

Restrained Hiring and Moderation in Job Loss Expected for Q4, According to Quarterly Job Forecast from CareerBuilder and USA TODAY

- Employers Begin to Restore Pay Levels and Rehire Laid Off Employees -

PRNewswire
CHICAGO

CareerBuilder and USA TODAY's Q4 2009 Job Forecast shows that, while employers are feeling more optimistic about the economy and job market, the majority plan to keep their staff levels the same for the remainder of the year. Continued moderation in job loss coupled with a hesitant approach to hiring is expected for the fourth quarter, according to the survey, which was conducted by Harris Interactive® from August 20 to September 9, 2009. More than 2,900 hiring managers and human resource professionals across industries participated nationwide.

"Companies are switching their focus from cost containment to growth. Employers who have instituted pay cuts or layoffs in the last year are reporting that they have begun to restore compensation levels and rehire employees," said Matt Ferguson, CEO of CareerBuilder. "While these are positive indicators, the pace of hiring will remain restrained. It will take time to rebuild the confidence needed in the nation's economy to trigger more robust recruitment programs."

Hiring in Q3 2009

The number of employers who increased their full-time, permanent headcount in the third quarter was unchanged from the second quarter at 18 percent. In terms of headcount reductions, 15 percent of employers reported declines in staff levels in the third quarter, an improvement from 17 percent in the second quarter. Sixty-five percent of employers reported no change in their number of full-time, permanent employees while one percent were undecided.

Hiring in Q4 2009

Expectations for hiring in Q4 2009 are falling in line with the previous two quarters while planned staff reductions continue to trend down. In the fourth quarter, 17 percent of employers expect to add full-time, permanent employees while 10 percent anticipate a decrease in headcount. Sixty-eight percent anticipate no change while 5 percent are undecided.

Employers Bringing Back Laid Off Workers and Reversing Pay Cuts

While implementing measures to lessen spending and scale back risk in the wake of the financial crisis, companies also recognized the need to secure their competitive standing. Twenty-seven percent of employers reported that, over the last year, they have laid off workers in one area, but hired in another. The areas they primarily hired in were those linked to revenue including technology, sales, customer service and research and development.

As the U.S. economy shows signs of stabilization and employers see potential improvement in their business prospects, they are reversing strategies taken to manage through tough economic times. Of employers who had layoffs in the last 12 months, one-in-four (26 percent) reported their company is planning to bring back some employees they let go earlier in the year. Of those rehiring laid off workers, 23 percent already started extending job offers to former employees in the third quarter while 19 percent will begin to do so in the fourth quarter. Twenty-one percent will start bringing back laid off employees in the first quarter of 2010, 15 percent in the second quarter and 10 percent in the latter half of 2010. Others are holding off until 2011 and beyond.

Nearly one-in-five employers (18 percent) reported their organizations implemented pay cuts in the last 12 months. Five percent of these employers reported they restored pay to previous levels in the third quarter while 12 percent plan to do so in the fourth quarter. Seventeen percent expect pay to return to normal in the first quarter of 2010, 7 percent expect it will be the second quarter while another 7 percent are predicting the latter half of 2010. One-in-ten (12 percent) stated their organizations don't plan to restore pay to previous levels until 2011 or 2012 while 41 percent are not sure.

Hiring By Region in Q4 2009

Regional trends have held steady. Benefitting from growth in healthcare, education and energy, the South continues to produce more job opportunities. Nineteen percent of hiring managers in the South expect to increase their full-time, permanent staff in the fourth quarter followed by 17 percent in the Northeast and 15 percent in the Midwest. The West continues to trail the other regions in hiring at 14 percent with the coast being

particularly affected by the housing market crash and slowdown in international trade. At the same time, the West also has the largest number of employers planning to downsize staffs. Fourteen percent of hiring managers in the West expect to trim headcount compared to 11 percent in the Midwest, 10 percent in the Northeast and 8 percent in the South.

Compensation in Q4 2009

Compensation trends from the last two quarters are expected to carry over into the fourth quarter. Half of employers (51 percent) anticipate no change in salaries for full-time, permanent employees in the next three months. One-in-four (26 percent) expect to raise salaries between 1 and 3 percent, one-in-ten (12 percent) expect to raise salaries 4 to 10 percent while 2 percent expect an increase of 11 percent or more. Six percent plan to decrease compensation while 4 percent reported their company is undecided.

Note: Totals may not equal 100 percent due to rounding.

Survey Methodology

This survey was conducted online within the U.S. by Harris Interactive on behalf of CareerBuilder and USA TODAY among 2,924 hiring managers and human resource professionals (employed full-time; not self-employed; with at least significant involvement in hiring decisions; non government); between August 20 and September 9, 2009 (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 2,924, one could say with a 95 percent probability that the overall results have a sampling error of +/- 1.81 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 talent acquisition. 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. , Tribune Company, The McClatchy Company and Microsoft Corp. , CareerBuilder and its subsidiaries operate in the United States, Europe, Canada and Asia. For more information, visit www.careerbuilder.com.

Media Contact:
CareerBuilder
Jennifer Grasz
773-527-1164
Jennifer.Grasz@careerbuilder.com
<http://www.twitter.com/CareerBuilderPR>

First Call Analyst:
FCMN Contact:

SOURCE: CareerBuilder

CONTACT: Jennifer Grasz of CareerBuilder, +1-773-527-1164,
Jennifer.Grasz@careerbuilder.com, <http://www.twitter.com/CareerBuilderPR>

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

<https://press.careerbuilder.com/2009-09-30-Restrained-Hiring-and-Moderation-in-Job-Loss-Expected-for-Q4-According-to-Quarterly-Job-Forecast-from-CareerBuilder-and-USA-TODAY>