# Forty-Five Percent of UK Employers Plan to Recruit New Employees in the New Year, According to CareerBulder.co.uk Survey

- Bigger salaries, flexible work arrangements among top workplace trends for coming year -

**London, January 4, 2007** -- CareerBuilder.co.uk, a leading online job site in the United Kingdom, released the results of its first survey, conducted by Harris Interactive<sup>®</sup>, tracking projected hiring and job search activities for the upcoming year and quarter. The survey, titled "2007 UK Job Forecast," was conducted from November 17 and December 11, 2006 within the UK among 421 workers and 224 hiring managers.

"Economic growth in the UK is expected to remain stable in 2007 as growth in the rest of Europe slows. In this environment, the UK can expect stable labour trends, according to UBS," said Dave Smith, Managing Director of CareerBuilder.co.uk. "Forty-two percent of UK employers surveyed reported adding new workers to their staffs in the last three months. This momentum is expected to carry into the New Year with 45 percent of hiring managers planning to recruit new employees. Thirty-one percent anticipate no change in their headcount while 12 percent expect decreases."

### **Amount of Employees Being Recruited**

Twenty percent of UK employers say they will recruit in bulk, expecting to add more than 100 new employees to their staffs in 2007. Forty percent say they will recruit up to 50 new workers. Slightly more than one-in-ten plan to add 51 to 100.

## **Most Popular Positions**

The types of positions employers will be recruiting for the most in the UK include sales, information technology, accounting/finance, customer service and healthcare. In terms of job level, 47 percent of UK employers say they will be targeting professional/technical staff, 23 percent will be targeting administrative/clerical workers, and 7 percent will be targeting upper management.

## **SEVEN MAJOR HIRING TRENDS FOR 2007**

More than one-third of UK employers say they have job openings for which they cannot find qualified candidates. As the UK labour market continues to tighten, employers will become more aggressive in their efforts to recruit and retain their top talent.

## 1. Bigger Paycheques

Eighty-two percent of UK employers surveyed report their companies will increase salaries for existing employees. More than half -- 54 percent -- say they will raise compensation levels by up to 3 percent while 28 percent plan to raise compensation levels by 4 percent or more. More than half of employers expect to increase salaries on initial offers to new employees.

#### 2. Rehiring Retirees

Three-in-ten UK employers plan to rehire retirees from other companies or provide incentives for workers approaching retirement age to stay with the company longer.

## 3. Diversity Recruitment

When asked what segment of diverse workers they plan to most heavily recruit in 2007, UK employers say they plan to target more women and disabled workers.

## 4. Flexible Work Arrangements

Nearly one-in-four UK employers say they are very or extremely willing to provide more flexible work arrangements for employees such as job sharing and alternate schedules.

## 5. Career Advancement

One-in-four UK workers report they feel 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, 45 percent of UK employers plan to provide more promotions and career advancement opportunities to their existing staff in the New Year.

#### 6. Training

In light of the shortage of skilled workers within their own industries, the vast majority of UK employers -- 87 percent -- report they are willing to recruit workers who don't have experience in their particular industry or field, but have transferable skills.

#### 7. Global Expansion

UK companies will continue to drive growth by entering or strengthening their presence in global markets. Nearly one-in-four UK employers report they will expand operations and hire employees in other countries in 2007. Eighteen percent say they are considering it.

## **HIRING AND COMPENSATION IN Q1**

#### Hiring

Over the next three months, 40 percent of UK employers say they plan to increase headcount. Ten percent say they will decrease headcount, while 42 percent anticipate no change and 8 percent remain unsure.

#### Compensation

More than half of UK employers say salaries have increased over last three months while 35 percent say they plan to increase salaries over the next three months.

## **JOB CHANGES**

Fifty-seven percent of UK workers say they are satisfied with their jobs; slightly more than one-in-four are dissatisfied.

However, as the labor pool shrinks and companies more aggressively recruit new additions to their teams, workers are looking for bigger, better deals in the New Year. Twenty-nine percent of UK workers plan to leave their jobs within one year. Four-in-ten say they will do so within the next two years.

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

- Pay -- Four-in-ten workers in the UK say they are dissatisfied with their pay. Close to one-third did not receive a raise in 2006. Of those that did receive one, 28 percent were given an increase of 2 percent or less. Two-thirds of workers report not receiving a bonus.
- **Career Advancement** -- Thirty-seven percent of workers are dissatisfied with career advancement opportunities provided by their current employers. Nine-in-ten UK workers say they did not receive a promotion last year and one-in-four felt they were overlooked.
- Work/Life Balance -- Twenty-eight percent of UK workers are dissatisfied with work/life balance.
- **Training/Learning** -- Three-in-ten UK workers are dissatisfied with training and on-the-job learning opportunities provided by their current employers.

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

- Good work culture (30 percent)
- Career advancement opportunities (23 percent)
- Company stability (19 percent)
- Ability to offer flexible schedules (9 percent)

#### Methodology

This survey was conducted online by Harris Interactive on behalf of CareerBuilder.com among 421 workers (employed full-time; not self employed) and 224 hiring managers (employed full-time; not self employed; with at least some involvement in hiring decisions), ages 18 and over within the United Kingdom between November 17 and December 11, 2006. Figures for age, sex, education, location (region) and internet usage 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 421 or 224 one could say with a ninety-five percent probability that the overall results have a sampling error of  $\pm$  5 and  $\pm$  7 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.

#### About CareerBuilder.co.uk

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