

Hiring Outlook for Fourth Quarter Cautious, According to New Job Forecast From CareerBuilder.com

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CareerBuilder.com, the nation's largest online job site with more than 20 million unique visitors and over 1 million jobs, released the results of its latest survey tracking projected hiring and job search activities for the upcoming quarter. The survey, titled "Q4 2005 Job Forecast," was conducted from August 10 to August 22, 2005 of more than 2,450 workers, including 875 hiring managers primarily operating in services industries.

HIRING HIGHLIGHTS

"Consistent with seasonal trends, recruitment activity is expected to continue in the fourth quarter, but at a slower pace," said Matt Ferguson, CEO of CareerBuilder.com. "The extent of the slowdown remains to be seen given recent events on the Gulf Coast. Forty percent of hiring managers surveyed in August prior to Hurricane Katrina reported they plan to recruit new workers in the fourth quarter, down from 50 percent in the third quarter. At the same time, 15 percent expected to decrease headcount, up from 11 percent previously. While hiring has been strong with 1.5 million jobs added this year, businesses will be keeping a close eye on their hiring activity as they assess the impact of Hurricane Katrina and international conflicts on the nation's economy."

Amount of Employees Being Hired

Thirty-nine percent of hiring managers said they plan to recruit one to 10 workers during the fourth quarter, 16 percent expected to add between 11 and 50, and 14 percent expected to add more than 50.

Hiring Cycle

Hiring managers reported difficulty with finding qualified candidates. Nearly one-in-four said it takes them more than two months to fill open positions. Nearly half said it takes them at least one month. Others reported a shorter cycle with 28 percent stating it takes them less than two weeks.

Most Popular Positions for Recruitment

The leading areas for job requisitions identified by hiring managers include healthcare, sales, information technology, retail and accounting/finance. In terms of job level, recruiting for management positions is trending upward. Thirteen percent of hiring managers said they plan to hire managers, directors and senior level executives during the fourth quarter, a slight increase from 11 percent in the third quarter. Professional and technical workers and entry level positions saw a minor decline to 29 percent and 17 percent respectively.

Hiring by Region

Although the Midwest led in the amount of hiring managers who said they are increasing headcount in the fourth quarter, it also had the largest spike in the amount planning to decrease headcount quarter over quarter. Forty-two percent of hiring managers in the Midwest anticipated expanding their staffs. Fifteen percent expected to decrease staffs.

The Northeast tracked the lowest in the amount of hiring managers increasing and decreasing staffs at 37

percent and 14 percent respectively. However, the Northeast saw a sizeable rise in those planning to cut headcount quarter over quarter from 9 percent to 14 percent.

The West had the largest number of hiring managers who said they will reduce headcount at 16 percent, balanced by the 41 percent who expected to add to their headcount. The South came in at 39 percent for increasing staffs and 15 percent for decreasing staffs.

JOB CHANGES AND JOB SATISFACTION HIGHLIGHTS

Job satisfaction reached a 12-month high with 59 percent of workers stating they are content in their current positions. However, 13 percent of workers reported they would change jobs in the upcoming quarter, up from 10 percent in the previous survey.

Satisfaction with Key Job Factors

The desire for a more competitive compensation package is influencing job changes. Nearly half of workers reported dissatisfaction with their pay considering the effort put forth in their jobs. While struggles with managing workload and work/life balance seem to have improved since the last survey, four-in-ten still categorized their workloads as too heavy and one-in-four still voiced concern with balancing time spent at the office and home.

Four-in-ten workers cited the lack of career advancement opportunities at their current employer as a major area of concern. These workers indicated climbing the corporate ladder is more difficult without effective employee development programs and supportive corporate leaders. More than one-third of workers said they see considerable room for improvement in these two areas.

Job Changes by Region

Every region of the country saw significant jumps in the amount of workers who want to find new employment by the end of the year. Fifteen percent of workers in the West said they plan to change jobs in the fourth quarter, up from 9 percent last quarter. The other regions all saw 3 percentage point jumps from the third quarter; 14 percent of workers in the Midwest, 13 percent in the Northeast and 12 percent in the South said they plan to change jobs by the end of the year.

Job Changes by Select Industries and Job Function

Seventeen percent of Sales workers said they plan to change jobs during the fourth quarter, closely followed by 16 percent of Retail workers. Hospitality and IT workers tied for third at 12 percent, with Government and Healthcare following at 11 percent. Seven percent of Accounting/Finance workers, last quarter's leader in projected job changes, said they plan to leave their jobs by the end of the year.

To view the report in its entirety, visit: <http://www.careerbuilder.com/share/AboutUs/PR/surveys.htm>

Survey Methodology

The survey, "Q4 2005 Job Forecast," was conducted from August 10 to August 22, 2005. Methodology used to collect survey responses totaling more than 2,450 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 +/- 1.97 percentage points (19 times out of 20). Note: this sample included more than 875 hiring managers. The results for the hiring managers are statistically accurate to within +/- 3.31 percentage points (19 times out of 20).

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