

# Q2 2010 U.S. JOB FORECAST

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# CAREERBUILDER AND USA TODAY'S Q2 2010 JOB FORECAST

**A renewed sense of optimism in hiring is revealed in CareerBuilder and USA TODAY's latest nationwide survey of employers.** For the third consecutive quarter, more employers are projecting they will increase headcount in the next three months while fewer employers are expecting staff cuts.

Activity on CareerBuilder's site also shows evidence that employers are ready to initiate growth strategies once again. "The number of job listings on CareerBuilder.com have increased both sequentially and year over year in 2010," said Matt Ferguson, CEO of CareerBuilder. "The recovery in the job market will take some time as employers face new market realities and gauge demand, but we expect to see gradual improvement throughout the year. The rise in online job listings and resurgence in temporary hiring are good leading indicators for stability in the market and the creation of more permanent jobs down the road."

As job prospects improve, employers are concerned that their top performers may start looking for new opportunities with lighter workloads, higher compensation and better long-term prospects. Nearly one-third of employers said they are concerned about top workers leaving their organizations in the coming months. More flexible schedules, a greater investment in training and promises of raises or promotions when the economy picks up are the top tactics employers said they are using to hold on to their talent.

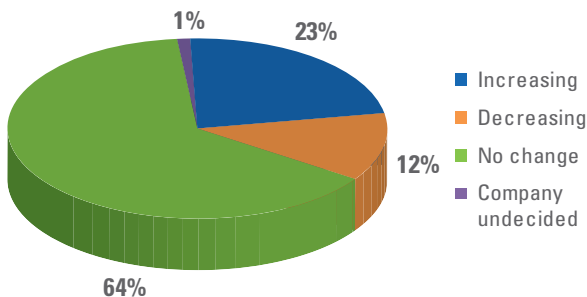
CareerBuilder and USA TODAY surveyed more than 2,700 hiring managers and human resource professionals across industries. The survey was conducted February 10 to March 2, 2010.

## HIRING IN Q1 2010

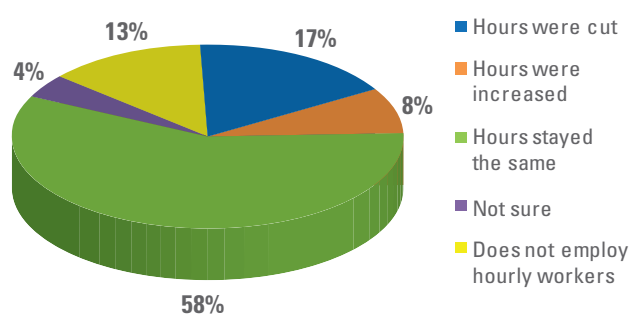
Twenty-three percent of employers reported they increased their full-time, permanent staff in the first quarter. This is up from 13 percent in the same period last year and up from 20 percent in the fourth quarter. Twelve percent decreased headcount, down from 26 percent year over year and down from 13 percent in the fourth quarter. Sixty-four percent of employers reported no change in their number of full-time, permanent employees while one percent were undecided.

In terms of hourly employment, 58 percent of employers reported no change in the number of hours offered in the first quarter compared to the same period last year. Seventeen percent said hours were cut while 8 percent stated hours had increased.

**This quarter (1st quarter, Jan. 1 - Mar. 31, 2010), 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 first quarter 2010 compared to the first quarter 2009?**



## HIRING IN Q2 2010

Twenty-three percent of employers plan to add full-time, permanent headcount in the second quarter while 8 percent plan to downsize staffs. Sixty-four percent anticipate no change while 6 percent are undecided. Looking at actual hiring for the second quarter in 2009, 18 percent of employers reported they had hired full-time, permanent staff while 17 percent reported they had decreased staff.

### HIRING BY REGION

Companies in both the Northeast and the West are tracking above the national average of employers who said they plan to hire in the second quarter. One quarter of employers in the Northeast (26 percent) and West (25 percent) said they plan to add full-time workers in the second quarter compared to 21 percent in the South and 20 percent in the Midwest.

While plans to decrease headcount in the second quarter are down from 2009 averages across all regions, 10 percent of employers in the Northeast plan to trim staff levels followed by 8 percent in the Midwest, and 7 percent in both the South and West.

### HIRING BY COMPANY SIZE

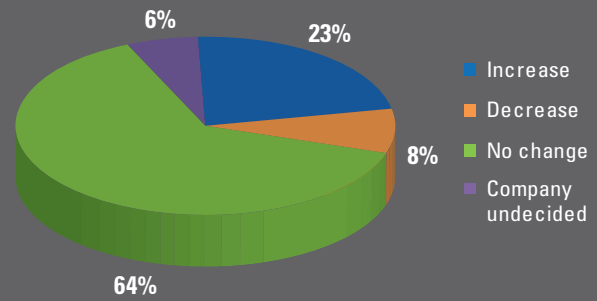
Small businesses continue to feel the pinch of the recession, but hiring across all company sizes is showing signs of improvement. Nearly three-in-ten (27 percent) of employers with more than 250 employees said they plan to increase their headcount in the second quarter followed by a quarter (24 percent) of employers with 51 to 250 employees and 15 percent of employers with 50 or less employees.

Four percent of employers with 1 to 50 employees said they plan to reduce their workforce in the second quarter compared to 7 percent of businesses with 51 to 250 employees and 10 percent with more than 250 employees.

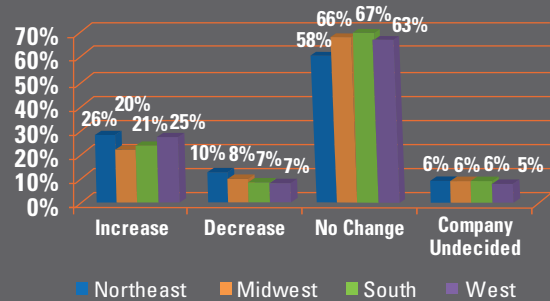
### COMPENSATION

Forty percent of employers expect there will be no change in salary levels in the second quarter. Thirty-seven percent expect an increase of 3 percent or less. Thirteen percent expect their average changes will be between 4 and 10 percent and two percent predict 11 percent or more. Four percent anticipate a decrease in salaries.

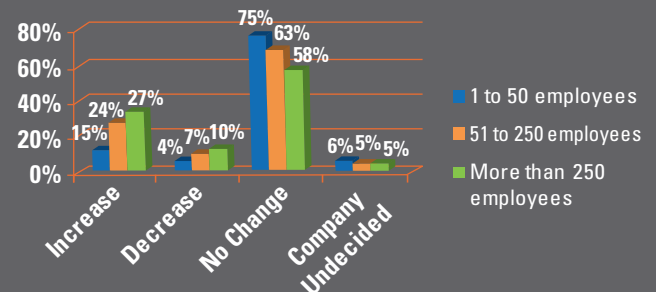
In the second quarter (Apr. 1 - Jun. 30, 2010), does your company, at your location, plan to increase, decrease or make no change in its number of full-time, permanent employees?



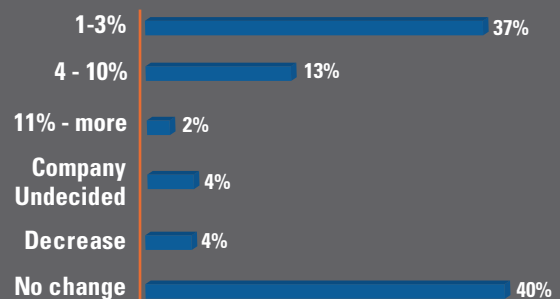
Hiring By Region - In the second quarter, does your company, at your location, plan to increase, decrease or make no change in its number of full-time, permanent employees?



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



What do you think the average change in salaries will be, at your location, in the second quarter of 2010 compared to the second quarter of 2009?

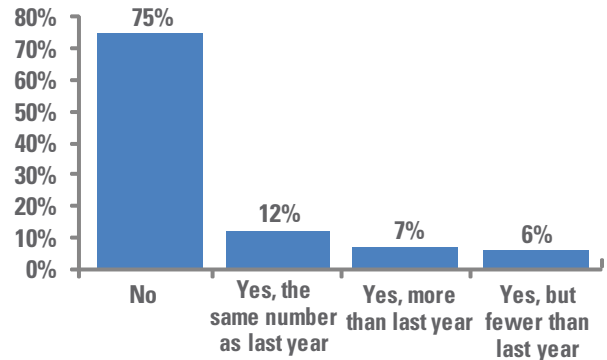


# SIX EMPLOYMENT TRENDS FOR Q2 2010

## HIRING CONTRACT WORKERS

Hesitant to accelerate hiring of permanent staff, companies are employing temporary workers to help fill productivity gaps. One-quarter (25 percent) of employers anticipate hiring contract workers or freelancers in the second quarter. Thirteen percent said they are likely to hire these workers on a permanent basis.

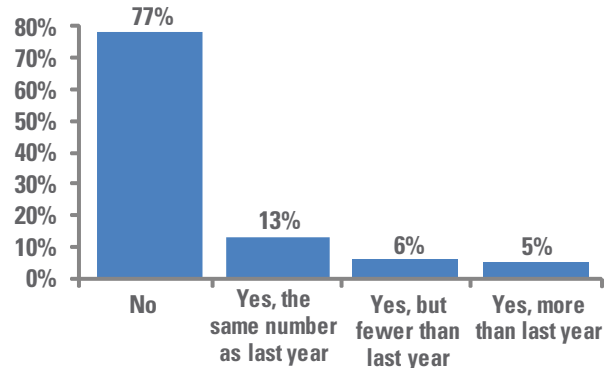
Is your company, at your location, hiring contract or freelance workers in the second quarter of 2010?



## OFFERING MORE INTERNSHIPS

Employers are also upping their number of interns to cost-effectively add headcount in the interim. Nearly one-quarter (24 percent) of employers said that they will be hiring interns at their location in the second quarter.

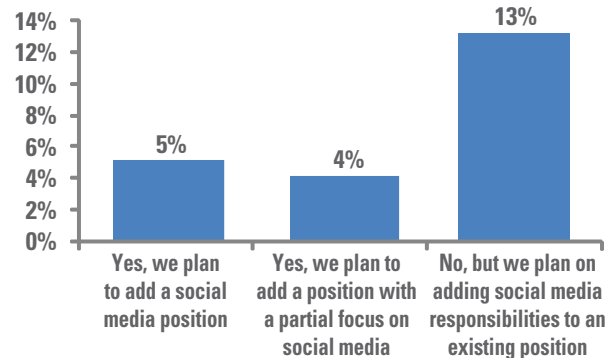
Is your company, at your location, hiring interns in the second quarter of 2010?



## HIRING FOR SOCIAL MEDIA

The pervasiveness of social media is reflected in companies' plans to add jobs and responsibilities related to Web 2.0. Nearly one-in-ten (9 percent) of employers plan to hire a new employee in the second quarter to focus on social media. An additional 13 percent plan to add social media management to a current employee's responsibilities.

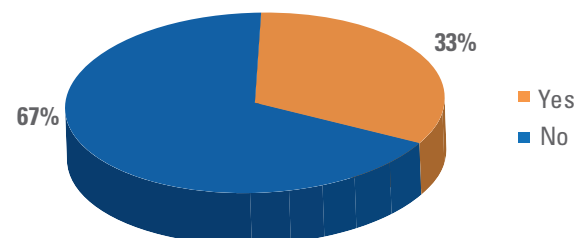
Does your company plan to add jobs related to social media in the second quarter of 2010?



## HIRING BILINGUAL WORKERS

Employers are diversifying their workforce to appeal to broader consumer segments, including building bilingual teams. One-third (33 percent) said they plan to hire bilingual candidates in the second quarter. Half (50 percent) said that if they had two equally qualified candidates, they would be more inclined to hire the bilingual candidate.

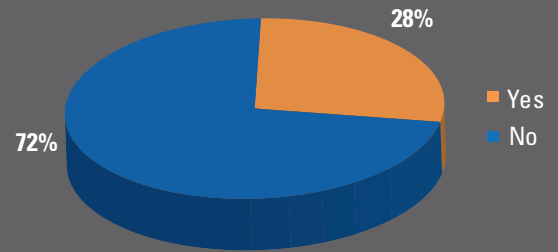
Will you be hiring bilingual candidates in the second quarter of 2010?



## REPLACING LOWER-PERFORMING EMPLOYEES

Companies are re-evaluating their current staffs to prepare for the upturn ahead. More than one quarter (28 percent) of companies said they plan to replace lower-performing employees with higher-performers in the second quarter.

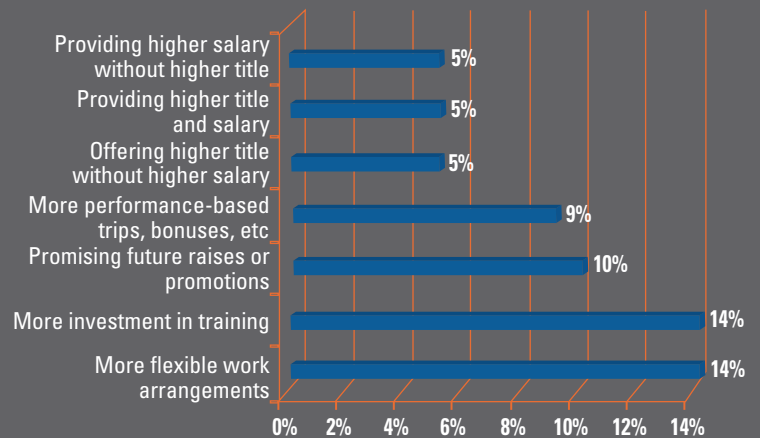
Does your company plan to replace lower-performing employees with higher-performing employees in the second quarter of 2010?



## HOLDING ON TO TALENT

Thirty-two percent of employers - especially those who have had to make tough decisions in terms of leaner budgets, longer hours and less perks - are concerned that some of their best employees may consider opportunities outside of their organizations in the next few months. To help retain those workers, 14 percent are offering more flexible work arrangements, 14 percent are investing more in training, 10 percent are promising future raises or promotions and 9 percent are offering more performance-based incentives such as trips and bonuses. Another 5 percent are providing a higher title without the salary.

How are you holding on to top talent in the second quarter?



## SURVEY METHODOLOGY

This survey was conducted online within the U.S. by Harris Interactive® on behalf of CareerBuilder and USA TODAY among 2,778 hiring managers and human resource professionals (employed full-time; not self-employed; with at least significant involvement in hiring decisions; non government); between February 10 and March 2, 2010 (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 2,778, one could say with a 95 percent probability that the overall results have a sampling error of +/- 1.86 percentage points. Sampling error for data from sub-samples is higher and varies.

## **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 recruitment support. More than 9,000 websites, 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.

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