

***For Immediate Release***

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***Hudson Employment Index<sup>SM</sup> Plummets Amid Job Security and  
Personal Finance Concerns  
Lowered Worker Confidence Reflects Higher Energy Prices and Summer Lull***

**New York, August 31, 2005** – U.S. worker confidence plunged 5.5 points to the lowest level on record as the *Hudson Employment Index<sup>SM</sup>* dropped below the base of 100 for only the second time ever to 98.2. All five measures that compose the *Index* declined, reflecting inflated concerns about hiring plans, preoccupations with personal finances, heightened job security concerns and weaker job satisfaction. The latest drop brings the current *Index* ten points lower than last August’s reading of 108.4.

Workers were noticeably less optimistic in all respects pertaining to their personal finances during August. The percent rating their situation as excellent or good dropped two points to 42 percent. There was also a three-point decline in the percentage of workers who stated that their personal finances were improving. Further, those stating that their finances were getting worse jumped five points to 43 percent.

After holding steady near 31 percent for nine consecutive months, the number of workers expecting hiring slipped to 30 percent. At the same time, the percent anticipating job cuts rose from 16 percent in July to 18 percent, which shows the same pattern from one year ago. Job security concerns also climbed a point to 21 percent this month, as the percent reporting job satisfaction slipped from 74 percent to 72 percent.

“The dramatic decline is not a huge surprise, as permanent hiring typically slows during the summer peak vacation period,” said Jeff Anderson, executive vice president, Hudson, North America. “This year, that factor was exacerbated by record-breaking fuel costs that are directly reflected in the *Index*’s personal finance readings.”

In contrast to the national average, managers in the private sector were more optimistic, although not just because their firms’ hiring plans were greater, which is often the case. They also showed positive movement in personal finances and job satisfaction, as well as fewer concerns about job loss this month.

	All Workers August 2005	All Workers July 2005	All Managers August 2005	Private Sector Managers August 2005
Expect hiring	30 %	31 %	30 %	41 %
Expect layoffs	18 %	16 %	17 %	17 %
Personal finances worsening	43 %	38 %	39 %	33 %
Concerned about job loss	21 %	20 %	20 %	21 %

\*A more detailed data report is available at [www.hudson-index.com](http://www.hudson-index.com).

Hudson recently launched an updated website with easier access to metro market and occupational sector data. The URL remains [www.hudson-index.com](http://www.hudson-index.com).

Hudson, one of the world's leading professional staffing, outsourcing and human capital solution providers, publishes the *Hudson Employment Index*, a monthly measure of U.S. workforce confidence in the employment market. Next month's *Hudson Employment Index* will be released on October 5, 2005.

### **The Hudson Employment Index**

The *Hudson Employment Index* (Hudson-Index.com) measures the U.S. workforce's confidence in the employment market. Based upon monthly telephone surveys with approximately 9,000 U.S. workers, the *Index* tracks aggregate employment trends around career opportunities, hiring intentions, job satisfaction and retention. The data is compiled each month by Rasmussen Reports, LLC, an independent research firm (RasmussenReports.com).

Survey results are segmented by eleven metropolitan cities and four industries. The metro markets are: Atlanta, Boston, Chicago, Dallas, Los Angeles, Minneapolis-St. Paul, New York, Philadelphia, San Francisco, Tampa, and Washington, D.C. Industry sectors surveyed are accounting and finance, healthcare, information technology, and manufacturing. The *Hudson Employment Index* also measures employee confidence by age, gender, race and compensation levels.

Data reported in this release is based upon a national telephone survey of 9,281 working Americans during the month of August. The margin of sampling error for a survey based upon this many interviews is approximately 1 percent with a 95 percent level of confidence. The data is not seasonally adjusted. It will be reviewed at year-end to determine if seasonal adjustments are appropriate. The *Hudson Employment Index* is a service mark owned by Hudson Highland Group, Inc.

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**Special Note:** Safe Harbor Statement Under the Private Securities Litigation Reform Act of 1995: Except for historical information contained herein, the statements made in this release constitute forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. Such forward-looking statements involve certain risks and uncertainties, including statements regarding the company's strategic direction, prospects and future results. Certain factors, including factors outside of our control, may cause actual results to differ materially from those contained in the forward- looking statements, including economic and other conditions in the markets in which we operate, risks associated with acquisitions, competition, seasonality and the other risks discussed in our Form 10-K and our other filings made with the Securities and Exchange Commission, which discussions are incorporated in this release by reference.

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