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# Annual Job Forecast



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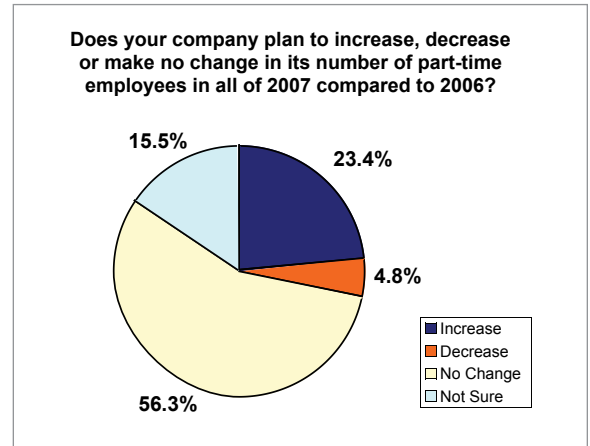
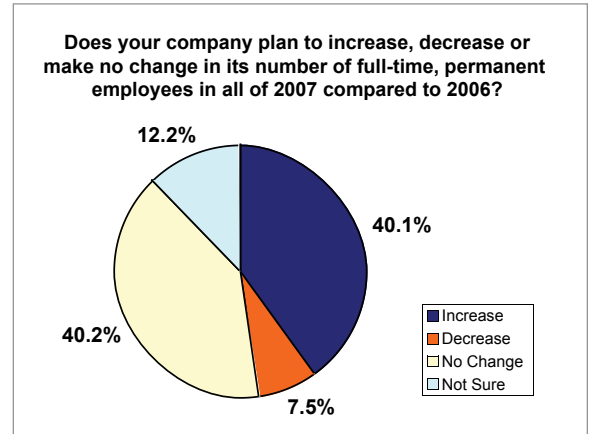


## 2007 Job Forecast

Recent reports from the U.S. Labor Department indicate that while the expansion of the U.S. economy is slowing, it is doing so at a reasonable pace, and inflation has steadied. A moderated, yet stable, job market is expected to carry over into 2007 with gains that will remain strong enough to keep the unemployment rate in check. University of Michigan economists predict the U.S. will create 1.5 million jobs in the next 12 months.

Employers expect to face continued challenges in finding skilled labor as a large number of Baby Boomers retire and smaller generations of replacement workers fall short of headcount quotas. Forty percent of employers report they currently have job openings for which they can't find qualified candidates. One-in-four estimate it takes them two months or longer to fill their positions.

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. Other major trends to watch for include overseas expansions, particularly in China and India; diversity recruitment, especially of Hispanic workers; and the rehiring of retirees.



40 percent expect no change. Twelve percent are unsure.

### Part-time

Twenty-three percent of employers plan to increase their number of part-time employees while 5 percent anticipate a decrease. More than half expect no change and 16 percent remain unsure.

### Amount of Employees Being Recruited

While more than one-third of employers expect to add 10 or less employees 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.

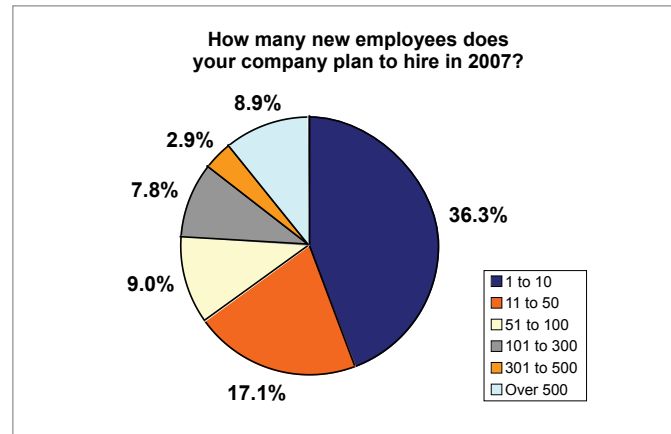
## Hiring in 2007

### Full-time

Forty percent of hiring managers and human resource professionals in private sector companies plan to increase their number of full-time, permanent employees in 2007. Eight percent expect to decrease headcount while

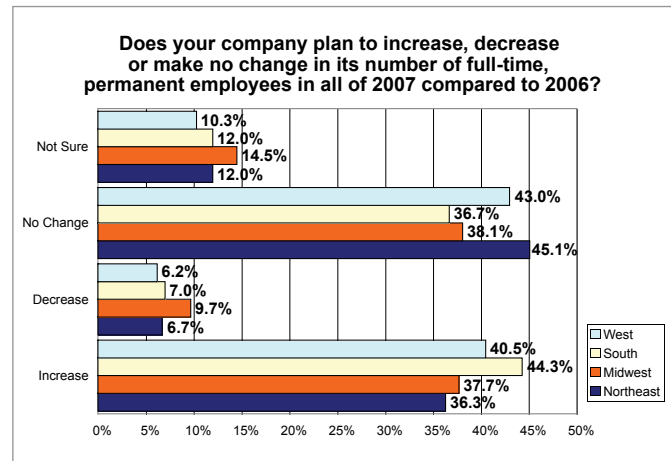
### Most Popular Positions

On par with previous surveys, the areas they will be recruiting for the most include healthcare, sales, customer service, accounting/financial operations, information technology and engineering. In terms of job level, 44 percent of employers will be hiring a greater number of professional and technical staff members while 18 percent will target administrative/clerical positions. Nine percent will be heavily recruiting for management positions.



### 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 while 7 percent expect leaner staffs. Forty-one percent of employers in the West plan to add headcount while 6 percent expect leaner staffs. The Northeast and Midwest continue to lag behind the other regions in projected job growth. Thirty-six percent of employers in the Northeast plan to add employees while 7 percent will let employees go. While 38 percent of employers in the Midwest plan to hire new employees, 10 percent expect to decrease headcount, the highest of all regions.



### Seven Major Hiring Trends for 2007

#### Bigger Paychecks

To motivate top performers to join or stay with their organizations, employers plan to offer better compensation in 2007. Eighty-one percent of hiring managers and human resource professionals surveyed 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.

#### Expanding Overseas – China and India

Companies will 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.

While 16 percent of employers who are hiring overseas expect to add 10 or less employees in 2007, 63 percent will hire more than 50 and 44 percent will hire more than 100.

Nearly one-in-five employers will hire north of 500 new employees.

With China's economy expanding at 10 percent annually and India's at 8 percent, these two countries are particularly attractive to U.S. companies. Twenty-three percent of employers report they will hire the most workers overseas in China and 22 percent will hire the most in India.

### Diversity Recruitment: Hispanic Workers in Demand

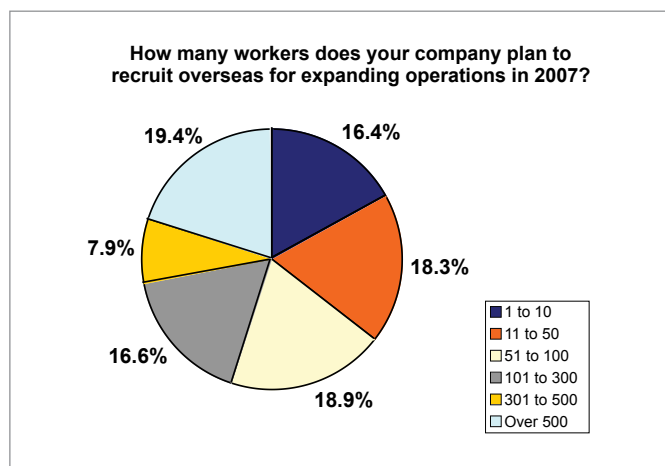
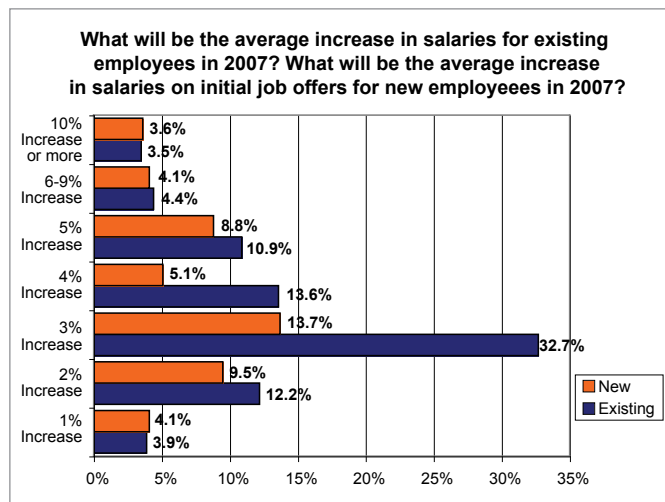
Understanding the positive influence workforce diversity has on overall business performance, employers remain committed to expanding the demographics of their staffs.

With the Hispanic population accounting for half of U.S. population growth since 2000, according to the U.S. Census Bureau, and buying power growing 8 percent annually, 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.

While the vast majority of employers will place the same emphasis on hiring bilingual candidates in 2007 compared to 2006, one-in-ten say they will place even more emphasis. Half of employers recruiting bilingual employees say English/Spanish-speaking candidates are most in demand in their organizations.

### 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.

### 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. Eighteen percent report they are likely to allow more employees to telecommute in 2007.

### Career Advancement

One-in-four workers report they felt they were overlooked for a promotion in 2006. With the perceived lack of upper mobility within an organization being a major driver for employee turnover, 35 percent of employers plan to provide more promotions and career advancement opportunities to their existing staff in the New Year.

### Training

In light of the shortage of skilled workers within their own industries, the vast majority of employers – 86 percent – report they are willing to recruit workers who don't have experience in their particular industry or field, but have transferable skills. 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 and Compensation in Q1

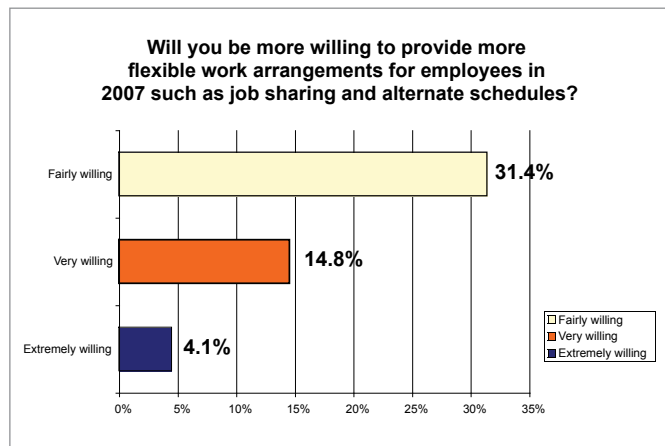
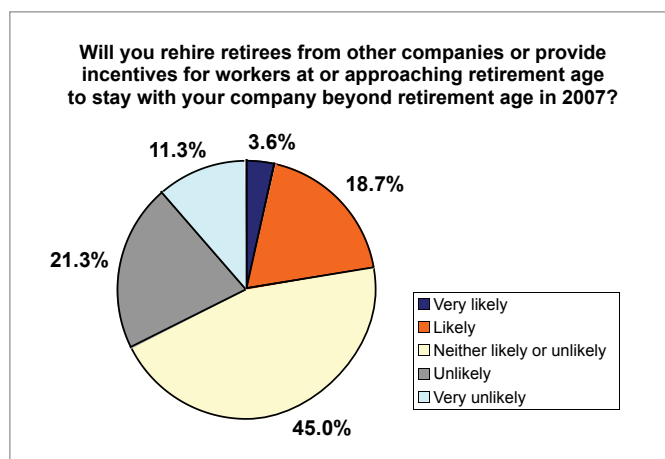
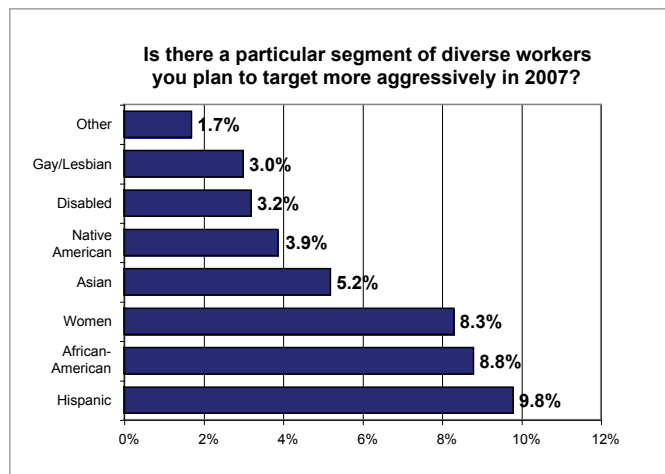
### Hiring

Nearly four-in-ten (38 percent) of hiring managers and human resource professionals said they increased their headcount in the last three months. Thirteen percent cut staff levels while 47 percent reported no change and 3 percent were unsure.

Looking forward, 36 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 remain 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 anticipate an average raise of 5 percent or more.

## Job Satisfaction

As economic expansion slows and employers implement more robust employee retention programs, job satisfaction is on the rise. Sixty-eight percent of workers say they are satisfied with their jobs; just 18 percent are dissatisfied.

However, as the labor pool shrinks and companies more aggressively recruit new additions to their teams, workers are seeking out bigger, better deals. Thirty-one percent of workers plan to change jobs within the next two years. Nearly half are leaving their jobs to find a position with better pay and/or career advancement. Eleven percent are electing to change careers, 9 percent are retiring and 6 percent plan to start their own business.

Looking at key job factors that will influence job satisfaction and company loyalty, respondents reported the following:

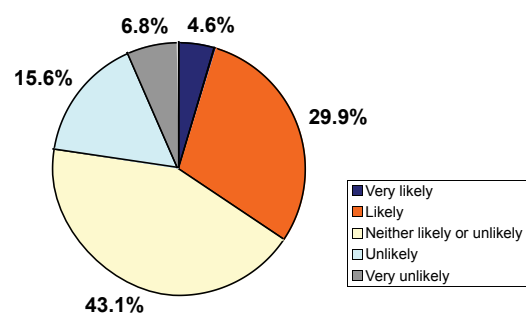
### Pay

Thirty-three percent of workers are dissatisfied with their pay. Twenty-six percent of workers did not receive a raise in 2006. Of those who did receive one, one-in-five were given an increase of 2 percent or less. Sixty-seven percent of workers did not receive a bonus.

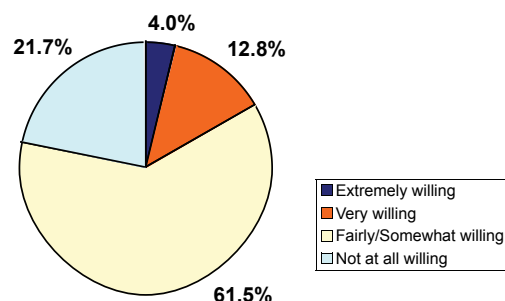
### Career Advancement

Thirty-five percent of workers are dissatisfied with career advancement opportunities provided by their current employers. Eighty-five percent did not receive a promotion in 2006 and 26 percent felt they were overlooked.

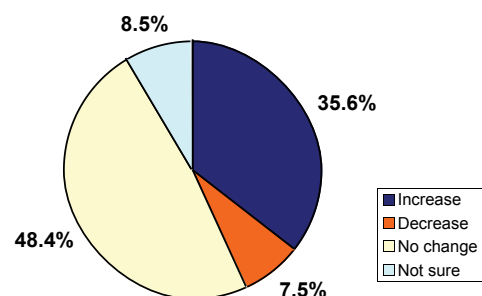
Will you be providing more promotions and career advancement opportunities to existing staff in 2007?



Will you be willing to recruit workers who don't have experience in your particular industry or field and provide training/certifications needed for your open positions?



In the next three months, does your company plan to increase, decrease or make no change in the number of full-time, permanent employees?



### Work/Life Balance

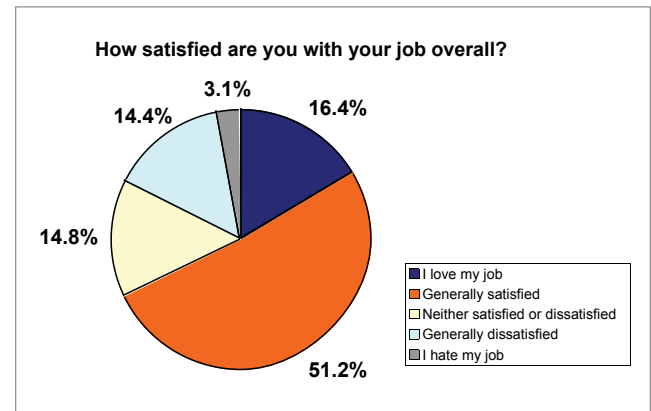
Twenty-seven percent of workers are dissatisfied with work/life balance. Forty-five percent report their workloads have increased over the last six months.

### Training/Learning

Thirty-three percent of workers are dissatisfied with training and on-the-job learning opportunities provided by their current employers.

When applying for new positions, workers say the most important attributes they look for in employers are:

- Good career advancement opportunities (23 percent)
- Company's stability and longevity in the market (23 percent)
- Good work culture (20 percent)
- Ability to offer flexible schedules (11 percent)



Three-fourths of workers say they will pay more attention to health benefits offered by employers than in the past.

## CareerBuilder.com's Job Forecast

### 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. (NYSE:GCI), Tribune Company (NYSE:TRB), and The McClatchy Company (NYSE:MNI), 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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*This survey was conducted online by Harris Interactive on behalf of CareerBuilder.com among 6,169 workers (employed full-time; not self employed) and 2,627 hiring managers (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 6,169 or 2,627 one could say with a ninety-five percent probability that the overall results have a sampling error of +/- 1 and +/- 2 percentage points, respectively. Sampling error for data from subsamples 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.*