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Companies Face Retention Crisis in Keeping College Recruits, Taleo Research-Sponsored Survey Reveals

43% of Adults Who Got A Job After Graduating College Stayed in This Job Less Than Two Years

Dublin, CA – June 24, 2008 – Taleo Corporation (NASDAQ: TLEO), the leading provider of on demand talent management solutions, today announced the results of a study sponsored by Taleo Research and conducted by Harris Interactive®. For companies that have expended significant corporate investment in the recruitment of recent college graduates, the findings reveal why organizations need to now turn their efforts toward retention of this entry-level talent.

The survey asked 2,045 adults ages 18 and older, of whom 888 are college graduates, a series of questions pertaining to their first jobs and first employers. Respondents answered questions concerning the number of years worked for their first employer, feelings their first job inspired as well as the career advancement opportunities it offered. Significant findings include:

Of college graduates who got a job out of college:

- 43% of adults who got a job after graduating college stayed in this job less than two years.¹
- 41% of those who are no longer with their first employer out of college spent less than two years with their first employer.²
- 61% of those who are no longer with their first employer said their first employer did not provide a clear path for career advancement within the organization.
- When describing how their first job made them feel, 13% said they couldn't wait for Friday to arrive, 10% wanted to quit every day and 8% felt it was a waste of their time.
 - 19% of 18-34 year olds wanted to quit their first job every day, compared to 3% of those 55 years old and over

“Initiatives such as college graduate recruiting cannot be considered final with the simple sign of an offer letter,” said Judy Sweeney, Vice President and Head of Taleo Research. “The challenge for organizations

¹ Position is defined as job role, or title, within an organization. For example, one can hold several positions within the same company before leaving the company.

² Employer defined as company.

lies in retaining these employees through better performance management, skills development and career planning. These younger recruits will be motivated, engaged and remain committed to the organization long term if they are challenged, given continuous feedback and are provided with a clear path for career advancement. An effective, easy-to-use talent management solution from an industry leader such as Taleo helps companies meet these demands and gain a leg up on the competition.”

Taleo [recently announced](#) the availability of Taleo Performance™, which can help organizations better inspire, motivate and reward employees. For more information, visit www.taleo.com

About Taleo

Taleo (NASDAQ: TLEO) is the leader in on demand unified talent management solutions that empower organizations of all sizes, around the world to assess, acquire, develop and align their workforce for improved business performance. More than 1,700 organizations use Taleo, including 35 of the Fortune 100, for talent acquisition and performance management, with over 1.2 million users hiring 3.6 million employees from 86 million candidates in more than 190 countries and territories. Known for its strong configurability and usability, Taleo's talent management platform runs on a world-class infrastructure and offers 99.9% availability.

Survey Methodology

This First Jobs survey was conducted online within the United States by Harris Interactive on behalf of Taleo Corporation between May 16 and May 20, 2008 among 2,045 adults ages 18+, of whom, 888 are college graduates and 843 are college graduates who got a job out of college.

Results were weighted as needed on the basis of region, age within gender, education, household income, and race/ethnicity. Propensity score weighting was also used to adjust for respondents' propensity to be online.

All sample surveys and polls, whether or not they use probability sampling, are subject to multiple sources of error which are most often not possible to quantify or estimate, including sampling error, coverage error, error associated with nonresponse, error associated with question wording and response options, and post-survey weighting and adjustments. Therefore, Harris Interactive avoids the words “margin of error” as they are misleading. All that can be calculated are different possible sampling errors with different probabilities for pure, unweighted, random samples with 100% response rates. These are only theoretical because no published polls come close to this ideal.

Respondents for this survey were selected from among those who have agreed to participate in Harris Interactive surveys. The data have been weighted to reflect the composition of the U.S. adult population. Because the sample is based on those who agreed to be invited to participate in the Harris Interactive online research panel, no estimates of theoretical sampling error can be calculated.

About Harris Interactive

Harris Interactive is a global leader in custom market research. With a long and rich history in multimodal research that is powered by our science and technology, we assist clients in achieving business results. Harris Interactive serves clients globally through our North American, European and Asian offices and a network of independent market research firms. For more information, please visit www.harrisinteractive.com.

Forward-looking Statements

This release contains forward-looking statements, including statements regarding the demand for Taleo's solutions and results from use of Taleo's solutions. Any forward-looking statements contained in this

press release are based upon Taleo's historical performance and its current plans, estimates and expectations and are not a representation that such plans, estimates, or expectations will be achieved. These forward-looking statements represent Taleo's expectations as of the date of this press announcement. Subsequent events may cause these expectations to change, and Taleo disclaims any obligation to update the forward-looking statements in the future. These forward-looking statements are subject to known and unknown risks and uncertainties that may cause actual results to differ materially. Further information on potential factors that could affect actual results is included in Part I, Item 1A of Taleo's Annual Report on Form 10-K, as filed with the SEC on March 14, 2008, Part II, Item 1A of Taleo's Quarterly Report on Form 10-Q, as filed with the SEC on May 12, 2008, and in other reports filed by Taleo with the SEC.

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