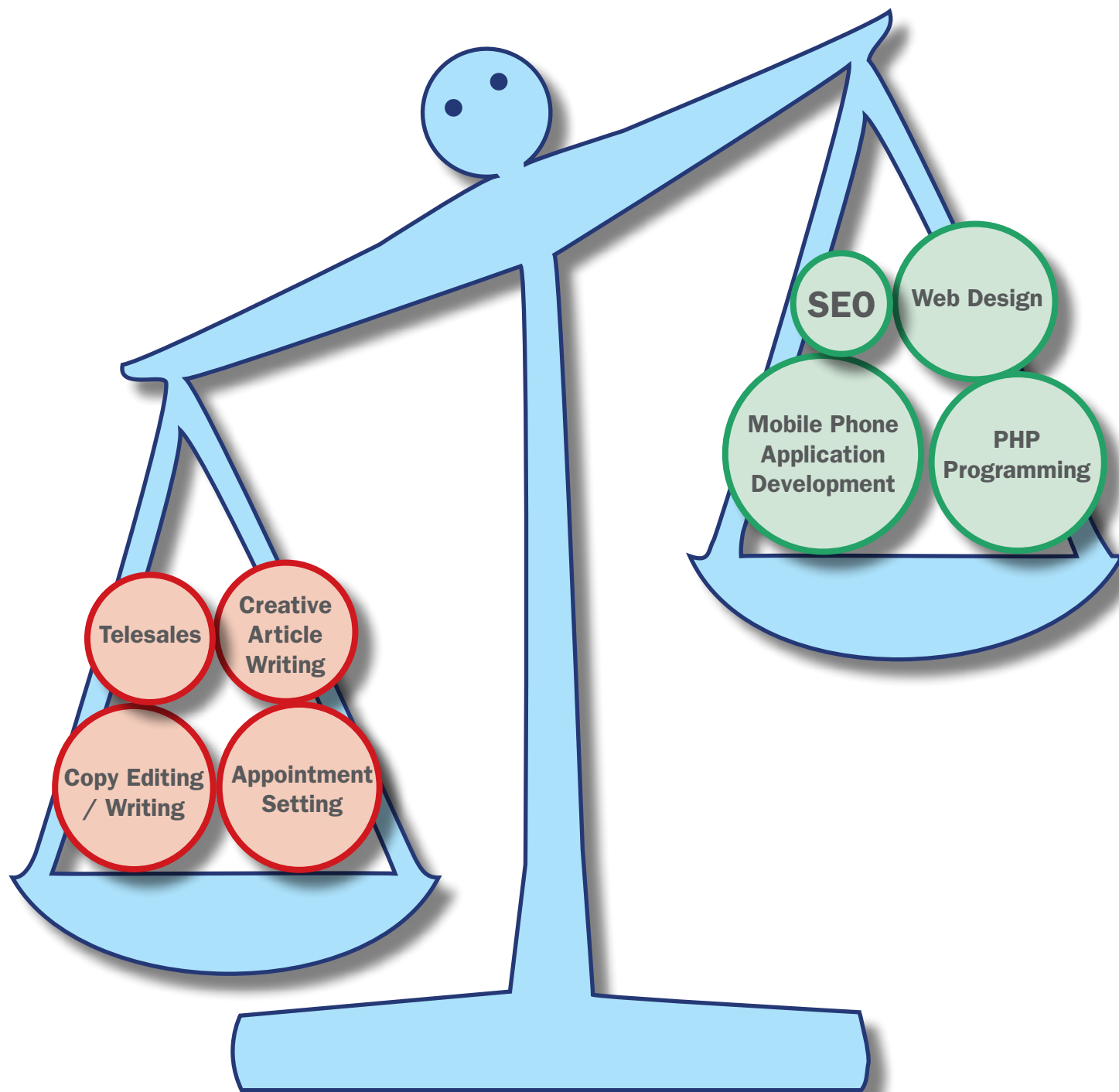


PPH Job Index 2010

Revealing monthly trends in small business activity in 2009 and predictions for 2010

Special Edition, January 2010



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About PeoplePerHour.com

PeoplePerHour.com was established in 2007 as a marketplace for small businesses to outsource work to freelancers. The site started with a focus on Admin and Secretarial jobs and following its success quickly grew to cover over 30 categories including IT, Web and Programming, Marketing and Sales, Accounting and Legal and more.

PeoplePerHour.com is the **pioneer** and the leader of small business outsourcing in the UK. The site has **over 46,000 registered users** and has had **over 15,000 projects** outsourced in the last 18 months.

Are employment figures reflective of what's really happening in the Jobs market?

When talking about the Jobs market all eyes are on employment figures. But with the Internet facilitating new, alternative ways of working, are these figures really telling us what's actually happening in the job space?



This report answers that question by revealing hiring trends of the UK's biggest private sector employer – the small business - from the **10,140 registered** on PeoplePerHour.com

Our newly launched **monthly Job Index** is compiled from the collective activity of over 1,300 regular users who have been active on the site for 12 months running. We tracked how their activity has changed to gauge the real level of demand for jobs.

Our Job Index reveals a gradual decline throughout the recession from January 2008 reaching a low point in July 2009, after which it shoots up with a **spectacular 421% growth** in the last quarter of 2009.

We also reveal what is behind that surge by analysing job postings from our regular set of users, identifying which job types are on the rise and which ones are falling, and predicting which ones we see as the possible winners for 2010. We **expect to see demand shift** increasingly from sales jobs that were extremely popular in the recession, to investment in Web, Mobile Technology and Digital Marketing, especially with the smart-phone market taking off.

The conclusions of this analysis indeed confirm the recently published results of our survey of **530 small businesses** in the January edition of our **Small Business Review**.

Small businesses are investing in growth and they are hiring; but they are going about it in new and different ways, using **online workspaces and communities** to get work done more cost effectively. We predict that 2010 will see the same trend continue and accelerate.

A handwritten signature in blue ink, reading 'Xenios Thrasyvoulou'.

Xenios Thrasyvoulou, CEO, PeoplePerHour.com

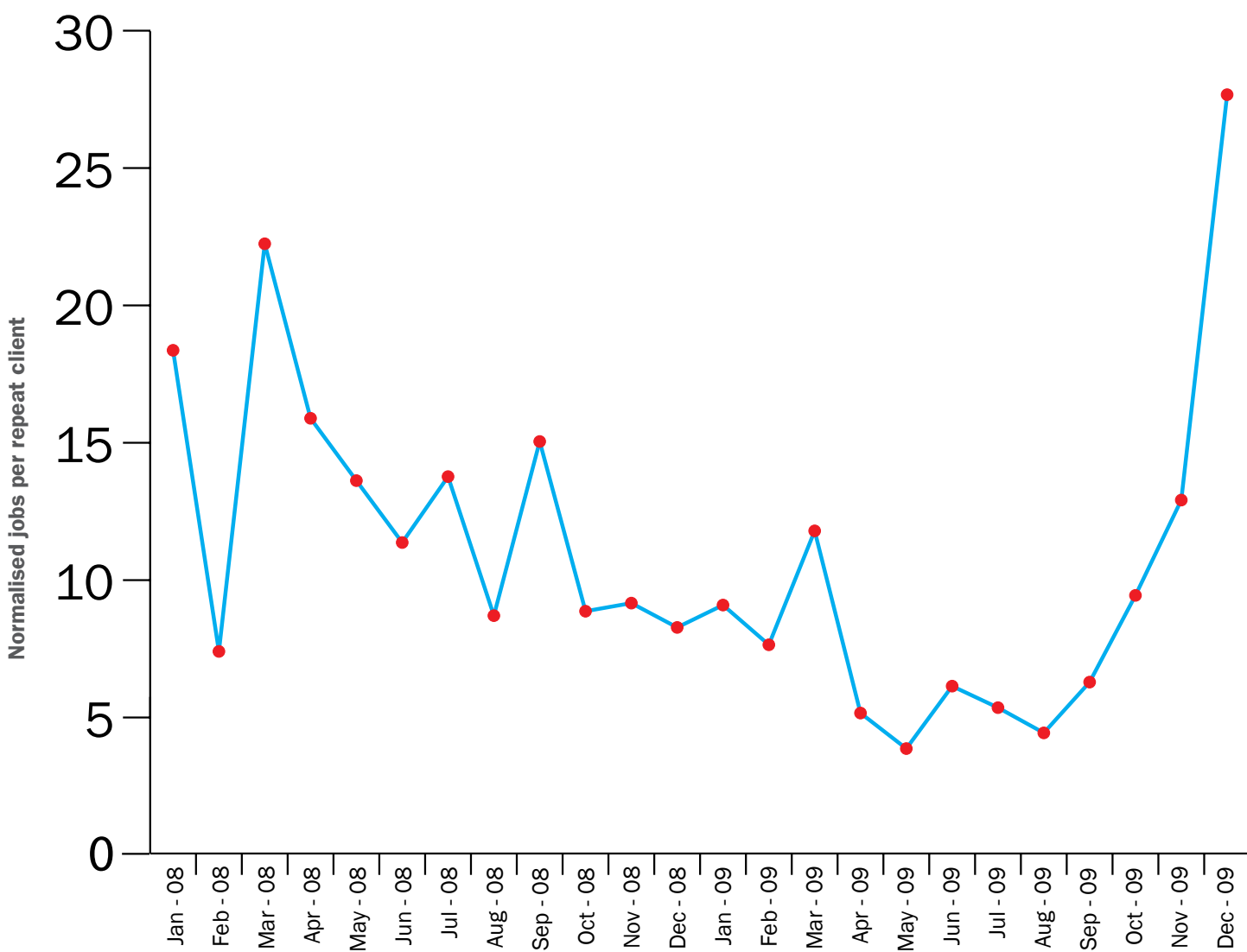
Job Index

The Job Index shows a month-on-month relative comparison of hiring activity amongst a data set of 1,300 repeat users who have been regularly active for 12 months running on Peopleperhour.com.

The Job Index is compiled each month with consistent data screening, therefore making a like-for-like meaningful comparison.

The results show:

- a downward trend in the Index throughout the 18 months from Jan 08 reaching a low point in May 2009
- slow recovery beginning in Q3 2009
- accelerated recovery in Q4 2009 with a spectacular 421% growth



Top 10 wanted skills

2009 Top 10 wanted skills

The skills below are listed in the order by which they rank in PeoplePerHour.com's 2009 project postings by subcategory.

| Top Skills | 2009 Change in Rank | Relative growth ¹ |
|--------------------------------------|---------------------|------------------------------|
| Telesales | -- | 6.8 |
| Web Design | -- | 1.5 |
| PHP Programming | -- | 1.6 |
| Digital Marketing | -- | 6.0 |
| Appointment Setting | +1 | 3.4 |
| Mobile-phone Application Development | -1 | 1.7 |
| Creative Article Writing | +3 | 6.0 |
| Animation & 3D | -- | 1.4 |
| Copy Editing/Writing | -2 | 1.0 |
| Search Engine Optimisation (SEO) | -1 | 2.8 |

Telesales has topped the chart for 2009 with a relative growth factor of 6.8, reflecting the desperate need of many businesses to ramp up their top line in the downturn.

2010 Top 10 wanted skills: Prediction

Ordering of skills below is as they are predicted to rank in PeoplePerHour.com's 2010 project postings by subcategory. New entries are highlighted.

| Top Skills | 2010 Change in Rank | Relative growth |
|--------------------------------------|---------------------|-----------------|
| PHP Programming | +2 | 5.4 |
| Web Design | -- | 4.8 |
| Mobile Phone Application Development | +3 | 3.8 |
| Digital Marketing | -- | 4.0 |
| Animation and 3D | +3 | 3.4 |
| Telesales | -5 | 1.3 |
| Search Engine Optimisation (SEO) | +3 | 3.4 |
| Appointment Setting | -3 | 1.7 |
| Creative Article Writing | -2 | 1.0 |
| Blogging | +2 | 3.4 |

As the economy is working its way out of recession, more businesses are investing in growth and particularly in technology and web. Being hit by the financial crisis many business are seeking and will continue seeking ways of enhancing their digital presence as a means of reducing both their client acquisition and servicing costs.

Demand for new cross-platform applications will carry on growing as the smart phone becomes a more integral part of our lives especially with the launch of Google's Nexus1 to rival the iPhone and Blackberry.

¹ Shows the extent of the increase in demand for skills relative to one another – 1.0 being the lowest growth rate

Endangered species: Top 5 in-house jobs becoming extinct in small businesses

- 1 Sales agent
- 2 Personal assistant
- 3 Marketing manager
- 4 Book-keeper
- 5 Customer support

“We’re going through the biggest change since the industrial revolution”

- James Bellini, leading futurologist and author and Fellow of the World Innovation Foundation

“Bigger is dumber”

- Sir Tom Farmer, founder of Kwik-Fit



Gary Lennon
Founder and director,
ideas 2 reality

“We provide consultancy and training services to enable entrepreneurs to make quicker

decisions and invest resources better on new projects, leverage creativity to make their businesses stronger and help to capture intellectual property as a viable asset within the business.”

“As a small but growing business we need high performance providers of services where results and efficiency are essential. Having the flexibility to vary the work amongst a number of providers means we have broken projects and requirements down into smaller details and talented providers focus their skills on our need very efficiently.

We don’t hire ‘generalists’ when ‘specialists’ are better! We no longer hire either an administrator or book-keeper as an employee - we just use PeoplePerHour.com to find the best-fit providers as and when we need them.”

Sales agent: telesales is the fastest growing home-business (see PPH Small Business Review December edition) with over 750,000 freelancers operating what are effectively home-based ‘mini’ call-centres in the UK. With sales being inherently results oriented and largely commission-based in remuneration, this is a very easy function to outsource with clear accountability. More and more businesses are thus opting to tap into what is becoming a remote, distributed sales force of independent agents who are driven to perform by their own need to grow.

Personal assistant: with the typewriter obsolete, the filing cabinet moved online, mail on our handheld devices, and a whole raft of new applications on our smart-phone devices keeping us connected and up to date all the time, the need for traditional secretary is ever reducing. Miss Money Penny as we once knew her no longer needs to be in the next room. This has created a significant influx of former secretaries setting up as ‘Virtual Assistants’ employing themselves and managing a host of client’s administrative and personal tasks remotely.

Marketing manager: marketing is moving online faster than we know it. The blogosphere is growing at a phenomenal pace creating content faster than traditional media and changing the editorial landscape. Our marketing team as we once knew it is transforming into a network of web-savvy youngsters scurrying the web creating a ‘buzz’ about us through activities like blogging, link-building, and optimizing our search rankings – all of which are functions done remotely.

Book-keeper: For many small businesses, book-keeping is transforming from a once heavy specialist function to a ‘DIY’ one, thanks to the proliferation of easy to use software, hosted up in the cloud somewhere, allowing you to just upload your data and have someone at the other end deal with the technicalities. Piles of paper with an accountant plugging numbers in a ledger is giving way to scanning bills through your smart-phone, uploading them to your laptop into your accounting software and off they go.

Customer support: send an email to an online business and 9 out of 10 times the response will come from an outsourced agent. With a whole raft of on-demand, hosted solutions like Zendesk or Salesforce, Customer Relationship Management (CRM) can now be cost-effectively outsourced with transparency and accountability, rendering the need for an inflexible in-house team obsolete.

For further information
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