter rather than reversing with the usual seasonal bump.

Application volume has sat below baseline since February, and September's drop to -18% below baseline is worth acting on now, not after the season ramps up. In a thinner candidate pool, speed decides who gets seen. Seasonal candidates are applying to multiple openings at once and will move toward whichever employer responds first.

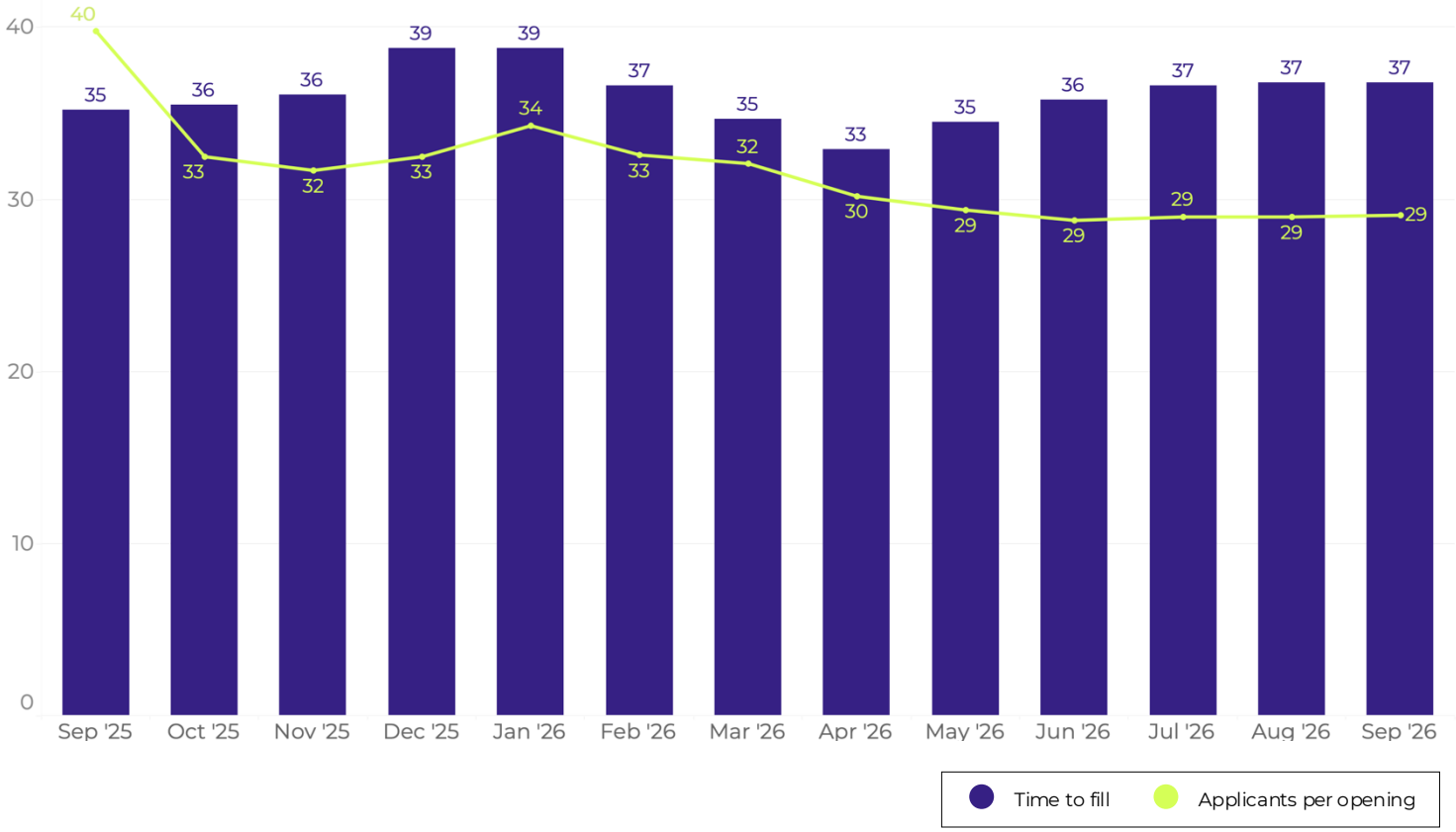
The ICIMS 2025 State of Frontline Hiring Report points to where that speed is getting lost. Frontline workers ranked pay (70%), reliable hours (44%) and benefits (42%) as their top priorities, while hiring managers believe flexible hours (37%), pay (36%) and training and development (34%) matter most to the same workers. That mismatch means job postings and outreach may be selling the wrong thing to a shrinking pool of applicants.

Frontline hiring managers already know where the friction sits on their side of the process. The same report found faster offer approvals (35%), AI resume screening and candidate matching (31%) and automated scheduling (30%) as the top levers for speeding up hiring. With fewer applicants in the pipeline this month, closing the gap between what frontline hiring managers already know would help and what has actually been put in place may matter more right now than adding sourcing spend.

# Fewer applicants per frontline opening, but hiring has not sped up to match

With applicants per opening (APO) at the lowest point this year, frontline candidates have more leverage and less patience. Time to fill has not moved to match, so the advantage is conversion speed.

**TIME TO FILL AND APPLICANTS PER OPENING** | September 2025–September 2026




> "The candidate pool has thinned since January but not decreased proportionally. With fewer applicants in the funnel, your process has to be built to fast track top talent while they are engaged."



**TRENT COTTON**
Head of Talent Insights, ICIMS

# Gen Z remains the dominant generation in holiday hiring candidate pools

Retail's applicant pool skewed younger this September, with 18 to 24-year-olds making up 40% of the industry's applicants, up from 37% a year ago, while every group aged 45 and older lost share. If a larger, younger candidate pool were enough on its own, time to fill should have moved with it. Instead, it closed September at 37 days, the same mid-30s range it has held all year, and that stagnation lands hardest on younger applicants. According to the ICIMS Insights May Workforce Report, 38% of Gen Z job seekers cite not hearing back after applying, the application black hole, as their single biggest job search frustration.

### Attracting Gen Z

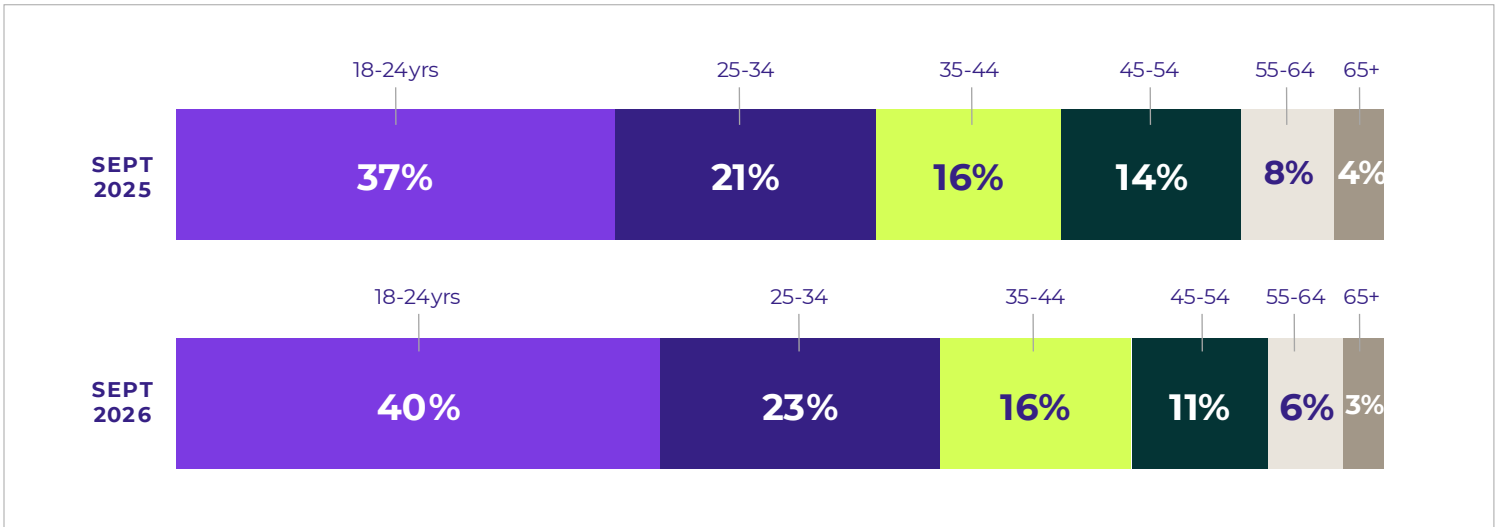
Attracting Gen Z to your open role will require a different approach. The ICIMS Insights May Workforce Report tells employers what Gen Z values the most.

- **Career growth comes first.** 41% of Gen Z candidates ranked opportunities for growth and development as a top consideration when applying. Beyond the job itself, they are evaluating whether an employer offers formal mentorship, structured learning and a visible path to advancement, not just a title and a start date.
- **Employer brand gets vetted before the application.** 40% of Gen Z listed a strong, recognizable employer brand as a top factor in deciding where to apply. Before applying, they check social media, networking platforms (42%) and company career pages (40%) to see how an employer presents its culture, not just what the job posting says.
- **They will prove it, if you let them.** 40% of Gen Z candidates welcome skills tests or job simulations during the application process, compared with 33% of Millennials and 26% of Gen X. At the same time, 59% of entry-level candidates feel employers unfairly expect them to already have mid-level experience.
- **Silence is the top complaint.** 38% of Gen Z job seekers said not hearing back after applying, the application black hole, is their single biggest frustration. AI in the process is a mixed bag: 28% see it as a way to speed up reviews, but 37% distrust AI-driven recruiting for feeling impersonal, and 22% will only accept it if a human makes the final call.

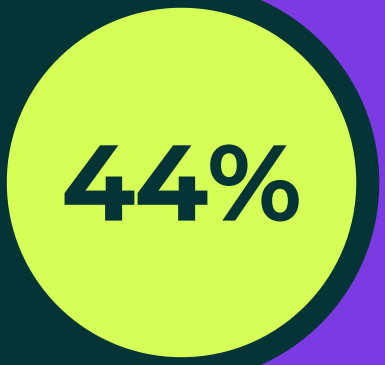
### The takeaway

A Gen Z applicant pool will not speed up time to fill on its own. If recruiting teams want to convert that advantage into faster hires, the fix sits in communication and screening, not sourcing.

Automated status updates can close the application black hole that frustrates 38% of Gen Z candidates, and skills-based screening can move candidates through without waiting on experience filters many of them do not have yet.



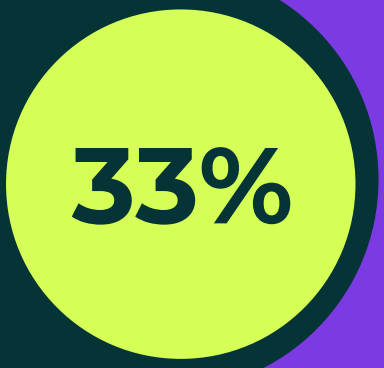
**44% of job seekers** never encountered AI screening, despite it being recruiters' top reported AI use case.




**40% of job seekers** say the time it took to hear back from an employer was worse than expected, little changed from 2025.




**33% of job seekers** are concerned that automated screening did not evaluate them fairly.




# Is AI the answer for holiday hiring?

**The One Universal Agreement**: According to forthcoming ICIMS research on 700 job seekers and ICIMS' Definitive Guide to AI Adoption in Talent Acquisition, based on a survey of 12 TA leaders, recruiters and candidates agree on the same failure point: *disclosure*.

Where the two sides split is on how much AI actually touches the process and what it costs candidates when it is not explained.

**Recruiters (what they report)**
Screening leads adoption, the most common AI use case in hiring at 58% of companies, ahead of sourcing, communication and interviewing. Efficiency, not insight, drives most of that investment: 50% of organizations adopt AI primarily to cut manual work, while only 28% cite better decision-making as the goal.

**Candidates (what they experience)**
AI screening goes largely unnoticed. 44% of job seekers said they never encountered it in the past 12 months, and only 33% noticed it in several or most applications, despite it being recruiters' top use case. Trust has not fully followed adoption either: 33% of all job seekers are concerned that automated screening did not evaluate them fairly.

**Is AI the answer?**
AI can help but only when it is transparent and focused on getting the right candidate into the right role faster, not simply deployed to cut cost or headcount.

HOLIDAY HIRING SPOTLIGHT

# How Urban Outfitters Inc. keeps holiday hiring moving with ICIMS

With fewer applicants per frontline opening, retailers have less room for slow hiring. Urban Outfitters Inc. is responding by focusing on faster candidate movement and better use of existing talent pools.

**How does Urban Outfitters Inc. prepare for holiday hiring?**
Before seasonal hiring begins, stores focus on filling leadership roles so they can turn their attention to seasonal hiring. During peak hiring, the talent acquisition team adds support where candidate flow is falling short, particularly in competitive markets. Hiring leaders are encouraged to review requisitions daily to keep candidates moving.

**How does Urban Outfitters find seasonal candidates?**
The company uses ICIMS reporting to identify former employees for seasonal outreach. ICIMS CRM also helps Urban Outfitters stores find candidates who applied to another brand or location and may be a fit for an opportunity nearby.

**How does Urban Outfitters screen seasonal candidates?**
Seasonal availability questions are built into job templates so hiring teams can understand planned time off upfront and make better decisions about seasonal candidates.

**How can retail hiring managers improve candidate flow?**
Urban Outfitters created a store dashboard report that gives hiring managers easy access to past candidates in their location. When candidate flow is low, managers have a ready-made talent pool to revisit.

"It's like a pot of gold."

**HOLLY DEMARCO**
Senior Field Talent Manager
URBN

**THE HOLIDAY HIRING TAKEAWAY**

When the candidate pool is thinner, retailers do not necessarily need to start from scratch. Moving quickly, re-engaging candidates they already know and putting candidate data directly in hiring managers' hands can help stores keep holiday hiring on track.

Urban Outfitters Inc. covers a portfolio of brands, including Urban Outfitters, Anthropologie, Free People, Terrain and Nuuly.

# A practitioner's perspective

**Danny Rojas, Senior Principal of Product and Market Insights at ICIMS**, spent five years inside enterprise retail hiring operations before joining ICIMS, living through five holiday seasons from the other side of the requisition. He shared what this month's frontline and holiday hiring data looks like from a practitioners point of view.

**You spent a lot of your career in retail and have many holiday hiring seasons under your belt. What's a critical piece of advice for recruiting organizations facing hiring needs for the holidays?**

Get started early. Chances are if you are reading this, it might already be too late. My recommendation? Partner with your store teams now to understand last year's traffic, increases in foot traffic, sales forecasts and any promotions the business plans to run. Use that information to build staffing plans around anticipated sales volume and peak shopping periods. And do not just plan for total headcount. Understand when and where you will need people most and be sure the people you are hiring are open to the hours needed most.

**ICIMS data shows a drop in all three hiring metrics in September, when do holiday hirers typically start their attraction process?**

Attraction really needed to begin yesterday. The reality is that qualified, available candidates are becoming harder to attract in high-volume hiring, especially when retailers are competing for many of the same people at the same time. My advice? Start with the talent you already know. Reengage last year's seasonal workforce, revisit qualified candidates already in your pipeline, ask your existing employees for referrals, and consider offering referral bonuses. There is a lot to do in a very short window, and starting every search from scratch only makes it harder.

**Application volume has fallen this year. What was a strategy you used to make the most of the candidates already in your applicant tracking system (ATS)?**

Begin your seasonal hiring campaigns now. An easy way to do this is to build off plans your sales and marketing teams already have prepped. Every seasonal campaign comes with creative briefs, messaging and color schemes you can easily turn into a seasonal recruiting campaign for candidates already in your pipeline. Why note use the same energy to engage candidates? And just like retailers encourage customers to start shopping for. the holidays two months early, recruiting teams should be encouraging candidates to think about holiday employment well before the rush

**Time to fill has not changed over the last few months in this sector. What are some tactics you used to fast track top talent from "hello" to "hired."**

This is a great question, and one I contemplated when trying to hire not only for holiday but other peak seasons like back to school. An easy way to make sure your in-store hiring teams are ready is by working with each district and region to align on hiring profiles and ideal interview times. Align with senior leaders on those early, and prepare stores for candidates that are aligned with that profile, and ask them to be ready to interview on those days when candidates are scheduled. Then put your recruiting teams and tech stack to work. From screening to self-scheduling, automate as much of the administrative work as you can to get qualified candidates through the funnel. Where appropriate, use single-step interviews and conditional offers to eliminate unnecessary delays, with candidates scheduled on days when teams are ready to interview and make hiring decisions.

**What's the one piece advice you have for recruiting teams facing holiday hiring challenges?**

Hope is not a staffing strategy. Hiring is slowing, and retail cannot afford to be caught flat-footed. Plan for the gaps now, prioritize your busiest stores and shifts and reward the veteran employees who carry you through.

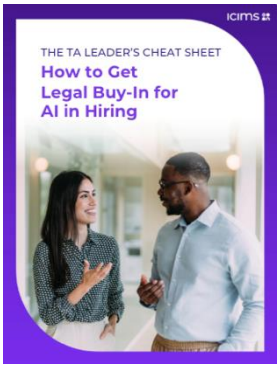


**DANNY ROJAS**
Senior Principal,
Product and Market Insights,
ICIMS

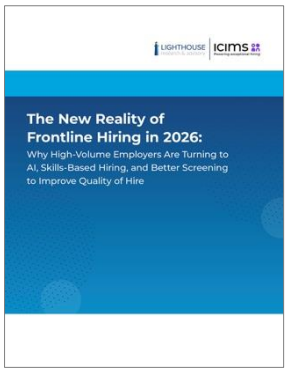
# ICIMS library

Some of our recent content to help your talent strategy.

## RECOMMENDED RESOURCES




**Legal Buy-in Cheat Sheet**
Learn how to prepare clearer answers, evaluate AI tools responsibly and build a stronger case for legal approval. **Click here**.




**New frontline hiring research**
Why high-volume employers are turning to AI, skills-based hiring and better screening to improve quality of hire. **Click here**.




**ICIMS Walk & Talk with Danny Rojas**
Maria Schaefer, talent acquisition leader at BrightSpring Health Services, discusses one of the biggest challenges facing talent acquisition teams today: balancing application volume with candidate quality. **Click here**.

## SIGNAL PODCAST



**How EchoStar Won a Candidate Experience Award in 2 Years**
For EchoStar, home to brands like DISH, Boost Mobile and Sling TV, the answer wasn't simply adding more technology. It was recruiting optimization. **Watch here**.




**Enterprise Value, AI & High Volume Hiring**
ICIMS' CEO unpacks what enterprise value really means, how AI is reshaping hiring and why high-volume frontline hiring is a board-level business issue, not just a recruiting metric. **Watch here**.

# Want more great insights?

## The New Reality of Frontline Hiring 2026 Report

Frontline roles are the backbone of our workforce, but hiring for them continues to be challenging. New research shows 62% of high-volume and frontline employers say they do not want more applicants. See what leading high-volume employers are doing differently and why it is working in **The New Reality of Frontline Hiring in 2026**.

## ICIMS State of the CHRO Report

The role of HR has never been more strategic. Learn how 1,000 CHROs and chief people officers are navigating the shift and how 500 CIOs see HR navigating TA tech in the **ICIMS State of the CHRO Report**.

## The Definitive Guide to AI Adoption in Talent Acquisition

69% of companies are using AI to hire. Only 18% use it throughout the recruiting process. Find out where your team stands. Get the full **Definitive Guide to AI Adoption in Talent Acquisition.**

# About ICIMS

ICIMS is the talent acquisition platform built to help organizations hire at enterprise scale. Powered by billions of hiring interactions and more than 25 years of expertise, ICIMS combines trusted AI with end-to-end hiring technology to help recruiting teams hire smarter, faster and with greater confidence across corporate, high-volume and frontline roles.

## Workforce data is vital to driving business forward.

**ICIMS Insights provides data that is:**

- Current
- Cross-industry
- Dual-focused on employer and job seeker intentions and activity

**Data derived from:**

**3.1M+** global platform users

**691M+** candidate profiles

**~243M** applications

**5M+** hires

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