



# **U.S. HIRING FORECAST**

**careerbuilder®**

**Q4 2009**

Dear Valued Customer,

**On October 2, the Labor Department reported that U.S. employers trimmed 263,000 jobs in September 2009.** While the number was slightly higher than expected, it still is much lower than the beginning of 2009 and indicates that the economy is healing. Although the unemployment rate rose to 9.8 percent, it will likely level out sometime next year as the number of jobs lost equals the number of jobs added. While a high unemployment rate may mean more candidates applying to jobs, attendees at a recent conference for recruiting professionals discussed how this influx of candidates has not made it any easier to find the right, qualified talent for available positions.

Targeting and attracting the best-qualified candidates is top of mind for recruiters as well as hiring managers and departments offering these open positions. Using social media and maintaining a positive employment brand are key strategies that employers plan to implement and improve moving forward. Leveraging these strategies helps employers not only find and attract talented candidates, but also qualify these candidates as being the right fit for the open position and the company.

The Q4 Hiring Forecast that follows highlights the details of a joint study by CareerBuilder and USA TODAY focusing on national hiring trends, implications on the U.S. economy, and ways companies are using this time to optimize their processes to prepare for the economic turnaround.

As you look to improve upon your current process for targeting and attracting your company's future talent, CareerBuilder is committed to being your No. 1 partner for delivering candidate and recruitment process data, as well as social media recruitment strategies and management. You will find more about these services at the end of this report.

**I wish you a successful end to 2009. Please don't hesitate to reach out to me or your CareerBuilder account representative for additional insights or ways we can work together to optimize your processes.**



Sincerely,

A handwritten signature in black ink, appearing to read 'Pete Jansons', written over a white background.

**Pete Jansons**

Vice President, Inside Sales

CareerBuilder

Pete.Jansons@careerbuilder.com

(773) 399-5281

# Q4 2009

## U.S. HIRING FORECAST

The latest quarterly report from CareerBuilder and USA TODAY shows that, while employers are more optimistic and taking steps to prepare for an economic upturn, the majority plan to keep their staff levels the same for the remainder of the year. Continued moderation in job loss coupled with a hesitant approach to hiring is expected for the fourth quarter, similar to the previous three months.

“Companies are switching their focus from cost containment to growth. Employers who have instituted pay cuts or layoffs in the last year are reporting that they have begun to restore compensation levels and rehire employees,” said Matt Ferguson, CEO of CareerBuilder. “While these are positive indicators, the pace of hiring will remain restrained. It will take time to rebuild the confidence needed in the nation’s economy to trigger more robust recruitment programs.”

CareerBuilder and USA TODAY surveyed more than 2,900 hiring managers and human resource professionals nationwide across industries from August 20 to September 9, 2009.

### HIRING IN Q3 2009

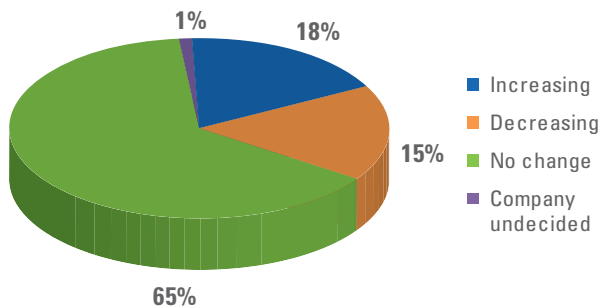
The number of employers who increased their full-time, permanent headcount in the third quarter was unchanged from the second quarter at 18 percent. In terms of headcount reductions, 15 percent of employers reported declines in staff levels in the third quarter, an improvement from 17 percent in the second quarter. Sixty-five percent of employers reported no change in their number of full-time, permanent employees while one percent were undecided.

Results for hourly workers were similar to the last survey. Fifty-six percent of employers reported no change in the number of hours offered in Q3 2009 compared to the same period last year. Twenty-two percent said hours were cut while 6 percent stated hours had increased.

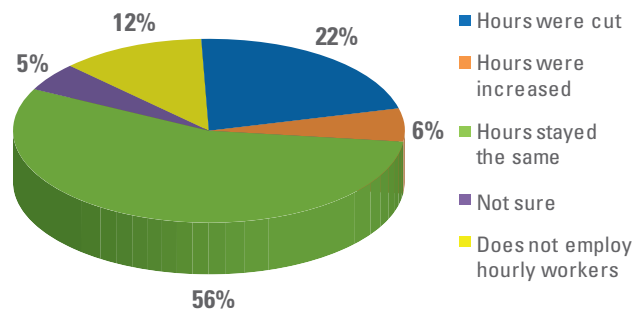
### HIRING IN Q4 2009

Expectations for hiring in Q4 2009 are falling in line with the previous two quarters while planned staff reductions continue to trend down. In the fourth quarter, 17 percent of employers expect to add full-time, permanent employees while 10 percent anticipate a decrease in headcount. Sixty-eight percent anticipate no change while 5 percent are undecided.

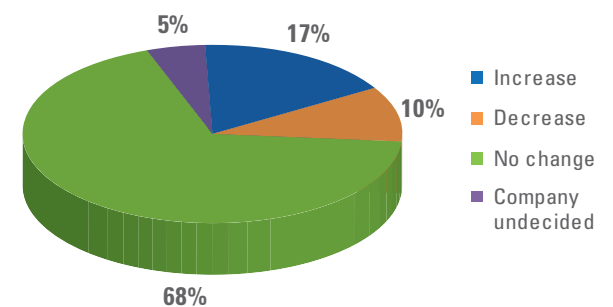
This quarter (3rd quarter, Jul. 1 - Sep. 30, 2009), is your company, at your location, increasing, decreasing or making no change in its number of full-time, permanent employees?



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



In the fourth quarter (Oct. 1 - Dec. 31, 2009), does your company, at your location, plan to increase, decrease or make no change in its number of full-time, permanent employees?

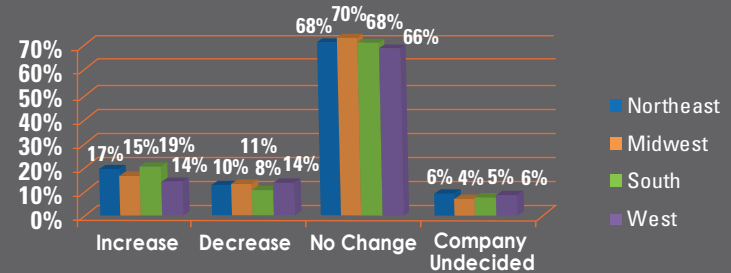


Totals may not equal 100 percent due to rounding.

## HIRING BY REGION

Regional trends have held steady. Benefitting from growth in healthcare, education and energy, the South continues to produce more job opportunities. Nineteen percent of hiring managers in the South expect to increase their full-time, permanent staff in the fourth quarter followed by 17 percent in the Northeast and 15 percent in the Midwest. The West continues to trail the other regions in hiring at 14 percent with the coast being particularly affected by the housing market crash and slowdown in international trade. At the same time, the West also has the largest number of employers planning to downsize staffs. Fourteen percent of hiring managers in the West expect to trim headcount compared to 11 percent in the Midwest, 10 percent in the Northeast and 8 percent in the South.

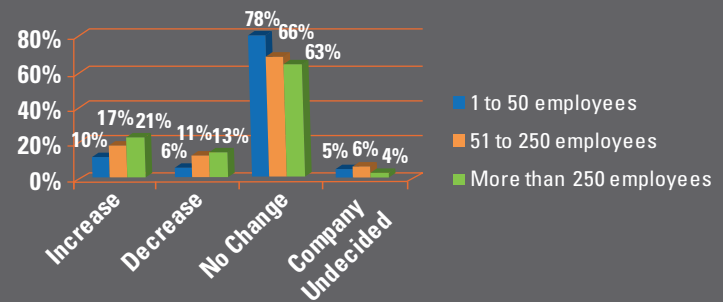
Hiring By Region - In the fourth quarter, does your company, at your location, plan to increase, decrease or make no change in its number of full-time, permanent employees?



## HIRING BY COMPANY SIZE

Twenty-one percent of employers with more than 250 employees expect to add full-time, permanent positions in the next three months, up from 17 percent in the third quarter. The number of employers with 51 to 250 employees who are planning to add headcount was unchanged quarter over quarter at 17 percent. Ten percent of those with 1 to 50 employees plan to increase staffs in the fourth quarter, down from 12 percent in the last survey.

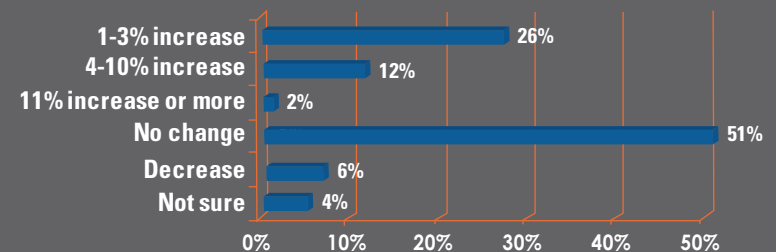
Hiring By Company Size - In the fourth quarter, does your company, at your location, plan to increase, decrease or make no change in its number of full-time, permanent employees?



## COMPENSATION

Compensation trends from the last two quarters are expected to carry over into the fourth quarter. Half of employers anticipate no change in salaries for full-time, permanent employees in the next three months. One-in-four (26 percent) expect to raise salaries between 1 and 3 percent, one-in-ten (12 percent) expect to raise salaries 4 to 10 percent while 2 percent expect an increase of 11 percent or more. Six percent plan to decrease compensation while 4 percent reported their company is undecided.

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



## EMPLOYERS PREPARING FOR ECONOMIC RECOVERY

While implementing measures to lessen spending, tighten budgets and scale back risk in the wake of the financial crisis, companies also recognized the need to secure their competitive standing. Twenty-seven percent of employers reported that, over the last year, they have laid off workers in one area, but hired in another. The areas they primarily hired in were those linked to revenue including technology, sales, customer service and research and development. As the U.S. economy shows signs of stabilization and employers see potential improvement in their business prospects, they are reversing strategies taken to manage through tough economic times.

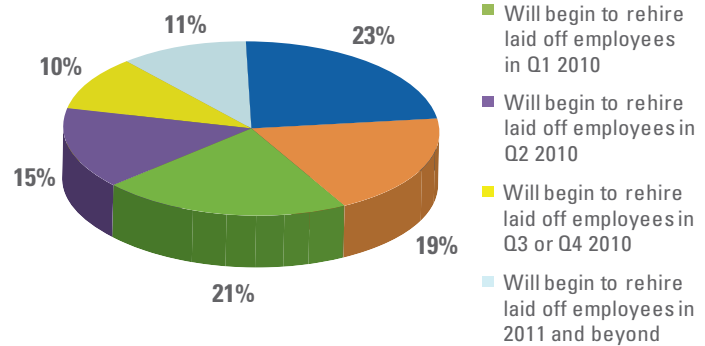
## TIMELINE FOR HIRING BACK LAID OFF WORKERS

Of employers who had layoffs in the last 12 months, one-in-four (26 percent) reported their company is planning to bring back some employees they let go earlier in the year. Of those rehiring laid off workers, 23 percent already started extending job offers to former employees in the third quarter while 19 percent will begin to do so in the fourth quarter. Twenty-one percent will start bringing back laid off employees in the first quarter of 2010, 15 percent in the second quarter and 10 percent in the latter half of 2010. Others are holding off until 2011 and beyond.

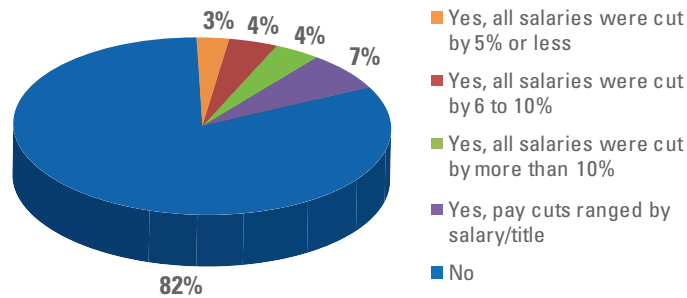
## RESTORING COMPENSATION AFTER PAY CUTS

Nearly one-in-five employers (18 percent) reported their organizations implemented pay cuts in the last 12 months. Five percent of these employers reported they restored pay to previous levels in the third quarter while 12 percent plan to do so in the fourth quarter. Seventeen percent expect pay to return to normal in the first quarter of 2010, 7 percent expect it will be the second quarter while another 7 percent are predicting the latter half of 2010. One-in-ten (12 percent) stated their organizations don't plan to restore pay to previous levels until 2011 or 2012 while 41 percent are not sure.

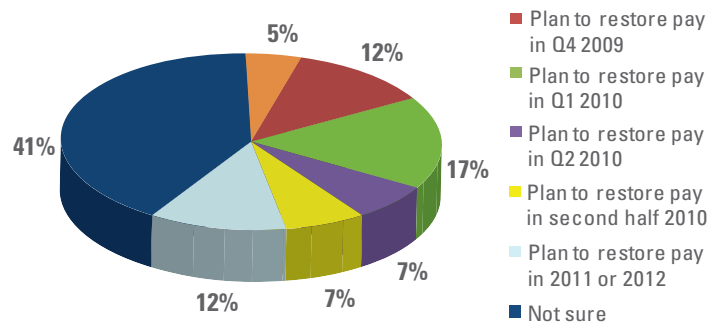
Employers Who Have Laid Off Workers in the Last 12 Months and Plan to Bring Back Employees - Projected Timing for Rehiring



Has your organization instituted pay cuts for employees in the last 12 months?



When does your organization estimate that pay will be restored to previous levels?



## SURVEY METHODOLOGY

This survey was conducted online within the U.S. by Harris Interactive on behalf of CareerBuilder and USA TODAY among 2,924 hiring managers and human resource professionals (employed full-time; not self-employed; with at least significant involvement in hiring decisions; non government); between August 20 and September 9, 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 2,924, one could say with a 95 percent probability that the overall results have a sampling error of +/- 1.81 percentage points. Sampling error for data from sub-samples is higher and varies.

# BENCHMARKING TALENT, EMPLOYEES CRITICAL AS BUSINESSES READY FOR RECOVERY

**As the U.S. settles into the last quarter of 2009, the job market is finally showing much-anticipated signs of stabilization.**

Most notably, the number of new job loss claims has decreased steadily over the past few months, and although we are still seeing record unemployment rates, industry experts maintain this is only a lagging indicator of recovery.

“The unemployment rate can still increase even as we look at fewer job losses,” says Jason Ferrara, vice president of corporate marketing at CareerBuilder. “What we’re looking for is stabilization in the job market, and we’re beginning to see it. And that’s a positive sign.”

Even as economists warn that this recovery will be a slow one, it is not stopping employers, who have been cautious regarding hiring, to start having conversations about headcount and 2010 plans. As the market stabilizes, Ferrara says, employers are starting to realize that at some point, they will need to start growing. Fueling that growth will mean either rehiring previously laid off employees or adding additional ones. “There’s optimism in the market. Companies are interested in growth and they’re trying to figure out how to do that.”

CareerBuilder recently surveyed its client base to get an understanding of businesses’ recruitment activity during these economic hard times. The results showed that many companies took this slower economic time to actively focus on improving and optimizing their internal processes in preparation for the economy’s improvement.

According to the survey, gathering benchmarking data was among employers’ highest priorities as they created talent management and recruiting plans. Over 70 percent of employers utilize benchmarking data to shape their recruiting strategies. They use the information they gathered to identify their competition for top talent; find out where their talent goes after they leave their company; uncover what candidates think

about their company; and determine what candidates think about their hiring process. This information is also critical for employers to gain perspective on their own recruiting metrics, employee satisfaction levels and employee retention rates by comparing them to those of their competitors.

Approximately **70 percent of the companies surveyed actively monitor and evaluate their job candidate experience**, most likely with intent to create more user-friendly and efficient application processes. Another 13 percent have plans to implement a similar process within the next 12 months. Over half (53 percent) of companies are working to improve the process and technology of their current applicant tracking systems, while 22 percent of companies reported that they plan to do so in the next 12 months. **Regarding employment branding efforts, 63 percent of employers reported that they currently analyze their ideal targeted talent**, while 19 percent reported plans to do the same within the next 12 months.

Another important finding from CareerBuilder’s survey was the increasing popularity of employers using social media for recruitment purposes. Companies across all industries are increasing their presence on social networking sites like Facebook and Twitter to attract and engage future candidates. According to the survey, **one in four companies currently use — or are in the process of developing — a social media aspect of their overall recruitment plan**, while another three in 10 reported that they will implement such a plan in the next 12 months. While the true potential of social networking recruitment is still evolving, more and more companies seem to recognize its potential as a method of sourcing candidates.

As you think about your company’s current positioning and where you want it to be as you plan for 2010, consider partnering with CareerBuilder for assistance in generating critical candidate and recruitment process data, as well as developing and managing social media recruitment strategies.





## SOCIAL MEDIA: ARE YOU PASSING UP A POWERFUL OPPORTUNITY?

Starbucks. Dell. United Airlines. JetBlue. Deloitte. Microsoft. Ernst & Young. Whole Foods. Zappos. Each one of these companies has made headlines in the past few years with their innovative use of social media to enhance their business offerings and better connect with consumers.

Starbucks, for instance, not only uses its Facebook page to promote products and giveaways, but also utilizes its "Ideas in Action" blog to inform business decisions. Within a year of launching "Ideas in Action," Starbucks implemented 25 user-generated ideas. Dell recently announced that it earned more than \$3 million in just over two years through its use of Twitter alone. Meanwhile, online shoe retailer Zappos actively encourages its employees to interact with customers and job seekers through Twitter, and financial services firm Ernst & Young boasts over 30,000 fans on its Facebook Careers page.

Research shows that using social media as a business tool is becoming more mainstream as more and more businesses see social media as an opportunity to build their brand and enhance relationships. In a July 2009 survey by Ethos Business Law, **more than 80 percent of the U.S. executives surveyed reported using social media to enhance relationships with customers and build their company's brand.** These results indicate the growing impact of social media as a business tool. The benefits go beyond brand and relationship-building, as well: Nearly 70 percent of participants use social media to enhance their recruitment processes; 64 percent use it as a customer service tool; and 46 percent believe social media has enhanced employee morale.

At the same time, many executives still expressed hesitation in using social media, with more than half of respondents who did not use social media stating it was because they did not know enough about it. Four in 10 worried about confidentiality and security problems. While these concerns are not new, the growing popularity of social media — among both businesses and consumers — cannot be denied. Companies that have yet to fully embrace social media need to keep in mind the longer they wait to embrace social media, the longer they give their competition an edge in reaching, connecting with and building a pipeline of new talent.

AS SOCIAL MEDIA EVOLVES, companies everywhere are finding different ways to use it to enhance their business. Learn how companies just like yours are using social media to build their brands, tap into a new talent pool, and build more meaningful customer, candidate and employee relationships by downloading **A FREE COPY of CareerBuilder's white paper "Is Blogging Right for My Business?"** at:  
**[www.careerbuilder.com/blogging](http://www.careerbuilder.com/blogging)**

**FIND OUT EVEN MORE ABOUT HOW CAREERBUILDER CAN HELP YOU GAIN ALL THE BENEFITS OF USING SOCIAL MEDIA — WITHOUT THE DRAIN ON YOUR TIME, RESOURCES AND PRODUCTIVITY.**

**CALL YOUR SALES REP TODAY!**



**FOR MORE INFORMATION  
ABOUT CURRENT RECRUITMENT TRENDS, JOB  
FORECASTS OR CAREERBUILDER PRODUCTS,  
CONTACT YOUR ACCOUNT REPRESENTATIVE  
OR CALL 1-877-345-5256.**

## **ABOUT CAREERBUILDER®**

CareerBuilder is the global leader in human capital solutions, helping companies target and attract their most important asset – their people. Its online career site, CareerBuilder.com®, is the largest in the United States with more than 23 million unique visitors, 1 million jobs and 32 million resumes. CareerBuilder works with the world's top employers, providing resources for everything from employment branding and data analysis to HR consulting. 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 United States, Europe, Canada and Asia.

## **STAY CONNECTED AND JOIN THE DISCUSSION:**

CareerBuilder for Employers:  
[www.twitter.com/CBforEmployers](http://www.twitter.com/CBforEmployers)



Employer Blog:  
[www.thehiringsite.com](http://www.thehiringsite.com)



CareerBuilder for Employers:  
[www.facebook.com/CBforEmployers](http://www.facebook.com/CBforEmployers)



**careerbuilder®**