

Q3 2015 U.S. Employment Confidence Survey

Overview

The Glassdoor® quarterly Employment Confidence Survey¹, conducted online by Harris Poll in September among more than 2,000 U.S. adults (ages 18+), monitors four key indicators of employee confidence: job market optimism/re-hire probability, salary expectations, job security and business outlook optimism. In addition, this quarter's survey uncovers the value employees place on benefits and perks over receiving a pay raise. For purposes of reporting, employees refers to those employed full- or part-time unless otherwise indicated.

Employment Confidence Highlights - Q3 2015

Indicator	Q3.15	% Change
Layoff concerns — self	15%	↓ 2
Layoff concerns — others	22%	↓ 2
Salary expectations — pay increase in 12 months	50%	↑ 3
Company outlook — better	48%	↓ 3
Re-hire probability (employed)	54%	↑ 2

HIGHLIGHTS

THE VALUE OF BENEFITS & PERKS

- Nearly four in five (79 percent) employees would prefer new or additional benefits or perks over a pay increase.
- Women (82 percent) are more likely than men (76 percent) to prefer new or additional benefits/perks over a pay increase, and parents who have children under 18 in their household value benefits/perks over a pay increase (89 percent) compared to those without (73 percent). Renters (85 percent) value perks/benefits more than a pay increase versus homeowners (77 percent).
- Employees aged 18-34 (89 percent) and 35-44 (84 percent) are more likely to prefer benefits/perks over pay raises when compared to those aged 45-54 (70 percent) and 55-64 (66 percent).

Benefits/Perks Valued More Than Pay Raises

- Looking at those employees who reported they prefer benefits/perks over an increase in pay, the following highlights the specific benefits and/or perks that employees would prefer:
 - Healthcare insurance (e.g., medical, dental): 40 percent
 - Vacation/Paid time off: 37 percent
 - Performance bonus: 35 percent
 - Paid sick days: 32 percent
 - 401(k) plan, retirement plan and/or pension: 31 percent
 - Flexible schedule (e.g., work from home): 30 percent
 - Office perks (e.g., free lunch, casual dress): 19 percent
 - Employee development programs (e.g., on-the-job training, professional development): 19 percent
 - Tuition reimbursement: 18 percent
 - Employee discounts: 17 percent
 - Gym membership or wellness programs: 16 percent
 - Stock, stock options and/or equity: 16 percent
 - Paid parental leave (e.g., maternity leave, adoption assistance): 13 percent
 - Childcare assistance (e.g., on-site childcare, financial assistance): 13 percent
 - Commuter assistance (e.g., company shuttle, commuter checks): 9 percent
 - Diversity program: 3 percent

EMPLOYER ACTIONS DURING THE PAST SIX MONTHS

- Of employees surveyed who reported a *positive change* at their organization:
 - Sixty-four percent say they were awarded new perks (option to work remotely, casual dress, flexible work hours) or new stock or other compensation, up 3 percentage points since last quarter (61 percent).
 - Two in five (40 percent) employees report their organization has initiated large-scale hiring, reflecting little change since last quarter (39 percent), however this is up 6 percentage points compared to the same time last year (Q3 2014, 34 percent).
 - Twenty-seven percent report that health and dental benefits, as well as pay and perks that had previously been cut have been restored, are down 7 percentage points since last quarter (34 percent).
- Among employees who reported *negative changes* at their organization:
 - Fifty-three percent say they experienced changes to or reduced compensation, down 3 percentage points since last quarter (56 percent).
 - Thirty-five percent say they saw a reduction in their individual pay or bonus amount, or were not paid a bonus for which they were eligible, a high since this question was first asked in Q1 2009 and up 4 percentage points since last quarter (27 percent).
 - Thirty-six percent report employees being laid off or plans communicated to lay off employees, down 5 percentage points since last quarter (41 percent).

In The Past 6 Months, What Additions Has Your Organization Made?

(Base: Employees who say their company has changed something positive in the past 6 months.)

	Q4.13 %	Q1.14 %	Q2.14 %	Q3.14 %	Q4.14 %	Q1.15 %	Q2.15 %	Q3.15 %
Awarded new perks (option to work remotely, casual dress, flexible work hours)/new stock	61	76	67	49	65	51	61	64
Awarded new stock or other compensation	15	31	28	19	23	27	23	38
Initiated large scale hiring	21	24	31	34	27	50	39	40
Restored health and dental benefits, pay and perks previously cut	42	18	42	29	26	22	34	27

In The Past 6 Months, What Negative Changes Has Your Organization Done?

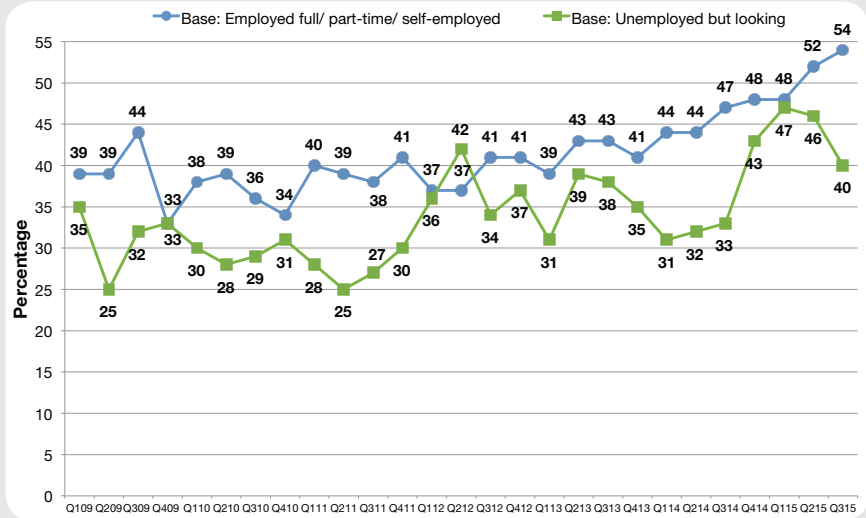
(Base: Employees who say their company has changed something negative in the past 6 months.)

	Q4.13 %	Q1.14 %	Q2.14 %	Q3.14 %	Q4.14 %	Q1.15 %	Q2.15 %	Q3.15 %
Made changes or reduced compensation (net)	46	53	52	54	52	49	56	53
Reduced individual's pay/bonus amount/didn't pay bonus	25	25	30	33	27	23	27	35
Initiated or communicated bonus reductions or eliminations	8	11	3	9	8	8	11	10
Laid off employees and/or communicated plans to lay off employees	39	42	36	39	36	41	41	36
Reduced health and/or dental benefits	20	23	16	23	23	20	19	19
Initiated or communicated hiring freezes	24	17	14	18	12	15	16	18
Restructured job/created redundancy	18	22	15	7	15	19	19	23
Initiated furloughs, unpaid leave, mandatory vacation	13	16	12	14	11	9	13	12

Job Market: Rehire Probability In The Next 12 Months

- A new high since this question was first asked more than six and a half years ago in Q1 2009, 54 percent of employees (including those self-employed) report confidence that if they lost their job they would be able to find a job matched to their experience and current compensation levels in the next six months. Twenty-six percent are uncertain and 20 percent think it is unlikely they could find a job that matched their experience and current compensation levels in the next six months.
- Of those unemployed but looking, 40 percent are confident in finding a job matched to their experience and compensation levels in the next six months, down 6 percentage points from last quarter (46 percent), but up 7 percentage points compared to last year (Q3 2014, 33 percent).
- Younger employees (including those self-employed) aged 18-34 years old (60 percent) are significantly more optimistic in their ability to find a job in the next six months that matches their experience and current compensation when compared to employees aged 55-64 years old (44 percent).
- Employees (including those self-employed) earning a household income of \$100,000+ are significantly more confident in their ability to find a job in the next six months matching their experience and current compensation levels (61 percent), when compared to those who earn between \$50,000-74,999 (48 percent) and less than \$50,000 (47 percent).

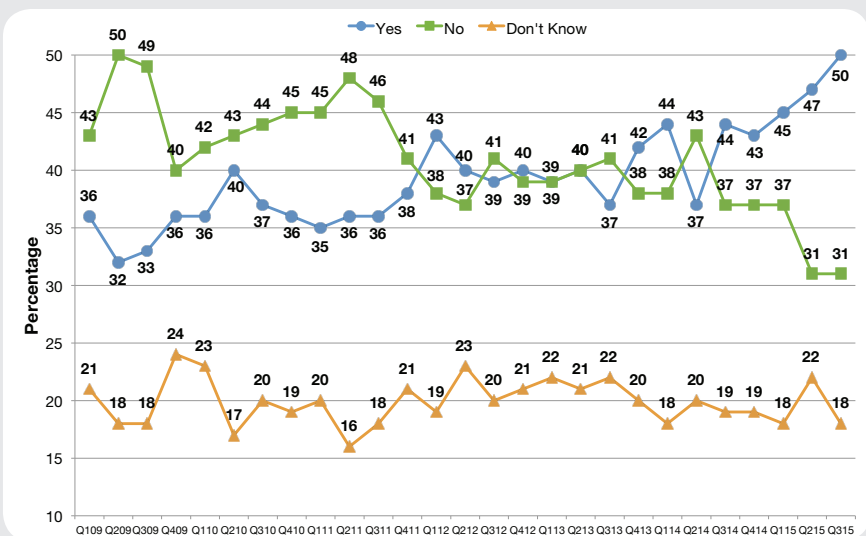
Re-Hire Probability:
Question: Ability to find job matched to experience and compensation level in next 6 months
Answer: Very likely (or) somewhat likely



Salary Expectation In The Next 12 Months

- For the first time since this question was asked in Q4 2008, half (50 percent) of employees expect to receive a pay raise or cost-of-living increase in the next 12 months, up 3 percentage points from last quarter (47 percent).
- Thirty-one percent do not expect a pay raise in the next 12 months, unchanged since last quarter, while 18 percent don't know.
- Employees aged 45-54 (43 percent) and 55-64 (44 percent) are less likely to expect a pay raise in the next 12 months when compared to younger employees aged 18-34 (56 percent).
- Pay raise confidence among women increased 7 percentage points from last quarter (42 percent) to 49 percent, while pay raise confidence among men ticked up a modest 1 percentage point to 51 percent compared to last quarter (50 percent).
- Employees earning less than \$50,000 are less optimistic (44 percent) in receiving a pay raise in the next 12 months versus those who earn \$75,000-\$99,999 (58 percent) and more than \$100,000 (59 percent).

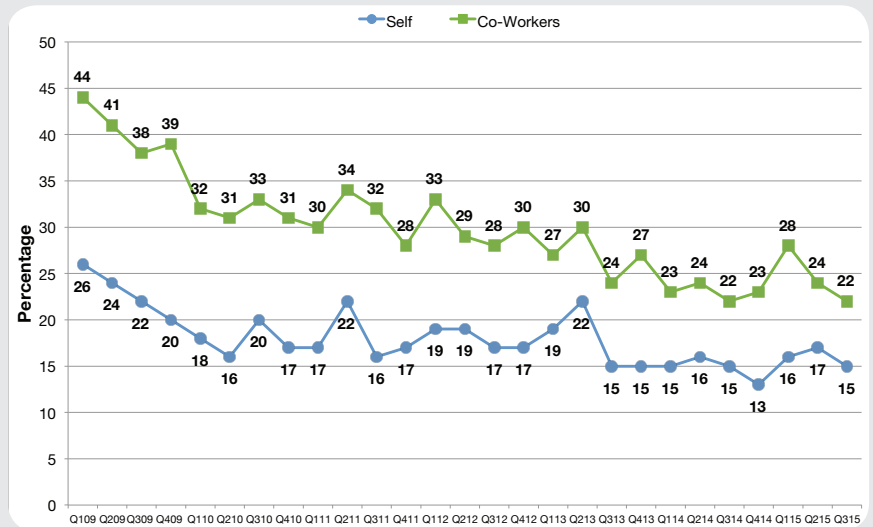
Salary Expectation: Expect Pay or Cost-of-Living Increase in Next 12 Months
 (Base: Employed full/part-time)



Job Security In The Next Six Months

- Fifteen percent of employees are concerned they may be laid off in the next six months, down 2 percentage points from last quarter (17 percent).
- Twenty-two percent of employees report concern about co-workers being laid off in the next six months, which is down 2 percentage points since last quarter (24 percent).
- Men are significantly more concerned about being laid off in the next six months (19 percent) than women (9 percent).
- Younger employees (aged 18-34) are more concerned about being laid off in the next six months (22 percent) compared to employees in other age groups: 35-44 (12 percent) and 55-64 (7 percent).
- Employees in the West are significantly more concerned about being laid off in the next six months (28 percent) compared to employees in the Midwest (11 percent), Northeast (12 percent) and South (9 percent).

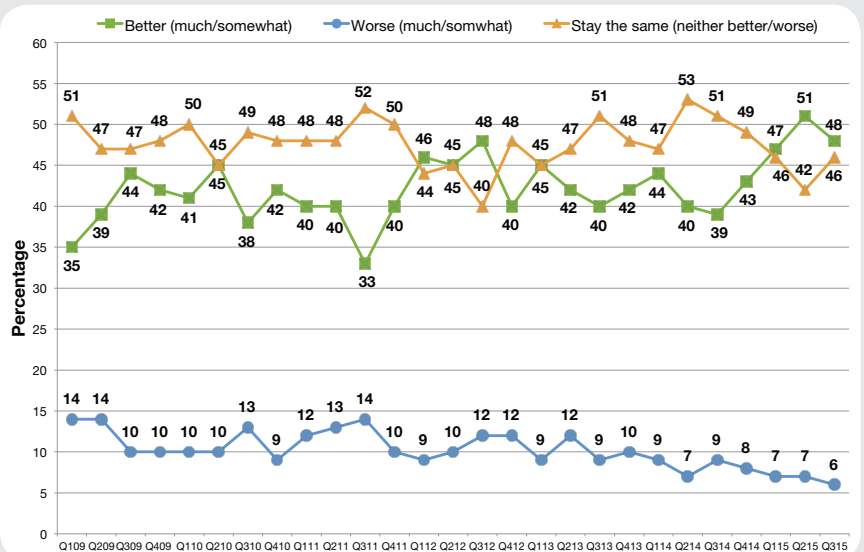
Employees Concerned About Layoffs in Next 6 Months (Base: Employed full/part-time)



Business Outlook In The Next 12 Months

- Forty-eight percent of employees (including those self-employed) believe their company's business outlook will improve in the next six months, down 3 percentage points since last quarter (51 percent). Forty-six percent believe it will stay the same (neither get better nor worse), up 4 percentage points since last quarter (42 percent). Six percent believe it will get worse, down 1 percentage point from last quarter (7 percent).
- Employees (including those self-employed) aged 18-34 (56 percent) and 35-44 (54 percent) are more optimistic that their company's business outlook will perform better in the next six months than those aged 45-54 (34 percent) and 55-64 (40 percent).
- Employees (including those self-employed) in the Midwest (37 percent) are less optimistic that their company's business outlook will perform better in the next six months than those in the South (52 percent) and the West (55 percent).

Business Outlook: Next 6 Months (Base: Employed full/part-time; self-employed)



Methodology

¹ This survey was conducted online within the United States by Harris Poll on behalf of Glassdoor from September 18-22, 2015 among 2,016 adults ages 18 and older. This online survey is not based on a probability sample and therefore no estimate of theoretical sampling error can be calculated. For complete survey methodology, including weighting variables, please contact pr@glassdoor.com.