

Glassdoor.com® Q2 Employment Confidence Survey (7/09) Overview, Methodology and Highlights

Overview

The Glassdoor.com® quarterly Employment Confidence Survey conducted on its behalf by Harris Interactive® monitors four key indicators of employee confidence in the areas of job security, salary expectations, re-hire probability and company outlook. The company is also tracking the concessions employees are willing to take to keep their jobs as well as less frequent periodic measures. The results of the survey will be administered and reported quarterly.

Employer Actions Past 6 months

54% of employees¹ report their company made changes to the number of staff, organizational structure, compensation and benefits, or other perks in the past six months, which is unchanged from Q1 (53%). Of these, 58% say their company has laid off employees and/or communicated plans to lay off employees in the past six months, which is consistent with Q1 (57%).

However, more of these employees are reporting their companies are reducing compensation and benefits than in Q1, specifically in the areas of bonus reductions (21%), pay cuts (15%), reduction in health and/or dental (14%), initiated unpaid leave or mandatory vacation (18%) and the loss of perks (16%).

In the past 6 months, what has your organization done?	Q209 %	Q109 %	Q408 %
Base: employees who say their company has changed something in the past 6months.			
Laid off employees and/or communicated plans to lay off employees,	58	57	54
Initiated or communicated hiring freezes	41	43	45
Initiated or communicated bonus reductions or eliminations	21	18	26
Restructured job/created redundancy	19	12	16
Initiated/communicated pay cuts	15	12	13
Reduced health and/or dental benefits	14	15	16
Initiated furloughs, unpaid leave, mandatory vacation	18	14	N/A
Took away perks such as commuter subsidy	16	19	18

Job Security:

- Employee concern about layoffs has decreased slightly from Q1 but remain higher than Q4 2008 with nearly one in four (24%) reporting concern they could be laid off in the next six months while 41% are concerned other employees at their company – other than themselves – could be laid off.
- Employees who work for companies that have laid off/communicated plans to lay off in the past 6 months have more than twice the concerns (39%) about being laid off in the next six months than those who work for companies that haven't (17%). More than 3 in 4 (78%) of those whose companies have been through layoffs in the past 6 months are concerned their company will lay off other employees in the next six months compared to just 24% of those whose companies haven't initiated or communicated layoffs in the past 6 months.
- Those ages 18-34 have significantly fewer concerns about pending layoffs (19%) than those ages 45-54 (29%). Similarly, significantly fewer workers 18-34 (33%) have concerns that coworkers could be laid off in the next six months, compared to those 45-54 (49%).

Concerned of self being laid off in next 6 months? (Employed full/part-time)	Q209 %	Q109 %	Q408 %	18-34 (Q209) %	35-44 (Q209) %	45-54 (Q209) %	55+ (Q209) %	Company has laid off/ communicated plans to lay off in the past 6 months (Q209)	Company has not laid off/ communicated plans to lay off in the past 6 months (Q209)
Yes	24	26	21	19	27	29	23	39	17
No	76	74	79	81	73	71	77	61	83

Concerned about coworkers being laid off in next 6 months? (Employed full/part-time)									
Yes	41	44	42	33	46	49	41	78	24
No	59	56	58	67	54	51	59	22	76

Company Outlook:

- The majority (86%) of employees and those self employed think their company outlook will be the same (47%) or better (39%) in the next six months
- Outlook is much bleaker for employees at companies that have laid off/communicated plans to lay off employees in the past 6 months, as 23% expect their company to perform worse, compared to 9% of those workers whose companies have not initiated or communicated plans to lay off during this time period.

Company outlook in next 6 months? (Employed full/part-time; self employed)	Q209	Q109 %	Q408 %	18-34 (Q209) %	35-44 (Q209) %	45-54 (Q209) %	55+ (Q209) %	Company has laid off/communicated plans to lay off in the past 6 months (Q209) %	Company has not laid off/communicated plans to lay off in the past 6 months (Q209) %
Better (much/somewhat)	39	35	n/a	36	38	39	45	37	38
Worse (much/somewhat)	14	14	n/a	10	14	16	21	23	9
Stay the same (neither better/worse)	47	51	n/a	54	48	45	34	40	52

Salary Expectation:

- Fewer employees are expecting a pay raise or a cost-of-living increase in the next 12 months than we saw in the previous two quarters. In Q2, nearly one-third of employees expected a pay increase or a cost-of-living increase in the next 12 months (32%), while 50% do not. (18% don't know or are not sure) This contrasts the optimism seen in Q408 when 40% of employees said they expected a pay raise or a cost-of-living increase in the next 12 months while 40% did not.
- Employees in the West have significantly less optimism than employees in other parts of the country as only 21% expect pay raises or cost-of-living increases in the next 12 months, compared to 38% in the Northeast, 36% in the South, and 33% in the Midwest.
- Optimism for pay raises or cost-of-living increases is lower among those whose companies have laid off/communicated plans to lay off employees in the past 6 months (23%) compared to those whose companies have not laid off/communicated plans to lay off employees during this time period (36%)

Expect pay or cost of living increase in next 12 months? (Employed full/part-time)	Q209 %	Q109 %	Q408 %	Northeast (Q209)	Midwest (Q209)	South (Q209)	West (Q209)	Company has laid off/communicated plans to lay off in the past 6 months (Q209) %	Company has not laid off/communicated plans to lay off in the past 6 months (Q209) %
Yes	32	36	40	38	33	36	21	23	36
No	50	43	40	43	49	47	60	57	46
Don't know	18	21	20	19	18	17	19	20	17

Re-Hire Probability:

- 39% of employees and those self employed think if they lost their job they could find a job in the next six months, which is unchanged from Q1 whereas only 25% of those unemployed but looking think it's likely they will find a job matched to their experience and historical compensation in the next six months, down from 35% in Q109.

- Younger employees and those self employed (18-34) have more confidence they could find a new job in next six months (48%) than their counterparts who are ages 55+ (31%)
- In fact, 41% of mature employees and those self employed (55+) think it unlikely they would find a job matched to their experience and historical compensation if they lost their job and nearly one in three (31%) think it's very unlikely, up from 28% in Q109.

Ability to find job matched to experience and compensation level in next 6 months? (Employed full/part-time; self employed)	Q209 %	Q109 %	Q408 %	18-34 (Q209) %	35-44 (Q209) %	45-54 (Q209) %	55+ (Q209) %
Likely (very/somewhat)	39	39	n/a	48	37	36	31
Unlikely (very/somewhat)	31	31	n/a	24	31	34	41
Uncertain	28	30	n/a	27	32	28	24
Ability to find job matched to experience and compensation level in next 6 months? (Unemployed but looking)	Q209 %	Q109 %	Q408 %	18-34 (Q209) %	35-44 (Q209) %	45-54 (Q209) %	55+ (Q209) %
Likely (very/somewhat)	25	35	n/a	33	26	20	7
Unlikely (very/somewhat)	37	23	n/a	28	30	42	69
Uncertain	32	36	n/a	26	44	38	24

Concession Indicators:

- To keep their jobs, employees are more willing to take on more projects and responsibility (71%) and work more hours (64%) than certain other concessions.
- In the past two quarters, employees indicate greater willingness to make concessions to keep jobs. Forty two percent in Q209 are willing to take a cut in wages or salary if they found out their job was in jeopardy, compared to 30% in Q408. And more (37%) are willing to take unpaid leave or a sabbatical now, up from 24% in Q408.
- Although older employees (those ages 55+) have less optimism about being able to get rehired if they suddenly lost their job, they are less willing to take on more projects and responsibility (61%) or increase hours worked (56%) to keep their job than some of their younger counterparts. They are also less willing to accept health and/or dental benefit reductions (22%) or forfeit paid time off or vacation (26%), but they are more willing to take unpaid leave (41%) or accept a pay cut (43%) than in prior quarters. In Q408, these were 20% and 34% respectively for those employees ages 55+.

If found job was in jeopardy, what would you give up to keep your job? (Employed full/part time)	Q209 %	Q109 %	Q408 %	18-34 Q209 %	35-44 Q209 %	45-54 Q209 %	55+ Q209 %
Take on more projects or responsibility	71	70	74	76	69	74	61
Increase amount of hours worked	64	62	60	71	62	60	56
Give up perks like commuter subsidies, on-site cafeteria, child care, dry cleaner, gym access	44	43	46	46	53	43	30
Accept a cut in salary or wages	42	40	30	42	39	44	43
Take furlough or an unpaid leave or sabbatical	37	34	n/a	34	35	38	41
Accept reduction in health and dental benefits coverage	34	35	32	37	35	37	22
Forfeit paid time off or vacation	32	30	24	38	30	28	26

Methodology

Harris Interactive® fielded the Q2 Employment Confidence study on behalf of Glassdoor.com from June 22-24, 2009 via its QuickQuerySM online omnibus service, interviewing a nationwide sample of 2,261 U.S. adults aged 18 years and older, of whom 1,278 are employed full time or part time. The Q4084 survey was conducted Dec.16-18, 2008 among 2,281 U.S. adults 18+ of whom 1,331 were currently employed (full time or part-time). The Q209 survey was conducted March 19-23, 2009 among 2,798 U.S. adults 18+ of whom 1,576 were currently employed (full time or part-time). Data were weighted using propensity score weighting to be representative of the total U.S. adult population on the basis of region, age within gender, education, household income, race/ethnicity, and propensity to be online. No estimates of theoretical sampling error can be calculated.

For complete survey results and full survey methodology please contact Dawn Lyon 415-846-4706 or Samantha Zupan 925-324-3954, pr@glassdoor.com.

^{i i} For the purposes of this survey “employees” were defined as U.S. adults ages 18+ who are employed full time and/or part time.