



# FIRST FRIDAY PREVIEW

FRONTLINE ANALYSIS BY THE MRINETWORK® TEAM OF GLOBAL SEARCH EXPERTS

September 2008  
Volume II Issue IX

## UNITED STATES

### Workforce Continues To Shift For a Changing Labor Market

While unemployment has been rising during the first half of 2008, with even the professional and business services sector seeing disappointing increases, a substantial decrease in available positions has yet to materialize. In fact, the percentage of professional and business services openings has remained at about the same rate for the last three years.

*"Unemployment in the professional space is at 2.9 percent, a high rate in recent history, yet the job openings rate is near 4 percent. That represents not a lack of jobs, but a general uneven distribution of talent among the sectors where it is needed."*

Michael Jalbert  
President, MRINetwork

States like California have been rocked over the last year by layoffs from major employers such as Amgen and Countrywide. California's unemployment in July reached 7.3 percent, nearly a point higher than average. Yet, while out-of-work mortgage brokers continue to pass around their resumes, employers are desperate to find everything from video game producers to nurses to water treatment engineers.

"Around the country we're seeing more and more of MRINetwork's recruiters saying they think they've already seen the worst of it," says Jalbert. "Choosing to change careers is a large mental hurdle more than anything else. Yet, even after making that decision, it can take time to retrain, possibly even going back to school, which can cause a lag in the talent pool's reaction to an industry losing steam."

The last year has seen a half million less filled positions in the workforce as a whole. Yet, it's not true across the board. For example, 1.3 million sales and administrative jobs have been lost since July of 2007. In the professional and management space however, 1.7 million positions have been added, many of those likely being filled by former sales and administrative employees.

"In 1910, one in 40 American workers were in the mining industry; by 2010, it will be less than one in 220," continues Jalbert. "The history of the American workforce is a history of changes, shifts, and innovation. Whenever a shift creates a peak in demand there will be a lag as supply catches up; whenever there is a drop in demand, there will be a surplus as the supply of talent has to change its course."

### Recent MRINetwork® Analysis

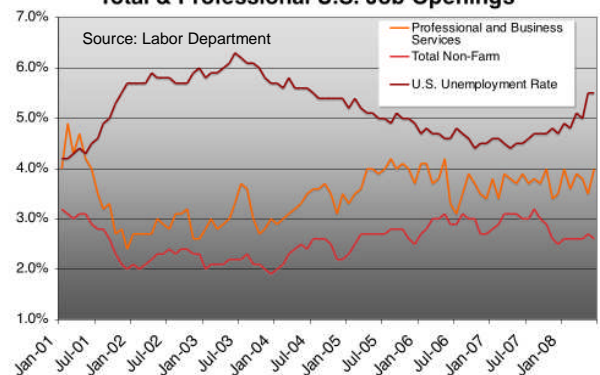
"You shouldn't expect Wall Street opportunities to rebound any time soon," says Michael Jalbert, president of executive recruiting firm MRINetwork. His observation echoes the buzz around the market that Wall Street may actually be gearing up for another round of layoffs.

Michael Jalbert  
President of MRINetwork  
As quoted on CNBC.com, August 8, 2008

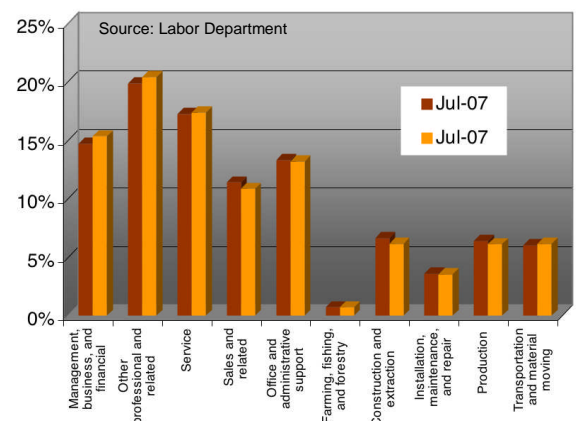
"It's certainly an interesting time in the pharmaceutical and biotechnology recruiting business right now," says Daniel Gold, vice president for the research and development practice at executive search firm Fairway Consulting Group. "There's no question that there are fewer pharmaceutical jobs out there today than there were 18 to 24 months ago, but opportunities still exist."

Daniel Gold  
Vice President of Fairway Consulting Group  
As quoted in Chemical & Engineering News, June 2008

Total & Professional U.S. Job Openings



Percentage of U.S. Non-Farm Workforce



# SINGAPORE

## Young Country, Mature Economy

The small nation state located off the coast of the southern tip of Malaysia is barely three times the size of Washington D.C., has a population of 4.6 million, and enjoys one of the most highly developed and successful free-market economies in the region. Its US\$49,800 per capita GDP is the 7<sup>th</sup> largest in the world and 9 percent higher than that of the United States.

Though Leonard Yeow, managing partner of The Eximius Group, an MRINetwork Worldwide office based in Singapore, says it is a free market that many in the West might not fully recognize. "Singapore is more fairly described as a social democracy."

A relatively young country, Singapore gained independence from the Malaysian Federation in 1965. In 1966, it changed a number of its immigration laws to help establish its identity as a sovereign state.

Part of that policy was to keep the low-skilled migrant workers as a transient workforce. Workers are unable to bring family, gain citizenship or change jobs once in Singapore. If the economy of Singapore were to deteriorate, the government even retains the right repatriate them. Skilled workers, however, are essentially given the keys to the kingdom, with virtually every right that a citizen would have, except voting.

"Most Westerners don't think about picking up their families and moving to a small island in the middle of the Asian Pacific. An essential part of recruiting candidates here is inviting them to come with their family, and take the tour," says Yeow. "When they discover our quality of life here, it often seals the deal."

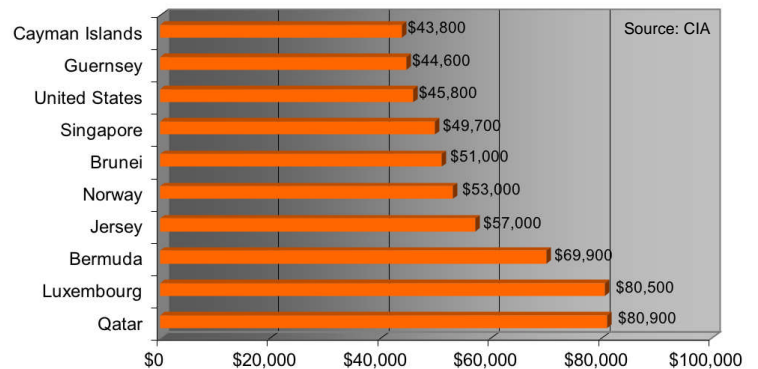
The professional industries currently driving Singapore include information technology and biotechnology. The industry that most likely defines Singapore, however, is education.

"With some of the leading universities in the region, Singapore has become a popular choice to obtain an MBA," says Yeow. Because of the island's reputation for superior education, its citizens too have gained special favor in the South Asian region.

"Companies in China will often specify they want a Singaporean for positions like CFO that require specifically rigorous education," says Yeow.

"Being such a small country, a stone's throw from mega-populations like China and India, could make us feel insignificant," notes Yeow. "Singapore has managed to carve out a niche though, and has built an international reputation with corporations."

**Top 10 GDP Per Capita Countries**



# ILLINOIS

## Being at the Center of World is Good for Business

Chicago is a city that grew out of convenience. As the most central sea accessible port in the country, Chicago in the early years of rail became the crossroads of the American Midwest.

The access to transportation made Chicago a logical headquarters for retailers like Montgomery Ward and Sears. Its proximity to the Corn Belt made Illinois attractive to farm machinery manufacturers like John Deere and Caterpillar. And made infamous by Upton Sinclair's *The Jungle*, accessibility to the cattle ranches of the West, allowed the growth of the Union Stock Yards in the outskirts of Chicago.

Though it has been reinvented numerous times since the mid-1800s, Chicago's economy remains diverse, according to Jack Downing, managing partner of WorldBridge Partners, an MRINetwork office in Chicago.

"IT, financial, telecom, food and beverage, transportation and insurance make up the bulk of our professional workforce," says Downing. "Aside from financial, and to a lesser extent insurance, they remain strong."

Chicago at its heart, though, is a working class city, and that is

even reflected in the companies that fill its skyscrapers on the shores of Lake Michigan. With neither the glitz of Los Angeles and Silicon Valley or the prestige of New York, Chicago tends to come in as a hard-earned third in the U.S. metropolitan race.

One of the most in-demand fields in Illinois is IT, but it is neither startups nor dot-coms causing the demand. Mostly it is the tech services that keep the 66 Fortune 1000 companies based in Illinois running.

"A lot of time candidates don't think to move to Chicago, and it will take a little bit of a sale to make them leap," says Downing, "but I grew up here, and the pitch for Chicago comes pretty easily."

Recruiting people to come to Illinois is perhaps what has made the current labor market in both IT and telecom so tight. Up until the last few years, Downing says firms would often recruit from Eastern Europe for these positions, but as the need for their services in their home countries has grown, fewer than ever are willing to make the move to the United States.

Unemployment in Illinois jumped from 6.2 percent in May to 7.4 percent in July, .9 points higher than the national average. Downing, though, says he isn't seeing it.

"We certainly took a hit in Illinois in the past year, but the feeling seems to be that the worst is over, that we're on the road to recovery."