Thirty-two Percent of Employers Plan to Hire Full-Time, Permanent Employees in the Second Quarter, CareerBuilder's Forecast Finds Hiring Among Small Businesses Ramping Up; Wages May Get a Boost

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CHICAGO, April 2, 2015 /PRNewswire/ -- Small businesses and their larger counterparts plan to step up hiring activity in the second quarter, according to CareerBuilder's latest forecast. Twenty-three percent of companies with 50 or fewer employees expect to add full-time, permanent staff over the next three months, up from 18 percent last year. Among employers of all sizes, the number planning to hire in the second quarter is up six percentage points over last year.

View the full report here.

The study also shows wages may get an upgrade as companies grow more competitive for skilled talent in the face of shrinking labor pools. Forty-three percent of employers have job vacancies that stay open for 12 weeks or longer. Nearly one in four employers (24 percent) expect to increase salaries at least 5 percent in the second quarter compared to the same period last year; among Information Technology employers, the number is 37 percent.

The national survey was conducted on behalf of CareerBuilder by Harris Poll between February 11 and March 6, 2015 and included a representative sample of more than 2,000 hiring managers and human resource professionals across industries.

"The brisk hiring anticipated for the second quarter comes against the backdrop of stronger sales, new product development and market expansion among companies of all sizes," said Matt Ferguson, CEO of CareerBuilder and co-author of *The Talent Equation*. "Small businesses have been playing a larger part in the solid stretch of job growth the U.S. has experienced over several months. When you pair that with the fact that hiring has increased in a variety of industries and regional areas, it bodes well for workers seeking new and better-paying employment prospects."

Permanent Hiring in Q1 2015

Hiring in the first three months of 2015 outperformed the same period in 2014. Thirty-five percent of employers hired full-time, permanent employees, up from 29 percent last year. Those who decreased headcount dropped two percentage points to 9 percent. Fifty-five percent reported no change in their headcount while 1 percent were unsure.

Permanent Hiring in O2 2015

Looking ahead, 32 percent of employers plan to add full-time, permanent staff in the second quarter, up from 26 percent last year. Eight percent expect to downsize staff, on par with last year. Fifty-five percent anticipate no change while 5 percent are undecided.

Industries expected to match or exceed the national average for adding full-time, permanent headcount in the second quarter are:

- Information Technology 49 percent
- Transportation 44 percent
- Financial Services 40 percent
- Health Care (50 or more employees) 32 percent

Temporary Hiring

Temporary employment is also showing an upswing. Thirty-seven percent of employers plan to hire temporary or contract workers in the second quarter, up from 33 percent in 2014. Thirty-one percent plan to transition some contract or temporary staff into permanent employees in the second quarter, up from 26 percent last year.

Hiring By Company Size

While large organizations are adding staff at a faster rate, the increased confidence small- and medium-sized businesses have displayed in previous quarters is expected to carry over into Q2:

- **50 or fewer employees** 23 percent plan to add full-time, permanent staff in Q2, up from 18 percent last year; those reducing headcount decreased from 6 percent last year to 4 percent
- 250 or fewer employees 27 percent plan to add full-time, permanent staff in Q2, up from 22 percent

last year; those reducing headcount remained at 6 percent

- **500 or fewer employees** 29 percent plan to add full-time, permanent staff in Q2, up from 23 percent last year; those reducing headcount increased from 6 percent last year to 7 percent
- *More than 500 employees* 38 percent plan to add full-time, permanent staff in Q2, up from 32 percent last year; those reducing headcount decreased from 11 percent last year to 9 percent

Compensation

Companies may be feeling increased pressure to become more competitive with compensation. While 27 percent of employers anticipate no change in salary levels in the second quarter compared to the same period last year, 24 percent expect to boost salaries by at least 5 percent. Forty-four percent anticipate there will be an increase of 4 percent or less while 1 percent expect a decrease and 4 percent are undecided.

Survey Methodology

This survey was conducted online within the U.S. by Harris Poll on behalf of CareerBuilder among 2,175 hiring managers and human resource professionals ages 18 and over (employed full-time, not self-employed, non-government) between February 11 and March 6, 2015 (percentages for some questions are based on a subset, based on their responses to certain questions). With a pure probability sample of 2,175, one could say with a 95 percent probability that the overall results have a sampling error of +/- 2.10 percentage points. Sampling error for data from sub-samples is higher and varies.

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