



Q3 2009 U.S. HIRING FORECAST

careerbuilder®

Dear Recruiting Professional,

The first two quarters of this year proved challenging for most companies across the staffing and recruiting industry. It is exciting, however, to see many clients reevaluate their approach and adopt new strategies to stay competitive. With 15 percent of companies expected to hire full-time, permanent employees in the third quarter, staying focused on developing valuable client partnerships and attracting the best talent is essential.

This update includes data from our Q3 Hiring Forecast with *USAToday*, excerpts from our second annual *Opportunities in Staffing Guide* with the Inavero Institute for Service Research and other insight to help you stay knowledgeable to keep innovating for the future.

- **Q3 Hiring Forecast:** Sixty-eight percent of employers say they will make no change to their headcount in the third quarter. This is only a slight change from the 64 percent indicating they would make no change in Q2 indicating there may be more stabilization in the future. In this environment, what are you doing to prove that you are a valuable partner to your clients?
- **Opportunities to Connect:** Staffing firm candidates and clients are looking for a more memorable and valuable experience from their staffing partners. According to our latest research study with Inavero, 29 percent of clients and 31 percent of candidates could not name a staffing firm from memory, other than the one they use. Read more key findings from this release and learn more about what some firms are doing to differentiate themselves, like embracing social media to drive effective communication.

With stability in sight and staffing firms working hard to prepare for the future, take time to review your own strategy. CareerBuilder is here to provide you the necessary business intelligence to navigate this environment and consult with you on new solutions to increase your impact in any economic climate.



Sincerely,

A stylized, handwritten signature in black ink, appearing to read 'Todd McCormick'.

Todd McCormick

President, Recruiter Business Unit, CareerBuilder
Todd.McCormick@careerbuilder.com

Q3 2009

U.S. HIRING FORECAST

MOST EMPLOYERS EXPECT THEIR STAFF LEVELS TO REMAIN THE SAME as recruiting patterns hold steady and job losses trend downward, according to CareerBuilder and USA TODAY's Q3 2009 Job Forecast. Employers are closely monitoring the progress of recovery for the U.S. economy and have implemented measures to improve their financial health while preserving their competitive standing. Keeping their current talent mix is a key focal point.

"The latest report from the Bureau of Labor Statistics shows that job loss is moderating, a trend that will hopefully continue in the second half of the year as the financial system and economy move toward recovery," said Matt Ferguson, CEO of CareerBuilder. "Though we're headed in the right direction, we're not likely to experience significant movement in job creation in 2009. Jobs will be added, but overall, businesses will continue to be conservative in their hiring and maintain focus on existing human capital. Sixty-eight percent of employers said they don't anticipate any change in their full-time, permanent headcount in the third quarter."

CareerBuilder and USA TODAY surveyed more than 2,600 hiring managers and human resource professionals nationwide across industries between May 22nd and June 10th, 2009.

HIRING IN Q2 2009

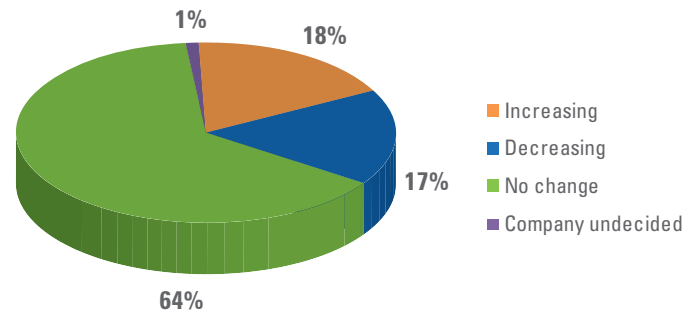
Sixty-four percent of employers reported no change in their staff levels in the second quarter. The number of employers who added and reduced headcount improved over the previous three months. Eighteen percent of employers said they increased their number of full-time, permanent employees in the second quarter – up from 13 percent in the first quarter. Seventeen percent of employers reported a reduction in headcount, an improvement from 26 percent in the first quarter. One percent were undecided.

When asked if hours had changed, on average, for hourly workers in Q2 2009 year over year, 55 percent reported no change in the number of hours offered. Twenty-three percent said hours were cut while 6 percent stated hours had increased.

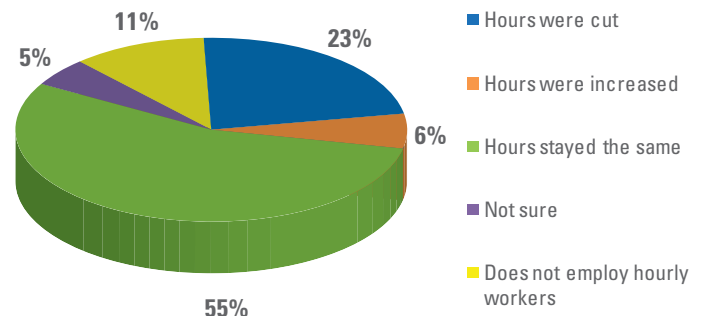
HIRING IN Q3 2009

Looking forward, 15 percent of hiring managers expect to increase full-time, permanent headcount in the third quarter, up slightly from what was originally projected for the second quarter. Ten percent anticipate there will be a decrease in headcount in the third quarter, a projected improvement from the previous two quarters. Sixty-eight percent expect no change and 7 percent are unsure.

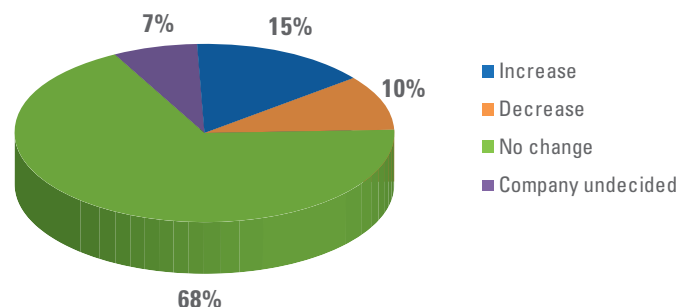
This quarter (2nd quarter, Apr. 1 - Jun. 30, 2009), is your company, at your location, increasing, decreasing or making no change in its number of full-time, permanent employees?



If your company, at your location, employs hourly workers, how have their hours on average changed in the second quarter 2009 compared to the second quarter 2008?



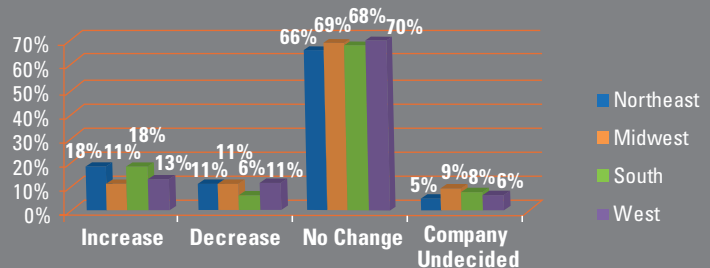
In the third quarter (Jul. 1 - Sep. 30, 2009), does your company, at your location, plan to increase, decrease or make no change in its number of full-time, permanent employees?



HIRING BY REGION

Opportunities in government, education, healthcare and defense are helping to fuel hiring in the Northeast, which tied with the South for the largest number of employers who plan to increase full-time, permanent headcount in the third quarter (18 percent). The amount of hiring managers recruiting in the West was little changed from the previous quarter at 13 percent while the Midwest dropped from 14 percent to 11 percent amidst ongoing challenges in the manufacturing sector. Eleven percent of hiring managers in the Northeast, West and Midwest expect to trim staffs compared to 6 percent in the South.

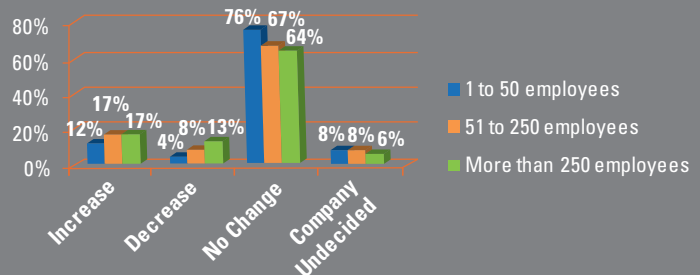
HIRING BY REGION - In the third quarter, does your company, at your location, plan to increase, decrease or make no change in its number of full-time, permanent employees?



HIRING BY COMPANY SIZE

Seventeen percent of employers with more than 250 employees expect to add full-time, permanent positions in the next three months. Similar findings were reported for companies with 51 to 250 employees. Twelve percent of those with 1 to 50 employees plan to add headcount in the third quarter.

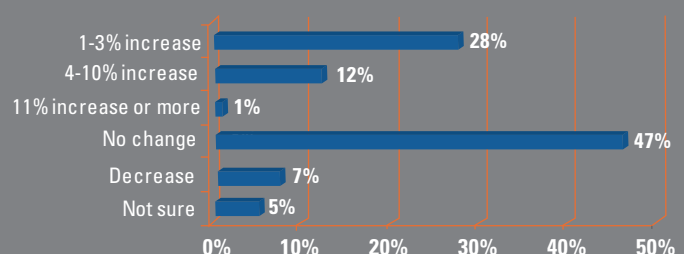
HIRING BY COMPANY SIZE - In the third quarter, does your company, at your location, plan to increase, decrease or make no change in its number of full-time, permanent employees?



COMPENSATION

The number of employers planning pay increases was unchanged compared to the prior three months. Forty-one percent of employers expect to increase salaries for full-time, permanent employees in the third quarter. Twenty-eight percent estimate the average raise to range between 1 and 3 percent, 12 percent expect an average raise of 4 to 10 percent while 1 percent expect raises to be 11 percent or more. Forty-seven percent of employers anticipate no change in compensation levels, 7 percent expect a decrease and 5 percent are unsure.

What do you expect the average change in salaries will be for full-time, permanent employees, at your location, in the third quarter of 2009 compared to the third quarter of 2008?

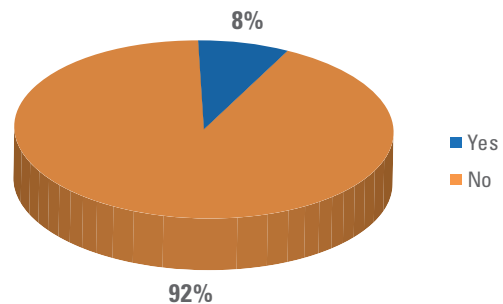


HOW EMPLOYERS ARE MANAGING THE ECONOMIC DOWNTURN

In addition to exploring new markets and revenue opportunities, employers are concentrating on cost containment measures to help them endure a challenging economy. The following are six trends from the first half of the year.

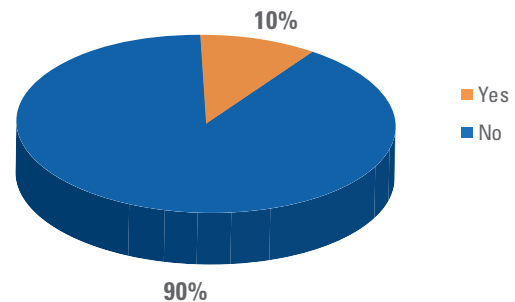
1. POSTPONED START DATES — Eight percent of employers have presented job offers with postponed start dates this year to secure talent while delaying expenses associated with additional headcount. Of these employers, 42 percent provided a pay incentive while the remainder did not.

Has your organization presented job offers with postponed start dates this year?



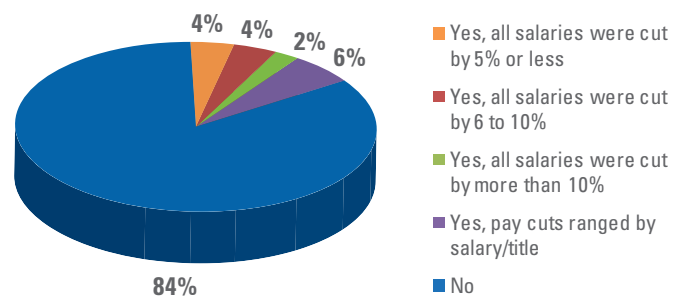
2. FURLONGHS — Ten percent of employers have instituted mandatory furloughs for employees over the last six months. The majority of furloughs were one week or less, 28 percent were one to two days.

Has your organization instituted mandatory furloughs in the last six months?



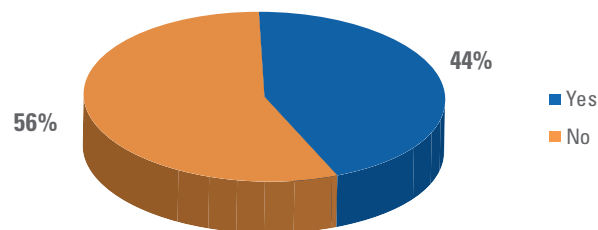
3. PAY CUTS — Sixteen percent of employers have implemented pay cuts in the last six months. Of these employers, 28 percent said all salaries were reduced by 5 percent or less while 33 percent had decreases of more than 5 percent. Thirty-nine percent reported that cuts varied according to salary and/or title.

Has your organization instituted pay cuts for employees in the last six months?



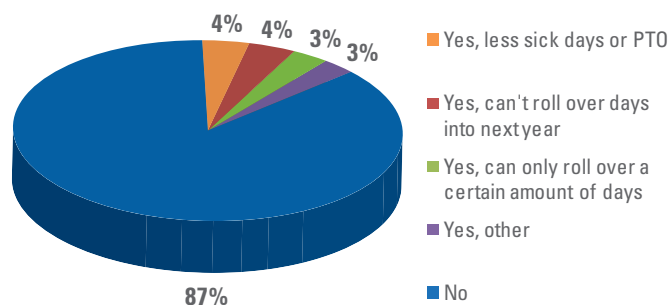
4. HIRING FREEZE – Forty-four percent of employers have instituted a hiring freeze over the last six months. Of these employers, 31 percent stated that they will be hiring going forward while 69 percent reported a continued suspension of hiring.

Has there been a hiring freeze at your organization in the last six months?



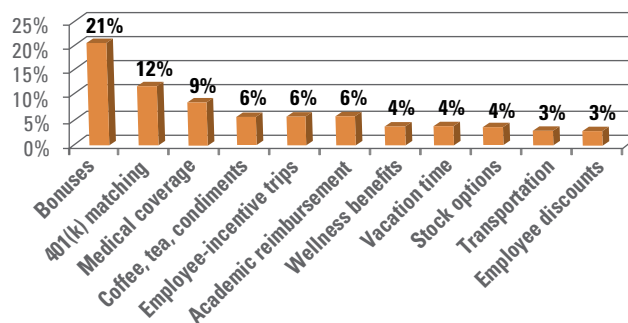
5. REVISED SICK POLICIES – Thirteen percent of employers have altered their sick time or paid time off policy in 2009, offering less days, not allowing days to roll over or limiting the amount of days that can roll over.

Has your organization changed your employee sick time policy or paid time off policy in the last six months?



6. FEWER PERKS AND BENEFITS – Forty-three percent of employers have cut perks and benefits in 2009. The top three areas impacted are bonuses, 401(k) matching and medical coverage, followed by free coffee, tea and condiments, employee incentive trips and academic reimbursement.

Has your organization cut any benefits or perks in 2009 due to a tight economy?



SURVEY METHODOLOGY

This survey was conducted online within the U.S. by Harris Interactive on behalf of CareerBuilder and USA TODAY among 2,667 hiring managers and human resource professionals (employed full-time; not self-employed; with at least significant involvement in hiring decisions; non-government) ages 18 and over between May 22nd and June 10th, 2009 (percentages for some questions are based on a subset of U.S. employers, based on their responses to certain questions). With a pure probability sample of 2,667, one could say with a 95 percent probability that the overall results have a sampling error of +/- 1.9 percentage points. Sampling error for data from sub-samples is higher and varies.

OPPORTUNITIES IN STAFFING: A COMPREHENSIVE GUIDE TO CLIENTS AND CANDIDATES 2009: EXCERPTS FROM THE EXECUTIVE SUMMARY

Amidst one of the most challenging economic environments the staffing industry has ever faced, there is news of encouragement, improvement and growth. While nearly 30 percent of clients and 45 percent of candidates are unable to name more than one firm from memory, both measures have improved in the last year.

As the industry faces the economic realities of 2009 and begins to prepare for emergence from the recession, there are significant opportunities to differentiate, gain market share and improve staffing firm profitability. From informing your social media strategy to calculating the value of client and candidate word-of-mouth, the second annual *Opportunities in Staffing* study, released by CareerBuilder and the Inavero Institute for Service Research, is your guide to navigating the industry.

The 2009 study, which includes more than 2,100 client and nearly 19,000 job candidate survey responses compiled from four years of research, is the most comprehensive study of its kind in the industry today.

WHAT A DIFFERENCE A YEAR MAKES

Over the last year, we have made the transition from discussing a tightening labor market and shrinking margins to debating how many jobs will be lost total and when this recession will end. This research, however, reveals promising findings for many staffing firms around the opportunity to engage both candidates and clients to create a positive, lasting impression.

In regard to the economy, clients believe the economic stimulus is going to impact their hiring needs in the next 12 months. More than 60 percent expect the stimulus money to have some positive impact on their hiring needs, and one in five believe the impact will be large.

The client experience with staffing firms showed significant improvement in 2009, with an average "willingness to recommend" of 8.3 (out of 10). Perceptions of candidate quality and the convenience offered by staffing helped fuel the gains, improving significantly over the 2008 measures.

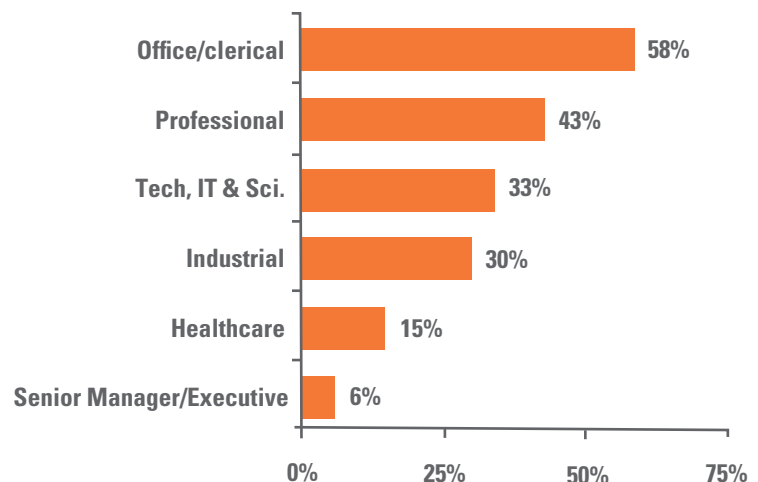
While the availability of qualified job candidates has certainly increased during the downturn, candidates still offer a distinct challenge and opportunity for staffing firms. Awareness of the nation's largest staffing firms has increased slightly among active and passive job seekers, but the quality of their experience with staffing firms varies dramatically.

Sixteen percent of job seekers rate their experience with a staffing firm a 9 or 10, but more than 20 percent rate the experience between a 0 and 2 (utilizing a 0-10 scale, with 10 indicating a very positive experience). With only 22 percent of job seekers utilizing a staffing firm as part of their job search and less than 5 percent making it the first resource they use, there is significant opportunity for staffing firms to better reach and serve this population.

To continue industry growth and improvement, an understanding of client and job candidate perceptions, needs and experiences is vital. Opportunities exist, but a staffing firm's ability to leverage industry opportunities hinges on effectively tailoring marketing communication, operational processes and exceptional support where it is most needed and desired.

THE CLIENT PERSPECTIVE

More than 2,100 clients have given their feedback since 2006, with 615 clients from all industries throughout the United States participating in the 2009 wave of the study. Participants range from the Fortune 100 to small and medium-sized startups. They include both senior management and hiring managers, as well as those who manage temporary employees on a day-to-day basis, in order to offer a broad perspective on the client experience. All responses were from people who indicated they had utilized a staffing or recruiting firm within the past 12 months.



REACHING CLIENTS IN A DOWN ECONOMY – CREATING AWARENESS

Client awareness of staffing firms has improved slightly since 2008, with the average client able to name their primary staffing firm and one additional firm from memory. However, 28 percent of clients surveyed can still only name their primary staffing firm. This is a slight improvement from last year, when 30 percent couldn't name a single additional staffing firm from memory.

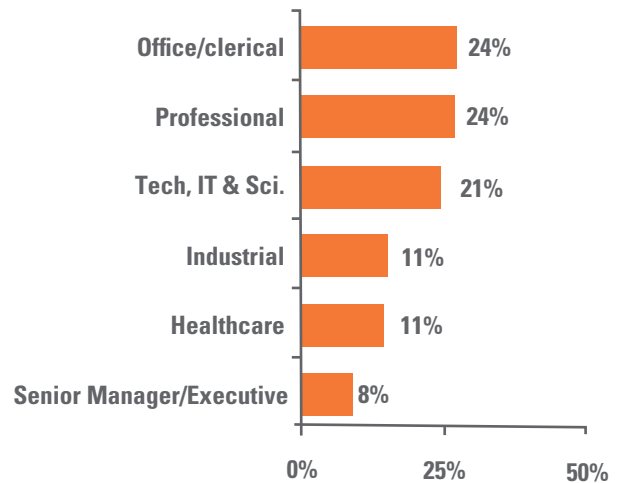
No single staffing firm is top of mind when it comes to the majority of clients. When asked the first staffing firm they thought of, no single brand was listed by more than 5 percent of the client population, and only two national staffing firms currently have awareness above 50 percent. Awareness for four of the top five firms, however, increased in 2009, and over half the firms included in the study improved over last year. This fact highlights the challenges of branding in the staffing industry, as the awareness numbers indicate a highly fragmented industry with few brands truly "top of mind" in the eyes of clients.

Referrals and direct contact from staffing firm sales representatives were the two most common sources of initial awareness in 2009, both increasing from the 2008 study. All other sources of initial awareness declined in 2009, with traditional media showing the biggest drop.

THE JOB CANDIDATE PERSPECTIVE

18,869 active job seekers participated in the 2009 survey of job candidates. The research included 18,490 responses from CareerBuilder's internal database, with an additional 379 responses from an independent, third-party online sample provider to ensure the validity of the CareerBuilder data and accurately reflect the overall pool of job candidates. All participants were either actively engaged in a job search, or had completed a search within the past 12 months.

Job seekers of all ages, backgrounds and education levels participated in the 2009 survey. Nearly 500 were on a temporary assignment with a staffing firm, and many had been affected by the current economic climate, indicating they were laid off due to the recession. Participants were seeking a wide variety of positions, with a reasonably even distribution across staffing sectors.



JOB SEEKER AWARENESS RISES SLIGHTLY, WHILE UTILIZATION REMAINS UNCHANGED

Job seeker awareness of staffing firms has risen slightly over the past year, with more job candidates reporting online advertising and recruiter contacts as sources of initial awareness than in 2008.

It is still very common, however, for job seekers to have no awareness of staffing or recruiting firms at all, with 31 percent unable to name a single staffing or recruiting firm from memory. This represents a significant improvement over last year, however, when 40 percent of job candidates lacked the ability to name a single staffing firm when asked. When asked to name the first staffing firm they thought of from memory, only two national firms were mentioned first by at least 5 percent of job seekers, indicating that no single firm is truly thought of first by a majority of candidates. Still, the average job candidate can now name nearly two firms from memory, compared to just one firm in 2008.

Utilization of staffing firms by job seekers is still extremely low, however, with only 22 percent of survey participants indicating they had used a staffing or recruiting firm as part of their job search, and less than 5 percent indicating it was the resource they chose to utilize first. This is very similar to what was found last year, as job candidates tend to utilize between three and five resources as part of the job search portfolio.

To receive a copy of the full Executive Summary, including information related to social media, word-of-mouth within the staffing industry and more on awareness and perceptions, visit

www.careerbuilder.com/staffingperceptions

The full Executive Summary and comprehensive report will be released in August 2009.

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SPOTLIGHT ON DAN TEMPS: SUCCESS USING SOCIAL MEDIA

COMPANY PROFILE

Jarrold Daniel co-founded Dan Temps in 1994 to offer full-service staffing services to companies in Houston and San Antonio. Dan Temps, together with DT Medical and The Daniel Group, offers a full suite of solutions to clients across almost all industries, focusing on: Accounting/Finance, Engineering/Technical, Information Technology, Office support, Light Industrial/Manufacturing and Healthcare.

COMPANY SITUATION

Dan Temps has always been focused on providing exceptional service to its partners, who include candidates, clients and clients' internal employees. With expansion into new disciplines and new markets, Dan Temps was looking to increase their brand exposure with these audiences while continuing to provide a superior level of service to its stakeholders. Like many other firms in this difficult economy, Dan Temps was also looking to increase its brand recognition with hiring managers across the different industries it serves.

CAREERBUILDER SOLUTION

Taking time to understand Dan Temps' challenges and objectives, CareerBuilder helped the firm to integrate social media into its existing efforts to work toward its goals of increased branding and efficient communication. Jarrod Daniel, President of Dan Temps, said, "In accordance with branding, we saw this as an opportunity to communicate better with our associates and candidates regarding topics such as employment, economic issues and our own internal events."

As the only authorized reseller of recruitment advertising on Facebook, CareerBuilder built a page for Dan Temps, integrated the firm's CareerBuilder Job Postings, and helped drive traffic to this platform by targeting keywords in its top markets with Facebook engagement ads.

NEED HELP GETTING STARTED?

Engaging your audience through social media has proved effective for many companies. As exhibited in this case study, it takes dedication, time and authentic communication to build an avid community online. These efforts are the difference between getting lost among the noise and standing out as a genuine employer that is actively engaging candidates, clients and internal employees.

Many companies have asked for assistance in building their strategy and monitoring their presence in this growing medium. CareerBuilder's Social Media Brand Management services help you set up and manage your online presence so

RESULTS ACHIEVED

Integrating Facebook into Dan Temps' overall strategy has not only increased the firm's brand exposure, but has also provided new ways to engage with candidates directly and streamline communications.

After three months on Facebook, Dan Temps has over 565 fans. This fan base is the result of Facebook media campaigns to drive traffic based on specifications it identified and the commitment from the entire Dan Temps team to use Facebook to share relevant content and interact on this platform daily. The team believes that this has given them access to candidates they would not have had before. The Facebook platform also gives the team a new way to engage a person who goes beyond the traditional newsletter sent out by many staffing firms or through strictly phone and e-mail conversations. In the firm's experience, the platform is paying off:

"Dan Temps believes that the environment candidates are accustomed to in a social network will keep the conversations and information real. Candidates don't feel they are being pressured in that environment like they would in a more formal interview or screening process and are more likely to be candid with our recruiters," said Daniel.

An unforeseen benefit was a 500 percent increase in direct applications to the firm's CareerBuilder Job Postings.

"Our Facebook Recruiting Project has increased our visibility in regards to the Job Postings that we have on the page. We used to get an average of 30 applications per posting on CareerBuilder before we created the Facebook page. However, since that page was created and tied to our CareerBuilder postings, the applications have gone up to an average of 150 applications per posting. That is a 500 percent increase in applications per posting in only three months," according to Daniel.

you can start increasing your brand awareness with minimal effort on your part.

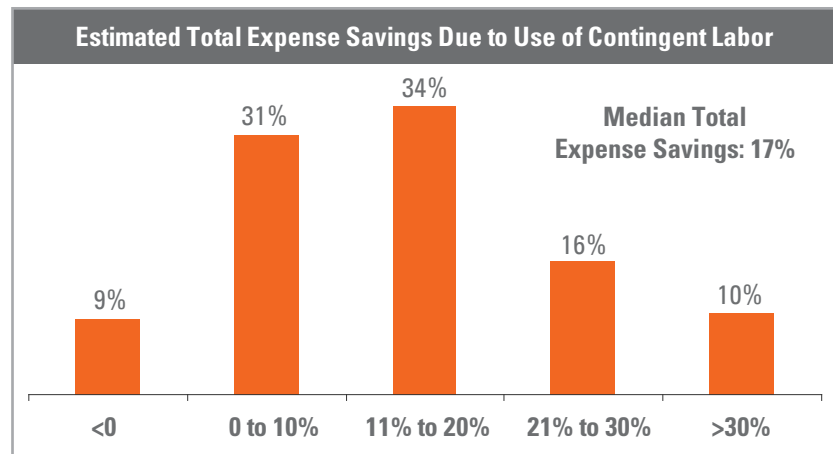
Services include:

- Setting up your Facebook recruitment page
- Posting engaging content
- Generating a two-way dialogue with other users
- Monitoring your page buzz
- Reporting on page statistics

Contact your dedicated account executive today to learn more about how these services can be customized to your business needs.

BUYERS REPORT SAVINGS THOUGH USE OF CONTINGENT LABOR

86% of buyers reported that the use of contingent labor saved their organization money. The median estimated savings was 17% of total expense.



Buyers in the tech/telecom industry and buyers of tech/engineering skills reported the greatest expense savings due to the use of contingent workers. Buyers in healthcare reported the lowest savings. Perceived savings did not vary consistently by company size. Contingent workers buyers who perceived larger savings also tended to project greater growth of contingent workers in their organization over the next two years.

Buyers who managed their own contingent workers program and/or did not use vendor management systems, VMS, typically reported lower expense savings due to use of contingent workers. Perception of expense savings also varied somewhat by job level, with higher-ranked respondents reporting lower perceived savings than lower-ranked respondents.

This is an excerpt from Staffing Industry Analysts' 2008 Staffing Buyers Survey, which will be featured in the 2009-10 Staffing Industry Sourcebook.

**The 2009-2010 edition of the Staffing Industry Sourcebook:
A Guide for Staffing Executives will be published in August.**

It contains 500 pages of practical advice for managing and operating your staffing firm as well as key data on market trends and developments to plan for your future.

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FORECASTS OR CAREERBUILDER PRODUCTS,
CONTACT YOUR ACCOUNT REPRESENTATIVE
OR CALL 1-800-960-5203.**

ABOUT CAREERBUILDER

CareerBuilder is the global leader in human capital solutions, helping companies target and attract their most valuable asset – their people. Its online career site, CareerBuilder.com, is the largest in the U.S., with more than 23 million unique visitors, 1 million jobs and 31 million+ resumes. CareerBuilder works with over 300,000 employers, providing resources for everything from employment branding and data analysis to talent acquisition. More than 9,000 Web sites, including 140 newspapers and broadband portals such as MSN and AOL, feature CareerBuilder's proprietary job search technology on their career sites. Owned by Gannett Co., Inc. (NYSE:GCI), Tribune Company, The McClatchy Company (NYSE:MNI) and Microsoft Corp. (Nasdaq: MSFT), CareerBuilder and its subsidiaries operate in the U.S., Europe, Canada and Asia.

**For more information, visit www.buildmydreamteam.com
or join the discussion at www.thehiringsite.com**

The background is a vibrant blue with a complex, abstract pattern of white, glowing lines that radiate from a central point, creating a sense of dynamic movement and energy. The lines vary in thickness and opacity, some appearing as sharp streaks while others are more ethereal and wispy. The overall effect is reminiscent of a stylized starburst or a network of connections.

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