

Forty Percent of Employers to Add Jobs in 2007, CareerBuilder.com Survey Finds

Bigger Paychecks, More Promotions, Flexible Schedules, Prolonged Retirement and Recruitment of Hispanic Workers Among Seven Major Trends for the New Year

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CareerBuilder.com, the nation's largest online job site with more than 23 million unique visitors and over 1.5 million jobs, released the results of its latest survey, conducted by Harris Interactive(R), tracking projected hiring trends for 2007. The survey, titled "2007 Job Forecast," was conducted from November 17 through December 11, 2006 of 2,627 hiring managers and human resource professionals in private sector companies.

"Recent reports from the U.S. Department of Labor support a sense in the market that the economy is slowing at a gradual, reasonable pace and inflation has steadied," said Matt Ferguson, CEO of CareerBuilder.com. "This bodes well for job creation as economists and employers alike predict a moderated, yet stable, hiring environment to carry over into the New Year. Forty percent of hiring managers and human resource professionals surveyed report they will increase their number of full-time, permanent employees in 2007, compared to 2006. Eight percent expect to decrease headcount while 40 percent expect no change. Twelve percent are unsure."

Amount of Employees Being Recruited

While more than one-third (36 percent) of employers expect to add 10 employees or less in 2007, 29 percent will hire more than 50 and 20 percent will hire more than 100. Nearly one-in-ten employers will hire north of 500 new employees.

Most Popular Positions

On par with previous surveys, the areas employers will be recruiting for the most include healthcare (24 percent), administrative/clerical (19 percent), sales (17 percent), accounting/financial operations (17 percent), customer service (13 percent), information technology (13 percent), management (12 percent) and engineering (9 percent).

SEVEN MAJOR HIRING TRENDS FOR 2007

"Employers expect to face greater human capital challenges as a large number of Baby Boomers retire and productivity growth plateaus," said Ferguson. "Forty percent of employers report they currently have job openings for which they can't find qualified candidates. Going into 2007, the U.S. workforce is likely to see employers become more competitive in recruitment and retention efforts evident in higher salaries, better training and career advancement opportunities and more flexible work cultures."

#1 - Bigger Paychecks

Eighty-one percent of employers report their companies will increase salaries for existing employees.

- Sixty-five percent will raise compensation levels by 3 percent or more while nearly one-in-five will raise compensation levels by 5 percent or more.

Nearly half of employers (49 percent) expect to increase salaries on initial offers to new employees.

- Thirty-five percent will raise compensation levels by 3 percent or more while 17 percent will raise compensation levels by 5 percent or more.

#2 - Diversity Recruitment - Hispanics Workers in Demand

Understanding the positive influence workforce diversity has on overall business performance, employers remain committed to expanding the demographics of their staffs.

- One-in-ten employers report they will be targeting Hispanic job candidates most aggressively of all diverse segments. Nine percent plan to step up diversity recruiting for African American job candidates, while 8 percent will target female job candidates.
- Half of employers recruiting bilingual employees say English/Spanish-speaking candidates are most in demand in their organizations.

#3 - More Flexible Work Arrangements

Work/life balance is a major buzzword among U.S. employers as employees struggle to balance heavy workloads and long hours with personal commitments.

- Nineteen percent of employers say they are very or extremely willing to provide more flexible work arrangements for employees such as job sharing and alternate schedules. Thirty-one percent are fairly willing.

#4 - Rehiring Retirees

Employers continue to express concern over the loss of intellectual capital due to a large number of Baby Boomers approaching retirement.

- One-in-five employers plan to rehire retirees from other companies or provide incentives for workers approaching retirement age to stay on with the company longer.

5 - More Promotions

With the perceived lack of upper mobility within an organization being a major driver for employee turnover, employers are carving out clearer career paths.

- Thirty-five percent of employers plan to provide more promotions and career advancement opportunities to their existing staff in the New Year.

#6 - Hiring Overseas

Companies continue to drive growth by entering or strengthening their presence in global markets.

- Thirteen percent of employers report they will expand operations and hire employees in other countries in 2007. Nine percent are considering it.
- Twenty-three percent of employers report they will hire the most workers overseas in China and 22 percent will hire the most in India.

#7 - Better Training

In light of the shortage of skilled workers within their own industries, employers are looking for transferable skills from other industries.

- Seventy-eight percent report they are willing to recruit workers who don't have experience in their particular industry or field and provide training/certifications needed.

HIRING BY REGION

Hiring activity is expected to remain strongest in the South and West in 2007. Forty-four percent of employers in the South plan to add new employees compared to 41 percent of those in the West, 38 percent in the Midwest and 36 percent in the Northeast. Measuring the number of employers expecting to decrease headcount, the Midwest leads at 10 percent followed by the South and Northeast at 7 percent and the West at 6 percent.

HIRING AND COMPENSATION IN Q1

Hiring

Thirty-six percent of hiring managers and human resource professionals plan to add new employees in the next three months. Eight percent will decrease headcount while 48 percent anticipate no change and 9 percent are unsure.

Compensation

Fifty-one percent of employers report salaries for full-time, permanent employees have increased over the last three months. Forty-eight percent of employers expect salaries to increase in the next three months. Thirty-eight percent estimate the average raise to amount to 3 percent or more while one-in-ten (11 percent) anticipate an average raise of 5 percent or more.

To view the entire forecast, visit http://www.careerbuilder.com/share/aboutus/pr_main.aspx.

Survey Methodology

This survey was conducted online by Harris Interactive on behalf of CareerBuilder.com among 2,627 hiring managers and human resource professionals (employed full-time; not self employed; with at least significant involvement in hiring decisions), ages 18 and over within the United States between November 17 and December 11, 2006. Figures for age, sex, race/ethnicity, education, region and household income were weighted where necessary to bring them into line with their actual proportions in the population. Propensity score weighting was also used to adjust for respondents' propensity to be online.

With a pure probability sample of 2,627, one could say with a ninety-five percent probability that the overall results have a sampling error of +/- 2 percentage points. Sampling error for data from sub-samples is higher and varies. However that does not take other sources of error into account. This online survey is not based on a probability sample and therefore no theoretical sampling error can be calculated.

About CareerBuilder.com

CareerBuilder.com is the nation's largest online job site with more than 23 million unique visitors and over 1.5 million jobs. Owned by Gannett Co., Inc., Tribune Company, and The McClatchy Company, the company offers a vast online and print network to help job seekers connect with employers. CareerBuilder.com powers the career centers for more than 1,100 partners that reach national, local, industry and niche audiences. These include more than 150 newspapers and leading portals such as America Online and MSN. More than 250,000 employers take advantage of CareerBuilder.com's easy job postings, 19 million-plus resumes, Diversity Channel and more. Millions of job seekers visit the site every month to search for opportunities by industry, location, company and job type, sign up for automatic email job alerts, and get advice on job hunting and career management. For more information about CareerBuilder.com products and services, visit <http://www.careerbuilder.com/>.

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