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FOR IMMEDIATE RELEASE

2020 Challenger Hiring Outlook

FEWER COMPANIES PLAN TO HIRE OVER LAST YEAR; MORE REPORT ECONOMIC CONCERNS

CHICAGO, January 23, 2020 – Just over 51% of companies plan to hire this year, according to a survey conducted by global outplacement and executive coaching firm Challenger, Gray & Christmas, Inc. That’s compared to nearly 55% of companies that reported they would be hiring in 2019 in the same survey conducted at the end of 2018.

Meanwhile, nearly double the companies reported that economic fears and soft demand would negatively impact hiring. Over 18% of companies stated low demand and economic uncertainty would slow hiring, compared to 9% of respondents who reported this in the 2018 survey.

The survey was conducted online in December among 150 companies of various sizes in all industries nationwide.

	2019	2018	2017
Which statement best describes your company’s hiring outlook next year?			
We increased hiring this year and expect to continue adding workers in the New Year.	46.05%	50.65%	41.46%
We have been holding off on hiring, but expect it to increase significantly next year.	5.26%	3.90%	4.88%
Demand is still soft and we have concerns about the future economy, so hiring will be slow next year.	18.42%	9.09%	24.39%
We would love to hire more, but we are experiencing a skills shortage.	3.95%	11.69%	12.20%
Hiring at our company is likely to decrease next year.	10.53%	10.39%	7.32%
We are planning to bring in more temporary workers next year.	1.32%	3.90%	4.88%
Other.	14.47%	10.39%	4.88%

Source: Challenger, Gray & Christmas, Inc. ©

“The fact that half of companies are hiring this year is a positive for job seekers and indicates companies are continuing to enjoy a solid economy. That said, we are seeing some indicators, such as slow-growing wages, an increase in job cuts, and an exodus of CEOs, that may portend rough waters ahead,” said Andrew Challenger, Vice President of Challenger, Gray & Christmas, Inc.

Do you feel the economy has improved over last year?

	2019	2018	2017
Yes.	38.46%	63.16%	47.17%
No.	25.64%	9.21%	9.43%
Conditions are about on par with last year.	34.62%	26.32%	39.62%
Other.	1.28%	1.32%	3.77%

Source: Challenger, Gray & Christmas, Inc. ©

In fact, fewer companies reported that the economy improved over 2018. Nearly 39% of companies believe the 2019 economy improved over 2018, compared to 63% that reported an improvement over 2017. Another 26% reported the economy has actually not improved, compared to 9% that reported this in 2018.

“Despite low unemployment and continuing economic expansion, most companies appear to foresee a coming slowdown in 2020,” said Challenger.

Do you feel the economy's performance is due to the policies of the Trump Administration?

	2019	2018	2017
The economy is better due to President Trump's policies.	32.47%	50.00%	19.23%
The economy is worse due to President Trump's policies.	15.58%	7.89%	15.38%
President Trump's policies have not impacted the economy.	9.09%	9.21%	26.92%
I have no opinion.	33.77%	26.32%	34.62%
Other.	9.09%	6.58%	3.85%

Source: Challenger, Gray & Christmas, Inc. ©

In fact, employers at U.S.-based companies announced plans to cut 592,556 jobs from their payrolls in 2019, 10% higher than the 538,695 cuts announced in 2018. It is the highest annual total since 2015, when 598,510 cuts were announced. Meanwhile, 1,640 CEOs left their posts last year, the most since Challenger began tracking in 2002.

“Currently, the economy is humming along. Typically, labor is a lagging indicator, meaning companies will continue hiring workers right up to the edge of a recession. It remains to be seen if we will indeed see a downturn in 2020,” said Challenger.

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