



# Executive Summary

## December 2011

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## Introduction

The CareerJunction Index (CJI) represents online labour dynamics in South Africa by providing a detailed analysis of the relative ratio of supply and demand in the online job market. The CJI is based on comprehensive data gathered from the CareerJunction website.

The CJI is the first index of its kind that directly monitors the online labour market in South Africa by examining supply and demand trends. The information is based on professions across all industries.

The CJI analysis serves as a foundation for potential HR solutions & strategies. It enables recruitment agencies and businesses to focus on specific and relevant occupations when developing their retention strategies.

**The CJI provides insights into the online labour market dynamics, including:**

- The current online labour market trends;
- Online labour demand trends;
- Online labour supply trends;
- Rising and falling trends;
- The identification of skills shortages;
- Analysis of labour cycles; and
- The identification of strategies to alleviate the effect of a decreasing supply of candidates.

## About CareerJunction

CareerJunction, an Avusa Media Company, is the leading Online Recruitment solution in South Africa. CareerJunction provides an online service to Recruiters and CareerSeekers and has been at the forefront of technological developments in the Online Recruitment space in South Africa since 1997.

CareerJunction is a web service through which Recruiters and CareerSeekers interact in a secure and completely confidential environment.

## The CareerJunction Team

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## Terminology

### CareerJunction Index (CJI)

A numerical scale used to compare relative changes of online labour supply and demand. It represents shifts and trends of the overall "potential career seekers per job advert" ratio comparing the current three month period to the previous three month period. The CJ Index points are used as a reference number indicating changes over time.

### CareerJunction Index per industry

Illustrates current developments in the "potential career seeker per job advert" ratio for specific industries. It measures the combination of occupation and industry provided by the online labour supply compared to the demand within that specific industry.

### Career seekers

Individuals who are actively using their career seeker accounts to search for career opportunities on the CareerJunction website. All career seekers considered in this research are registered with complete and searchable resumes and have actively been using the CareerJunction website during the previous 12 months.

### Demand

Measures the need of online labour to fill vacancies advertised on the CareerJunction website. The posted job adverts on CareerJunction are used as the basis to identify the level and composition (regarding occupation and industry) of online labour demand. Adjustments are applied to the online labour demand data to remove seasonal fluctuations.

### Industry

Represents an industry which specifies the employment environment of businesses, e.g. the Finance Industry, FMCG and so forth. The categorical industry division of online labour demand is specified by the job advertised by the recruiter. Determining the industry rating, by frequency and relevancy for career seekers, identifies the specific industries relevant to the labour supply. There are 35 industry classifications.

### Job adverts

Vacancies posted on the CareerJunction website by recruiters. Indicates the position to be filled within a certain organisation / industry.

### Online labour market

The market in which workers compete for jobs and employers compete for workers by means of the internet.

### Recruiters

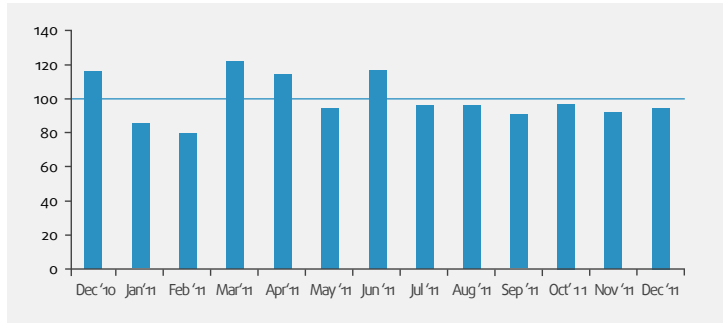
Businesses, employers, organisations or individuals who advertise vacancies through the CareerJunction website.

### Supply

Measures the level and composition of available online labour based on the number of career seekers in the CareerJunction database. Adjustments are applied to the online labour supply data to remove seasonal fluctuations.

## Index

The graph below provides an overview of the current online employment situation in South Africa by comparing supply and demand trends.



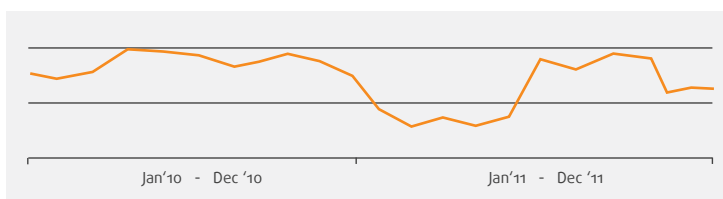
CJ > 100	<ul style="list-style-type: none"> <li>• More job opportunities for potential career seekers.</li> <li>• Less potential career seekers per job advert.</li> <li>• Recruitment more difficult, due to less potential career seekers per job advert.</li> </ul>
CJ = 100	<ul style="list-style-type: none"> <li>• No changes regarding the potential career seekers per job advert ratio.</li> <li>• Supply and demand is following the same trend.</li> </ul>
CJ < 100	<ul style="list-style-type: none"> <li>• Less job opportunities for potential career seekers.</li> <li>• More potential career seekers per job advert.</li> <li>• Recruitment less difficult, due to more potential career seekers per job advert.</li> </ul>

Online recruitment has become less challenging throughout the second half of 2011. In the fourth quarter of 2011, employment activity slowed down slightly while labour supply levels remained stable.

The current positioning of the index below the 100 mark signals slightly tougher competition among career seekers in the online job market of South Africa.

## Demand

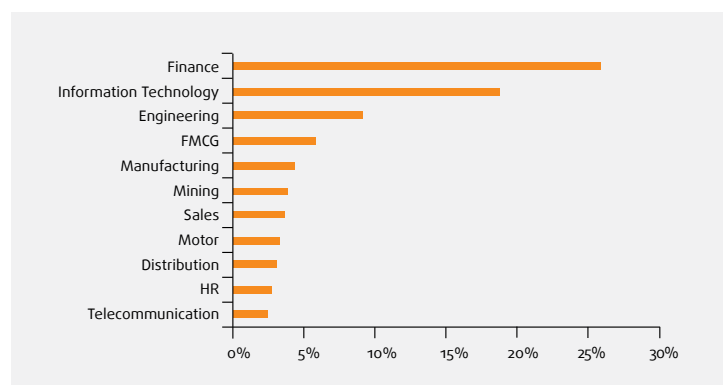
The graph below represents labour demand over time:



Employment activity slowed down slightly from the third to the fourth quarter of 2011. This trend is expected to continue for a short term partially due to the unusual long holiday period in January in the inland provinces.

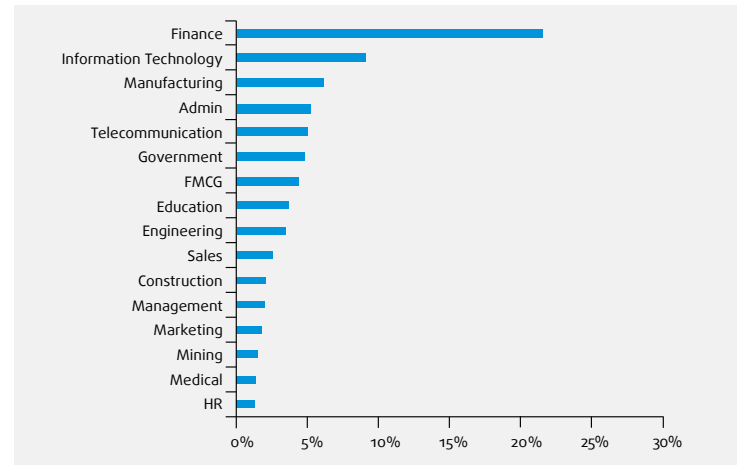
## Most In Demand

The graph below indicates industries in terms of major demand.



## Most Supplied

The graph below indicates industries in terms of major supply.



A comparison of vacancies vs. career seekers across various industries provides a good overview of the current demand for specific skills sets as well as the availability of various professionals. Finance, IT, Engineering, FMCG, Retail & Wholesale and Manufacturing, Production & Trades related skills continue to be in high demand.

Looking at the labour force on the other hand, the Finance, IT and Manufacturing, Production & Trades industries yield similar results. However, the labour force across industries such as Admin, Office & Support, Telecommunication and Government seem to be bigger than required by the job market.

## Recruitment Conditions

Below is a visual illustration of the recruitment conditions experienced by each sector.

Less than 5 potential career seekers per job advert		Recruitment Very Difficult
Between 5 and 10 potential career seekers per job advert		Recruitment Difficult
Between 10 and 20 potential career seekers per job advert		Recruitment Moderate
Between 20 and 30 potential career seekers per job advert		Recruitment Easy
More than 30 potential career seekers per job advert		Recruitment Very Easy

Botanical	6.54	Motor	8.40
Engineering	7.68	Information Technology	8.59
Maritime	7.94		

Distribution, Warehousing & Freight	10.60	Design	15.18
Mining	10.69	Sales	15.34
Human Resources & Recruitment	13.29	Petrochemical	15.89
FMCG, Retail & Wholesale	13.79	Sport & Fitness	18.62
Finance	13.97		

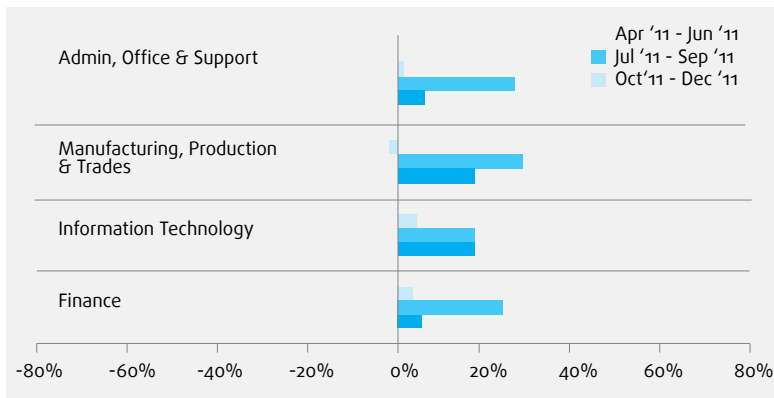
Legal	21.64	Travel & Tourism	23.32
Marketing	22.12	Media	23.62
Manufacturing, Production & Trades	22.35	Medical	23.75
Beauty	22.54	Transport & Aviation	27.80

Building & Construction	30.17	Safety, Security & Defence	41.65
Property	30.26	Arts & Entertainment	44.10
Business & Management	33.53	Admin, Office & Support	67.39
Telecommunication	34.76	Social & Community	96.54
Science & Technology	35.85	Education	127.60
Agriculture	37.20	Government & Local Government	169.48
Hospitality & Restaurant	38.49		

## Supply

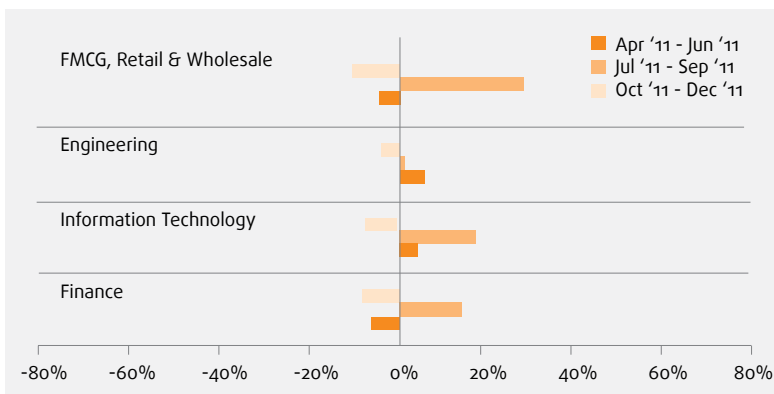
The bar graph below displays industries that have experienced the biggest quarter-on-quarter change in supply (job search activity) over the last 12-month period:



The Admin, Office & Support, IT and Finance sectors experienced continual growth in job search activity in 2011. Despite a minor decrease of labour during the last quarter of 2011, the Manufacturing, Production & Trades sector shows a similar trend.

## Demand

The bar graph below displays industries that have experienced the biggest quarter-on-quarter change in demand (job advertising) over the last 12-month period:



After peak levels in online recruitment during the third quarter of 2011, the Finance, IT, Engineering and FMCG, Retail & Wholesale industries experienced notable decreases in job advertisement during last quarter of 2011.

## Key Findings

After peak levels in online recruitment during the third quarter of 2011, employment activity slowed down in the fourth quarter of 2011. This trend is expected to continue for a short term partially due to the unusual long holiday period in January in the inland provinces.

As a result, the Index remained below the 100 mark signalling slightly tougher competition among career seekers in the online job market of South Africa.

The Mining sector experienced a strong positive trend in job advertisement throughout the year 2011.

Skills in Finance, IT, Engineering, FMCG, Retail & Wholesale and Manufacturing, Production & Trades remain the most sought after in terms of demand.

## Industry Trends

The graph below illustrates supply and demand trends experienced by all industry sectors over a 6 month period, where the first 3 months' data are compared to the next 3 months' data.

	Index	Supply Trend	Demand Trend	Potential career seekers per job advert
Botanical	122,57	9,9% +	34,7% +	6,54
Motor	118,93	-2,1% -	16,4% +	8,40
Maritime	103,19	15,6% +	19,2% +	7,94
Engineering	96,07	-0,7% -	-4,6% -	7,68
Information Technology	93,49	2,9% +	-3,8% -	8,59
Petrochemical	125,20	-14,7% -	6,8% +	15,89
Mining	120,33	-7,4% -	11,4% +	10,69
Distribution, Warehousing & Freight	104,84	3,6% +	8,6% +	10,60
Design	104,77	-2,8% -	1,8% +	15,18
Sales	104,61	-1,2% -	3,4% +	15,34
Human Resources & Recruitment	104,61	-6,5% -	-2,1% -	13,29
Sport & Fitness	101,07	-20,8% -	-20,0% -	18,62
Legal	97,10	-5,6% -	-8,4% -	21,64
FMCG, Retail & Wholesale	89,55	-0,9% -	-11,2% -	13,79
Finance	86,66	2,3% +	-11,4% -	13,97
Transport & Aviation	137,45	2,0% +	40,2% +	27,80
Travel & Tourism	119,65	4,6% +	25,2% +	23,32
Business & Management	118,57	0,5% +	19,2% +	33,53
Property	111,35	17,9% +	31,3% +	30,26
Hospitality & Restaurant	108,80	-3,2% -	5,3% +	38,49
Building & Construction	103,34	-3,9% -	-0,6% -	30,17
Admin, Office & Support	97,78	1,4% +	-0,8% -	67,39
Beauty	95,21	-0,5% -	-5,2% -	22,54
Manufacturing, Production & Trades	95,14	-1,7% -	-6,4% -	22,35
Telecommunication	93,41	-0,9% -	-7,4% -	34,76
Marketing	91,94	1,0% +	-7,1% -	22,12
Arts & Entertainment	87,38	15,3% +	0,8% +	44,10
Media	86,58	0,9% +	-12,7% -	23,62
Safety, Security & Defence	84,32	1,3% +	-14,6% -	41,65
Science & Technology	84,12	-10,3% -	-24,5% -	35,85
Education	81,79	1,0% +	-17,4% -	127,60
Government & Local Government	73,45	11,6% +	-18,1% -	169,48
Agriculture	72,57	-1,9% -	-28,8% -	37,22
Medical	60,04	-3,2% -	-41,9% -	23,75
Social & Community	50,40	-2,0% -	-50,6% -	96,54

## CJI Biannual Job Reports

The CJI Job Reports provide an in-depth analysis of online labour dynamics for the top industry sectors by examining supply and demand trends. It is the first of its kind in South Africa.

CJI Job Reports are released biannually and are available at a fee from [www.cji.co.za](http://www.cji.co.za). These reports provide a full understanding and awareness of some of the following industry trends:

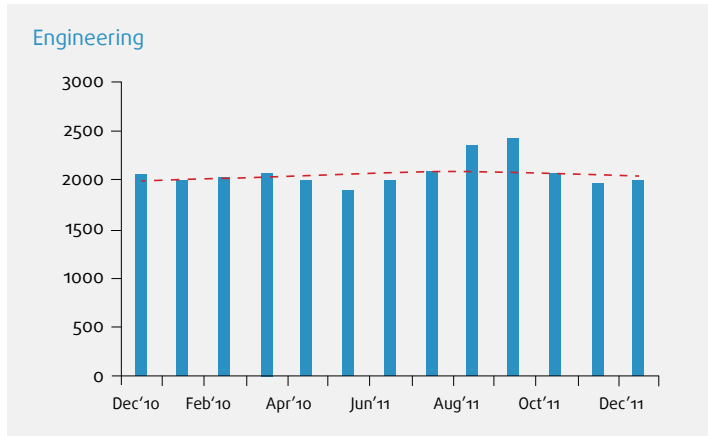
- Difficulty of recruitment
- Occupations currently high in demand
- Over/under supply of online labour
- Location of online labour demand & supply
- Skill shortages
- Industry growth
- Shifting & falling industries
- Job level of online labour demand & supply (E.g. Junior Level, Senior Level)
- Market related salary packages.

Detailed CJI Job Reports are available for the following sectors:

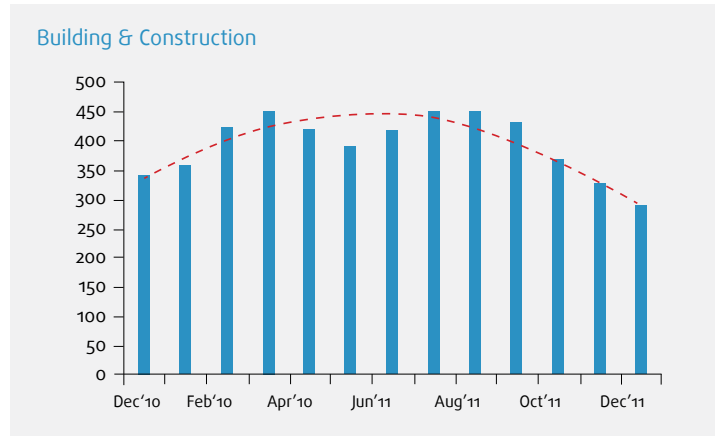
1. Information Technology
2. Financial
3. Engineering
4. Manufacturing, Production & Trades
5. FMCG, Retail & Wholesale
6. Building & Construction
7. Telecommunication
8. Mining
9. Motor
10. Human Resources & Recruitment

# Annual Trending Analysis

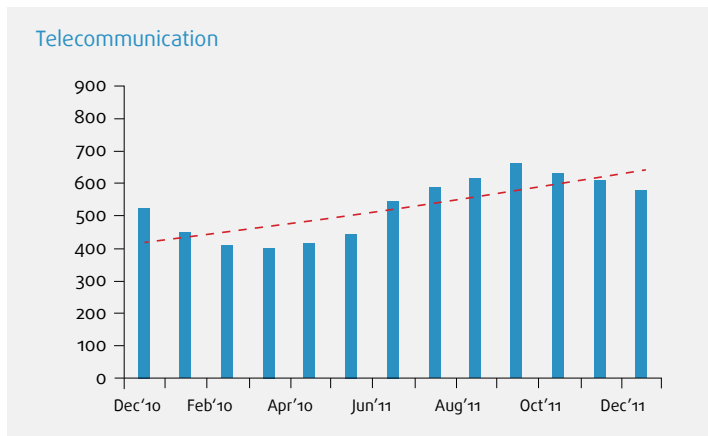
Below are visual illustrations of the trends in volume of job adverts published on the CareerJunction website over the previous 12 months.



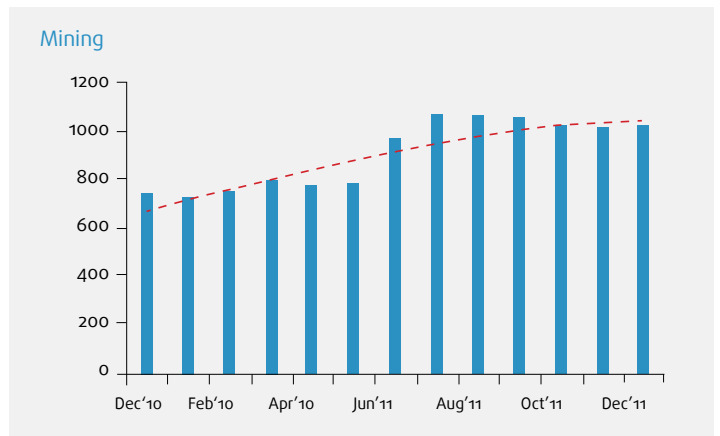
The Engineering industry experienced a stable trend in online labour demand in 2011. Job advertising spiked in the third quarter of 2011 but slowed down thereafter.



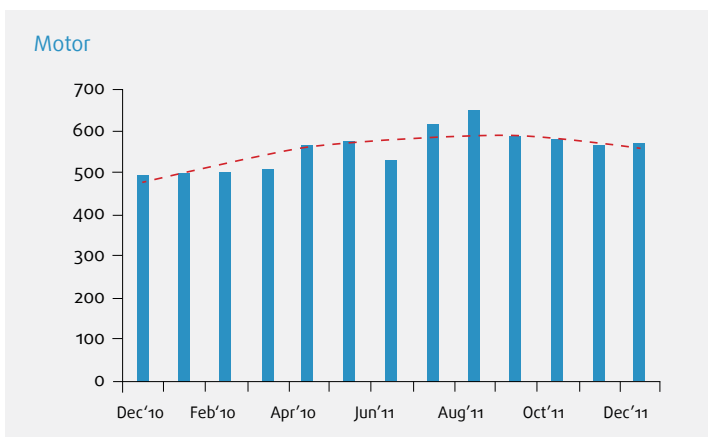
Online recruitment activity within the Building & Construction industry picked up in the second and third quarter of 2011. However, fourth quarter findings reveal a significant drop in job advertising in the Building & Construction industry. Figures show a decrease of 15% in job advertising compared to a year ago.



The Telecommunication industry showed minor job growth throughout 2011. However, labour demand levels currently seem stable.



The Mining sector experienced a strong positive trend in job advertising throughout the year 2011. Online recruitment activity is 41% higher than a year ago.

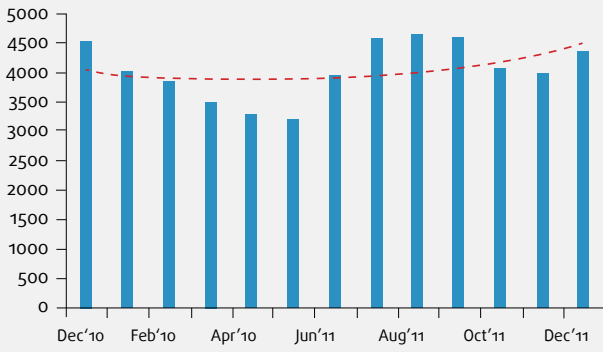


Demand for labour in the Motor industry has been growing slowly. The sector shows a stable trend in job advertising throughout 2011.



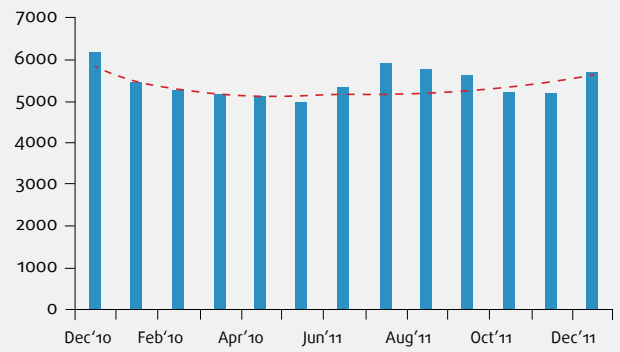
Labour demand within the Human Resources & Recruitment industry experienced a positive growth in the second half of 2011. Career Seekers in this field face less competition in the job market.

### Information Technology



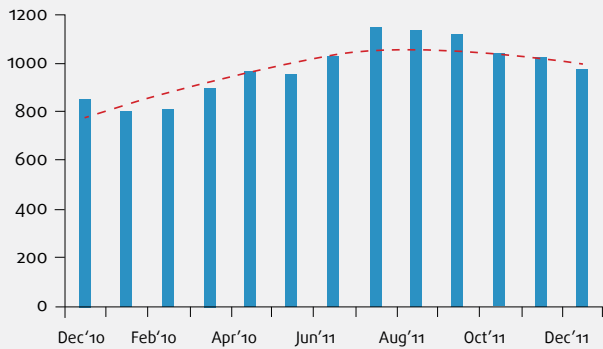
Online recruitment activity in the Information Technology industry has fluctuated quite substantially in 2011. After major decreases in labour demand in the second quarter of 2011, the IT industry seems to slowly be recovering.

### Finance



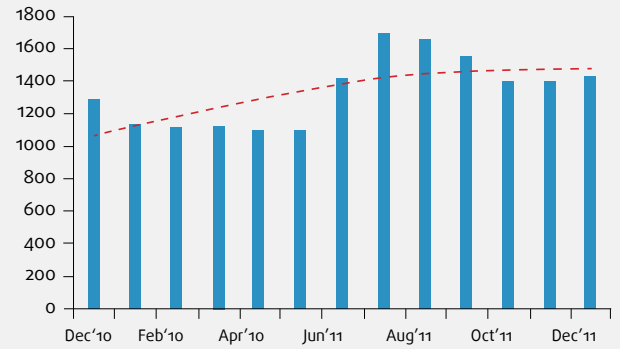
Labour demand within the Finance industry remained high and stable in 2011. A declining trend in job advertisement is expected for a short term partially due to the unusual long holiday period in January in Gauteng.

### Manufacturing, Production & Trades



The Manufacturing, Production & Trades industry experienced continuous growth in online recruitment and performed well over the previous 6 months. The latest findings show the level of job advertising is 12% higher than a year ago.

### FMCG, Retail & Wholesale



Hiring activity picked up significantly within the FMCG, Retail & Wholesale industry during the third quarter of 2011. Demand for labour slowed down in the last quarter of 2011 but remains slightly higher than a year ago.