

Contact:

Greg Howard  
Director of Marketing Communications, TriNet  
(510) 875-7236  
greg.howard@trinet.com

Brooke Burgess  
Fleishman-Hillard Inc.  
(916) 492-5321  
Brooke.Burgess@fleishman.com

## **EVEN IN ECONOMIC DOWNTURN, SMALL BUSINESSES SEEK TOP TALENT**

### ***TriNet Survey Finds Hiring, Retaining Key Employees a Priority despite Deepening Recession***

SAN LEANDRO, CA (Dec. 17, 2008) – Amid the continuing drumbeat of big company layoffs, small and medium-sized businesses are still focused on retaining and recruiting quality workers in the year ahead, according to a new survey.

While significant concerns about the contracting economy were reflected in the survey, more than two-thirds of smaller businesses still plan to hire talent in 2009 due to attrition or growth.

Even as the recession began a year ago, more than 80 percent of respondents said they tried to hire in 2008, according to the survey conducted for TriNet, a San Francisco-Bay Area based leading provider of human resources outsourcing and consulting services to small and medium-sized businesses.

“In good times or bad, a talented workforce is essential for small firms,” said Burton M. Goldfield, president and chief executive officer of TriNet. “While the months ahead are sure to be turbulent, business owners realize that finding and keeping star employees is the key to their long-term success.”

The November TriNet HR Trends survey of more than 500 U.S. small- and medium-sized businesses found that:

- Views on the economy were decidedly mixed; more than one-third believe there will be some growth in 2009, while another third believe there will be further decline.
- Money and company culture/reputation appear equally important as factors in talent recruitment.
- One in five companies think healthcare costs will make hiring more difficult.
- About one-third of respondents feel they need to improve employee productivity and reduce the amount of time spent on administrative work.

The survey found that nearly half of respondents think the soft economy will make it easier to hire in 2009. Conversely, nearly one third think it will be harder because top talent will be in even more demand as companies focus on retaining their best employees.

“Small business owners will have to be especially creative in recruiting talent in an uncertain economy, because prospective employees may be reluctant to risk leaving the security of their current jobs,” Goldfield said. “Employers need to offer more than just money in order to recruit the people they need to grow.”

More than three fourths of the survey respondents said flexibility and work/life balance are important in attracting talent.

Among non-standard benefits programs, more than half think that telecommuting and flexible work schedules are most influential in recruitment, and nearly one third think specialized benefits (such as flexible savings accounts, health savings accounts and supplemental life and disability insurance) are most influential.

“Today’s headlines understandably focus on people who have lost their jobs or are concerned about job security,” Goldfield said. “But even in a difficult market, employers need to concentrate on motivating and incentivizing people to perform. You can attract and retain key employees if you have the right benefits strategy.”

The respondents also expressed concerned about their operational effectiveness. Administrative duties consume a quarter of the time of more than one-third of the respondents, and about one in five spend between one-quarter and half of their time on these tasks.

About one-fourth of respondents also said they need to improve the quality of their human relations support and the quality of their benefits.

Approximately two-thirds of respondents indicated they outsourced at least some of their human resources function last year, and more than 40 percent plan to do so in 2009. About two-thirds cited cost and efficiency as the primary cited cost and efficiency as the primary factors for outsourcing.

The survey was fielded to executives of small and medium-sized businesses in the industries of technology, financial services and professional services.

The entire TriNet 2009 HR trends report will be available after Jan. 1, 2009 at [www.trinet.com](http://www.trinet.com).

**About TriNet Group, Inc.**

Founded in 1988 in the San Francisco Bay Area, TriNet provides strategic, cost-effective payroll, benefits, and HR outsourcing services to companies throughout the United States and Canada. TriNet specializes in helping small and medium-sized businesses reach their corporate goals and become destinations for top talent, enabling them to compete successfully with larger, more established organizations. TriNet’s comprehensive offerings include [HR administration](#), online [employee benefits](#) administration and support, employer risk management, payroll processing, tax compliance, workers compensation, group health and welfare products, and strategic [human capital consulting services](#). For more information about TriNet, visit <http://www.trinet.com>.