



Higher Education Employment Report

First Quarter, 2009 / May 2009

Executive Summary

In contrast to overall U.S. employment, which experienced significant losses throughout 2008 and early 2009, higher education employment continues to be relatively stable. Since December 2007, the total number of jobs in the U.S. economy has decreased by 4.2 percent. In contrast, over the same time period, the total number of jobs in higher education has increased by 4.3 percent. Colleges and universities do appear to be trimming their payrolls, however, as evidenced by the significant decrease in advertised job openings in the sector.

As of the first quarter of 2009, analyses of Bureau of Labor Statistics (BLS) data on higher education employment as well as job posting trends on HigherEdJobs.com reveal:

- Despite a dramatic fall-off in overall U.S. employment over the last 18 months, the total number of jobs in higher education has been relatively stable.
- While higher education employment has remained relatively stable, the number of advertised job openings in the sector has decreased significantly.
- During Q1 2009, colleges and universities shifted their hiring towards faculty and away from administrative hires.
- The ratio of part-time postings in higher education is increasing

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About HigherEdJobs.com

HigherEdJobs.com is the leading source for jobs in academia. During 2008, more than 2,900 colleges and universities posted over 67,000 faculty, administrative and executive job postings to the company's web site. HigherEdJobs.com is visited over two million times each month.

Founded in 1996, HigherEdJobs.com's mission is to help higher education professionals and employers connect with one another to fulfill their career and organizational goals.

HigherEdJobs.com is published by Internet Employment Linkage, Inc. (IEL). IEL is headquartered in State College, PA, and has an accounting and operations office in Oak Park, IL.

About this Quarterly Report

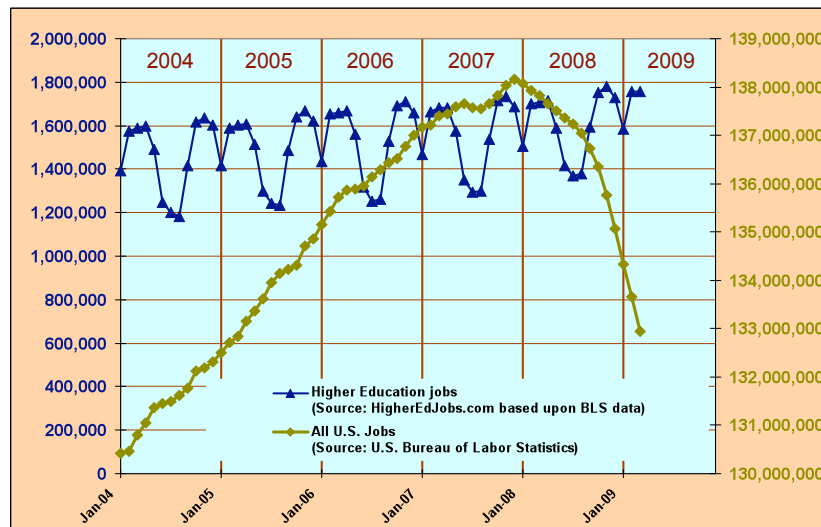
Beginning with this quarter and with each quarter going forward, HigherEdJobs.com will produce summary information about employment within the Higher Education community. This report should help administrators understand employment trends within the industry, and may also help policy makers better appreciate real-time trends we are experiencing with employment. Those seeking jobs will appreciate these same data.

As background to some of the statistics we are reporting here, we define Higher Education Employment to include all types of employment at four-year colleges and universities, as well as two-year community colleges and technical schools.

HigherEdJobs.com has over 1,000 colleges and universities subscribed to its unlimited posting plan, a relevant point for this report since these schools have no financial deterrent to posting their jobs.

This Higher Education Employment Report was produced by HigherEdJobs.com with critical analysis and expertise provided by Bruce Steinberg (www.brucesteinberg.net), an independent employment researcher. Steinberg evaluated information from our data files at HigherEdJobs.com as well as data published by the Bureau of Labor Statistics (BLS) of the U.S. Department of Labor.

Finding: Despite dramatic fall-off in overall U.S. employment, the total number of jobs in higher education has been relatively stable.



The federal government does not define “higher education” per se. The term as used in this report is the combination of two NAICS (North American Industry Classification System, the program that tracks jobs by sector) sectors: Junior Colleges (NAICS 611200), and Colleges and Universities (NAICS 611300). The data were collected by the Bureau of Labor Statistics (BLS) of the U.S. Department of Labor.

The blue line in the chart signifies all jobs in higher education, according to an analysis by HigherEdJobs.com of Bureau of Labor Statistics data. Note that the analysis shows a clear decrease in the number of jobs in higher education during the summer months, a pattern consistent with nine-month employment contracts for many academic employees. The green line signifies all U.S. jobs across the entire economy. Overall employment has been rescaled to better illustrate the recent decline starting in 2008.

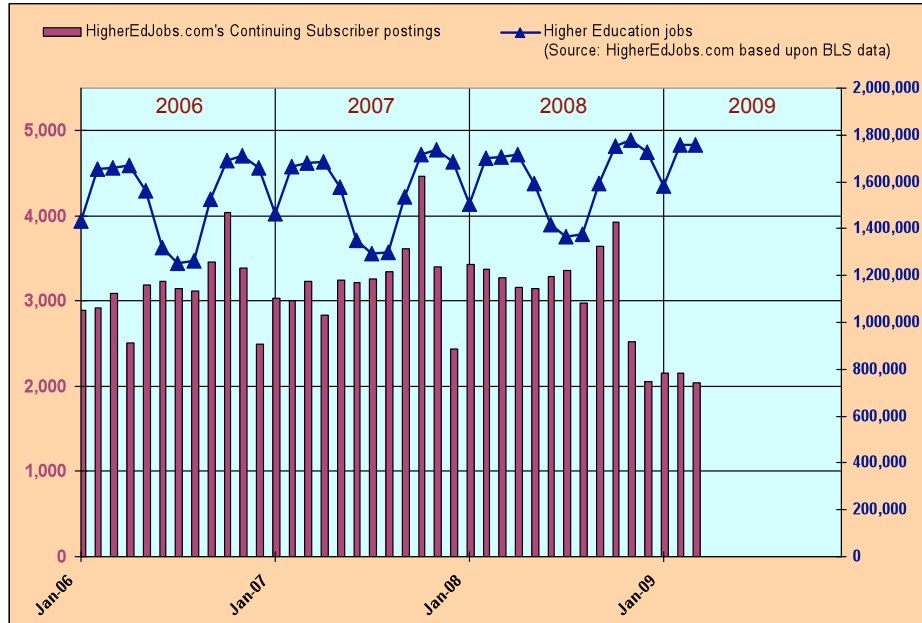
As the chart shows, the trend in the number of jobs in higher education, taking into account the cyclical nature of academic employment, has been relatively stable in spite of the sharp overall downturn in the current economic cycle. From December 2007 (the peak of the current employment cycle) to the end of Q1 2009, the total number of jobs in the U.S. has decreased by 4.2 percent. In contrast, over the same

time period, the number of jobs in higher education has increased nearly 73,000, or 4.3 percent, to near record highs.

While state appropriations and endowment revenues are clearly down for many institutions, student enrollments typically increase during an economic downturn. Students tend to stay in school and continue their education when the employment market is bleak. And, those who lose or are unable to find employment often return to school either on a part-time or full-time basis to further their education and improve their employment prospects.

While higher education may have fared better than the U.S. economy so far, the trend is not guaranteed to continue. If the economy sinks too far, students who otherwise may have attended college may be unable to afford to do so. And, while budgets at state universities are already down, they may feel an even greater impact next year due to declining tax revenues. Furthermore, independent colleges and universities that depend on endowment earnings may feel the impact of market declines. Still, as we have seen so far, higher education employment seems to be less subject to sharp swings than other parts of the economy.

Finding: While the number of jobs in higher education has remained relatively stable, the number of advertised job openings has decreased significantly



Though the number of jobs in higher education has remained relatively stable, hiring for open positions in the industry appears to have decreased significantly.

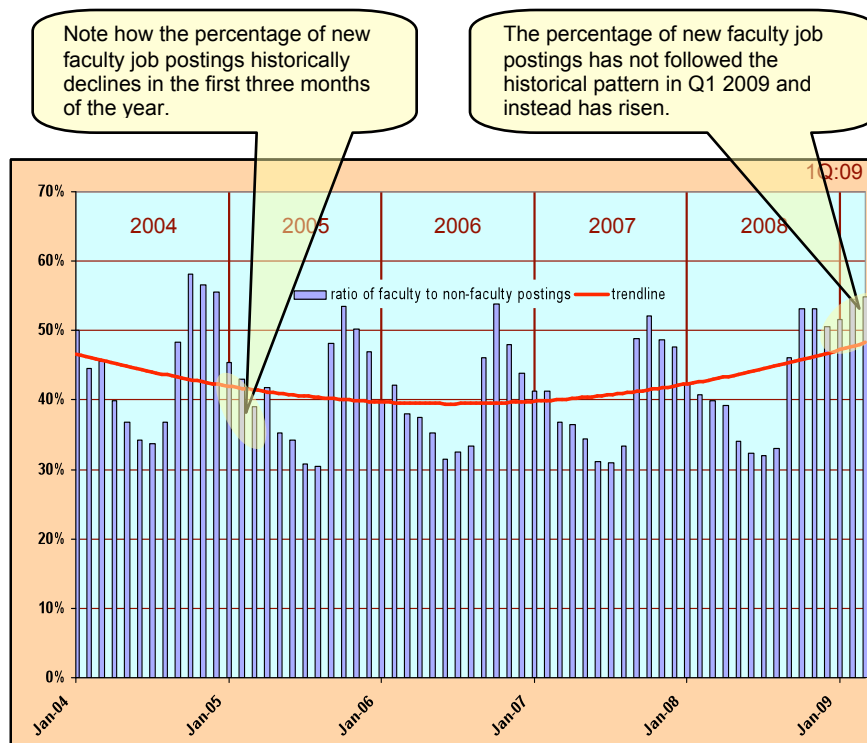
The purple bars in the chart above signify monthly job openings posted to HigherEdJobs.com by U.S. colleges and universities that have continuously subscribed to the company's unlimited posting plan since at least January 1, 2005 (roughly equating to the retail sector's reporting of annual changes of "same-store sales"). Since these schools pay a flat annual fee for unlimited recruitment advertising on HigherEdJobs.com, they have no financial deterrent to discourage them from posting their job openings. As a result, changes in their total postings can be seen as proxy for hiring trends in higher education.

As the chart shows, advertised job openings in higher education have decreased significantly since July 2008, despite the relative stability in higher education employment during this period. Compared to Q1 2008, advertised job openings from "continuous subscribers" to HigherEdJobs.com were down 39.1 percent during Q1 2009.

Given the contrast between declining job openings in higher education and the relative stability of actual employment in the industry, to date, it appears colleges and universities may be trying to reduce payrolls but are doing so through attrition and "hiring freezes" as opposed to mass layoffs.

The recent posting patterns at HigherEdJobs.com are consistent with other established sources in higher education. A survey by the College and University Professional Association for Human Resources (CUPA-HR) found that 34% of colleges and universities are currently in a hiring freeze. Also, several academic discipline based publications have reported significant decreases in job openings in their particular areas.

Finding: During Q1 2009, colleges and universities shifted their hiring towards faculty and away from administrative hires.



As colleges and universities continue to struggle under financial constraints brought on by the current recession, they appear to be concentrating recruitment on academic faculty while moderating hiring of non-faculty positions.

The blue bars in the chart above show the monthly ratio of faculty to non-faculty job openings posted to HigherEdJobs.com. The red line signifies the trend line for the same data.

Interestingly, the ratio of faculty to non-faculty jobs also has a cyclical pattern to it. While the overall average is about 40 percent, it generally peaks in the fall semester as departments firm up their hiring plans for the subsequent fall semester. This pattern occurred every year from 2005 through 2008.

Note, however, that for the first quarter of 2009 we do not see this same trend. The indication appears to be that the decline in the ratio of faculty postings normally observed in the first quarter of a calendar

appears to have reversed in 2009. In fact, the percentage of new faculty positions added to HigherEdJobs.com during the first quarter of 2009 actually increased compared to last quarter of 2008, suggesting colleges and universities may be shifting hiring toward faculty positions and away from non-faculty jobs.

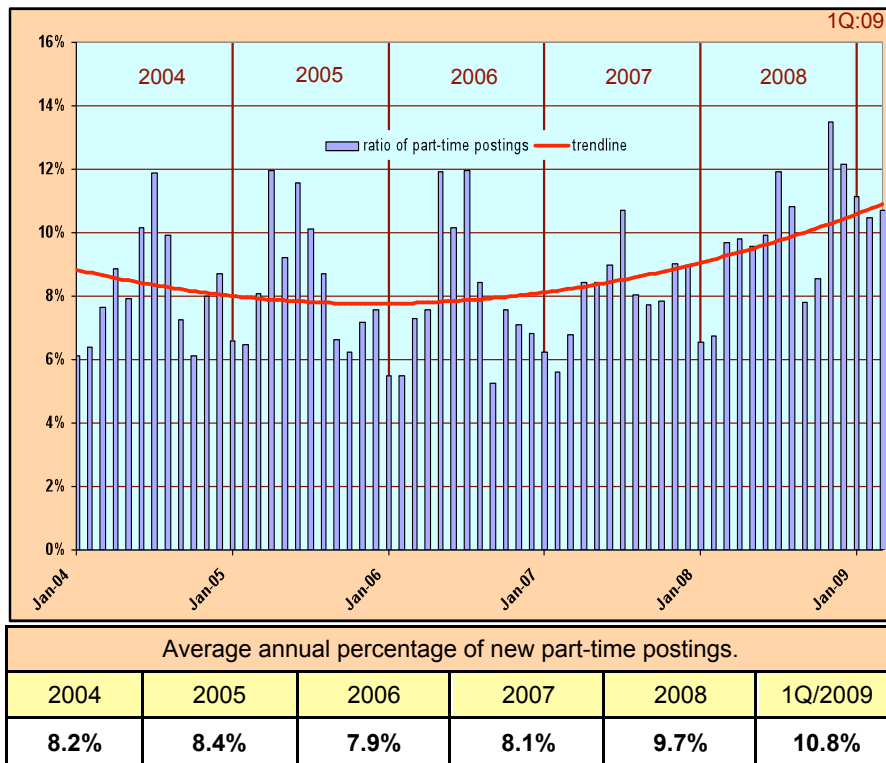
Perhaps one silver lining of a financial downturn may be that it forces colleges and universities to sharpen and prioritize their expenditures more carefully, and that may affect who they hire. To maintain academic quality, many colleges and universities appear to be concentrating dwindling resources on faculty personnel over administrative and support staff.

Historically, HigherEdJobs.com has observed that approximately 8 percent of its posted jobs are for part-time positions. This does not necessarily reflect the overall percentage of full- and part-time positions within academe; however, as we observe changes in this percentage, we may be able to infer changes in the overall balance of employment. From the data evidence we see here, it appears higher education institutions may be responding to financial pressures by relying more on part-time employees.

Finding: The ratio of part-time postings in higher education is increasing.

From 2006 to 2008, the annual percentage of new part-time postings on HigherEdJobs.com increased from 7.9 percent to 9.7 percent. For the first quarter of 2009, 10.8 percent of new postings were for part-time positions.

Financial constraints may be creating a situation in which campuses must carefully match payroll dollars with services delivered. The increased use of part-time staff is at least one method to achieve that goal. Another possibility may be that universities are evaluating their support needs and are considering the extent to which some services may be better filled with a less-than-full-time job format.



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