

Slower, More Cautious Hiring Expected in New Year, CareerBuilder.com's Annual Job Forecast Reveals

- Flexible Work Arrangements, Green Jobs, Diversity Recruitment and Rehiring Retirees Among Trends for 2009 -

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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 2009. The survey, titled "2009 Job Forecast," was conducted from November 12 through December 1, 2008 among 3,259 hiring managers and human resource professionals in private sector companies.

"The job market of 2008 suffered as the U.S. economy weakened and entered into a recession," said Matt Ferguson, CEO of CareerBuilder.com. "Looking ahead, recruitment levels are expected to be lower in the new year, but employers are not out of the mix completely; instead they're taking 'a wait and see' approach to hiring. Fourteen percent of employers, surveyed by CareerBuilder.com, state they plan to increase full-time, permanent employees and 16 percent plan to decrease in 2009. The remainder of employers say they are unsure or don't plan to make any changes to their headcount in the new year."

Full-time

Fourteen percent of employers plan to increase their number of full-time, permanent employees in 2009, compared to 32 percent who anticipated increasing headcount in 2008. Sixteen percent plan to decrease staff levels in 2009 while 56 percent expect no change. Thirteen percent are unsure.

Part-time

Eight percent of employers plan to increase their number of part-time employees in 2009, down from 21 percent who expected to do so in 2008. Fourteen percent plan to decrease headcount in 2009, 62 percent expect no change and 15 percent are unsure.

Hiring By Region

Staff expansions are expected to be strongest in the South and West in 2009. Eighteen percent of employers in the South and 14 percent of employers in the West plan to add full-time, permanent employees compared to 13 percent in the Midwest and 11 percent in the Northeast. Employers in the Northeast are projecting one of the largest amounts of staff decreases at 19 percent, followed by 17 percent in the Midwest, 16 percent in the West and 14 percent in the South.

Hiring By Industry

Comparing select industries, job creation in Professional and Business Services and Information Technology is expected to carry into the new year. Twenty-eight percent of IT and 23 percent of Professional and Business Services employers plan to add full-time, permanent employees in 2009, followed by 20 percent of employers in Transportation and Utilities, 16 percent in Sales, 14 percent in Healthcare and 13 percent in Financial Services. Retail employers are also planning to expand staffs at 7 percent followed by 5 percent of Hospitality employers.

SEVEN MAJOR HIRING TRENDS FOR 2009

#1 Increased Salaries

Even as companies explore ways to cut costs, employers still plan to increase salaries in the coming year.

- Sixty-six percent of employers report their companies will increase salaries for existing employees in 2009, down from 80 percent in 2008. Forty-six percent expect to raise salaries by 3 percent or more while 10 percent anticipate increases of 5 percent or more.
- One third of employers expect to increase salaries on initial offers to new employees, down from 65 percent in 2008. One-in-five (21 percent) employers will raise salaries by 3 percent or more while 7 percent anticipate increases of 5 percent or more.

#2 Flexible Work Arrangements

Close to one third (31 percent) of employers say they plan to provide more flexible work arrangements in 2009. These arrangements include:

- Alternate schedules -- come in early and leave early or come in later and leave later -- 70 percent
- Telecommuting options -- 48 percent
- Compressed workweeks -- work the same hours, but in fewer days -- 40 percent
- Summer hours -- 19 percent
- Job sharing -- 13 percent
- Sabbaticals -- 7 percent

#3 Green Jobs

Employers plan to become more environmentally aware in the new year. Thirteen percent of employers say they plan to add "green jobs" in 2009, compared to one-in-ten who say they added them in 2008. "Green Jobs" are positions that implement environmentally conscious design, policy, and technology to improve conservation and sustainability.

#4 Recruitment Tools

As recruitment budgets tighten, more employers are leveraging the Internet as a vehicle for finding potential employees. While nearly one quarter (23 percent) of employers say their overall hiring budgets will decrease for 2009, however, they plan to increase their recruitment spend on the following:

- Online recruitment sites -- 19 percent
- Newspaper classifieds -- 15 percent
- Career fairs -- 12 percent
- Staffing firms and recruiters -- 12 percent
- Social networking sites -- 7 percent

#5 Retaining Retirees

A quarter of employers surveyed report concern over the loss of intellectual capital at their organizations as a large number of baby boomers approach retirement age.

-- Nearly one-in-five employers (17 percent) say they are likely to rehire retirees from other companies in 2009. Another 12 percent are likely to provide incentives for workers at or approaching retirement age to stay on with the company longer.

#6 Diversity Recruitment

When asked if there is a particular segment of diverse workers they plan to target more aggressively in 2009, employers pointed to Hispanic workers, women, African-American workers and mature workers.

-- Nearly nine-in-ten (88 percent) employers report they will be placing the same or greater amount of emphasis on recruiting bilingual candidates in 2009.

#7 Freelance or Contract Hiring

As the nation waits for the economy to bounce back, employers are turning to freelance or contract workers to help support their businesses.

-- Twenty-eight percent of employers anticipate hiring freelancers or contractors in 2009.

HIRING AND COMPENSATION IN Q1

Hiring

Seventeen percent of employers say they increased their headcount in the last three months. Twenty-two percent reduced headcount while 60 percent reported no change. One percent were undecided.

In the first quarter of 2009, 16 percent of employers say they plan to add employees. Sixteen percent will decrease headcount while 62 percent anticipate no change and 6 percent are undecided.

Compensation

With a large number of annual salary increases taking place in the first quarter, 56 percent of employers expect to raise compensation levels in the next three months. Forty-three percent estimate the average raise to amount to 3 percent or more while 12 percent anticipate an average raise of 5 percent or more.

Survey Methodology

This survey was conducted online within the U.S. by Harris Interactive on behalf of CareerBuilder.com among 3,259 hiring managers and human resource professionals (employed full-time; not self-employed; with at least significant involvement in hiring decisions; non government); ages 18 and over between November 12 and December 1, 2008 (percentages for some questions are based on a subset US Employers, based on their responses to certain questions). With a pure probability sample of 3,259 one could say with a 95 percent probability that the overall results have a sampling error of +/- 1.72 percentage points. Sampling error for data from sub-samples is higher and varies.

About CareerBuilder.com

CareerBuilder.com is the nation's largest online job site with more than 23 million unique visitors and over 1.6 million jobs. Owned by Gannett Co., Inc. , Tribune Company, The McClatchy Company and Microsoft Corp. , 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 1,600 partners, including 140 newspapers and leading portals such as AOL and MSN. More than 300,000 employers take advantage of CareerBuilder.com's easy job postings, 28 million-plus resumes, Diversity Channel and more. CareerBuilder.com and its subsidiaries operate in the U.S., Europe, Canada and Asia. For more information, visit <http://www.careerbuilder.com/>.

Media Contact
Michael Erwin

Senior Manager, Corporate Communications
773-527-3637
Michael.Erwin@CareerBuilder.com

First Call Analyst:
FCMN Contact:

SOURCE: CareerBuilder.com

CONTACT: Michael Erwin, Senior Manager, Corporate Communications of
CareerBuilder.com, +1-773-527-3637, Michael.Erwin@CareerBuilder.com

Web site: <http://www.careerbuilder.com/>

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