



MARCH 2015

# The Challenger Index Quarterly Report

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## Relocation On The Rise

### Due to Improving Job and Housing Markets

The percentage of job seekers relocating for new positions in the last half of 2014 rose to its highest level in five years, which should be good news to the growing number of employers that may find their local talent pool getting shallower as unemployment rates continue to fall around the country.

An average of 15 percent of job-seeking managers and executives moved for new positions over the last two quarters of 2014. That was up from an average of 11.4 percent in the first two quarters of the year. In 2013, the relocation rate among job seekers averaged 13 percent.

The latest relocation rate, which is based on Challenger's quarterly survey of approximately 1,000 job seekers, is the highest it has been since the first half of 2009, when an average of 16.3 percent of

job seekers moved in the immediate wake of the recession.

"Ongoing improvements in the employment and housing markets are undoubtedly making relocation a more palatable option for managers and executives in transition," said John A. Challenger, chief executive officer.

Relocation activity plunged after the first half of 2009 as home values continued to decline, which made it very difficult to sell an existing home without taking a significant loss.

"Relocation is rarely the most desirable option for job seekers. There is a lot of cost and risk involved. The collapse in the housing market, which was a primary factor behind the recession, made relocation even more unattractive, as many job seekers were stuck in homes with market values well below what was owed on the mortgage.



### Relocation Increases

How an improving economy is making relocation more prevalent.

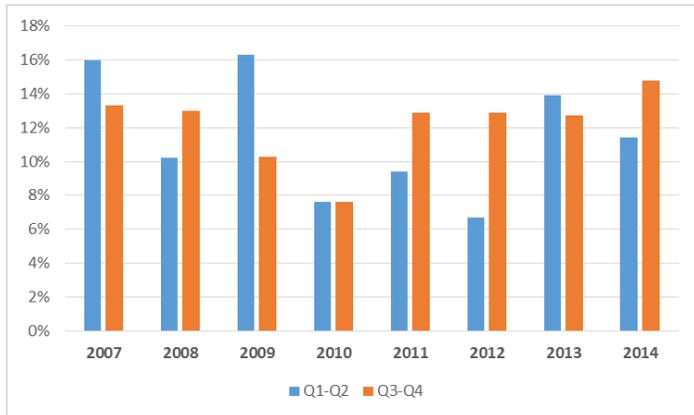
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### Challenger Job Search Statistics

Curious about how long it is taking people to find jobs? Find out the median job search length and more from the fourth quarter of 2014.

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## Percentage of Job Seekers Relocating for New Positions (2007-2014)



At the same time, employers were unwilling to help pay for any relocation costs, much less cover the likely loss in home value, due to their own recession-related cost-cutting initiatives. Starting in 2013, we saw a rebound in home buying and home prices. That trend continued in 2014, leading to the upturn in relocation among job seekers,” said Challenger.

A recent report from the National Association of Realtors indicates that a majority of metropolitan areas experienced steady year-over-year gains in home prices in the fourth quarter of 2014. The Association attributed slightly stronger price growth to a decline in housing supply and an uptick in demand fueled by lower interest rates and a stronger job market.

Indeed, the number of cities with low unemployment continues to grow. In December, there were 158 metropolitan areas with unemployment rates below 5.0 percent. Only 78 metro areas could say the same, a year earlier.

“At the end of last year, there were more than 70 metropolitan areas with an unemployment rate of 4.0 percent or lower. That number is growing every month. Employers in these areas are undoubtedly struggling to find workers from the local talent pool. So, for job seekers who are willing to

relocate, the list of cities with good opportunities keeps getting longer,” said Challenger.

“For employers in these low-unemployment cities, job seekers’ increased willingness to relocate is likely to be a welcomed development. The number of corporate relocations and the amount budgeted for these moves increased in 2013, according to the annual corporate relocation survey conducted by [Atlas Van Lines](#). The update to that survey, which should be available in the coming weeks, is expected to show continued increases.”

“Greater workforce mobility means that employers can access a much deeper pool of candidates, which greatly improves the odds of finding the right fit for an open position. And, while there never is any guarantee of success, the individual uprooting his or her life and possibly that of his or her family, certainly has a significant interest in doing whatever it takes to ensure that the relationship works.”

“Of course, the employer also has a vested interest in achieving success. After all, a lot of time and money will be spent recruiting, relocating and training this individual. If the employer is helping to cover the costs or logistics of the move, then it is important for that move to go smoothly. Otherwise, the individual starts on day-one with a negative impression, which could adversely impact engagement, performance and morale,” noted Challenger.

### FOR MORE INFORMATION ON CHALLENGER'S SERVICES:

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JOB SEARCH STATISTICS



### Challenger Results

Challenger, Gray & Christmas, Inc. is the only outplacement company to routinely publish performance statistics. We have tracked and reported our coaching performance for over 30 years. We know of no other way to measure the effectiveness of our support to our Customers and Clients.

JOB SEARCH QUICK STATS

3.00 Months

Median Job Search Length for our clients in the fourth quarter of 2014

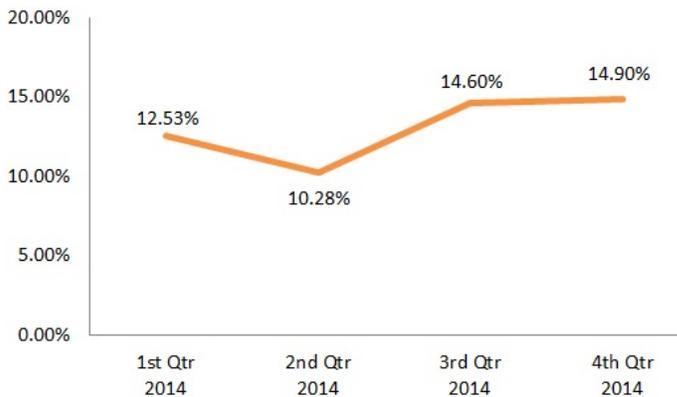
92.9%

Percentage of clients finding equivalent or better jobs in the fourth quarter of 2014

### job search length in months



### percent of those relocating



Most of our clients were able to find new positions in their backyards, with 14.90% relocating in the fourth quarter of 2014.

FOR MORE INFORMATION

Please contact us to find out more information:

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