

UNDER EMBARGO UNTIL 00:01 GMT June 9th, 2020

## Slovak employers report gloomy hiring plans for 3Q 2020

### *Hiring intentions weaken in all industry sectors, regions and organization size categories*

**Bratislava, 9<sup>th</sup> June** – According to the latest ManpowerGroup Employment Outlook survey release today, Slovakian employers report gloomy hiring prospects with a Net Employment Outlook (NEO)<sup>1</sup> of -12% for the coming quarter. Once the data is adjusted to allow for seasonal variation, the Outlook stands at -15%. Hiring prospects are the weakest since the survey began in 2011, declining sharply in comparison with both the prior quarter and last year at this time, by 21 and 23 percentage points, respectively - include respective COVID-19 data & insights.

Interviewing was carried out during the exceptional circumstances of the COVID-19 outbreak. The survey findings for the third quarter of 2020 are likely to reflect the impact of the global health emergency and may be notably different to previous quarters.

*"As a result of the epidemic, the economy has frozen for more than two months. While layoffs began to occur, which was reflected in a slight increase in unemployment, most companies decided to wait and used of state support programs to maintain employment. It remains to be seen what condition their product and service markets will be in after the end of the emergency. There will now be major shifts in the labour market between companies and individual sectors, and this concerns permanent employees, freelancers, agency employees and foreigners. Some companies are hiring new employees to make up for the outages of foreign workers. Some companies in the Czech Republic will not find a replacement for foreign specialists, craftsmen, technicians and mechanics and must move the delivery times of their products and services, as is happening in the construction industry, for example. However, as the ManpowerGroup Employment Outlook Survey shows, most employers are rather pessimistic about adding to payrolls."* said Zuzana Rumiz, Managing Director of ManpowerGroup Slovakia.

### **Industry sector comparisons**

Hiring intentions six of the seven Slovakian industry sectors are the weakest reported since the survey began in 2011. In the seventh – the Other Production sector – employers report their weakest forecast in seven years.

Employers in all seven industry sectors expect to trim payrolls during the next three months. The weakest labour market is forecast for the Restaurants & Hotels sector, where employers report a bleak Net Employment Outlook of -32%. Gloomy hiring prospects are reported in the Manufacturing sector, where the Outlook is -21%, and in both the Other Services sector and the Construction sector, where Outlooks stand at -16% and -15%, respectively. Elsewhere, Finance & Business Services sector employers report a pessimistic Outlook of -10%, while the Other Production sector Outlook stands at -9%. Wholesale & Retail Trade sector employers report uncertain hiring intentions with an Outlook of -3%.

Hiring plans weaken in all seven industry sectors when compared with the previous quarter. Steep declines of 33 and 25 percentage points are reported in the Restaurants & Hotels sector and the Construction sector, respectively. In the Other Services sector, the Outlook is 22 percentage points weaker and Manufacturing sector employers report a decrease of 20 percentage points. Noteworthy declines are also reported in the Finance & Business Services sector and the Wholesale & Retail Trade sector, decreasing by 18 and 16 percentage points, respectively.

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<sup>1</sup> The Net Employment Outlook is calculated by subtracting the percentage of employers anticipating a decrease in hiring activity from the percentage of employers anticipating an increase in employment. Seasonal adjustment is then applied to the data.



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In a year-over-year comparison, Outlooks also weaken in all seven industry sectors, most notably by 43 percentage points in the Restaurants & Hotels sector. Manufacturing sector employers report a steep decline of 29 percentage points and the Construction sector Outlook decreases by 25 percentage points. In both the Finance & Business Services sector and the Other Services sector, Outlooks decrease by 24 percentage points.

### **Regional comparisons**

Hiring prospects in all four Slovakian regions are the weakest reported since the survey began in 2011.

Employers in all four regions expect to reduce payrolls during the forthcoming quarter. The weakest hiring plans are reported in the Central region (-18%). Elsewhere, Bratislava employers report dim hiring prospects with an Outlook of -13%, and Outlooks of -12% are reported in both Eastern and Western Slovakia.

Hiring intentions decline in all four regions when compared with the previous quarter, most notably by 21 and 20 percentage points in Bratislava and Eastern Slovakia, respectively. In Central Slovakia, employers report a decrease of 19 percentage points, while the Western region Outlook weakens by 17 percentage points.

When compared with this time one year ago, hiring prospects also weaken in all four regions. Sharp decreases of 24 and 23 percentage points are reported in the Central and Bratislava regions, respectively, while the Outlook for Western Slovakia declines by 21 percentage points. In Eastern Slovakia, employers report a decrease of 18 percentage points.

### **Organization-Size Comparisons**

Employers in all four organization size categories expect a decline in payrolls during the forthcoming quarter. The weakest labour market is anticipated by Large employers who report a Net Employment Outlook of -25%. Elsewhere, gloomy hiring prospects are reflected in Outlooks of -14% and -12% for the Medium- and Small-size categories, respectively, while the Outlook for Micro firms stands at -7%.

Large employers report a sharp decrease of 36 percentage points when compared with the previous quarter, and the Outlook for Medium firms declines by 23 percentage points. Outlooks also weaken for Small- and Micro-size employers, declining by 14 and 9 percentage points, respectively.

Hiring intentions also decline in all four organization size categories when compared with this time one year ago, most notably by 41 percentage points in the Large size category. Medium employers report a decrease of 25 percentage points, while Outlooks are 16 and 11 percentage points weaker for Small- and Micro-size firms, respectively.

### **Global overview**

The strongest hiring pace is anticipated in Japan (+11%), India (+5%), the United States (+3%), China (+3%) and Taiwan (+3%). Employers in Singapore (-28%), Costa Rica (-21%), Colombia (-19%), Peru (-19%), and South Africa (-17%) forecast the weakest labor markets.

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### **Note to Editors**



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Commentary is based on seasonally adjusted data where available. Full survey results for each of the 43 countries and territories included in this quarter's survey, plus regional and global comparisons, can be found in the ManpowerGroup Press Room at [www.manpowergroup.com/meos](http://www.manpowergroup.com/meos). In addition, all tables and graphs from the full report are available to be downloaded for use in publication or broadcast from the ManpowerGroup Web site at: <http://www.manpowergroup.com/press/meos.cfm>.

ManpowerGroup has also released its ManpowerGroup Employment Outlook Survey Explorer tool, a new interactive way to examine and compare its data. The tool can be viewed at <http://www.manpowergroupsolutions.com/DataExplorer/>.

This survey is conducted quarterly to measure employers' intentions to increase or decrease the number of employees in their workforce during the next quarter. Slovakia is one of 43 countries and territories participating in the quarterly measurement of employer hiring intentions. The survey for Quarter 3 2020 was conducted by interviewing a representative sample of 425 employers in Slovakia and asking the same question: "How do you anticipate total employment at your location to change in the three months to the end of September 2020 as compared to the current quarter?"

The global ManpowerGroup Employment Outlook Survey has been running for more than 55 years and uses a validated methodology in accordance with the highest standards in market research. This survey helps to identify the hiring intentions of both regional and industry sector employers and facilitates preparation for labor market pressures.

#### **About the Survey**

The global leader in innovative workforce solutions, ManpowerGroup releases the ManpowerGroup Employment Outlook Survey quarterly to measure employers' intentions to increase or decrease the number of employees in their workforce during the next quarter. It is the longest running, most extensive, forward-looking employment survey in the world, polling over 34,000 employers in 43 countries and territories. The survey serves as a bellwether of labour market trends and activities and is regularly used to inform the Bank of England's Inflation Reports, as well as a regular data source for the European Commission, informing its EU Employment Situation and Social Outlook report the *Monthly Monitor*. ManpowerGroup's independent survey data is also sourced by financial analysts and economists around the world to help determine where labour markets are headed.

#### **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. See how ManpowerGroup is powering the future of work: [www.manpowergroup.com](http://www.manpowergroup.com).

#### **About ManpowerGroup Slovakia**

Through a network of six offices, we provide staff for around 500 clients. With employment opportunities in the public and private sector, on both a permanent and temporary basis, we make it easy for people to find employment and for companies to find staff with the skills they need. Solutions include permanent and temporary positions, holiday, maternity or sick coverage, through to large workforce transformation and outsourcing contracts.

More information available on [www.manpower.sk](http://www.manpower.sk).