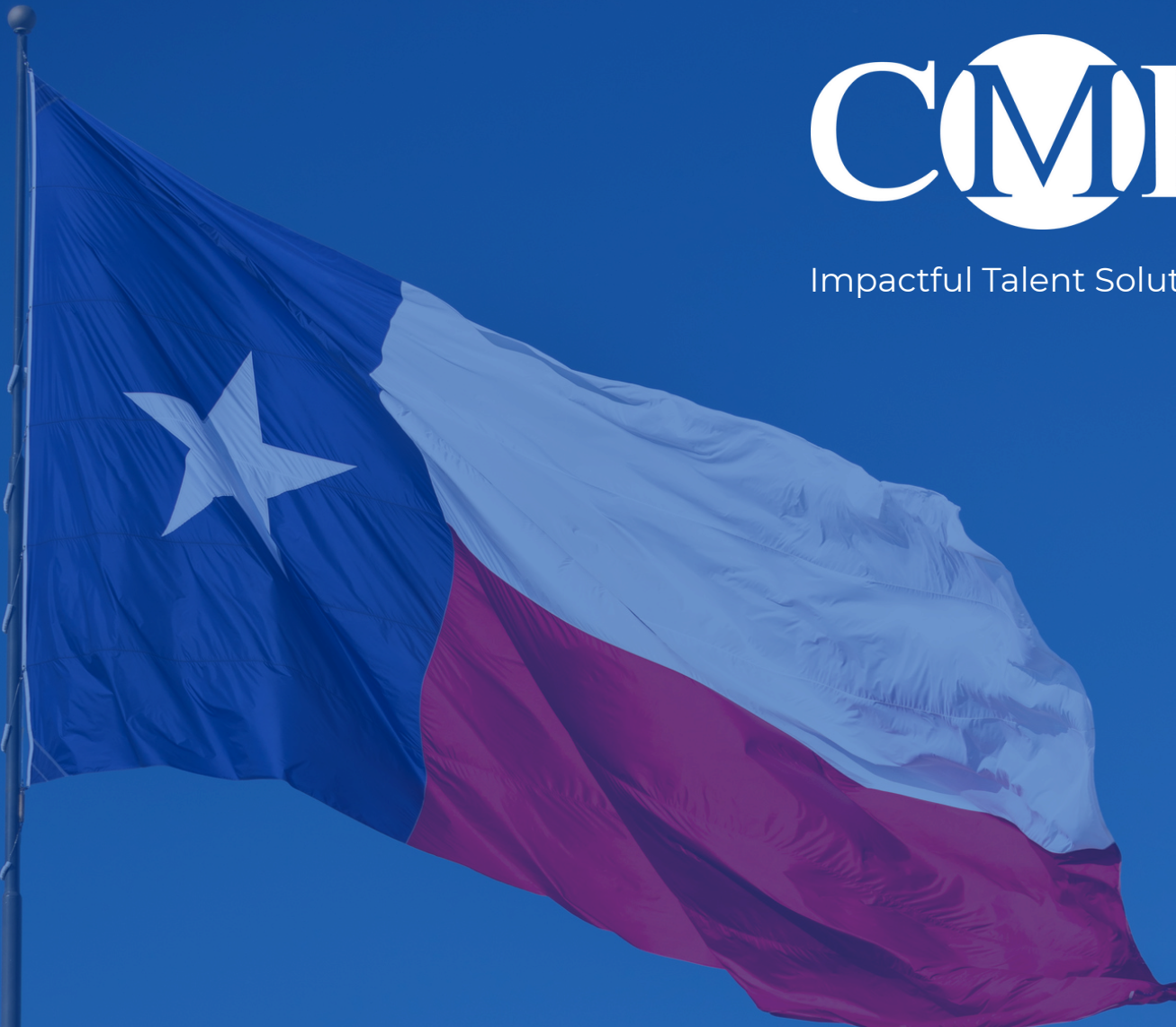




Impactful Talent Solutions

A large Texas state flag is shown waving on a flagpole against a solid blue background. The flag features a blue field with a white five-pointed star, a white horizontal stripe, and a red vertical stripe.

# Texas Talent and Workforce Resilience Report: Regional Data, HR Insights, and Future Workforce Trends

May 2025 Edition

Prepared for Workforce and Business Leaders Across Texas



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# Executive Summary

2025 has marked a pivotal year for Texas's workforce landscape. From Dallas to the Rio Grande Valley, companies across nearly every major industry—healthcare, retail, transportation, energy, nonprofit, and manufacturing—have announced significant layoffs. These reductions signal not just isolated organizational shifts but a broader economic recalibration across the state.

While Texas remains a pillar of growth and opportunity, the early months of 2025 are a critical reminder that even strong markets are vulnerable to disruption. For business and HR leaders, the challenge extends far beyond operational efficiency. Today's workforce changes demand values-driven leadership, clear communication, and strategic foresight.

This report is designed to equip decision-makers with:

- **Regional Data:** A detailed analysis of unemployment rates and WARN Act layoffs across major Texas markets.
- **Industry Trends:** Identification of sectors most affected and early indicators for emerging risks.
- **Leadership Insights:** Guidance for navigating reductions-in-force with compassion, brand protection, and cultural resilience.
- **Future Workforce Trends:** Forward-looking insights on internal mobility, reskilling, well-being, and HR's evolving role as a strategic driver.

How we manage talent transitions today will define the strength, trust, and resilience of Texas's workforce tomorrow.



# Unemployment Rates: Texas Metropolitan Areas (March 2025)

Understanding unemployment shifts at the regional level is critical for forecasting labor availability, wage pressures, and talent retention risks, all of which directly impact business continuity and strategic workforce planning.

As of March 2025, Texas continues to demonstrate relative labor market strength in its major metropolitan areas, particularly in the Dallas–Fort Worth, Austin, and San Antonio regions, where unemployment rates remain below the national average. These areas benefit from diversified economies, steady population growth, and strong employer demand across technology, healthcare, and professional services sectors.

However, there are emerging vulnerabilities that require attention:

- Border regions such as McAllen, Laredo, and Brownsville are experiencing elevated unemployment rates, mainly driven by manufacturing disruptions, lower cross-border trade activity, and a slower rebound in service-sector employment.
- Energy-dependent regions like Midland and Odessa, while historically volatile, currently show lower unemployment but remain exposed to price fluctuations and broader industry consolidation pressures that could quickly shift local labor dynamics.

For business leaders and HR executives, these regional differences highlight the importance of **hyperlocal workforce strategies**, ensuring that talent acquisition, wage setting, upskilling, and retention efforts are calibrated at the state, **metropolitan, and community level**.

Monitoring these trends will be essential to proactively address emerging skills gaps, build resilient talent pipelines, and maintain a competitive edge in an increasingly dynamic Texas labor market.

Metropolitan Area	Unemployment Rate (March 2025)
Dallas–Fort Worth–Arlington	4.1%
Houston–The Woodlands–Sugar Land	4.6%
San Antonio–New Braunfels	4.2%
Austin–Round Rock	3.5%
El Paso	5.3%
McAllen–Edinburg–Mission	7.2%
Laredo	5.9%
Corpus Christi	5.1%
Brownsville–Harlingen	6.8%
Midland	2.9%
Odessa	3.5%

# WARN Act Data: Texas Layoffs Update (January–April 2025)

The first quarter of 2025 has witnessed a significant uptick in mass layoff notifications across Texas, as reported under the Worker Adjustment and Retraining Notification (WARN) Act. These notices provide critical insights into the state's economic health and labor market dynamics.

- Over **8,000 jobs were eliminated** across Texas.
- **Healthcare, transportation, energy, and nonprofit sectors** were among the hardest hit.
- Layoff activity was concentrated in major metros but extended into secondary markets, signaling broader economic softening.

## Regional Workforce Impact: Layoffs by Area

### Dallas–Fort Worth

- Number of layoffs: 2,700+
- Key Impacted Organizations: Chewy, Southwest Airlines, Graphic Solutions, Catholic Charities

### Houston

- Number of layoffs: 1,000+
- Key Impacted Organizations: Houston Refining, Catholic Charities, Interfaith Ministries

### San Antonio

- Number of layoffs: 850
- Key Impacted Organizations: CHRISTUS Health, Raices

### Austin & Central Texas

- Number of layoffs: 250
- Key Impacted Organizations: Virtex Enterprises, TTEC Government Solutions

### South Texas & Border Regions

- Number of layoffs: 1,400+
- Key Impacted Organizations: MVM, LUKE Holdings, De La Paz Cleaning

# Industries Under Pressure

Workforce Disruptions Driven by Policy Shifts, Funding Changes, and Labor Market Volatility

## Healthcare

Organizations: MedStar Mobile Healthcare, Christus Health

Workforce Disruption Drivers:

- Medicaid/Medicare Reimbursement Changes: Delays and reductions in government reimbursements are straining hospital budgets.
- Emergency Services Overload: EMS teams face increased call volumes without proportional state or federal funding.
- Post-COVID Burnout: Persistent staffing shortages and emotional fatigue are driving early retirements and exits.

## Retail & E-Commerce

Organizations: Chewy, Macy's, Neiman Marcus

Workforce Disruption Drivers:

- Shift to Digital: Increased e-commerce is forcing downsizing of brick-and-mortar operations.
- Supply Chain Volatility: Inventory inconsistencies impact staffing and scheduling.
- Consumer Spending Shifts: Inflation and evolving preferences are lowering retail revenues.

## Transportation & Logistics

Organizations: Ryder, Allied Aviation, Constellis

Workforce Disruption Drivers:

- Driver Shortages: Ongoing shortage of qualified CDL drivers in Texas.
- Rise of Automation: Investment in automation is eliminating some labor-intensive roles.
- Fuel & Regulation Costs: Higher costs and compliance burdens are reducing labor investment.

## Manufacturing

Organizations: VirTex Enterprises, Pure Safety Group

Workforce Disruption Drivers:

- Tax Incentive Reforms: Local policy changes are limiting factory expansion.
- Trade & Tariff Uncertainty: Global supply instability is slowing production.
- Skilled Labor Shortage: Workforce development programs haven't closed the training gap.

## Energy

Organizations: Houston Refining, Syzygy Plasmonics

Workforce Disruption Drivers:

- Clean Energy Transition: Oil and gas firms are restructuring to meet renewable mandates.
- Volatile Market Pricing: Hiring cycles fluctuate with unpredictable oil markets.
- Regulatory Pressure: Emissions compliance is reshaping workforce needs.

## Nonprofit & Social Services

Organizations: Interfaith Ministries, Raices, Church World Service

Workforce Disruption Drivers:

- **Shifting DEI Commitments:** Reduced public and private DEI investments are affecting equity-driven programs.
- **Unpredictable Grant Funding:** Delays or losses in public contracts threaten program continuity.
- **Policy Changes on Social Support:** Immigration and housing policy shifts are increasing demand without added resources.
- **Stagnant Wage Support:** Funding gaps contribute to burnout, especially among bilingual and frontline staff.

Across sectors, organizations are grappling with a fast-evolving landscape shaped by economic policy, demographic shifts, and evolving funding priorities. Adapting with proactive workforce planning, skills development, and flexible staffing models is essential to navigate what lies ahead.

## Largest Workforce Reductions

- **Chewy Fulfillment Center (Dallas):** 674 employees
- **Southwest Airlines (Dallas Love Field):** 626 employees
- **MedStar Mobile Healthcare (Fort Worth):** 589 employees
- **Christus Health Santa Rosa (San Antonio):** 479 employees
- **Houston Refining LP (Houston):** 345 employees

These large-scale reductions may disproportionately affect localized economies and supply chains, requiring collaborative recovery efforts.



# Reflections: Leadership Beyond the Numbers

Behind every layoff statistic are individuals whose careers and livelihoods are directly affected. While operational efficiency and financial outcomes are important, effective leadership during a reduction in force requires more than procedural compliance.

The organizations that emerge stronger from workforce transitions recognize that layoffs are, first and foremost, a human event. Companies that approach reductions with humanity—providing transparent communication, meaningful career transition support, and empathetic leadership—are the organizations that preserve long-term trust, brand reputation, and organizational culture.

Conversely, mishandled layoffs can inflict lasting damage. Employee morale can decline even among retained staff. The employer brand can erode, affecting future recruitment and retention efforts. Customer confidence can falter when internal instability becomes visible externally.

## Emerging Workforce Trends to Watch

The talent landscape is evolving rapidly, and forward-looking organizations are not standing still—they are proactively reshaping their workforce strategies to meet new realities.

Several critical trends are emerging that will define organizational success over the next decade:

### **Reskilling and Career Pivot Programs are Gaining Urgency:**

As technology, automation, and shifting business models accelerate, the need for agile, future-ready talent has never been greater. Companies are investing in upskilling and reskilling initiatives to help employees pivot into emerging roles, creating pathways for career growth while mitigating skills shortages.

### **Internal Mobility Models are Being Prioritized to Retain Top Performers:**

Rather than defaulting to external hires, leading organizations are building robust internal marketplaces that encourage lateral moves, cross-functional training, and promotions from within. Supporting career mobility internally strengthens engagement and loyalty while reducing recruiting costs and time-to-productivity.

### **Mental Health and Financial Wellness Programs are Expanding:**

Acknowledging the holistic needs of their workforce, employers are enhancing benefits portfolios with stronger mental health resources, financial literacy programs, and well-being initiatives. Organizations that invest in the total well-being of their employees are seeing direct dividends in retention, productivity, and cultural strength.

Proactive talent strategies today will define competitive advantage tomorrow.

# Final Thoughts

Texas has long been a symbol of strength, resilience, and opportunity—a place where innovation, hard work, and community spirit have fueled one of the most dynamic economies in the world. Today, as we navigate a period of significant workforce change, that legacy of resilience is being tested and renewed.

The current shifts in employment, though challenging, are not merely obstacles; they are powerful opportunities for leadership. Opportunities to reaffirm organizational values, to demonstrate to employees (both those departing and those remaining) what true leadership looks like in moments of uncertainty, and to invest in the future of work through deliberate, human-centered strategies.

How companies respond now will not only shape individual careers and organizational reputations but will leave a lasting imprint on Texas's broader economic future. Every workforce decision made today, whether through compassionate offboarding, thoughtful reskilling, or bold internal talent investment, contributes to the collective strength and adaptability of our state.

At CMP, we understand the complexities and responsibilities leaders face during times of transition. With decades of expertise in career transition services, workforce resilience, leadership development, and talent strategy, we are proud to partner with organizations navigating these critical moments, helping them lead change with integrity, protect their employer brand, and build pathways to future success.

How we manage talent today will shape Texas's future economy.



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