

## New Survey Reveals Employees Believe Lay Offs More Likely to Happen to Coworkers; 4 in 5 Employees Have No Concerns about Being Laid Off in Next Six Months

*Should pink slips loom, majority of employees would be willing to work longer hours and take on more projects and responsibilities but NOT willing to take pay cuts or forfeit vacation*

Despite the high number of December layoffs, and increasing rates of unemployment across the country, employees<sup>1</sup> have a surprisingly high level of confidence relating to their own jobs and compensation in the next six to 12 months, according to a year-end survey<sup>2</sup> of 1,331 employed adults conducted by Harris Interactive on behalf of Glassdoor.com. A summary of survey highlights is below:

### **Not me! Employees think layoffs more likely to happen to “someone else”**

While about half (52%) of employees say they are working harder to avoid layoffs given the current economic climate, about four out of five (79%) employed adults say they are not concerned about being laid off from their job in the next six months. It appears optimism for coworkers isn't quite as high. Forty-two percent of employees say they are concerned their company will lay off other employees in the next six months yet half as many, or about one in five (21%) employees, are concerned they will be laid off during the same period.

### **Many employees say they expect pay raises and bonuses in the short term despite economic climate**

- Even amid widespread company cost-cutting, 40 percent of employees say they expect a pay raise or cost of living increase in the next 12 months while 40 percent do not expect a raise and 20 percent say they are unsure.
- Of those eligible for an annual bonus, 57 percent expect a bonus and 40 percent do not expect a bonus<sup>3</sup>. Of those who expect a bonus,
  - 41% expect it to be **about the same** as last bonus
  - 28% expect it to be **less** than last bonus
  - 15% expect it to be **more** than last bonus
  - 16% are **unsure** of the amount

### **Employees favor more work and longer hours over pay cuts or losing vacation to avoid a layoff**

More employees say they would be willing to take on more work or forego other benefits than those willing to take a cut in salary or wages, lose vacation or take unpaid leave. In fact, 61 percent of employees went so far as to say they would not be willing to take a pay cut if they discovered their job was in jeopardy. In order to keep their jobs, employees would be willing to:

- 74% take on more projects or responsibility
- 60% increase amount of hours worked
- 46% give up perks like commuter subsidies, on-site cafeteria, child care, dry cleaner, gym access
- 32% accept a reduction in health and dental benefits coverage
- 30% accept a cut in salary or wages
- 24% forfeit paid time off or vacation
- 24% take an unpaid leave or sabbatical

### **Employees in companies that have already cut jobs have more concerns and lower expectations**

Nearly half (49%) of all employees say their company has made changes to the number of employees or benefits and/or perks in the past six months. About one in four (26%) say their company has laid off employees or communicated plans to lay off employees and another one in four (25%) say their company has changed compensation or reduced pay. Those employees who work in companies that have reported lay offs have more concerns about future job cuts and lower expectations than those who work in companies that have not reported layoffs. A summary of the break down is below:

<b><i>Employees who work for companies that have reported layoffs versus those that haven't are more likely to:</i></b>	<b>Total</b> n=1,331	<b>Employees from companies that have communicated layoffs within the past 6 months</b> n=327	<b>Employees from companies who have not communicated layoffs within the past six months</b> n=1004
Have concerns about being laid off in next six months	21%	45%	12%
Have concerns coworkers will be laid off in next six months	42%	87%	26%
Be working harder to avoid a lay off given the current state of the economy	52%	69%	46%
Not expect a pay raise in next 12 months	40%	49%	36%
Not expect a bonus	25%	32%	22%
To take on more projects and responsibilities to avoid a lay off	74%	84%	70%

### **What does this mean?**

“This data reinforces the need for employers to be more open and transparent with their plans for the company and people. It is human nature to always think that something bad will happen to someone else but never to me. Employees often think them personally -- or their company -- will be insulated from layoffs and that someone else will lose their job, not them, often causing shock and denial when notified their job has been eliminated,” said Rusty Rueff, co-author of Talent Force: A New Manifesto for the Human Side of Business and former HR executive at Electronic Arts and Pepsico, who is also a member of the Glassdoor board of directors. “Fourth quarter layoffs may just be a prelude of what’s to come and both employers and talent should take time now to communicate and plan short-term options and contingencies In today’s environment there’s no reason to continue to have people surprised and not prepared for the worst.”

“Salary and total compensation are very important to employees so we aren’t surprised more than half of employees are unwilling to take pay cuts to avoid a lay off. We are surprised, however, that so many employees say they are not personally concerned about layoffs, particularly given the frequency we’re seeing people discuss layoffs in their Glassdoor reviews over the past few months,” said Robert Hohman, co-founder and CEO of Glassdoor.com, a career and workplace community bringing greater transparency to salaries and workplaces.

---

1) For the purposes of this study “employees” were defined as U.S. adults 18+ employed full time or part time.

2) The survey was conducted online within the United States by Harris Interactive on behalf of Glassdoor.com between Dec.16-18, 2008 among 2,281 U.S. adults 18+ of whom 1,331 are currently employed (full time or part-time). This online survey is not based on a probability sample and therefore no estimates of theoretical sampling error can be calculated. A full methodology, including weighting variables, is available.

3) Respondents were asked about an annual bonus Dec. 16-18, 2008. While some companies pay out year-end bonuses, many companies do not pay bonuses until year-end books are closed and reported during the following first quarter.

### **About Glassdoor.com**

Glassdoor.com is a new career and workplace community where anyone can find and anonymously share real-time reviews, ratings and salary details about specific jobs for specific employers -- for free. Designed to deliver greater transparency around our work life, Glassdoor enables employees, job seekers, employers and recruiters to simultaneously see -- for the first time -- unedited employee opinions about a company’s work environment along with details of pay, benefits and CEO approval ratings. Glassdoor was founded in 2007 and launched its public beta in June 2008. Glassdoor is headquartered in Sausalito, Calif. and was founded by Richard Barton, Robert Hohman and Tim Besse.

### **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](http://www.harrisinteractive.com).

Contact:

Dawn Lyon

+1-415-846-4706

pr(at)glassdoor(dot)com