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ManpowerGroup™

ManpowerGroup Employment Outlook Survey Q1 2021:

Hiring sentiment in Germany improves despite COVID-19

- **Germany Net Employment Outlook of 4%**
- **47% employers expect to return to pre-pandemic employment rate within the next 12 months**
- **Finance & Business Services (+17%) and large employers (+13%) report positive forecasts**

Frankfurt (08 December 2020) - The impact of the pandemic continues to influence labor markets around the world. Nevertheless, hiring outlooks are gradually improving in many markets for Q1, according to the latest data from ManpowerGroup's Employment Outlook Survey of over 38,000 employers in 43 countries. For Germany employers report stronger hiring intentions for the first quarter of 2021, resulting in a Net Employment Outlook of +4%.

“Without a doubt, the COVID 19 pandemic has severely impacted the economy. Yet, the signals indicate cautious optimism among German employers that the job market is regaining momentum in many areas, even though we are still in the middle of a global health crisis.” says Angela Olsen, Country Manager of ManpowerGroup Germany. “We work closely with our clients to help them facing the uncertainties of Covid-19. Staffing is generally an early indicator for an economic rebound as it offers organizations the flexibility and agility to adapt to changing demands.”

Finance & Business Services sector reports strong forecast

Employers in six of the seven industry sectors anticipate payroll gains during the upcoming quarter. The strongest labor market is expected in the Finance & Business Services sector where the Net Employment Outlook stands at +17%.

Construction sector employers report respectable hiring plans with an outlook of +11%, while outlooks of +9% and +8% are reported in the Wholesale & Retail Trade sector and the Other Services sector, respectively.

However, the Hospitality sector employers expect to trim payrolls, continuing the gloomy outlook of -13%. “This industry was hit particularly hard by the COVID-19 lockdown,” says Olsen. “And they weren't able to offset their enormous losses by switching to delivery services.”

Confidence in a labor market rebound differs across the regions

Employers in six of the eight regions expect to add to payrolls during the next three months. Both the West and the East of the country are experiencing an upward trend. Employers in six of eight German regions expect to grow staffing levels in the January to March time frame.

In the North, employers anticipate the strongest regional labor market with a healthy Outlook of +21%.

A more cautious optimistic employment outlooks of +10% are reported from three regions - Berlin, Region East and Region West. In the Southern region and in Munich, employers still expect Net Employment growth of +4% and +3% respectively

The weakest regional hiring pace is expected in Frankfurt and the Ruhr Region. Employers in Frankfurt anticipate employment outlooks of -3%, however this is an improvement compared to the previous quarter of 11 percentage points. For the Ruhr region employers who report a Net Employment Outlook of 0% decreasing quarter by quarter by 2 percentage points.

“It is extremely encouraging to see the upward trends from the regions that drive employment in Germany. At the same time, 47% employers expect to return to the pre-pandemic employment rate within the next 12 months, however one third of the sectors express great uncertainty about the future,” says Angela Olsen.

Countries with the strongest job forecasts globally

- Taiwan, +23%
- US, +17%
- Singapore, +15%
- Brazil, +10%
- Australia, +10%

Countries with the strongest job forecasts in Europe

- Greece, +9%
- Germany, +8%
- Ireland, +7%
- Sweden, +7%
- Belgium, +6%

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Detailed results of the Manpower Employment Outlook Survey for all participating countries, including an information chart, can be found at <https://www.manpowergroup.de/neuigkeiten/studien-und-research/arbeitsmarktbarometer/>.

About the Net Employment Outlook

**The Net Employment Outlook is derived by taking the percentage of employers anticipating total employment to increase and subtracting from this the percentage expecting to see a decrease in employment at their location in the next quarter. The*

value thus reflects the positive or negative hiring sentiment of the companies surveyed.

About the ManpowerGroup Employment Outlook Survey

The ManpowerGroup Employment Outlook Survey has been conducted in Germany for 17 years and is the only global survey that measures future hiring plans – how employers anticipate what will happen in the upcoming quarter, rather than measuring what has already happened. The survey is based on interviews with over 37,000 employers in business and the public sector in 43 countries. In Germany over 500 interviews were conducted.

The survey is unique in terms of its size, geographical distribution and sector coverage. The scope of this sample allows for detailed analyses to be performed across both sectors and regions. The individuals who are surveyed comprise a representative sample of employers in each country and have not been retrieved from Manpower's customer database. For over 55 years, employers all over the world have been asked the same question: "How do you anticipate total employment at your location to change in the coming three months as compared to the current quarter?". The survey results are well used by decision-makers and analysts worldwide.

ABOUT MANPOWERGROUP

ManpowerGroup® (NYSE: MAN), the leading global workforce solutions company, helps organizations transform in a fast-changing world of work by sourcing, assessing, developing and managing the talent that enables them to win. We develop innovative solutions for hundreds of thousands of organizations every year, providing them with skilled talent while finding meaningful, sustainable employment for millions of people across a wide range of industries and skills. Our expert family of brands – Manpower, Experis and Talent Solutions – creates substantial value for candidates and clients across more than 75 countries and territories and has done so for over 70 years. We are recognized consistently for our diversity - as a best place to work for Women, Inclusion, Equality and Disability and in 2020 ManpowerGroup was named one of the World's Most Ethical Companies for the eleventh year - all confirming our position as the brand of choice for in-demand talent.