



U.S. HIRING FORECAST

careerbuilder®

Q1 2010

Dear Valued Customer,

Happy New Year! The past year has been tumultuous for employers and management, as well as the millions of unemployed looking to find work. Despite 2009's challenges, both companies and job seekers have learned to adapt – and are looking ahead. People are creating new ways to network, exploring new business opportunities, and finding the right candidates for their open positions. New media opportunities and technologies that were just a passing thought a year ago are close to becoming mainstream in 2010.

The past year has forced us all to work faster, better, smarter, and with less expense. Having the best employees at the helm to set the course is a competitive advantage that every business needs in our current economic climate.

To bring the best candidates onto their team, it is critical for employers to understand their target candidates and trends within the job seeker landscape. The enclosed Q1 Hiring Forecast, presented by CareerBuilder® and USA Today, highlights national hiring trends, implications of these on the U.S. economy, and advice and information about what's next for your organization in 2010.

In the words of T.S. Eliot:

*For last year's words belong to last year's language
And next year's words await another voice.*

With our exclusive access to job seeker data and survey responses, CareerBuilder can help you find better ways to identify and attract your ideal candidates. As you look to start 2010 by building a work force that will set you apart from your competition, we look forward to continuing as your partner and helping you build your competitive advantage through your people.

Here's to a new year and a new beginning. Please do not hesitate to reach out to me or your CareerBuilder account representative for industry insights or additional ways to strengthen your business.



Sincerely,

A handwritten signature in black ink that reads "Beth Prunier".

Beth Prunier

Vice President, CareerBuilder
Beth.Prunier@careerbuilder.com

2010 U.S. JOB FORECAST

The encouraging news regarding the economy may be easing hiring fears, as employers signal an increase in their plans to hire in the new year, according to CareerBuilder's 2010 Job Forecast. While employers continue to closely monitor the progress of recovery for the U.S. economy, they are beginning to consider hiring strategies designed to preserve the health and growth of their businesses for the future. CareerBuilder surveyed more than 2,700 hiring managers and human resource professionals nationwide across industries.

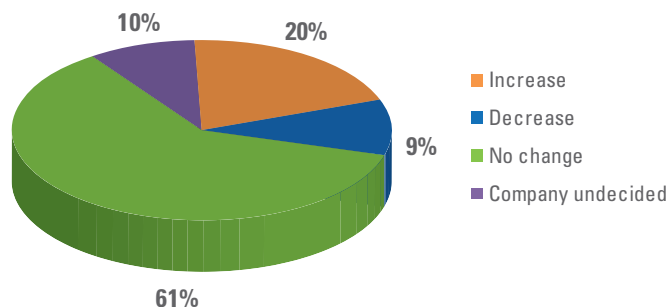
"There have been many signs over the past few months that point to the healing of the U.S. economy, especially the continued decrease in the number of jobs lost per month, a trend that will hopefully carry over into the new year," said Matt Ferguson, CEO of CareerBuilder. "Although 20 percent of employers plan to add headcount in 2010, up from 14 percent last year, still remain cautious in regards to their hiring. We're headed in the right direction but should not expect to see actual job growth until at least Q2 2010."

HIRING IN 2010

FULL TIME

Twenty percent of employers plan to increase their number of full-time permanent employees in 2010, up from 14 percent in 2009. Nine percent say they plan to decrease headcount in 2010, down sharply from 16 percent in 2009. Sixty-one percent don't plan to change staff levels, while 10 percent say they are unsure.

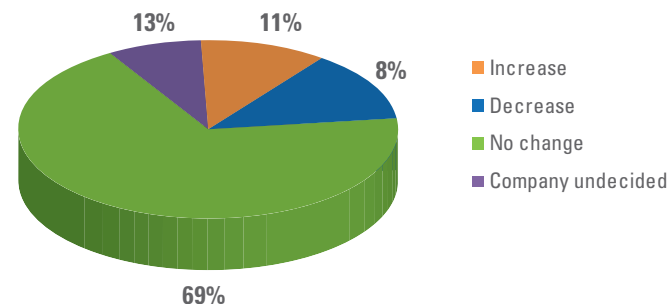
Does your company, at your location, plan to increase, decrease or make no change to the number of full-time, permanent employees in all of 2010 compared to 2009?



PART TIME

Eleven percent of employers plan say they plan to add part-time employees in 2010, up slightly from 9 percent in 2009. Eight percent say they plan to decrease their part-time help in 2010, down from 14 percent in 2009. Sixty-nine percent plan no change in headcount, while 13 percent are unsure.

Does your company, at your location, plan to increase, decrease or make no change to the number of part-time employees in all of 2010 compared to 2009?

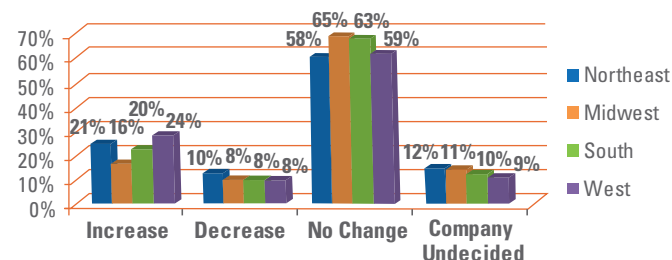


HIRING BY REGION

Employers in the West are planning to increase their headcounts more in 2010 than the other regions of the country. Nearly one-quarter of employers (24 percent) in the West say they plan to add full-time workers in 2010, compared to 21 percent in the Northeast, 20 percent in the South and 16 percent in the Midwest.

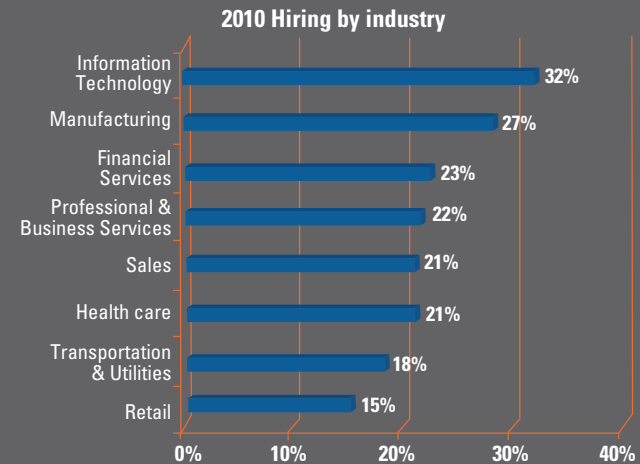
While plans to decrease headcounts in 2010 are down sharply across all regions, employers in the Northeast still plan to trim headcounts by 10 percent, followed by an 8 percent decrease in the South, West and Midwest.

Does your company, at your location, plan to increase, decrease or make no change in its number of full-time, permanent employees in all of 2010 compared to 2009?



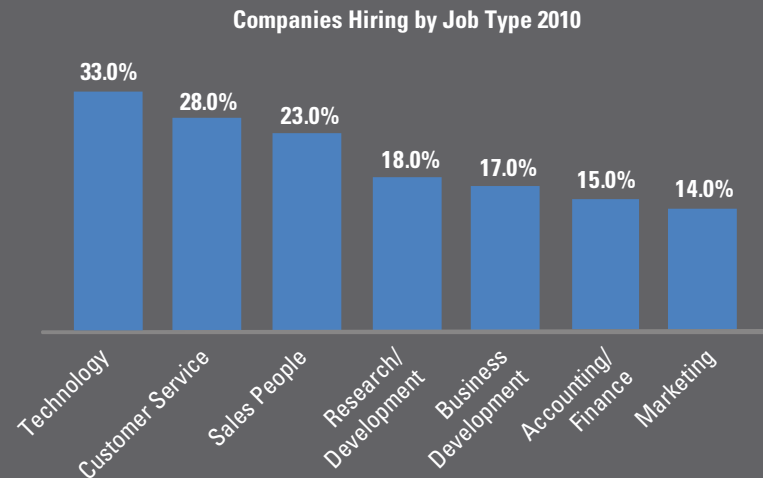
HIRING BY INDUSTRY

Comparing selected industries, hiring is expected to increase in information technology, manufacturing, financial services, professional and business services, and sales in the coming year. Thirty-two percent of IT, 27 percent of manufacturing, and 23 percent of financial services employers plan to add full-time, permanent employees in 2009, followed by 22 percent of employers in professional and business services and 21 percent in sales. Health care employers are also planning to expand staffs at 21 percent followed by 18 percent of transportation employers and 15 percent of retail.



HIRING BY JOB TYPE

When asked which areas employers plan to hire for in 2010, one-third pointed to technology followed by 28 percent in customer service. Nearly one-quarter (23 percent) plan to add sales people, 18 percent will add in research/development, 17 percent in business development, 15 percent in accounting/finance and 14 percent in marketing.

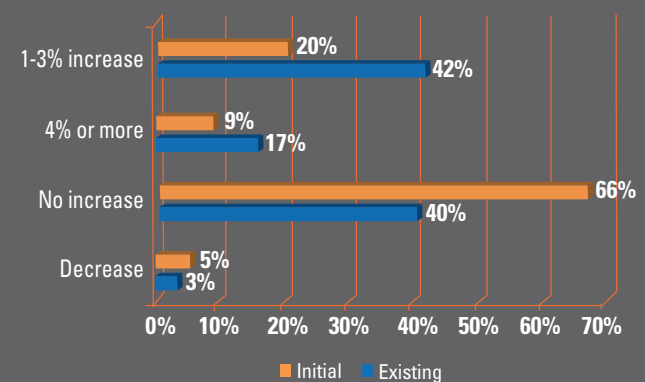


COMPENSATION

Even as companies continue to watch their spending, they still plan slight increases to salaries in the coming year. Fifty-seven percent of employers report their companies will increase salaries for existing employees in 2010, down from 65 percent in 2009. Thirty-six percent expect to raise salaries of existing employees by 3 percent or more, while 11 percent anticipate increases of 5 percent or more.

Twenty-nine of employers plan to increase salaries on initial offers to new employees, down from 33 percent in 2009. Nearly one-in-five (18 percent) employers will raise salaries on initial offers by 3 percent or more while 7 percent anticipate increases of 5 percent or more.

What will be the average increase in salaries on initial job offers for new employees, at your location, in 2010 compared to 2009?



HOW EMPLOYERS PLAN TO MOVE FORWARD IN THE NEW YEAR

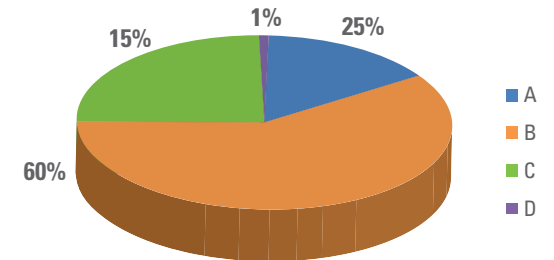
Companies are looking to the future and making up for lost ground caused by the recession. **The following are 10 trends for 2010:**

Totals may not equal 100 percent due to rounding.

1. REPLACING LOWER-PERFORMING EMPLOYEES

Employers are taking advantage of the large number of top talent in the current labor pool to strengthen their work force. Thirty-seven percent of employers say they plan to replace lower-performing employees with higher-performers in 2010. When asked to grade their current work force, 25 percent rated them an "A", 60 percent a "B", 15 percent a "C", and 1 percent a "D." Less than one-half of a percent felt their current staff was a failure.

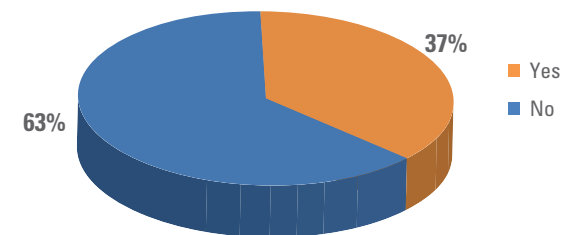
If you were to assign a letter grade to your employees, how would you rate, on average their performance?



2. EMPHASIS ON SOCIAL MEDIA TO STRENGTHEN BRAND

The economy required companies to make some tough decisions about their businesses, which had a negative impact on their brands. Close to four-in-ten (37 percent) employers plan to put a greater emphasis on social media in 2010 to create a more positive brand for their organization. One-in-five employers plan to add social media responsibilities to a current employee, while close to one-in-twelve (8 percent) plan to hire someone new to focus or partially focus on social media.

Will there be a greater emphasis on social media for your organization in 2010 to create a more positive brand image for your organization?



3. REHIRING LAID-OFF WORKERS

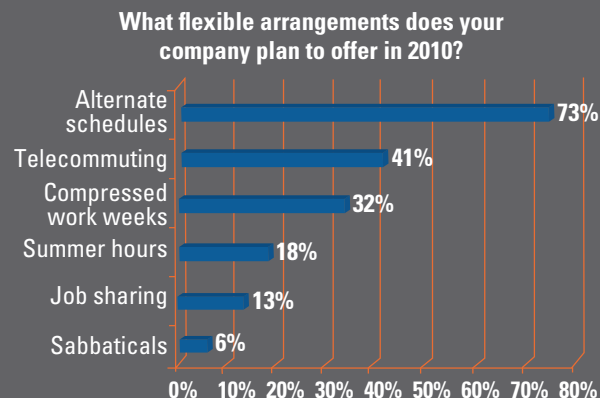
Companies needed to scale their businesses to market last year and four-in-ten employers say they were forced to lay off workers. Among those who had lay-offs in 2009, thirty-two percent of employers now say they plan to bring back workers and three-in-ten are either doing it now or plan to do so in the first six months of 2010.

Is your company planning to bring back employees who were laid off?



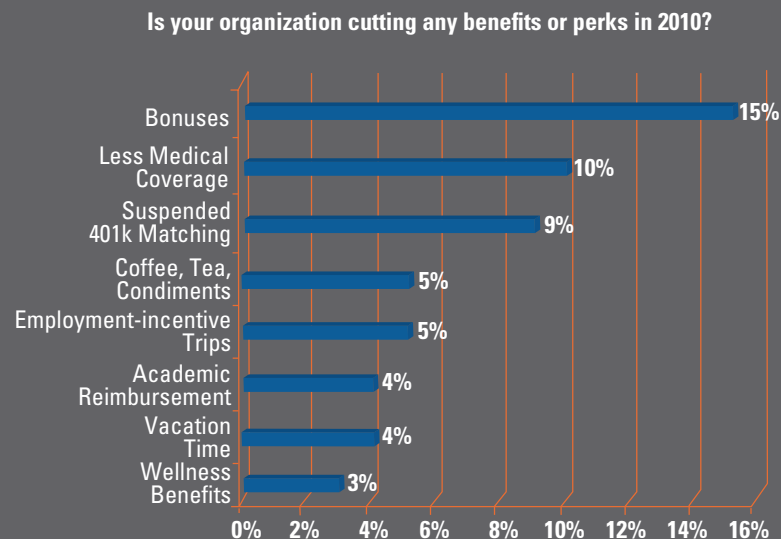
4. FLEXIBLE WORK ARRANGEMENTS

Companies plan to continue providing employees with greater flexibility in hopes of maintaining a better work-life balance. Thirty-five percent of employers say they plan to provide more flexible work arrangements in 2010, compared to 31 percent last year. Among those who will offer flexible work arrangements, these arrangements include:



5. CUTTING PERKS AND BENEFITS

Even as companies look to the new year and toward growth opportunities for their businesses, many are still choosing to trim perks and benefits. Thirty-seven percent of employers say they will cut perks and benefits in 2010, up from 32 percent who said they trimmed in 2009. Perks and benefits employers plan to trim in the new year include bonuses, medical coverage, suspended 401k matching and office perks such as coffee, tea and condiments.

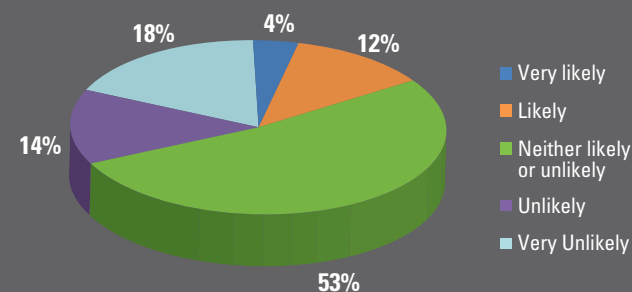


6. REHIRING RETIREES AND POSTPONING RETIREMENT

Companies understand the intellectual capital mature workers bring to their organization and 27 percent say they are open to retaining their workers who are approaching retirement. Sixteen percent say they are likely to rehire retirees from other companies in 2010. Additionally, one-in-ten are likely to provide incentives for workers at or approaching retirement age to stay on with the company longer.

At the same time, workers have expressed interest in postponing retirement. Thirty percent of employers report they have received requests from workers approaching retirement age to stay on with their company, up from 22 percent last year.

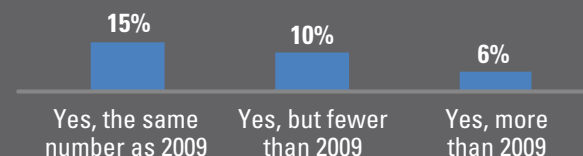
Will you rehire retirees from other companies in 2010?



7. FREELANCE OR CONTRACT HIRING

While employers still plan to be cautious regarding the number of full-time employees they add in the new year, many will turn to freelance or contract employees to help keep their businesses moving forward. Three-in-ten employers anticipate hiring freelancers or contractors in 2010, up slightly from 28 percent in 2009. Six percent expect to employ more freelance workers or contractors than last year, while 15 percent expect to hire the same amount and 10 percent plan to hire fewer.

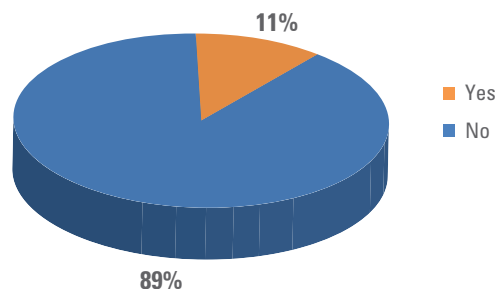
Is your company, at your location, hiring contract or freelance workers in 2010?



8. GREEN JOBS

Employers will continue to turn some of their focus to the environment in the new year. Eleven percent of employers say they plan to add "green jobs" in 2010, the same amount who said they added them in 2009. "Green jobs" are positions that implement environmentally conscious design, policy and technology to improve conservation and sustainability.

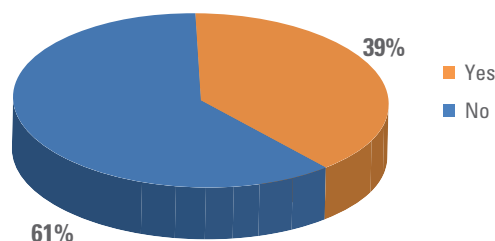
Does your company plan to add "green jobs" in 2010?



9. BILINGUAL RECRUITMENT

Employers have identified having a diverse work force as an important measure of success as they begin to rebuild their businesses after the economic downturn. One area they plan to focus on is building a bilingual team. Four-in-ten employers said they plan to hire bilingual candidates in 2010 and half said that if they had two equally qualified candidates, they would be more inclined to hire the bilingual candidate.

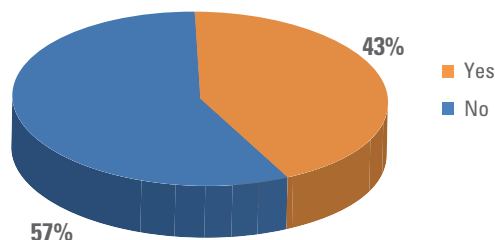
Will you be hiring bilingual candidates in 2010?



10. BUSINESS TRAVEL

While employers are inching away from cost containment and more into growth, one area they still plan to save money on is business travel. Forty-three percent of employers say that in their organizations there will be less business travel in 2010 than in 2009.

Will there be less business travel in 2010 than 2009?



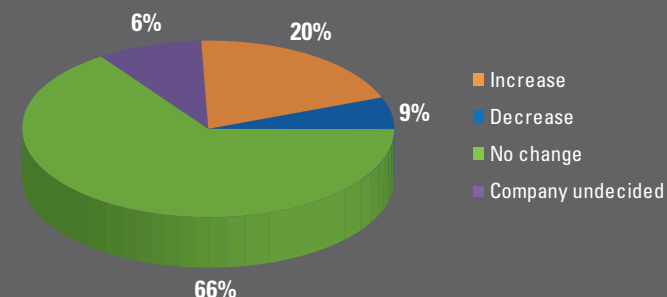
HIRING AND COMPENSATION IN Q1

HIRING

Twenty percent of employers say they increased their headcount in the last three months. Thirteen percent reduced headcount while 66 percent reported no change and 1 percent were undecided.

Employers are expecting similar results for the upcoming quarter. Twenty percent of employers plan to add employees in Q1 2010. Nine percent will decrease headcount while 66 percent anticipate no change and 6 percent are undecided.

In the 1st quarter (January 1st -March 31st, 2010) , does your company, at your location, plan to increase, decrease or make no change in the number of full-time, permanent employees?



COMPENSATION

With a large number of annual salary increases taking place in the first quarter, 45 percent of employers expect to raise compensation levels in the next three months. Thirteen percent say the average raise amount will be 4-10 percent, while 11 percent anticipate an average raise of 11 percent or more.

SURVEY METHODOLOGY

This survey was conducted online within the U.S. by Harris Interactive® on behalf of CareerBuilder among 2,720 hiring managers and human resource professionals (employed full-time; not self-employed; non-government; with at least significant involvement in hiring decisions) ages 18 and over between November 5 and November 23, 2009 (percentages for some questions are based on a subset, based on their responses to certain questions). With a pure probability sample of 2,720 one could say with a 95 percent probability that the overall results have a sampling error of +/- 1.88 percentage points. Sampling error for data from sub-samples is higher and varies.



STAR SEARCH:

WHY EMPLOYERS NEED TO IDENTIFY TOP TALENT NOW

AS WE MOVE INTO 2010, various indicators show that the U.S. is pulling out of this recession. Despite an improved economic outlook, however, employers remain hesitant about their recruiting plans, which can prove detrimental to their business in the long run. It is well-documented that, following an economic recession, the number of employees who leave companies increases significantly as market conditions improve and job opportunities open up. In fact, the 2009 EDGE report showed that 55 percent of workers plan to change careers, look for new jobs or go back to school after the economy improves. That represents a significant drain on talent that companies can't afford right now.

As you consider the efforts that will move your business forward in the coming year, it is crucial that you focus not only on identifying new talent, but also on finding ways to engage and retain your current employees, even as opportunities open up. The most successful recruiting plans start with the following questions, the answers to which will inform your decisions about where to focus your recruiting efforts and provide you the greatest return on your investment.

- How do job seekers perceive my company's employment brand?
- How does my organization's employment brand measure up against that of my competitors?
- When and where does my ideal talent look for jobs?
- What does my ideal talent look for in an employer?
- What companies am I losing talent to?

The key to unlocking this information – and gaining competitive insight – is through talent intelligence technology. This technology gathers vital information and provides companies the insight you need to enhance your overall recruitment processes and recruit the talent you need to move your businesses forward.

TALENT SCOUTING

For over 15 years, CareerBuilder has been collecting extensive knowledge of job seeker perceptions and employment best practices, which gives our clients competitive insight into ways to better targeting and attracting top talent.

- **TALENT DEMOGRAPHICS REPORTS** – This report shows you the makeup of your current applicant pool by race, gender and age to help you understand who your company is attracting today and which groups you aren't reaching as effectively so you know who to target tomorrow.
- **TARGET TALENT REPORTS** – This survey generates insight into how your target talent perceives your company, both alone and as compared to your competitors. It also shows where and when your target audiences searches for jobs, helping you market your openings more effectively.
- **TALENT TRACK** – This comprehensive report highlights your top 100 talent competitors, with a focus on the top 10. You will see the "predecessor" and "successor" companies for your employees, gaining a better understanding of their company career paths, and helping you refine your recruitment and retention strategies.
- **TALENT SURVEY SOLUTIONS** – Get the answers you cannot find anywhere else. Target candidates by occupation, geography or industry and ask them up to 10 recruitment-related questions.
- **TALENT SUPPLY & DEMAND REPORT** – This report enables you to isolate the best places from which to recruit talent and even prime locations for office expansion. CareerBuilder's experts identify areas that have the most candidates, area talent demographics, and areas with the greatest talent supply and demand ratios.

TO FIND OUT MORE EVEN ABOUT HOW CAREERBUILDER CAN HELP YOU BETTER IDENTIFY THE TALENT YOU NEED TO MOVE YOUR BUSINESS FORWARD, CALL YOUR SALES REP TODAY!

Talent tracking reports, for example, provide you insight into where you stand among your competition for talent. Having a record of which companies your employees come from – as well as those companies for which employees leave – gives you a benchmark by which to measure your own employment branding efforts. This data enables you to identify and then evaluate the competition, and enhance your process from there. This type of data analysis can also pick up employee patterns that help you predict which candidates will flourish at your organization, effectively eliminating costs associated with high turnover.

Not only is it crucial that you understand how talent perceives your brand, but is also essential to understand the candidate experience throughout the recruitment process. Data provided by applicant surveys and in analysis of applicant conversion rates can uncover gaps in your recruitment process by identifying where and when in the application process applicant drop-off occurs. Only by recognizing where you lose applicants can you work toward enhancing the application process for a more positive candidate experience and removing the chances for superior candidates to fall through the cracks.

Leading companies also use talent intelligence technologies to increase their visibility to job seekers. You can use this technology to track where and when their target audiences search for jobs, enabling you to make smarter decisions about how to spend the least amount of recruitment dollars to make the most impact.

As the need to find the best talent in the most efficient means possible increases, talent intelligence becomes increasingly valuable for companies. The smartest companies are leveraging this technology, using the data to gain insight into job seeker habits and perceptions to continually enhance their recruitment processes and gain a better return on their recruiting dollar.

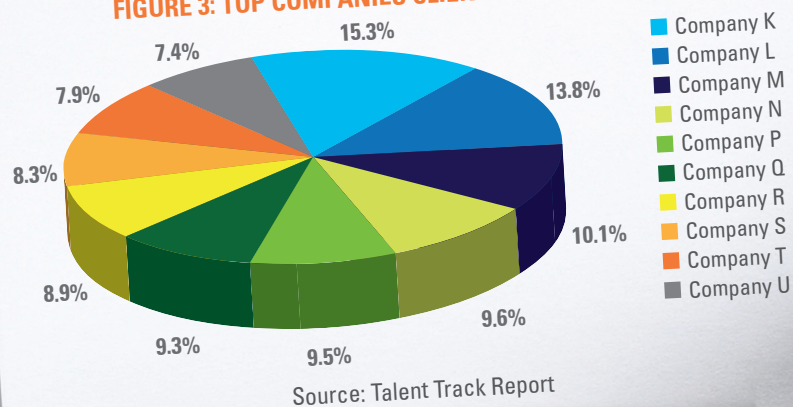
A WEALTH OF INTELLIGENCE: IN PICTURES

Talent Intelligence technology helps you answer crucial recruiting questions – answers that can have a major impact on the bottom line – including the following:

WHAT IF YOU COULD PREDICT WHICH EMPLOYEES WILL THRIVE AT YOUR ORGANIZATION?

Talent tracking reports enable you to see the top companies you gain talent from – and those companies to which you lose talent. As indicated in the sample deliverable of Figure 3, seeing where you lose talent affords you the opportunity to assess what these organizations offer that attracts employees and how they message their opportunities.

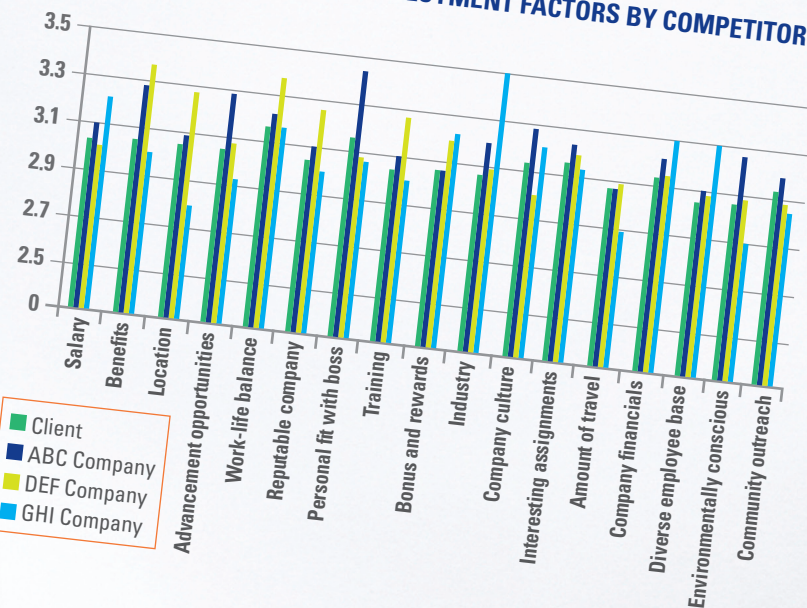
FIGURE 3: TOP COMPANIES CLIENT LOST TALENT TO



WHAT IF YOU COULD GET A COMPETITIVE EDGE IN RECRUITING TOP TALENT?

The chart below indicates how various companies' employment offerings compare in the eyes of target talent. Identifying top talent competitors helps you to build a more compelling employee value proposition – you can get an understanding of what they offer to talent and how they message their opportunities.

FIGURE 9: PERCEPTION OF EMPLOYMENT FACTORS BY COMPETITOR



HOW DOES THE NUMBER OF APPLICATIONS YOU RECEIVE COMPARE TO THAT OF OTHERS IN YOUR INDUSTRY?

Information such as that provided in the chart below – a snapshot from an applicant experience survey – gives you a better understanding not only of whether you are attracting active or passive talent, but of how many companies with whom you are competing for talent at one time.

QUESTION 10: HOW MANY SIMILAR POSITIONS HAVE YOU APPLIED FOR IN THE PAST MONTH?

Answer	Responses	Percent
None	20	7.46%
	20	7.46%
1-2	72	26.87%
	72	26.87%
3-5	104	38.80%
	104	38.80%
6-10	34	12.69%
	34	12.69%
10+	38	14.18%
	38	14.18%
Total Current	268	
Total Benchmark	268	

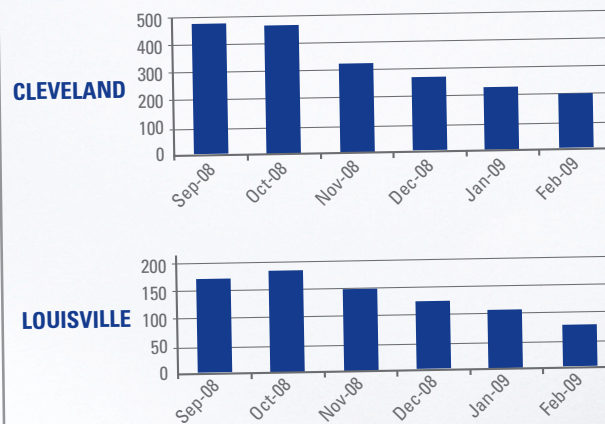
■ Current data ■ Benchmark (responses year-to-date)

Source: Applicant Experience Survey

WHAT IF YOU KNEW WHERE AND WHEN TO MOST EFFECTIVELY ADVERTISE YOUR OPEN POSITIONS?

Talent intelligence provides a record of where the greatest job decline and growth occurs, indicating trends that can help you anticipate when and where more talent will become available – and plan your marketing efforts accordingly.

FIGURE 10: LABOR DEMAND TRENDS



Source: Supply and Demand Report

DO YOU WISH YOU COULD INCREASE THE DIVERSITY OF YOUR ORGANIZATION?

Talent intelligence provides you the data (as indicated in the chart below) to help you understand the makeup of the talent you are attracting. Understanding the types of candidates you are attracting helps you enhance your recruitment efforts and design a strategy that better speaks to the types of candidates you want to attract.

FIGURE 1: JOB APPLICANT DEMOGRAPHICS

Race	High	Actual	Low
Black	23.75%	22.58%	21.41%
Asian	2.12%	1.86%	1.60%
Hispanic	4.50%	3.89%	3.28%
Other	2.20%	1.82%	1.45%
White	69.17%	69.88%	68.59%
Gender	High	Actual	Low
Female	61.15%	57.74%	54.34%
Male	42.85%	42.26%	41.66%
Age	High	Actual	Low
18-25	10.96%	10.16%	9.36%
26-35	49.74%	48.27%	46.80%
36-45	30.41%	29.10%	27.80%
46-55	11.08%	10.12%	9.16%
56-65	1.65%	1.22%	0.79%

Source: Talent Demographics Report

**FOR MORE INFORMATION
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