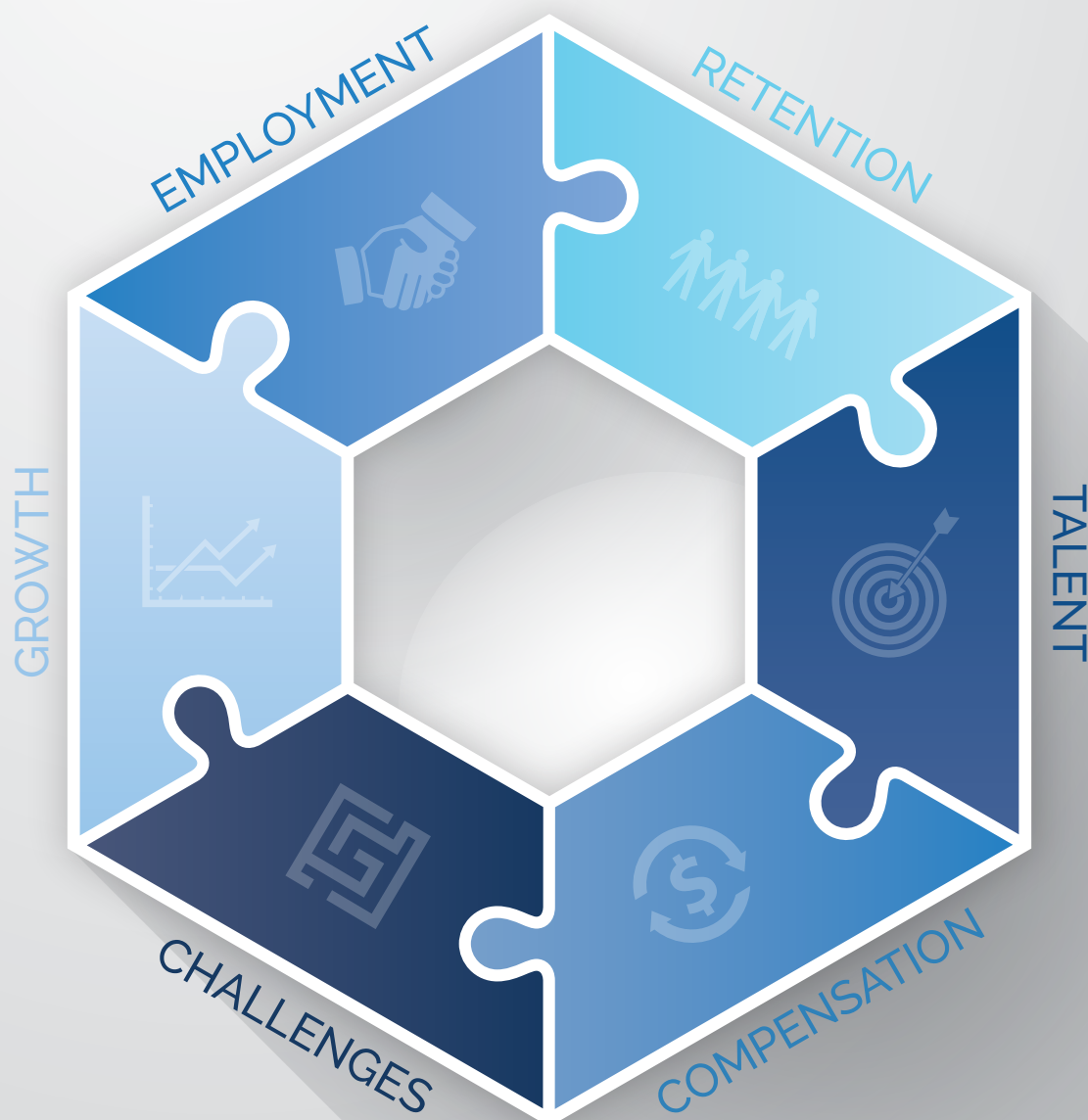


2015 Regional Hiring Outlook:

AN EXECU|SEARCH FORECAST ON THE
STATE OF THE NORTHEAST JOB MARKET



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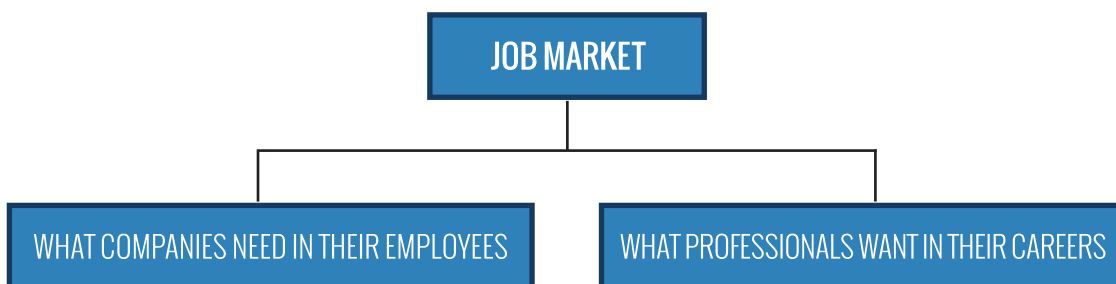
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Over the past year, the Northeast regional employment rate and general U.S. market health have improved, driving down unemployment and increasing the number of new jobs added month-over-month. As the forecast in our 2014 Regional Hiring Outlook predicted, this past year has brought a continued improvement from the economic downturn before it. This upturn in market health has positively impacted the outlook of 2015's job market as well, which is expected to be promising: the majority of employers and working professionals across industries are indicating further growth, opportunities, and improvement as they wind down from 2014 and gear up for the next fiscal year.



To form an accurate prediction of 2015's regional employment outlook, we've compiled data collected through surveys and other internal statistics, along with general trends from the Bureau of Labor Statistics (BLS), to paint a more complete picture of the upcoming year for employers and working professionals alike: one in which businesses are hungry for top talent and professionals are being presented with the most opportunities since the 2008 financial crisis. In fact, at the time this whitepaper was written in

December 2014, The Bureau of Labor Statistics indicated that the general U.S. unemployment rate was at the lowest it had been—specifically, 5.8%—since the recession. The overall market growth has been reflected in The Execu|Search Group's own internal growth, as well— the positive fluctuations in the quantity and types of open jobs submitted to us by employers have been indicators of overall market trends, and our yearly growth rate of 51% in new jobs reflects that. The market is slowly making the transition from recovery to stability, and this trend is expected to continue.



The overall health of the job market is comprised of two important facets: what companies need in their employees and what candidates want in their career. In order for it to continue to thrive, both sides must be educated about the other's needs. Our research, described in detail in this whitepaper, aims to explore these trends and educate employers and professionals across all industries on what those numbers mean for them.

COLLECTING THE DATA

To gain an understanding of where leading employers will focus their hiring and retention efforts in 2015, we surveyed clients we've worked with in 2014, ranging from small businesses to corporate enterprises and Fortune 500 companies. All survey respondents are hiring decision makers at their respective companies, and their hiring needs span the following industry sectors:

- Accounting
- Financial Services
- Healthcare
- Human Resources
- Information Technology
- Nonprofit
- Office Support

We also offered a separate survey to job seekers we have worked with in the past year, inquiring about their goals and career outlook for 2015. The responses have allowed us to gain a wide cross-section of insight from professionals at varying levels and from different sectors on what they are looking for in their career.

As the majority of the clients and professionals we partner with are located in the New York City Tri-State and Greater Boston areas, our findings aim to give employers and professionals a unique regional perspective into:

- Overall hiring trends for 2015
- The hiring environment in each sector, including an assessment of the most in-demand technical and soft skills within those fields
- How companies plan to address employee training and retention efforts in 2015
- The factors that working professionals consider most important in not only a job, but an employer as well

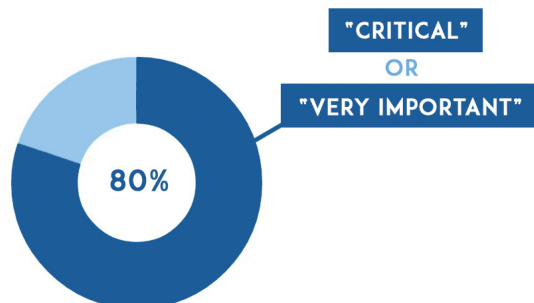
OVERALL TRENDS

THE IMPORTANCE OF PERSONALITY FIT

Employer responses to our surveys have indicated that personality fit is becoming more important than ever when it comes to finding the right hires. In order to assess and find the right personality fit for a position, respondents are using a number of varied strategies during the hiring process. The following charts describe the level of importance personality fit is now playing in most hiring decisions, as well as which strategies employers utilize to go beyond the words on a candidate's resume in order to discern fit.

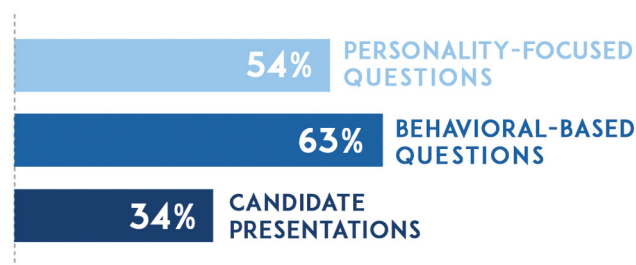
HOW IMPORTANT IS PERSONALITY FIT?

Employers are focusing less on the technical skills on a resume, and placing more emphasis on finding the right personality fit for the organization:



WHAT STRATEGIES ARE THEY USING?

Employers are changing the way they interview, and thinking outside the box when it comes to questions:



As a job seeker, it's important to take this seriously. In many cases, employers are using a candidate's cultural fit to guide their hiring decision – often weighing it just as, if not more, heavily than experience and technical skills. With this knowledge, applicants need to make it an initiative during the interview process to showcase their personality as well as the soft skills, or skills not always apparent on a piece of paper, that make them a cultural fit with the organization as well as a personality fit with their prospective team.

While the resume helps employers discern who is qualified for the position, it is the candidate's performance in the interview that best informs their decision on whether or not to move forward in the process. To prove they are a cultural fit, candidates should let their personality shine through and provide potential employers with concrete examples of how their soft skills – such as being resourceful when solving problems, a quick learner, organized, etc. – have allowed them, and will continue to allow them, to be successful.

THE WAR ON TALENT

Employers are constantly looking to acquire well-rounded candidates who can align with their core values and can also perform at a high level, and 2015 will be a year when that need is critical. Unfortunately, with the current rate of market growth, the supply of highly-qualified candidates has been unable to meet the demand. When clients were asked what they expect their biggest hiring challenge to be in 2015, the majority of respondents indicated that it will be finding qualified candidates. In contrast to these results, respondents noted that getting responses to job postings was not a significant issue for their hiring efforts, which implies a major discrepancy between the high volume of applications employers receive for open positions and the number of qualified candidates who are prepared to hit the ground running on day one.

Employers are facing a skills gap, and an overwhelming amount just can't find the right candidates.

63% say their biggest hiring challenge is finding qualified candidates

With the skills gap making it so hard to find candidates, employers are learning that they have to dedicate more resources to training and retention.

Respondents said the **#1 greatest challenge** toward employee retention is: **PROVIDING UPWARD MOBILITY**

Undoubtedly, this talent shortage is two-fold. On one hand, working professionals, regardless of whether they are actively seeking employment, need to be cognizant of the technical and soft skills that are most in-demand in their field. In this age where technology is constantly evolving and governmental legislation continues to regulate certain industries, adapting to change is a critical component for both employers and employees alike. Therefore, in order to have successful long-term careers and keep themselves employable, job seekers must invest in themselves and take the initiative to stay educated on emerging industry trends and new opportunities available to them.

On the other hand, employers may have to reconsider their hiring strategies as the job market continues to improve and they find themselves competing with other companies for top talent. The shortage of qualified candidates in the market has led to what we refer to as “the war on talent,” or in other words, the struggle for one company to outdo another for a top candidate. With this in mind, there is greater need for urgency on the employer’s part in terms of both hiring and retention strategies. For example, when a critical business need that requires specialized skills arises, organizations might not have the time or budget to search for a full-time hire. In order to remain competitive with other businesses, quick action is often necessary, and this is where employing a temporary/consulting or temporary-to-permanent staffing strategy can be especially beneficial. Turning to a contingent workforce or a very specialized/project-based consultant allows employers to react quickly to changing or seasonal business needs and assess whether there is a mutual fit between both parties before making a longer-term commitment. This is a hiring solution that many of our clients see value in, with 41% of respondents reporting that they currently utilize temporary/contract staff alongside their full-time staff, while many intend to grow their contingent workforce in 2015.

Additionally, future hires and valued employees know that their skills are in high demand, and are very willing to take their talent elsewhere if they feel that their needs aren’t being met. As a result, companies must also be quick to ensure that they have the proper steps in place to not only attract top talent, but also position all employees for long-term growth and success.

ATTRACTION AND RETENTION STRATEGIES

Employers are learning (perhaps the hard way) that if they want to combat the talent shortage, they need to invest in better attraction and retention efforts. For example, 65% of the employers surveyed plan on putting more emphasis on employee training and retention in 2015, also stating that their greatest challenge towards retaining top talent is providing upward mobility. Their intention to rectify this challenge with more emphasis on professional training/development is something that working professionals will value, as professionals ranked “new challenges” almost as high as they ranked “compensation” when asked what factors they appreciate most in a job. This, paired with the fact that respondents also ranked advancement opportunities as something they highly value in their career, shows that an employer’s inability to provide upward mobility can negatively impact their turnover rate.

Many employers are now realizing what a lack of qualified talent can do to their bottom line, so they’re making efforts to fill the gap.

65%

plan to put greater emphasis on employee training and retention efforts

AND

60%

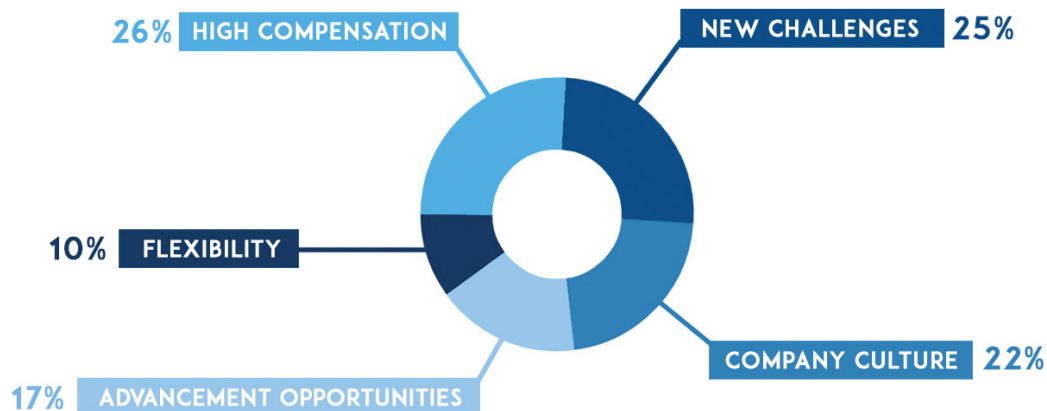
plan to increase compensation for staff in 2015

TOP 4 RETENTION EFFORTS EMPLOYERS PLAN TO MAKE:

- 1 Professional training/development
- 2 Mid-year/end-of-year reviews
- 3 Employee wellness programs
- 4 Social events

As a result, in addition to providing competitive compensation and a comprehensive benefits plan when possible, it’s just as important for employers to ensure they are giving their employees the opportunity to acquire new responsibilities, grow within the company, and advance their skills. With approximately 36% of respondents reporting that they are not satisfied with both the initial training and continuous training their company or supervisor provides, it’s even more important that employers plan on putting more emphasis on training and retention in 2015. Why? Employee retention starts on day one, so it’s imperative to ensure all new hires feel set up for success from the get-go. On the other hand, longer-term employees also need to feel that they have the support of their employer/supervisor. Continuous training, development, and feedback are all key to giving employees the opportunity to develop new skills, advance in the industry, and ultimately, the ability to push business forward.

When asked what factors candidates appreciate most in a job, respondents answered:



36% of candidates are **NOT SATISFIED** with the continuous training/development that their company or supervisor provides



Highest Priority:
NEW CHALLENGES



Highest Priority:
HIGH COMPENSATION

Encouraging professional growth and supporting employees' abilities to thrive within the organization also helps create a positive company culture – another top response to what working professionals appreciate most in a job. If a business has a positive company culture that employees enjoy being a part of, it's important to promote it when onboarding potential new hires. However, it shouldn't stop there! All employees, no matter their tenure, should feel integrated into and happy to be a part of the culture.

TALENT INVESTMENT



Though it is certainly important to invest in the growth of internal talent, it is just as critical for employers to make monetary investments as well. In this competitive, candidate-driven market, candidates know they are in high demand, and will likely take their time to find the best possible offer available when job searching. This is something most employers have proven to recognize, with 60% of clients reporting that they plan on increasing compensation for staff in 2015.

With demand so high but supply of qualified candidates so low, employers are acknowledging the fact that compensation can mean the difference between an offer being accepted and rejected, and possibly losing a talented employee to another company that is willing to offer more. In order to attract and retain talent, it's important that employers put their best offer forward first, which should be above average market value when possible. In addition, it's vital to make an offer quickly. In today's market where the number of qualified candidates is greatly outnumbered by employer needs, hiring managers should expect their top candidates to receive multiple offers. As a result, it's important for employers to be decisive about who they want to hire, and make the hiring process as quick and efficient as possible.

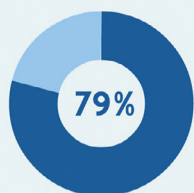
Many employers began to implement this talent investment strategy in 2014 and we expect that others will follow suit in 2015. The chart below shows the salary growth by sector that The Execu|Search Group's placements experienced in 2014 when they left a previous job for a new one.

SECTOR	IN-YEAR SALARY GROWTH
Accounting/Finance	13.24%
Financial Services	15.81%
Healthcare	12.03%
Human Resources	19.81%
Information Technology	11.89%
Office Support	22.18%

HIRING OUTLOOK BY INDUSTRY SECTOR

While there are trends that span across industries, each sector has their own specialized trends that are important to highlight. For example, in addition to being the only sector to choose personal accountability as a major requirement for new hires, the **IT sector** ranked flexibility/ability to adapt to change particularly high as an in-demand soft skill in their field. These soft skills are especially important for IT professionals to possess in this digital age when employers need IT staff on hand who they can trust to quickly adapt to changing business needs and ensure the company can move forward as technology advances. In addition, an overwhelming 80% of respondents in the **Accounting/Finance** sector expect that "finding qualified candidates" will be their greatest hiring challenge in 2015. This implies that there is a critical shortage of qualified accountants in the marketplace – making it an excellent time for accounting professionals to become acquainted with the skills in highest demand, and/or make a career move. Furthermore, for the **Healthcare** sector, employee burnout was cited as the greatest challenge towards retention. With the demand for health services higher than ever before, it's important that healthcare organizations address the issue of employee burnout. As more Patient Protection and Affordable Care Act mandates go into effect, retention will be key to not only complying with legislation, but also adequately providing care to the millions of newly insured patients. Finally, **5 out of 7 sectors** ranked "problem solving and analytical thinking skills" within their top 4 most in-demand soft skills. This means that, even for non-analytical roles, it's important for professionals to demonstrate their ability to be resourceful when solving problems to prospective employers during the interview process.

Accounting & Finance



of respondents plan to **increase compensation** for Accounting staff in 2015

80%



of respondents expect **FINDING QUALIFIED CANDIDATES** to be their greatest hiring challenge in 2015

TOP 5 MOST IN-DEMAND TECHNICAL SKILLS:

- 1 Technical Accounting
- 2 Internal Audit
- 3 Financial Planning & Analysis
- 4 Regulatory Reporting
- 5 SEC Reporting

TOP 4 MOST IN-DEMAND SOFT SKILLS:

- 1 Problem solving/analytical thinking skills
- 2 Initiative/Drive
- 3 Team player
- 4 Communication skills (written + verbal)

Financial Services



72%

of respondents ask **PERSONALITY-BASED QUESTIONS** during interviews to find the right fit

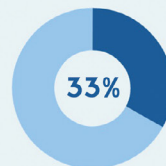
TOP 5 MOST IN-DEMAND TECHNICAL SKILLS:

- 1 Investor Relations/Marketing
- 2 CFA Designation
- 3 Dodd-Frank Act
- 4 Investment Advisers Act/Investment Company Act
- 5 Bank Debt

TOP 4 MOST IN-DEMAND SOFT SKILLS:

- 1 Communication skills (with ability to interact with clients/individuals at all levels)
- 2 Strong work ethic
- 3 Attention to detail
- 4 High level of integrity + ethical standards

Healthcare



of respondents cited **EMPLOYEE BURNOUT** as their greatest challenge towards employee retention

TOP 5 MOST IN-DEMAND TECHNICAL SKILLS:

- 1 Community Health
- 2 Managed Care
- 3 Medicare/Medicaid
- 4 CCU/ICU
- 5 Bilingual

TOP 4 MOST IN-DEMAND SOFT SKILLS:

- 1 Problem solving/analytical thinking skills
- 2 Effective communication skills
- 3 Interpersonal skills
- 4 Team player

Human Resources

92%

of respondents plan to place more emphasis on employee

TRAINING + RETENTION

TOP 5 MOST IN-DEMAND TECHNICAL SKILLS:

- 1 Experience in benefits, compensation, immigration, and employee relations
- 2 Full cycle recruiting
- 3 Knowledge of principles + practices of personnel administration
- 4 Relevant industry background
- 5 Working knowledge of systems such as ADP or similar HRIS/ATS systems

TOP 4 MOST IN-DEMAND SOFT SKILLS:

- 1 Problem solving/analytical thinking skills
- 2 Flexibility/ability to adapt to change
- 3 Communication skills (written + verbal)
- 4 Team player

Information Technology

flexibility

IT Hiring Managers are seeking professionals with the ability to

ADAPT TO CHANGE

TOP 5 MOST IN-DEMAND TECHNICAL SKILLS:

- 1 Java
- 2 Big Data
- 3 Networking/Infrastructure (Cisco/Windows)
- 4 IT Security (CISSP)
- 5 .Net

TOP 4 MOST IN-DEMAND SOFT SKILLS:

- 1 Problem solving/analytical thinking skills
- 2 Flexibility/ability to adapt to change
- 3 Communication skills
- 4 Personal accountability

Nonprofit

60%



of respondents plan to utilize

TEMP-TO-PERM STAFF

to help evaluate fit before bringing them on full-time

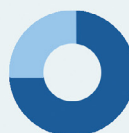
TOP 3 MOST IN-DEMAND TECHNICAL SKILLS:

- 1 Microsoft Office Suite (Word, PowerPoint, Excel)
- 2 Fundraising CRM Database Experience (Raiser's Edge, Convio, etc.)
- 3 Development

TOP 4 MOST IN-DEMAND SOFT SKILLS:

- 1 Passion for mission-driven work
- 2 Resourceful when presented with limited resources
- 3 Initiative/Drive
- 4 Flexibility/ability to adapt to change

Office Support



3 out of 4 respondents ask
BEHAVIORAL-BASED QUESTIONS
in interviews to find the right fit

TOP 4 MOST IN-DEMAND TECHNICAL SKILLS:

- 1 Advanced Microsoft Office knowledge
- 2 Experience supporting a team or individual
- 3 Specific industry experience relevant to company line of business
- 4 Experience supporting C-level executives

TOP 4 MOST IN-DEMAND SOFT SKILLS:

- 1 Initiative/Drive
- 2 Interpersonal communication skills
- 3 Team player
- 4 Problem solving/analytical thinking skills

These findings can help hiring managers make educated decisions in terms of hiring and retention, as well as educate and guide working professionals in their individual career paths. Understanding what employers intend to implement in the coming year, as well as what candidates and employees want from their current and future employers, are the first steps to keeping the job market's success in 2015 at a consistent upward climb.

Thankfully, while trends and predictions aren't always certain, the steady improvement of the job market over the past 12 months doesn't seem to be faltering. Employers are becoming increasingly aware of the demands of the candidate-driven marketplace, and working professionals are not only discovering new opportunities, but also receiving multiple offers as a result of the growing demand for their skills. If the data collected in this year's Regional Hiring Outlook is any indication of the Northeast's job market health as it was in 2014, we hope to see 2015's job market thrive.

SOURCES

2015 Execu|Search Hiring Outlook Survey, December 2014
<http://www.bls.gov/news.release/pdf/empst.pdf>

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ABOUT THE EXECU|SEARCH GROUP

As the leading recruitment, temporary staffing, and retained search firm in the New York City Tri-State area and Greater Boston, The Execu|Search Group has been connecting quality candidates with quality companies since 1985. From the start, the company mission has always remained the same: to provide leading employers with the highest caliber talent while maintaining a commitment to integrity, honesty and responsiveness.

Today, The Execu|Search Group serves the following practice areas: Accounting & Finance, Creative & Digital, Engineering, Financial Services, Health Services, Human Resources, Information Technology, Legal Services, Life Sciences, Nonprofit, and Office Support.