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For Immediate Release:**Survey Reveals: HR Executives Report Job Cuts to Increase; Stress the Importance of Keeping the Door Open for Outgoing Employees**

HR professionals cite alumni social networks as top solution to stay in touch with former employees

NEW YORK – March 25, 2009 – According to a recent survey¹ of 233 HR professionals commissioned by [SelectMinds](http://SelectMinds.com), 48 percent anticipate additional layoffs over the next 6-12 months. With companies facing continued staff reductions, now is the time to determine what measures can be taken to remain connected with former employees, particularly top talent.

According to SelectMinds, parting ways with workers is no longer viewed as something that comes to an abrupt end, but rather an opportunity to nurture a life-long relationship. One-time colleagues with deep knowledge of an organization, become a valuable talent source for future hiring opportunities.

When the economy turns, companies will need to rehire talent. To ensure hiring costs are not in the millions, like the separation costs being paid today, businesses must find ways to leverage their existing base of past employees immediately. For less than 1 percent of what is being paid now to reduce a workforce, an alumni social network for departed employees can be up and running in a few short weeks, laying the foundation for future hiring needs.

“Alumni networks are an affordable and proven strategy for maintaining relationships crucial to longevity and growth,” said Anne Berkowitch, CEO, SelectMinds. “While the news of further workforce reductions is concerning, businesses must view former workers as assets, remembering these connections pave the way to extremely cost effective re-recruiting, new business and partnership opportunities.”

[Alumni social networks](#) provide a powerful platform for maintaining a pool of viable candidates. Staying connected with former talent today empowers companies to cultivate tomorrow’s rehires and enables alumni to keep abreast of what is happening in the marketplace. One large accounting firm states it saved \$1.6 million in headhunter fees in one year due to 31 recruits it found through its alumni network.

With 37 percent of the survey participants confirming they are considering implementing this technology, it is clear that HR professionals see the value in corporate social networking. Additionally, 64 percent of the respondents agree that it can be used to assist departments across the enterprise through reduction of costs associated with recruiting, increasing new business opportunities and enhancing brand recognition.



“Organizations that are not only focused on managing the current workforce situation, but are also dedicated to finding solutions that will support future talent searches for when the tides change, understand the need to deploy an alumni network now,” continued Berkowitch. “SelectMinds is prepared for this surge in adoption and we look forward to lending our expertise.”

About SelectMinds

SelectMinds is the leading global provider of secure, corporate social networking solutions. Using the power of Web 2.0, SelectMinds helps organizations build connections among and between groups of employees, alumni, retirees, women, and other constituencies. These powerful connections drive increased knowledge sharing and collaboration, enable strategic talent sourcing, and foster employee development and retention. The result is a higher performing organization with the ability to innovate quickly, increase productivity, and hire and retain key talent. SelectMinds clients consist of leading organizations including J.P. Morgan, Dow Chemical, Lockheed Martin, Latham & Watkins, Schlumberger, and Deloitte. For more information, visit www.selectminds.com.

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ⁱ In March the Human Capital Institute conducted a real-time online survey with attendees of “Today's Reduced Workforce = Tomorrow's Most Effective Recruiting Channel. Why it's Critical to Maintain These Relationships” Webcast.