



THE **CAREERBUILDER** 2011 Q4 JOB FORECAST

careerbuilder[®]
STAFFING & RECRUITING

FROM THE DESK OF ERIC GILPIN

Greetings,

Over the past several years, my conversations with staffing firms – regardless of size or niche – have been focused on providing superior experiences to drive growth. Findings from the *2011 Opportunities in Staffing Guide*, CareerBuilder's joint research study with Inavero, reveal that creating positive and memorable interactions with candidates and clients is still a significant opportunity for this industry. Since beginning this study in 2006, the industry's Net Promoter Score, which is a metric to gauge customer satisfaction and loyalty, has remained relatively stable at -33% from the candidate perspective and 30% from the client perspective.

The third element that plays heavily into a staffing firm's success is the experience of your internal employees. They are the face of your organization on a daily basis, to both your candidates and clients. As such, your firm's profitability directly correlates to their level of satisfaction and engagement.

This year's research study revealed the following statistics around internal employees in the staffing industry:

- **Nearly 50% have worked within the staffing industry for ten years or more**
- **49% of internal employees in the industry have worked for at least one other staffing firm**
- **28% (generally recruiters and account reps) have worked with a staffing firm as a candidate**

Recently I attended the American Staffing Association's Staffing World Conference in New Orleans. Not only did I get a chance to talk to many great firms about the experiences they provide to these three audiences, but also **why** they choose to do so: the staffing industry is a driver of economic growth for this country and of personal and professional growth for countless individuals as they navigate their careers. Our goal is to partner with you to facilitate growth in both of these realms.

As always, on behalf of CareerBuilder, thank you for your business and support. I look forward to working together toward the continued success of this industry.



Sincerely,

A handwritten signature in black ink that reads "Eric Gilpin". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Eric Gilpin
President, Staffing & Recruiting Group,
CareerBuilder
Gilpin@careerbuilder.com

THE CAREERBUILDER 2011 Q4 JOB FORECAST

careerbuilder®



Caution and seasonality are influencing hiring expectations for the fourth quarter as employers assess ongoing barriers to economic growth and wrap up 2011.

This is according to CareerBuilder's latest nationwide survey of more than 2,600 hiring managers and human resource professionals conducted from August 16 to September 8, 2011.

Consistent with trends typically seen at the tail end of the calendar, employers anticipate a moderate slowdown in hiring. Twenty-one percent of hiring managers reported that they plan to hire full-time, permanent employees in Q4, down from Q3, but on par with 2010.

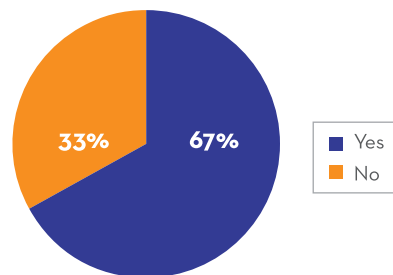
The tempered plans for Q4 follow a slightly softer recruitment picture in Q3. In terms of actual hiring, 26 percent of employers reported they added full-time, permanent headcount in Q3. While better than the same period in 2010, this is down three percentage points from Q2 2011 - reflecting a more hesitant hiring environment in the face of rising commodity prices, a volatile stock market, concerns over Europe's sovereign debt crisis and other global issues.

"While hiring is historically slower in the fourth quarter, recent world events and a structurally impaired U.S. economy are causing employers to be a little more guarded," said Matt Ferguson, CEO of CareerBuilder. **"Job creation levels are not yet high enough to drive down the unemployment rate, but the hiring trends we've seen through our surveys and on our job site still indicate an overall positive sentiment among employers.** For eight consecutive quarters, 20 percent or more of employers reported adding new jobs and the same is expected for Q4."

EDUCATION AND SKILLS GAP

When looking for talent, companies are still having a difficult time filling certain positions despite the stiff competition for jobs. Two-thirds of employers (67 percent) expressed concern over the education and skills gap in the U.S. and corresponding deficit in talent for specialized positions. The top areas employers identified as having a significant skills gap are engineering (37 percent) and information technology (33 percent).

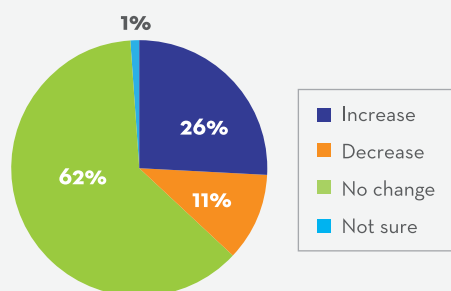
ARE YOU CONCERNED ABOUT THE EDUCATION AND SKILLS GAP IN THE U.S.?



HIRING IN Q3

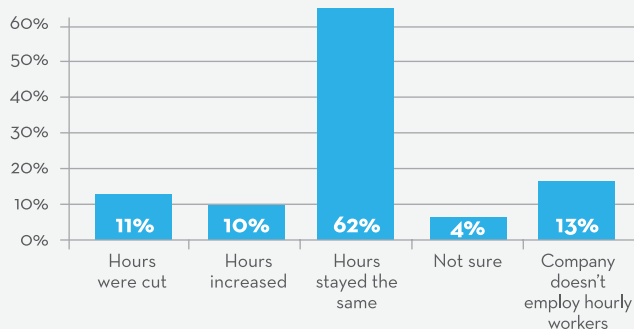
More than one-in-four hiring managers (26 percent) reported they hired full-time, permanent staff in the third quarter, up slightly from 25 percent last year, but down from 29 percent in Q2. While staff reductions slightly improved year-over-year - 11 percent reporting a decrease in headcount in Q3 2011 compared to 12 percent in 2010 - it was unchanged sequentially. Sixty-two percent of employers reported their staff levels stayed the same in Q3 while 1 percent were unsure.

THIS QUARTER (3RD QUARTER, JUL. 1 - SEP. 30, 2011), IS YOUR COMPANY, AT YOUR LOCATION, INCREASING, DECREASING OR MAKING NO CHANGE TO ITS NUMBER OF FULL-TIME, PERMANENT EMPLOYEES?



For hourly employment, 62 percent of employers reported no change in the number of hours offered in Q3 compared to the same time last year. Eleven percent said hours were cut while 10 percent stated hours had increased.

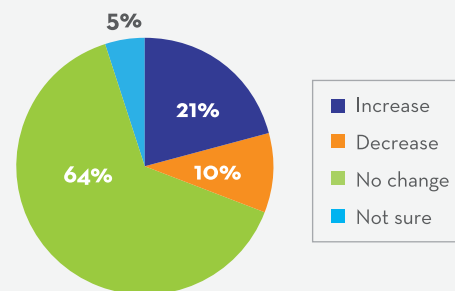
IF YOUR COMPANY, AT YOUR LOCATION, EMPLOYS HOURLY WORKERS, HOW HAVE THEIR HOURS ON AVERAGE CHANGED IN THE THIRD QUARTER 2011 COMPARED TO THE SAME PERIOD IN 2010?



HIRING IN Q4

Looking forward, 21 percent of employers expect to increase their number of full-time, permanent employees in Q4. Ten percent expect to downsize staffs while 64 percent anticipate no change and 5 percent are undecided.

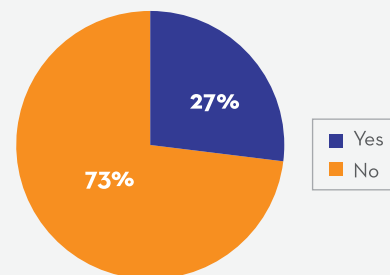
IN THE FOURTH QUARTER (OCT. 1 - DEC. 31, 2011) DOES YOUR COMPANY, AT YOUR LOCATION, PLAN TO INCREASE, DECREASE OR MAKE NO CHANGE TO ITS NUMBER OF FULL-TIME, PERMANENT EMPLOYEES?



TEMPORARY HIRING IN Q3 AND Q4

To supplement staffs, 32 percent of employers turned to temporary help in Q3. Twenty-seven percent plan to hire temporary or contract workers in Q4 with 17 percent of employers expecting to transition some of these employees into permanent staff.

DOES YOUR COMPANY PLAN TO HIRE CONTRACT OR TEMPORARY WORKERS, AT YOUR LOCATION, IN THE FOURTH QUARTER?

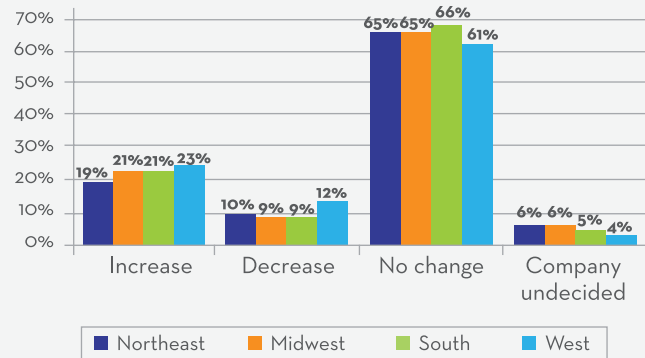


HIRING BY REGION

Regional data presents a mixed picture. While the West leads the U.S. regions in the number of employers expecting to hire full-time, permanent employees in Q4 (23 percent), it also houses the highest number of companies planning to downsize by year end (12 percent) – showing a blend of both optimism and uncertainty seen across regions.

Twenty-one percent of employers in the Midwest and South and 19 percent in the Northeast plan to add staff in Q4. Ten percent of employers in the Northeast and 9 percent in the Midwest and South expect to decrease headcount.

HIRING BY REGION: IN THE FOURTH QUARTER, DOES YOUR COMPANY, AT YOUR LOCATION, PLAN TO INCREASE, DECREASE OR MAKE NO CHANGE TO ITS NUMBER OF FULL-TIME, PERMANENT EMPLOYEES?

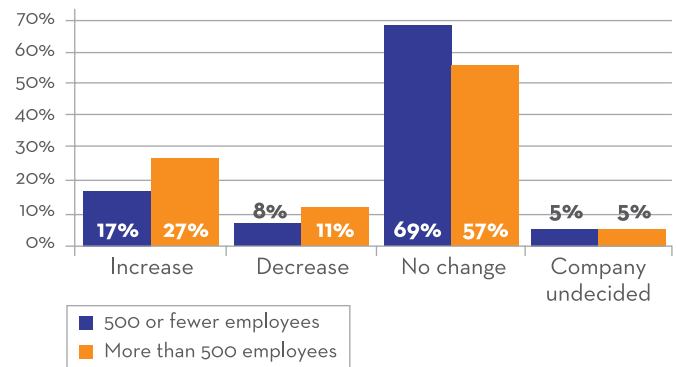


HIRING BY COMPANY SIZE

Comparing company sizes, small businesses continue to lag larger organizations in hiring activity, but are also less likely to reduce staff levels.

- Companies with 500 or fewer employees - 17 percent plan to increase full-time, permanent headcount in Q4; 8 percent expect to reduce staff levels. Of those with 50 or fewer employees, 12 percent plan to add new employees while 8 percent expect to reduce staff levels.
- Companies with more than 500 employees - 27 percent plan to hire full-time, permanent staff in Q4; 11 percent plan to decrease headcount.

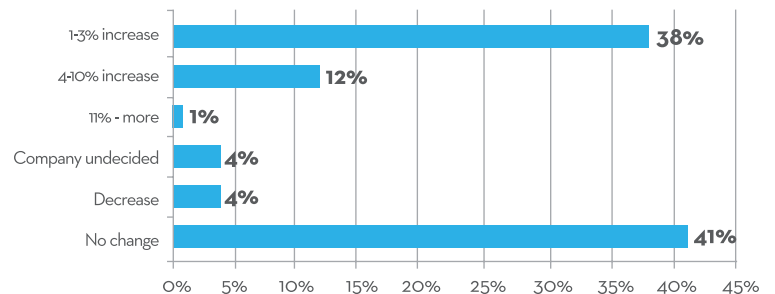
HIRING BY COMPANY SIZE: IN THE FOURTH QUARTER, DOES YOUR COMPANY, AT YOUR LOCATION, PLAN TO INCREASE, DECREASE OR MAKE NO CHANGE TO ITS NUMBER OF FULL-TIME, PERMANENT EMPLOYEES?



COMPENSATION

Forty-one percent of employers anticipate no change in salary levels in the fourth quarter compared to the same period last year. Thirty-eight percent expect there will be an increase of 3 percent or less. Twelve percent expect their average changes will be between 4 and 10 percent and 1 percent predict an increase of 11 percent or more. Four percent anticipate a decrease in salaries.

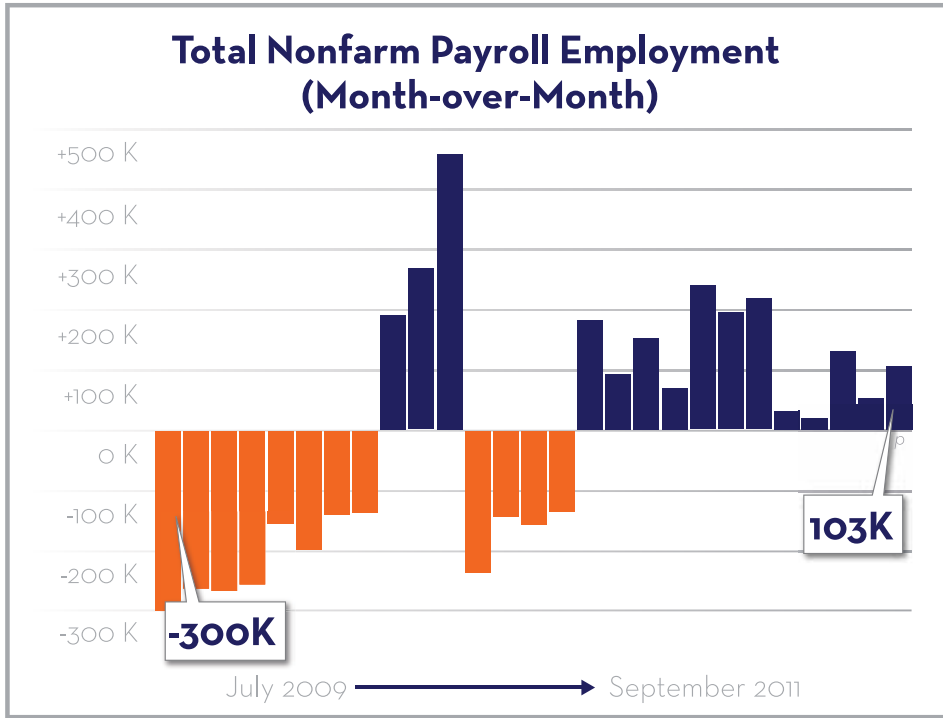
WHAT DO YOU EXPECT YOUR AVERAGE CHANGE IN SALARIES WILL BE, AT YOUR LOCATION, IN THE FOURTH QUARTER 2011 COMPARED TO THE SAME PERIOD IN 2010?



FOR MORE INFORMATION ABOUT CURRENT RECRUITMENT TRENDS, JOB FORECASTS OR CAREERBUILDER SOLUTIONS, CONTACT YOUR ACCOUNT REPRESENTATIVE OR CALL 800-960-5203.

SPOTLIGHT: KEY ECONOMIC INDICATORS

EMPLOYMENT SITUATION UPDATE FROM BUREAU OF LABOR STATISTICS



As the economy continues to improve, there are many indicators to watch that monitor both the pace of the recovery and the health of the staffing industry. This page is meant to provide a snapshot of several indicators available to help you stay educated and plan for the future.

FOR MORE INFORMATION on payroll employment and government data, visit the Bureau of Labor Statistics at www.bls.gov.

p: preliminary

SOURCE U.S. DEPARTMENT OF LABOR

STAFFING INDUSTRY STATISTICS

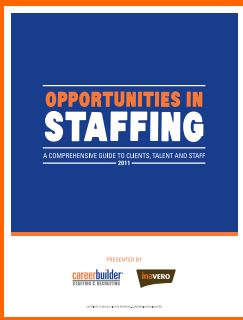
PULSE SURVEY SEPTEMBER 2011
on Market Conditions
0%

To get more details on TechServe Alliance's Pulse Survey visit www.techservealliance.org.

STAFFING Index 91
September 2011
↓ 2.1%

To get the latest report from the American Staffing Association's weekly Staffing Index, visit www.americanstaffing.net.

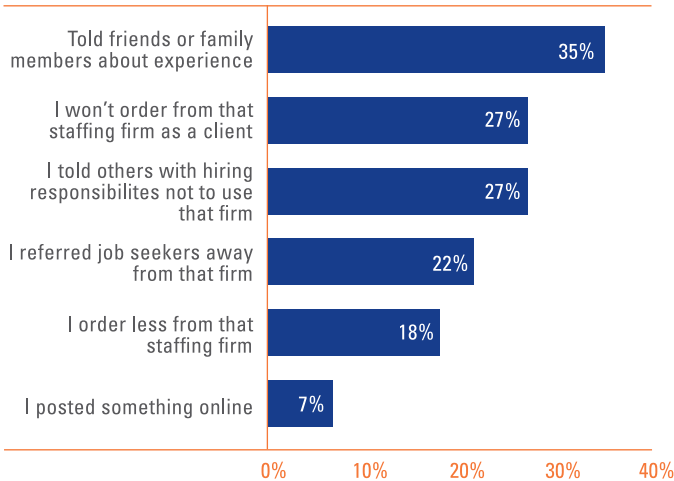
**Due to the slight delay between when this report was written and when it was released, some industry statistics included in this section may not be the most current available. Please reference the actual source to verify.*



THE 2011

OPPORTUNITIES IN STAFFING GUIDE

FIGURE 4: ACTIONS CLIENTS TAKE IF THEY WERE PREVIOUSLY DISSATISFIED WITH A STAFFING FIRM AS A JOB SEEKER



DO YOU KNOW WHAT PERCENTAGE OF STAFFING FIRM CLIENTS WERE ONCE CANDIDATES?

Take it from us, you can't afford not to. Find out the answer to this question and more in your complimentary copy of the *2011 Opportunities in Staffing Guide*.

PREFER TO HEAR THE INFORMATION EXPLAINED FIRST HAND?



Eric Gregg
Founder & CEO



Leah McKelvey
Director, Corporate Marketing

Learn how to make an impact with your clients, candidates and internal employees directly from CEO and Founder of InaVero, Eric Gregg, and CareerBuilder's Director of Corporate Marketing, Leah McKelvey.

Visit www.OpportunitiesInStaffing.com to access to the onDemand recording of the *2011 Opportunities in Staffing Guide* webinar.



CAREERBUILDER PRESENTS: THE 2012 BEST OF STAFFING™ AWARD

As the industry's leading provider of client and talent satisfaction surveys, Inavero launches the third annual Best of Staffing competition, presented by CareerBuilder.

Best of Staffing showcases staffing and recruiting firms that provide exceptional levels of service to their clients and talent. The staffing firms who truly provide a remarkable experience will be honored on the final 2012 Best of Staffing Client and 2012 Best of Staffing Talent lists in February 2012.

HOW IT WORKS

1. Register online at www.BestofStaffing.com.
2. Collect your contact list.
 - a. For clients, compile a list of all clients whom you have billed during the months of September, October and November 2011.
 - b. For talent, compile a list of all your talent you placed on assignment during the months of September, October and November 2011.
3. Inavero surveys your clients and/or talent through online surveys.
4. Inavero analyzes the responses and calculates your Net Promoter Scores®.
5. The 2012 winners will be announced on February 23, 2012!



IMPORTANT DATES

Registration Begins: Oct. 20, 2011

Registration Deadline: Nov. 18, 2011

Contact Info Due: Dec. 14, 2011

Client Survey Begins: Week of Jan. 9, 2012

Client Survey Closes: Week of Jan. 23, 2012

Talent Survey Begins: Week of Jan. 16, 2012

Talent Survey Closes: Week of Jan. 30, 2012

Best of Staffing List Announced: Feb. 23, 2012

HOW TO QUALIFY

Best of Staffing Client

- 20% response rate and at least 15 responses per brand OR a minimum of 500 responses per brand.
- Survey all clients who you have billed during the months of September, October, and November of 2011.

Best of Staffing Talent

- 20% response rate and at least 40 responses per brand OR a minimum of 1000 responses per brand.
- Survey all clients who you have billed during the months of September, October, and November of 2011.

CONGRATULATIONS TO THE 2011 BEST OF STAFFING WINNERS!

Best of Staffing is a competition for staffing firms to see who truly provides exceptional client and talent service. These prestigious awards distinguish staffing firms who outperformed the industry's benchmark. In the 2011 Client contest, staffing firms were required to attain a 55% Net Promoter Score[®] from their clients, 5 percentage points higher than the mark set by Inavero in 2010. In this year's Talent contest, staffing firms were required to attain a 48% Net Promoter Score[®] from their talent, 4 percentage points higher than the mark set by Inavero in 2010. To learn more or to register for the 2012 Best of Staffing contests, visit www.BestofStaffing.com.

2011 BEST OF STAFFING CLIENT LIST

\$0-99M ANNUAL REVENUE

- 52 Limited
- Addison Search
- Advanced Group
- Advantage RN, LLC
- Allegiance Staffing
- The Armada Group
- The Bagg Group
- Berks & Beyond Employment Services, Inc.
- The BOSS Group
- C & S Business Services, Inc.
- Delta Locum Tenans
- Delta Physician Placement
- EdgeLink
- Employment Solutions
- Frontline Source Group
- GDH Consulting
- Helpmates Financial Staffing
- Helpmates Staffing Services
- Hire Dynamics
- Ideal Technical Staffing Solutions
- Infinity Consulting Solutions
- Instant Technology
- Joulé Staffing Solutions
- JustinBradley
- Kimco Staffing Services
- Kineticom
- The Medicus Firm
- Mee Derby & Company
- Novotus
- The Plus Group, Inc.
- PrideStaff
- PrideStaff Financial
- Professional Staffing Group
- Provisional Recruiting + Staffing
- PsychPros
- Rx Relief
- The Select Group
- Smart Resources Inc.
- Staffing Advisors
- STARK Talent
- Superior Search & Staffing
- TopSource
- Victory Marketing Agency
- Winter, Wyman
- Zenex Partners, Inc.

\$100M+ ANNUAL REVENUE

- Aerotek
- CHG Healthcare Services
 - CompHealth
 - RN Network
 - Weatherby Locum Tenans
- Express Employment Professionals
- Hudson
- Kelly Services
- Labor Finders
- Sapphire Technologies
- SNI Companies
- SOS Staffing Services
 - Adams & Associates
 - ADD Staffing
 - Devon & Devon
 - Employment Trends
- TEKsystems
- TRC Staffing Services, Inc.
- Ultimate Staffing Services (a division of Roth Staffing)
- ZeroChaos

2011 BEST OF STAFFING TALENT LIST

\$0-99M ANNUAL REVENUE

- ABR Employment Services
- Addison Search
- Advanced Group
- Advantage RN, LLC
- Akraya, Inc.
- Amotec Staffing
- Atrium Staffing
- The Bagg Group
- Bloomsfield & Company
- The BOSS Group
- Canon Recruiting Group LLC
- Comrise Technology, Inc.
- The Delta Companies
- Delta Flex Travelers
- Delta Locum Tenans
- Delta Physician Placement
- EdgeLink
- Employment Solutions
- ettain group
- Hire Dynamics
- Huxley Associates
- The Hype Agency
- Inceed
- Kimco Staffing Services
- Kineticom
- Lofton Staffing Services
- MedPartners HIM
- Michael Page International
- The Midtown Group
- The Plus Group, Inc.
- Preferred Solutions
- Prestige Staffing
- PrideStaff
- PrideStaff Financial
- Professional Staffing Group
- Proposal Development Consultants
- Real Staffing Group
- Rx Relief
- Smart Resources, Inc.
- STARK Talent
- SuperiorHire
- TekPartners, a P2P Company
- Victory Marketing Agency
- VISTA Staffing Solutions

\$100M+ ANNUAL REVENUE

- Advantage Staffing
- CORESTAFF
- Hudson Highland Group, Inc.
 - Hudson
 - Hudson Legal
- Kelly Services
- Manpower
- Medical Doctor Associates
- Open Systems Technologies
- Randstad Finance and Accounting
- Roth Staffing Companies
 - Adams & Martin Group
 - Ledgent
 - Ultimate Staffing Services
- TRC Staffing Services, Inc.
 - TRC Professional Solutions
- ZeroChaos

IN THE SPOTLIGHT:

STAFFING EXECUTIVES SHARE THEIR EXPERIENCES AND CELEBRATE THE INDUSTRY



There are many things we love about the world of staffing and recruiting – the professional entrepreneurial spirit, the fast-paced environment, and the wealth of knowledge to name a few. Best of all though, we love connecting the right people with the right opportunities and changing lives.

Over the past few years, many executives have shared their thoughts on the experiences they provide clients, candidates and internal employees. Now we want to hear your story. Email us directly at staffing@careerbuilder.com to join the conversation and celebrate the achievements of those in staffing. We'd like to feature you and help promote the value of this industry. Consider questions such as:

- ➔ What does staffing mean to you?
- ➔ How have you made a difference?
- ➔ What do you most enjoy about putting people to work?
- ➔ What is your proudest moment in your career?

We are dedicated to partnering together to promote the value of your firm and the industry overall. On the following page you will find some responses from other staffing industry executives. We invite you to review their responses and think then about your own experiences.



MARY LUCAS
CHIEF RESOURCE OFFICER
STAFFMARK

For me, the staffing industry means “the people business.” That’s a phrase I use all the time to describe my career to others outside the industry. I am proud to

be a part of an industry that is all about finding people work, and finding companies people. What satisfies me in making these staffing connections is that there are measurable, quantifiable results. For thirty years, we’ve made a positive impact in individual lives, and added value to companies through our most important resource: People.

The staffing industry has been so meaningful to me that I wrote a book about it a few years ago. We’re now in our ninth printing and it’s been well received. In fact, I’m often asked to share my experiences in the staffing industry as a guest speaker by universities across the country, professional organizations, various associations, health care events and more. These opportunities allow me to be a personal ambassador for the industry to literally thousands of people who may not recognize the impact that we all have in the American workplace. These are people and companies who may be future candidates or client partners for our industry.

As the Chief Resource Officer for Staffmark, we bring value to our workforce candidates by reminding them that a job is far more than earning a paycheck. It’s a chance to make a difference in their own lives and the lives of others. It’s a chance to learn, to contribute, to excel – valuable life lessons for each of us to remember.



PATRICK BEHARELLE
CHIEF EXECUTIVE OFFICER
SEATONCORP

Every day we make people’s dreams come true with both temporary and permanent job placements. Especially in this environment, there is a great opportunity to help others change their lives for the better. The challenge is it’s easy to forget this. We get caught up in the stress and the tasks. But it’s more than this, and we need to remind ourselves regularly that what we do as an industry is integral to the economy and to people’s lives. We should be proud!

In another example, President Obama recently challenged the private sector to hire or train 100,000 veterans and military spouses by the end of 2013. He said, “We ask our men and women in uniform to leave their careers, leave their families, and risk their lives to fight for our country. The last thing they should have to do is fight for a job when they come home.” Though the “Hiring Our Heroes” initiative, PeopleScout is working with the US Chamber of Commerce to help organize 100 job fairs nationwide to help Veterans and their spouses find jobs in local communities. Veterans come home from Afghanistan and Iraq, and they have no idea what the future holds. They come to a fair with extremely high hopes, and for some, we along with other employers are making job offers on the spot. You see the smile on their face and the twinkle in their eye – A life has just changed. As an industry, we have the wherewithal to pay them back.

**FOR ADDITIONAL PERSONAL STORIES AND
RECORDED VIDEOS FROM CAREERBUILDER AND
THE AMERICAN STAFFING ASSOCIATION’S 2011
STAFFING WORLD CONFERENCE ATTENDEES, VISIT
WWW.CAREERBUILDER.COM/STAFFINGWORLD2011.**

SURVEY METHODOLOGY

This survey was conducted online within the U.S. by Harris Interactive® on behalf of CareerBuilder among 2,662 U.S. hiring managers (non-government) between May 19, 2011 and June 8, 2011 (percentages for some questions are based on a subset, based on their responses to certain questions). With a pure probability sample of 2,662, one could say with a 95 percent probability that the overall results have a sampling error of +/- 1.90 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 24 million unique visitors, 1 million jobs and 40 million resumes. CareerBuilder works with the world's top employers, providing resources for everything from employment branding and data analysis to recruitment support. 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. (NYSE:GCI), Tribune Company and The McClatchy Company (NYSE:MNI), CareerBuilder and its subsidiaries operate in the United States, Europe, Canada and Asia. For more information, visit www.careerbuilder.com.

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<http://linkd.in/CBStaffing>

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