

Hello. It looks like you're using an ad blocker that may prevent our website from working properly. To receive the best experience possible, please make sure any blockers are switched off and refresh the page.

If you have any questions or need help you can email us

fewer than 3% of applications for U.S. job postings on LinkedIn were for remote work. Now, small and mid-sized cities such as Wilmington, North Carolina, and Sarasota ...

May. 31, 2022



The widespread adoption of remote work across the U.S. has left local employers learning to compete with out-of-state companies offering big-city salaries.

The magnitude of the change over the last two years is staggering. In January 2020, fewer than 3% of applications for U.S. job postings on LinkedIn were for remote work. Now, small and mid-sized cities such as Wilmington, North Carolina, and Sarasota, Florida, have seen that share rise to over half.

It's been a boon for white-collar workers who live in these cities. They can now

Hello. It looks like you're using an ad blocker that may prevent our website from working properly. To receive the best experience possible, please make sure any blockers are switched off and refresh the page.

If you have any questions or need help you can email us

employers have not had to deal with before,” said Daniel Zhao, senior economist at Glassdoor, a website that collects pay information submitted by employees. “This absolutely puts upward pressure on wages for these local markets.”

In Madison, Wisconsin, where the networking platform LinkedIn found about 42% of applications were for remote jobs, Planet Propaganda has been feeling the effects of that competition.

Before the pandemic, the advertising firm would receive as many as 50 applications for new positions and could typically fill them within six weeks. Now, even with the help of recruiters, higher pay and perks, it's taking months, said Emily Steele, a managing director at the company.

“When you take standard of living into account, the salary that we're giving is comparable to New York,” Steele said. “But it's different if someone is living here and gets to pay Madison costs of goods, costs of services — but then has a New York salary.”

For perspective, the average hourly wage in Madison is roughly 16% below the New York City area, and home values are about half.

To remain competitive, Planet Propaganda offers a tight-knit company culture and more reasonable hours than large companies based on the east and west coasts typically do, Steele said.

Ripple effects

There's a domino effect from the work-from-anywhere revolution.

Those able to get a big-city salary spend the extra cash at stores, restaurants and gyms, a windfall for the local economy. But they're also driving up housing prices,

and leaving many local workers struggling to keep up.

Hello. It looks like you're using an ad blocker that may prevent our website from working properly. To receive the best experience possible, please make sure any blockers are switched off and refresh the page.

If you have any questions or need help you can email us

Pay wasn't the main driver for her — she wanted a better work-life balance and more time with her kids and husband. Employees like her are pushing local companies to offer hybrid options and higher wages.

“They're going to miss out on good talent if they are not being flexible with the workforce,” she said.

Lisa Leath, founder of a Wilmington-based HR consulting firm that primarily serves businesses in Southeast North Carolina, said remote work has also helped attract talent from all over the country, lured by the lifestyle and the beaches.

“We're having to look at compensation basically every month or every other month to make sure that we're on track with market because it's hard enough to find folks,” she said. “So when you get your team whole, you want to make sure that you retain them.”

Poaching engineers

Almost 1,000 miles away in Little Rock, Arkansas, nonprofit grid operator Southwest Power Pool is also having a hard time retaining workers lured by remote job offers from far-flung employers.

Southwest Power Pool, which serves almost 19 million people across more than a dozen states, has seen company-wide turnover roughly double to about 8% to 9%, Chief Executive Officer Barbara Sugg said.

At least half of those leaving are engineers, but information-technology employees are also being lured away with salaries that are often 30% to 50% higher than pay at the grid, she said. Most employees who left for other jobs have remained local.

All seven of the state and regional grid operators on the continental U.S. said they

Hello. It looks like you're using an ad blocker that may prevent our website from working properly. To receive the best experience possible, please make sure any blockers are switched off and refresh the page.

If you have any questions or need help you can email us

country — something that was unheard of for grid operators before the pandemic.

Nationwide, local businesses are getting creative. Paul McDonald, senior executive director at the staffing agency Robert Half, said that many smaller companies are leaning into hiring candidates that may not have all of the technical skills needed and then training them.

Benjamin Jones, chief executive of Mobile reCell, an IT company based in Fishers, Indiana, has employed a similar strategy: “We’ve focused on the philosophy of giving people opportunities from a young age.”

Sugg, the Southwest Power Pool CEO, emphasized the need to adapt to the new world.

“The reality is people in Arkansas can work anywhere now,” she said. “The world around us has just changed on a dime and we need to change with it.”

©2022 Bloomberg L.P. Visit [bloomberg.com](https://www.bloomberg.com). Distributed by Tribune Content Agency, LLC.

Payroll • Technology

CPA Practice Advisor is registered with the National Association of State Boards of Accountancy (NASBA) as a sponsor of continuing professional education on the National Registry of CPE Sponsors.

© 2024 Firmworks, LLC. All rights reserved

Hello. It looks like you're using an ad blocker that may prevent our website from working properly. To receive the best experience possible, please make sure any blockers are switched off and refresh the page.

If you have any questions or need help you can email us