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**FOR IMMEDIATE RELEASE**

**ROBERT HALF INTERNATIONAL AND  
CAREERBUILDER.COM RELEASE NEW STUDY ON LABOR  
AND COMPENSATION TRENDS**

**Employment Dynamics and Growth Expectations (EDGE) Report  
Reveals Job Seekers Have More Influence Than They Realize**

**MENLO PARK, CA and CHICAGO, August 30, 2005** -- Who has the upper hand in the job market as Labor Day approaches? It depends on whom you ask. In a new study of U.S. employees and hiring managers, both groups indicated that finding that perfect job – or job candidate – is no easy task. Four-in-10 hiring managers surveyed said it was difficult to find qualified staff one year ago, and one-in-three believes the task is even harder today. By contrast, more than half of workers polled felt it was difficult to find a job one year ago, and just under half said it's more challenging today.

Neither employers nor employees feel they have a clear edge in the current job market, but workers may have more leverage than they realize as companies continue to face challenges in recruiting qualified staff. In fact, roughly one-in-four managers reported offering more generous compensation packages to new employees in the last 12 months, and one-in-three expect compensation levels to increase in the coming year.

The survey and report were developed by Robert Half International Inc. (RHI), the world's largest specialized staffing firm, and CareerBuilder.com, the U.S.'s largest online job site. The survey includes responses from more than 600 hiring managers and 1,450 workers, and was conducted from August 1 to August 8, 2005. It was designed to compare and contrast the perspectives of hiring managers and workers in the current employment environment and determine which group has more clout in today's job market.

**Hiring Trends and the Demand for Qualified Workers**

"It's hard to find good help" is an adage to which many managers can relate, the survey suggests. Forty-two percent of hiring managers reported it was difficult to find qualified candidates one year ago and 32 percent said it is even more challenging to find good people today. Forty-seven percent attributed the difficulty to an overall shortage of qualified workers.

Although the United States has experienced 26 consecutive months of job creation, according to the U.S. Department of Labor's Bureau of Labor Statistics, and employers are voicing concern over a shrinking talent pool, U.S. workers are still suffering from post-recession skepticism about the job market. Fifty-five percent of workers said it was difficult to find a job 12 months ago and 42 percent believe it is even more challenging today.

"Employers have become more selective in the recruitment process, closely scrutinizing the skill sets and productivity potential of each candidate as they expand leaner staffs in the wake of a downturn," said Matt Ferguson, CEO of CareerBuilder.com. "Qualified workers in a variety of industries and fields are in demand and we are beginning to see the groundwork for a shift to an employee-driven market. As workers become cognizant of the demand and more active in pursuing new job opportunities, the competition for top talent will become even more pronounced."

"Many businesses are finding it challenging to hire skilled professionals, particularly in industries such as finance and accounting, which have experienced accelerating demand as companies strive to maintain compliance with the Sarbanes-Oxley Act and related legislation," said Max Messmer, chairman and CEO of Robert Half International. "Firms are stepping up their recruiting efforts and offering a variety of incentives to attract top professionals within these sectors."

### **Compensation**

One-in-five hiring managers attributed their difficulty in finding qualified staff to the inability to offer competitive compensation packages. But there is a sense that willingness to increase starting salaries is improving. Half of hiring managers said they were not very or not at all willing to negotiate compensation levels for offers one year ago. However, 28 percent said compensation packages have increased from last year and 33 percent anticipated offering higher salary and benefits packages in the next 12 months.

At the same time, employees are becoming more aggressive in their pursuit of more lucrative compensation packages. Thirty-nine percent of workers said they were not very or not at all willing to ask for a better offer from an employer one year ago. Forty-seven percent said they will be more likely to push for more generous salary and benefits packages in the next 12 months.

"While professionals may be hesitant about the job market today, they expect to have greater bargaining power in the near future as new jobs are created," said Messmer. "The challenge for businesses is that while profits are improving, personnel budgets remain tight for many firms. Those that cannot offer competitive starting salaries will need to explore alternative incentives such as flexible schedules or other nontraditional benefits to position themselves as employers of choice."

### **Employee Turnover**

While finding qualified talent has posed a challenge for many companies, hiring managers reported taking little action to retain their current team members. More than three-quarters of hiring managers do not expect turnover to increase from current levels, and the same percentage have not implemented any policies or programs aimed at increasing staff retention rates in the last 12 months.

Meanwhile, 28 percent of workers admitted they are currently looking for a new job. Three-in-10 think they will likely change jobs in the next year and 47 percent expect to do so in the next three years.

“Nearly half of workers say they will leave their current jobs in the next three years, and one-fourth will do so in the next year,” said Ferguson. “Employers who are not focused on retention may experience an exodus of top performers and a corresponding rise in turnover costs. Compensation won’t be enough to retain workers. Employers will need to leverage creative benefits, carve out clear paths for career advancement and provide a supportive work environment to keep critical talent in place.”

### **Survey Methodology**

The survey was conducted from August 1 to August 8, 2005. Methodology used to collect survey responses totaling more than 1,450 workers for this study involved selecting a random sample of comScore Networks panel members. These web panel members were approached via an e-mail invitation, which asked them to participate in a short online survey. The results of this survey are statistically accurate to within +/- 2.57 percentage points (19 times out of 20). Note: This sample included more than 600 hiring managers. The results for the hiring managers are statistically accurate to within +/- 4.0 percentage points (19 times out of 20).

### **About Robert Half International Inc.**

Founded in 1948, Robert Half International Inc. (NYSE: RHI) is the world’s first and largest specialized staffing firm with more than 330 offices worldwide. The company’s professional staffing divisions include Accountemps®, Robert Half® Finance & Accounting, and Robert Half® Management Resources, for temporary, full-time and project professionals, respectively, in the fields of accounting and finance; OfficeTeam®, for highly skilled temporary office support; Robert Half® Technology, for information technology professionals; Robert Half® Legal, for project and full-time staffing of attorneys, paralegals and legal support personnel; and The Creative Group®, for creative, advertising, marketing and web design professionals. For more information about the specialized staffing and recruitment divisions of Robert Half International, visit [www.rhi.com](http://www.rhi.com).

### **About CareerBuilder.com**

CareerBuilder.com is the nation’s largest online job site with more than 20 million unique visitors and over 1 million jobs. Owned by Gannett Co., Inc. (NYSE: GCI), Tribune Company (NYSE: TRB), and Knight Ridder, Inc. (NYSE: KRI), the company offers a vast online and print network to help job seekers connect with employers. CareerBuilder.com powers the career centers for more than 650 partners that reach

national, local, industry and niche audiences. These include more than 165 newspapers and leading portals such as America Online and MSN. More than 30,000 of the nation's top employers take advantage of CareerBuilder.com's easy job postings, 13 million-plus resumes, Diversity Channel and more. Millions of job seekers visit the site every month to search for opportunities by industry, location, company and job type, sign up for automatic email job alerts, and get advice on job hunting and career management. For more information about CareerBuilder.com products and services, visit <http://www.careerbuilder.com>.

Note to Editor: Charts with survey findings can be found below. Please contact Matthew Meigs or Jennifer Sullivan to obtain a copy of the full report.

**Media Contacts:**

**Robert Half International Inc.**

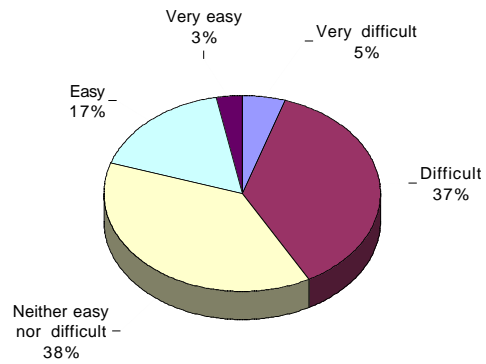
Matthew Meigs  
(650) 234-6248  
[matthew.meigs@rhi.com](mailto:matthew.meigs@rhi.com)

**CareerBuilder.com**

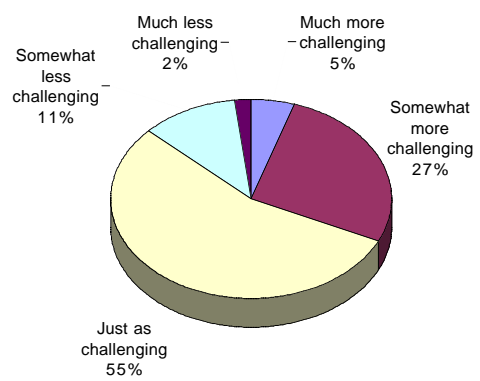
Jennifer Sullivan  
(773) 527-1164  
[jennifer.sullivan@careerbuilder.com](mailto:jennifer.sullivan@careerbuilder.com)

## Managers on Recruiting

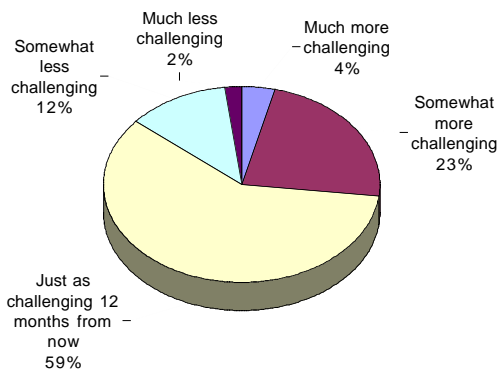
Hiring managers were asked, "How would you rate your ability to find qualified candidates for jobs within your firm 12 months ago?"



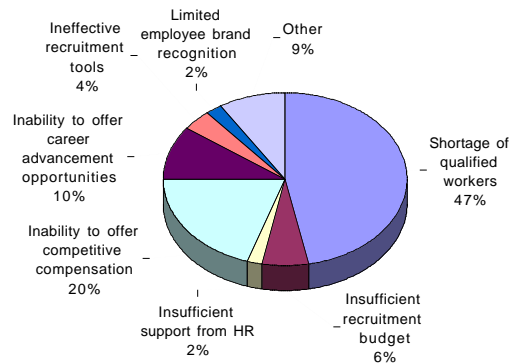
Hiring managers were asked, "Is it more or less challenging to find qualified candidates for jobs within your firm now compared to 12 months ago?"



Hiring managers were asked, "Do you expect it will be more or less challenging to find qualified candidates for jobs within your firm 12 months from now?"



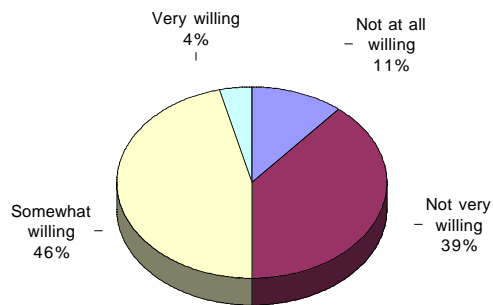
Hiring managers were asked, "What is the primary challenge in finding qualified workers for jobs within your firm?"



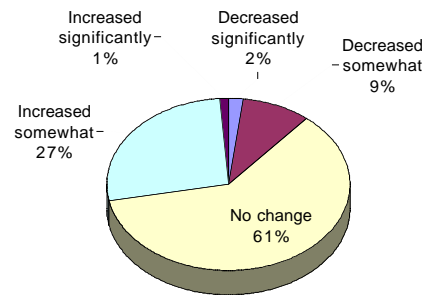
Source: Robert Half International Inc. and CareerBuilder.com survey of 600 hiring managers

## Managers on Compensation

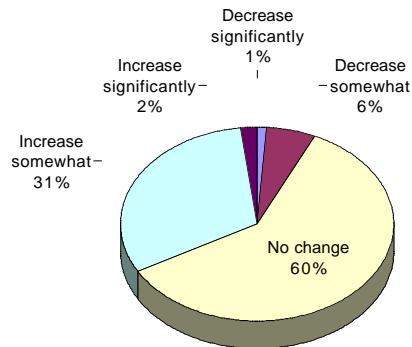
Hiring managers were asked, "How willing was your firm to negotiate compensation levels for job offers one year ago?"



Hiring managers were asked, "Have compensation levels for job offers at your firm increased, decreased or remained the same in the last 12 months?"



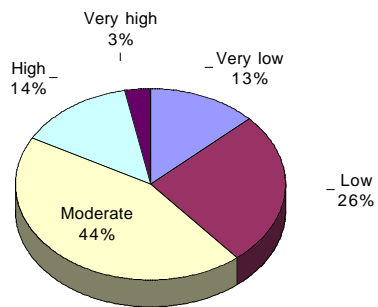
Hiring managers were asked, "Do you anticipate increasing compensation levels for job offers in the next 12 months?"



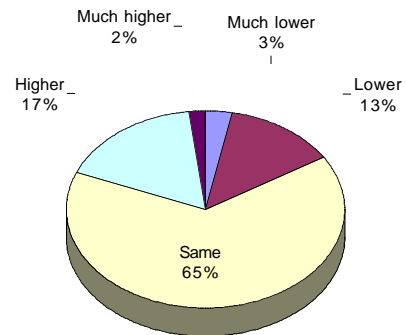
Source: Robert Half International Inc. and CareerBuilder.com survey of 600 hiring managers

## Managers on Retention

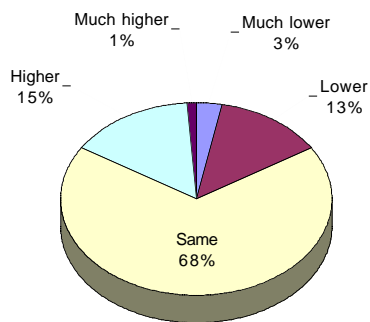
Hiring managers were asked, "How would you categorize your voluntary employee turnover rate of 12 months ago?"



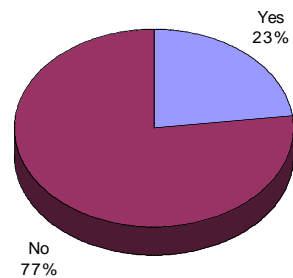
Hiring managers were asked, "Do you have a higher voluntary employee turnover rate today than 12 months ago?"



Hiring managers were asked, "How do you think your voluntary employee turnover rate 12 months from now will compare to today?"



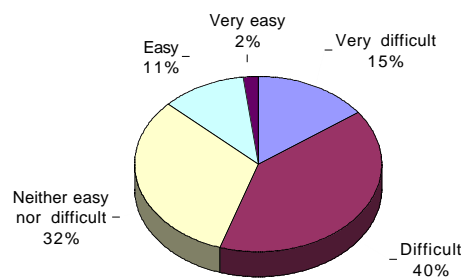
Hiring managers were asked, "Has your firm instituted any policies/programs aimed at increasing staff retention rates within the last 12 months?"



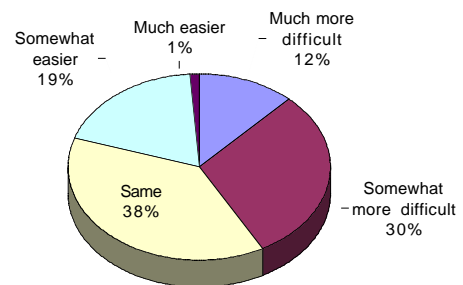
Source: Robert Half International Inc. and CareerBuilder.com survey of 600 hiring managers

## Employees on Job Hunting

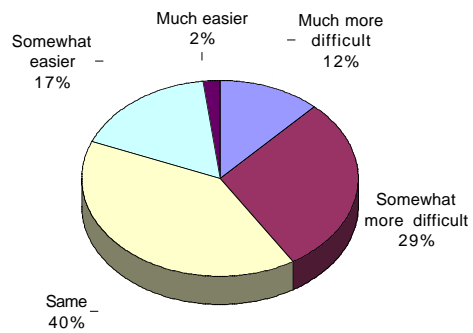
Employees were asked, "How would you describe the level of ease or difficulty in finding a job in the job market of 12 months ago?"



Employees were asked, "Do you think it would be easier or more difficult to find a new job today compared to 12 months ago?"



Employees were asked, "Do you think it will be easier or more difficult to find a new job 12 months from now?"

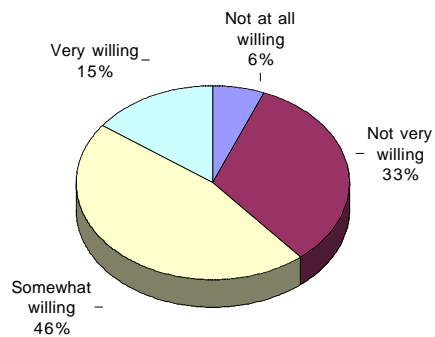


Source: Robert Half International Inc. and CareerBuilder.com survey of more than 1,450 U.S. employees

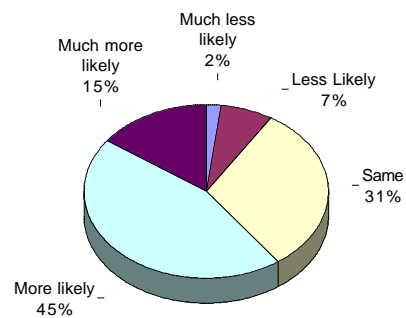


## Employees on Compensation

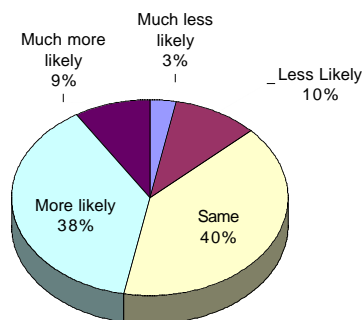
Employees were asked, "Given the job market at the time, how willing would you have been to negotiate for a higher compensation package with a new employer 12 months ago?"



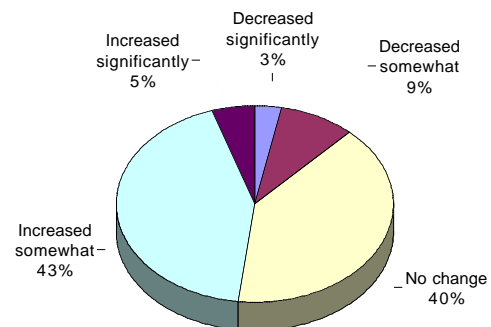
Employees were asked, "If you were to accept a new job offer today, how likely would you be to try to negotiate a better compensation package with your new employer compared to 12 months ago?"



Employees were asked, "Would you be more likely to negotiate a better compensation package with a new employer 12 months from now?"



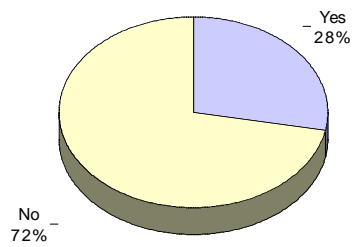
Employees were asked, "Has your compensation increased, decreased or remained the same within the last 12 months?"



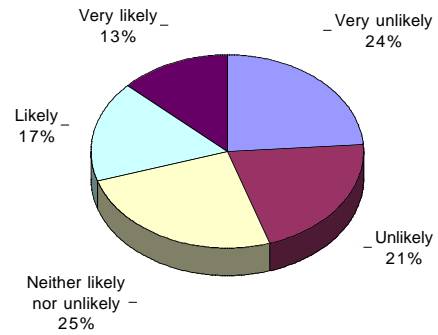
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## Employees on Retention

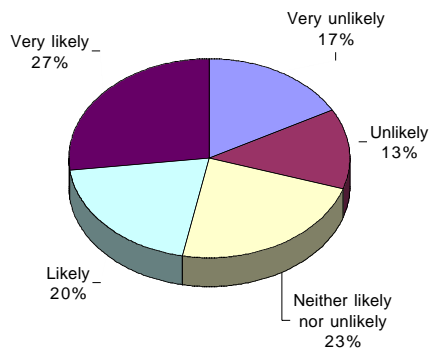
Employees were asked, "Are you currently looking for a new job?"



Employees were asked, "How likely is it that you will leave your company for another position in the next 12 months?"



Employees were asked, "How likely is it that you will leave your company for another position in the next three years?"



Source: Robert Half International Inc. and CareerBuilder.com survey of more than 1,450 U.S. employees