

Cautious, But Steady Hiring Expected for Q4, According to CareerBuilder.com and USA TODAY Survey

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CareerBuilder.com, the nation's largest online job site, and USA TODAY released the results of their latest survey, conducted by Harris Interactive(R), tracking projected hiring trends for the fourth quarter of 2007. The survey, titled "Q4 2007 Job Forecast," was conducted from August 10 through September 4, 2007 of more than 2,700 hiring managers and human resource professionals in private sector companies.

"Given the housing slump and tight credit market, caution is to be expected when it comes to hiring in the fourth quarter," said Matt Ferguson, CEO of CareerBuilder.com. "While employers are keeping a watchful eye on economic indicators, they are still planning to expand staffs at a steady pace and are actively competing for qualified labor. Forty-four percent of employers said they currently have open positions for which they cannot find qualified candidates."

One-in-four employers (27 percent) report they will add new employees in the fourth quarter. Six percent expect a decrease in staff levels while 62 percent anticipate no change and five percent are unsure.

HIRING BY REGION

Consistent with previous surveys, hiring activity is expected to remain strongest in the South and West. Twenty-six percent of employers in the West and 31 percent in the South plan to increase their staff levels compared to 23 percent in the Northeast and Midwest. Plans to reduce headcount ranked highest in the Midwest at 7 percent, followed by the Northeast and South at 6 percent and the West at 5 percent.

HIRING BY COMPANY SIZE

Hiring is expected across all company sizes, from small and medium-sized businesses to larger corporations. Thirty-two percent of organizations with more than 1,000 employees plan to recruit new staff members. Twenty-six percent of employers with 501 to 1,000 employees and 30 percent of those with 251 to 500 employees also plan to recruit. Comparatively smaller organizations will be doing their part with 27 percent of organizations with 51 to 250 employees and 19 percent of those with 50 employees or less anticipating an increase in staff levels.

HIRING BY INDUSTRY

Comparing select industries, 35 percent of banking/finance, 34 percent of retail and 33 percent of sales employers expect to recruit new staff members in the fourth quarter, followed by 32 percent in information technology and 29 percent in both large healthcare (with over 50 employees) and hospitality organizations.

COMPENSATION IN Q4 2007

"The shortage of skilled workers has inspired more generous offers to job candidates and has resulted in companies holding on to existing employees who aren't necessarily top performers," said Ferguson. "Twenty-seven percent of employers say they are currently retaining workers whom they otherwise wouldn't due to performance issues or a slowdown in work. In Q4, employers are ramping up their departments for the coming year and are likely to pay a higher price to attract and retain the right talent."

The majority of employers plan to increase salaries in the fourth quarter. Compared to the same time last year, 39 percent of employers say salaries for permanent, full-time employees will be 1 to 3 percent higher, while 22 percent estimate 4 to 5 percent. Six percent of employers say raises will range from 6 to 10 percent. Twenty-four percent of employers anticipate no change in compensation levels while 1 percent anticipate a decrease and 5 percent are unsure.

Survey Methodology

This survey was conducted online within the United States by Harris Interactive on behalf of CareerBuilder.com among 2,929 hiring managers and human resource professionals (employed full-time; not self-employed; with at least significant involvement in hiring decisions) ages 18 and over between August 10 and September 4, 2007 (percentages for some questions are based on a subset of either 2,793 or 2,865 hiring managers, based on their responses to certain questions). Figures for age, sex, race/ethnicity, education, region and household income, as well as industry and company size, 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 2,929, 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

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