

UNDER STRICT EMBARGO: NOT FOR PUBLICATION BEFORE 00:01 GMT TUESDAY 8 SEPTEMBER 2020

Bulgarian Employers Share Subdued Hiring Intentions for the Fourth Quarter of 2020 According to ManpowerGroup Employment Outlook Survey

- *The outlook improves by 9 percentage points and stands at +1%;*
- *Strongest hiring pace forecast for the Restaurants & Hotels sector, and weakest – for the Other Services sector;*
- *Varna and Plovdiv employers the only ones who expect to grow payrolls in the next three months;*
 - *64% of employers plan to offer remote work and flexible working hours.*

Sofia, Bulgaria, September 8th, 2020 –ManpowerGroup released today the results of their Employment Outlook Survey for the final quarter of 2020. 426 employers in Bulgaria answered the question “*How do you anticipate total employment at your location to change in the three months to the end of December 2020 as compared to the current quarter?*” and reported an Outlook of +1% once seasonal variations are removed from the data. Hiring plans improve by 9 percentage points when compared with the previous quarter, but decline by 8 percentage points in comparison with the same period last year.

Of all the employers surveyed, 6% expect to increase payrolls, 8% forecast a decrease, 79% anticipate no change and 7% are unsure of their hiring plans for the October-December period. However, they are more optimistic about the speed of return to normal compared to the previous quarter: 21% of them (against 13% in June) expect to get back to pre-COVID-19 hiring levels within the next 12 months. When asked about existing members of the workforce that have been placed on a job retention or furlough scheme, 16% of companies suggest they plan to bring them back full-time and 1% indicate these employees will be let go.

“Although the fourth-quarter forecast remains slow-paced as a consequence of the pandemic, there are some signs for encouragement as hiring confidence has improved in five industry sectors and two regions included in the survey. It is early to consider these improvements as a turnaround of the labor market but we do hope it means that the worst is already behind us”, explains Ivan Sherbanov, Operations Manager, ManpowerGroup Bulgaria. *“Our survey also highlights some of the long-lasting transformative effects that the pandemic has had on the workforce, as it asks employers how they expect their ways of working will change. Over a half (64%) of them plan to offer remote work and flexible hours in the post-pandemic workplace, and 10% expect to provide 100% remote work to their employees.”*

Employers also anticipate offering more opportunities for their employees to learn and develop new skills (11%) alongside more health and wellbeing benefits (11%) as the demands of workers shift with many hoping to leverage a hybrid-working model.

In the coming quarter, employers in five of the seven industry sectors expect to add to payrolls. The strongest hiring pace is forecast for the Restaurants & Hotels sector, where the Net Employment Outlook is +7% and registers a sharp increase of 23 percentage points when compared with the previous quarter. Finance & Business Services sector employers expect modest job gains, reporting an Outlook of +5%, and Outlooks of +3% are reported in both the Manufacturing sector and the Other Production sector. In the Construction sector, employers anticipate limited hiring activity with an Outlook of +1%, but payrolls are forecast to decline in two sectors – the Other Services sector and the Wholesale & Retail Trade sector – with Outlooks of -9% and -5%, respectively.

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Hiring plans strengthen in five of the seven industry sectors when compared with the previous quarter. In addition to the Restaurants & Hotels sector, Other Production sector employers also report a considerable improvement of 12 percentage points. Elsewhere, the Construction sector Outlook is 9 percentage points stronger and an increase of 3 percentage points is reported for the Other Services sector. However, Wholesale & Retail Trade sector employers report a decline of 3 percentage points and the weakest labor market since the survey began 10 years ago.

MANPOWERGROUP NET EMPLOYMENT OUTLOOK	Q4_19	Q3_20	Q4_20
NATIONAL TOTAL: BULGARIA	+9%	-8%	+1%
CONSTRUCTION	+14%	-8%	+1%
FINANCE, INSURANCE, REAL ESTATE & BUSINESS SERVICES	+11%	+3%	+5%
MANUFACTURING	+10%	+3%	+3%
OTHER PRODUCTION (Mining & Quarrying; Agriculture, Hunting, Forestry & Fishing; Electricity, Gas & Water)	+7%	-9%	+3%
OTHER SERVICES (Public & Social; Transport, Storage & Communication)	+7%	-12%	-9%
RESTAURANTS & HOTELS	+3%	-16%	+7%
WHOLESALE & RETAIL TRADE	+8%	-2%	-5%

Region-wise, employers in two of the five regions expect to grow payrolls during the next quarter. The strongest hiring prospects are reported in Varna where the Net Employment Outlook stands at +6%, while Plovdiv employers' Outlook is +5%. Employers in both Burgas and Rousse forecast a decline in payrolls, reporting Outlooks of -5% and -4%, respectively, and Sofia employers expect a flat labor market with an Outlook of 0%. When compared with the previous quarter, hiring intentions strengthen in all five regions with Burgas and Varna showing considerable improvements of 16 and 14 percentage points, respectively. Elsewhere, Plovdiv employers report an increase of 9 percentage points, while the Outlook for Rousse improves by 3 percentage points.

MANPOWERGROUP NET EMPLOYMENT OUTLOOK	Q4_19	Q3_20	Q4_20
NATIONAL TOTAL: BULGARIA	+9%	-8%	+1%
BURGAS	+7%	-21%	-5%
PLOVDIV	+9%	-4%	+5%
ROUSSE	+3%	-7%	-4%
SOFIA	+9%	-2%	0%
VARNA	+13%	-8%	+6%

In addition, hiring prospects improve in all four organization size categories for the October-December period. Large employers (250+ employees) expect to increase payrolls during the upcoming quarter, reporting a Net Employment Outlook of +8% while Medium employers (50-249 employees) report flat hiring intentions with an Outlook of 0%, and Outlooks stand at -1% and -2% for Small- (10-49 employees) and Micro-size (less than 10 employees) employers, respectively. Hiring prospects improve in all four organization size categories when compared with the previous quarter, most notably by 14 percentage points for Large firms and by 12 percentage points in the Medium-size category. Elsewhere, slight increases of 3 and 2 percentage points are reported by Small- and Micro-size employers, respectively.

You can find detailed results from the ManpowerGroup Employment Outlook Survey for all participating countries at www.manpowergroup.com/workforce-insights/data-driven-workforce-insights/manpowergroup-employment-outlook-survey-results.

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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 80 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.

About ManpowerGroup Bulgaria

ManpowerGroup Bulgaria is part of ManpowerGroup® and one of the leaders on the Bulgarian market in contingent and permanent recruitment solutions, staff assessment, RPO and career consulting. With branches in Sofia, Plovdiv, Burgas and Varna, ManpowerGroup Bulgaria has been providing organisations in the country with a continuum of staffing solutions for 12 years now, working with businesses from all industry sectors and giving them access to the people they need, fast. In 2019 ManpowerGroup Bulgaria was distinguished with Automotive Cluster Bulgaria special award *Recruitment Company with the Biggest Contribution to the Industry*. Find more information about ManpowerGroup Bulgaria at www.manpower.bg.

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