

Hiring expectations fell sharply for technology professionals, as 7 in 10 recruiters and hiring managers are curtailing hiring plans for the next six months, according to a new Dice survey.

Those plans have changed significantly since the summer when 53 percent of respondents indicated cut backs. Twenty-two percent said they were not changing their hiring plans, while 6 percent are unsure. With more than 1,000 respondents drawn from both corporate hiring managers and recruiting, staffing and consulting companies, the survey is illustrative of how the economic strain is impacting opportunities for technology professionals.

When asked, why the time to fill open positions is lengthening, the number one response is now the economy (52%), followed by the inability to find qualified technology professionals (23%) – a reversal of their rankings this summer.

“Given how tight the labor market still is for technology professionals, it is not surprising to see it ease along with the economic retrenchment,” said Tom Silver, Senior Vice President, Chief Marketing Officer. “While the coming months will undoubtedly see more layoffs as companies streamline costs, areas such as virtualization continue to show promise, especially as technology departments seek ways to save money and tighten budgets. In an age of streamlining, technology has never been more important.”

In fact, nearly half (48%) of all respondents have indicated that layoffs are likely in the next six months. It’s interesting that layoff expectations differ significantly between staffing, recruiting and consulting organizations (63% see it likely) and their potential clients themselves where 27 percent say technology workforce reductions are likely.

Likewise, 70 percent of respondents are seeing an increase in the number of candidates applying for positions. This dovetails with the resume trends on Dice as new resumes posted have increased 54 percent so far in the fourth quarter versus the same time last year.

With more qualified technology professionals competing for a dwindling number of positions, it’s not surprising that hiring managers and recruiters expect starting salaries to flatten. A majority (53%) expect flat salaries, while 27 percent anticipate paying slightly less than last year to new hires.

About the survey

In November 2008, Dice surveyed human resources professionals and recruiters from every region of the country who hire or recruit technology professionals exclusively. More than 1,000 responded to the email survey, with 43 percent identified as companies that recruit for their own needs, while 57 percent were staffing, recruiting or consulting firms.

Table 1: Has the current economic environment caused you or your clients to scale back hiring plans for the next six months?

	November 2008	June 2008
Yes, substantially	32%	16%
Yes, slightly	40%	37%
No	22%	37%
I'm not sure	6%	10%

Table 2: If you or your clients have positions to fill, what best describes the reason for the time to fill a position lengthening?

	November 2008	June 2008
There is no urgency to fill open positions	22%	17%
Slight caution related to the economy	52%	39%
Inability to find qualified professionals	23%	40%
I don't know	3%	4%

Table 3: How likely do you think layoffs are in the next six months at your organization or, if you are a recruiter at your clients' organizations?

	November 2008	June 2008
Very likely	20%	9%
Likely	28%	24%
Not likely	37%	52%
I don't know	15%	15%

Table 3 – 1: By Type of Respondent

	Corporate	Staffing, Recruiting & Consulting
Very likely	12%	26%
Likely	15%	37%
Not likely	59%	21%
I don't know	14%	16%

Table 4: Are you seeing an increase in the number of candidates applying for positions?

	November 2008	June 2008
Yes, significantly	32%	15%
Yes, but slightly	38%	34%
No	30%	51%

Table 5: What trend do you see in salaries for new hires?

	November 2008	June 2008
They are significantly higher than last year	2%	6%
They are slightly higher than last year	13%	36%
They are the same as last year	53%	48%
They are slightly less than last year	27%	10%
They are significantly less than last year	5%	0%

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