



Q1 2016 U.S. Employment Confidence Survey

Overview

The Glassdoor® semi-annual Employment Confidence Survey¹, conducted online by Harris Poll in March 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, the Q1 2016 survey compares employee confidence since Q1 2009, a time in which the world faced a recession and the U.S. welcomed a new president to office. For purposes of reporting, employees refers to those employed full- or part-time unless otherwise indicated.

HIGHLIGHTS

CHANGES IN CONFIDENCE AS ECONOMY STRENGTHENS (Q1 2009 vs. Q1 2016)

Employment Confidence Highlights — Q1 2009 vs. Q1 2016			
Indicator	Q1.09	Q1.16	% Change
Layoff concerns — self	26%	14%	↓ 12
Layoff concerns — others	44%	23%	↓ 21
Salary expectations — pay increase in 12 months	36%	46%	↑ 10
Company outlook — better	35%	42%	↑ 7
Re-hire probability (employed)	39%	53%	↑ 14

- **Job Market Confidence Near Peak Level.** More than half (53 percent) of American employees (including those self-employed) believe if they lost their job they would be likely to find a new job matched to their experience and current compensation levels in the next six months. This reveals the second-highest confidence in the U.S. job market since Glassdoor began its survey in 2009, up 14 points from 39 percent in the first quarter 2009. Job market confidence is down one percentage point from the third quarter 2015 (54 percent).
- **Americans Remain Confident in Pay Raises.** Nearly half (46 percent) of U.S. employees expect a pay raise or cost-of-living increase in the next 12 months, which is up 10 points from 36 percent in the first quarter 2009. Pay raise confidence is down 4 percentage points from the third quarter 2015 (50 percent).
- **Job Security Confidence Soars.** U.S. employees' concerns about being laid off have reached a new low since Q4 14 (13 percent). Today, 14 percent of employees report they are concerned they could be laid off in the next 6 months compared to its peak, 26 percent in the first quarter 2009. Job security confidence is down one percentage point from the third quarter 2015 (15 percent). Concerns for co-workers being laid off in the next six months are down 21 percentage points to 23 percent in the first quarter 2016 (from 44 percent in the first quarter 2009). Job security confidence for co-workers has increased by one point since third-quarter 2015 (22 percent).
- **Future Business Outlook Dropping.** Nearly half (42 percent) of employees (including those self-employed) believe their company's future business outlook will be better in the next six months. When asked if they expected their companies' outlooks to get better, worse or stay the same in the next six months, employees reported a record high confidence of 51 percent in Q2 2015 in terms of business outlook getting better. We saw the beginning of a decline in Q3 2015 to 48 percent, and it's down 6 percentage points as we head in to an election year in Q1 2016. Fifty percent of FT/PT and self-employed adults believe it will stay the same (up 4 percent from 2015, 46 percent), and 7 percent believe it will get worse, up slightly one point from the third quarter 2015 (6 percent).

• **Employees Report Massive Drop Hiring Freezes.** In Q1 2009, 23 percent of employees reported that their companies had initiated or communicated hiring freezes in the past 6 months, while in Q1 2016 that number stands at just 4 percent among employed adults, a 19 percentage point drop from Q1 2009, and a 2 percentage point drop from the third quarter 2015 (6 percent).

• **Employees Report Layoffs Plummet.** In Q1 2009, 30 percent of employees reported that their companies had either laid off employees or communicated plans to lay off employees in the past 6 months, while in Q1 2016 that number stands at 11 percent among employed adults, a 19 percentage point drop. Reported layoffs are flat when comparing it to the third quarter 2015 (11 percent).

EMPLOYER ACTIONS DURING THE PAST SIX MONTHS

Employment Confidence Highlights — Q1 2016			
Indicator	Q1.15	Q3.15	Q1.16
Layoff concerns — self	16%	15%	14%
Layoff concerns — others	28%	22%	23%
Salary expectations — pay increase in 12 months	45%	50%	46%
Company outlook — better	47%	48%	42%
Re-hire probability (employed)	48%	54%	53%

• Among employees who reported *negative changes* at their organization:

- Forty-six percent say they experienced changes to or reduced compensation, down 7 percentage points since third-quarter 2015 (53 percent).
 - Twenty-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, down significantly from 35 percent in third-quarter 2015.
- Thirty-six percent report employees being laid off or plans communicated to lay off employees, flat to third-quarter 2015.

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.)

	Q3.14 %	Q4.14 %	Q1.15 %	Q2.15 %	Q3.15 %	Q1.16 %
Awarded new perks (option to work remotely, casual dress, flexible work hours)/new stock	49	65	51	61	64	n/a
Awarded new stock or other compensation	19	23	27	23	38	n/a
Initiated large scale hiring	34	27	50	39	40	n/a
Restored health and dental benefits, pay and perks previously cut	29	26	22	34	27	n/a

*Note, n/a for Q1 16 among employees who reported positive changes at their organization due to too few respondents this quarter who reported positive changes at their organization.

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.)

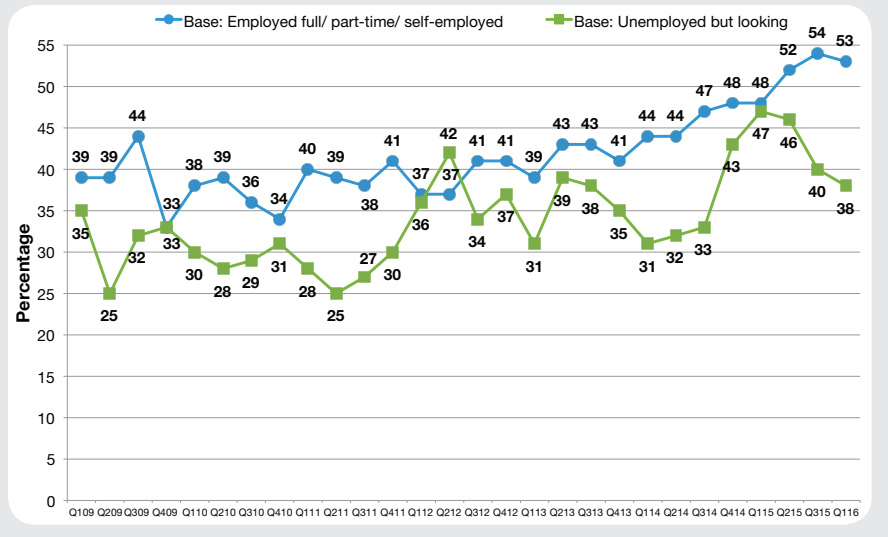
	Q3.14 %	Q4.14 %	Q1.15 %	Q2.15 %	Q3.15 %	Q1.16 %
Made changes or reduced compensation (net)	54	52	49	56	53	46
Reduced individual's pay/bonus amount/didn't pay bonus	33	27	23	27	35	25
Initiated or communicated bonus reductions or eliminations	9	8	8	11	10	10
Laid off employees and/or communicated plans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

EMPLOYMENT CONFIDENCE MEASURES

Job Market: Rehire Probability In The Next Six Months

- Of those unemployed but looking for work, confidence in likelihood of finding a job in the next six months is down 2 percentage points to 38 percent since the third-quarter 2015 (40 percent).
- Employees (including those self-employed) under the age of 45 are significantly more optimistic in their ability to find a job in the next six months that matches their experience and current compensation than employees over the age of 45 (ages 18-34 at 60 percent, 35-44 at 62 percent, 45-54 at 47 percent at 40 percent, 55-64 at 40 percent, and 65+ at 41 percent).

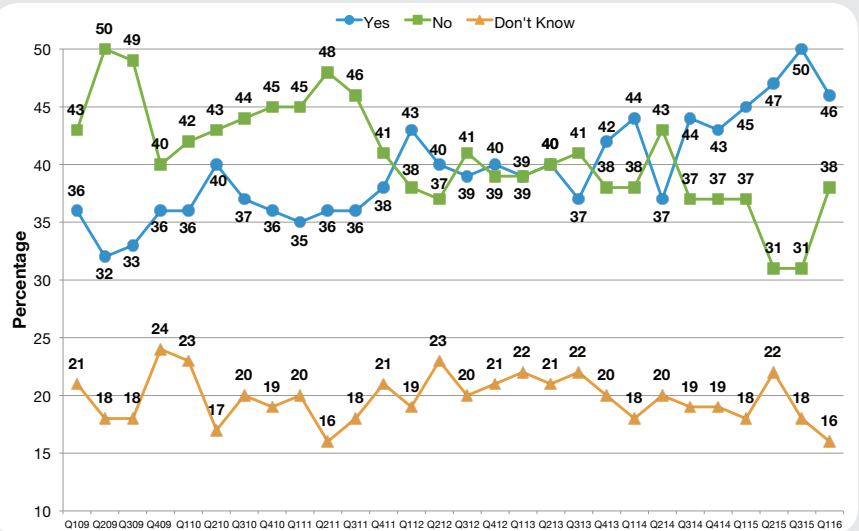
Re-Hire Probability:
Question: Ability to find job matched to experience and compensation level in next 6 months
Answer: Very likely (or) somewhat likely



Salary Expectation In The Next 12 Months

- Nearly 46 percent of employees expect a pay or cost-of-living increase in the next 12 months, 38 percent of employees do not and 16 percent don't know.
- More millennial employees (aged 18-34) (50 percent) expect a pay raise or cost-of-living increase in the next 12 months when compared to all other age groups.
- Pay raise confidence among employed women (40 percent) falls well below employed men (52 percent).
- Employees with a HHI of less than \$50,000 per year are far less optimistic (38 percent) in receiving a pay raise or cost-of-living increase in the next 12 months versus those with a HHI of \$75,000-\$99,999 (57 percent) and \$100,000 or more (54 percent).

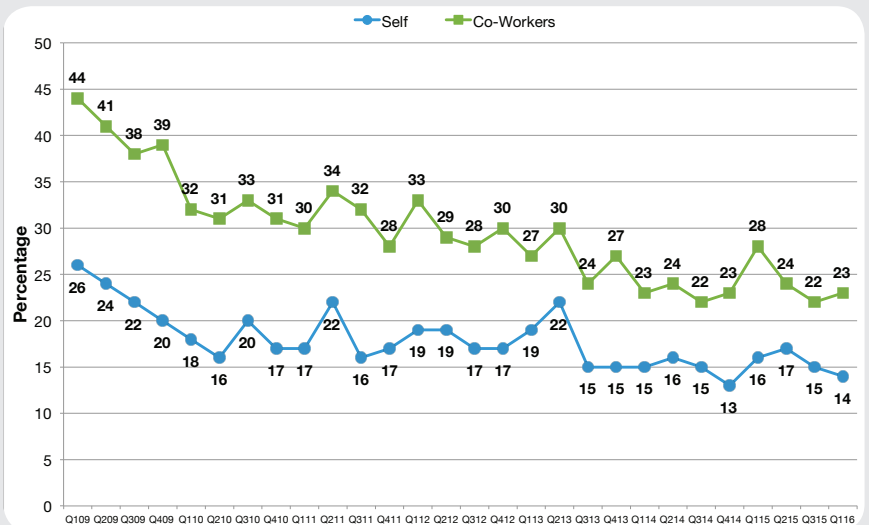
Salary Expectation: Expect Pay or Cost-of-Living Increase in Next 12 Months (Base: Employed full/part-time)



Job Security In The Next Six Months

- Fourteen percent of employees report concern they may be laid off in the next six months, down one point since third-quarter 2015 (15 percent).
- Close to one in four (23 percent) employees are concerned about co-workers being laid off in the next six months, up one point since the third quarter 2015 (22 percent).
- Employed men are significantly more concerned about being laid off in the next six months (17 percent) than employed women (10 percent).
- Younger employees (aged 18-44) are more concerned about being laid off in the next six months (17 percent), compared to older employees: 55-64 (8 percent).

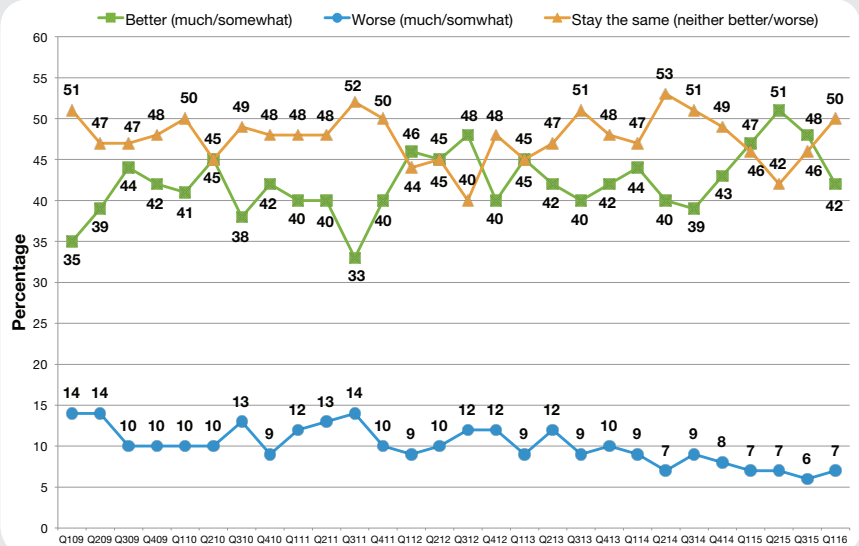
Employees Concerned About Layoffs in Next 6 Months (Base: Employed full/part-time)



Business Outlook In The Next Six Months

- Forty-two percent of employees (including those self-employed) believe their company's business outlook will get better in the next six months, which is down 6 points since Q3 2015 (48 percent). Fifty percent believe it will stay the same, 7 percent believe it will get worse.
- Employees (including those self-employed) aged 18-34 (50 percent) are more optimistic that their company's business outlook will perform better in the next six months than those aged 35-44 (37 percent) and 55-64 (35 percent).
- Male employees (including those self-employed) are more optimistic that their company's business outlook will perform better in the next six months (47 percent) than female employees (37 percent).

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



Methodology

This Q1 2016 survey was conducted online within the United States by Harris Poll on behalf of Glassdoor from March 8-10, 2016 among 2,015 adults ages 18 and older, among which 1,050 are employed FT/PT or self-employed, 950 are employed FT/PT, 1,157 are employed or unemployed and looking for a job, 353 are self-identified Republicans (employed/unemployed but looking), 381 are self-identified Democrats (employed/unemployed but looking), and 323 are self-identified Independents (employed/unemployed but looking). This online survey is not based on a probability sample and therefore no estimate of theoretical sampling error can be calculated. This survey is conducted semi-annually as of Q1 2016. Data is available quarterly prior to Q3 2015. For complete survey methodology, including weighting variables, please contact pr@glassdoor.com