



## Press Release

Embargo till 00:01 GMT, 13 June 2017

### **ManpowerGroup Employment Outlook Survey: Germany's Fourth-Quarter Outlook Remains Cautiously Optimistic / Large Companies Are Increasingly Ready to Hire**

- 40 percent of German employers in larger companies intend to hire new employees
- Employers in Frankfurt report the strongest employment outlook in a city by city comparison
- Finance & Business Services and Manufacturing sector employers report the most positive fourth-quarter forecasts

Eschborn, September 12, 2017 – German employers report modest hiring intentions for the upcoming quarter: 13 percent of companies plan to recruit employees between October and December 2017. This is an increase of two percentage points compared to the previous quarter. Among the large corporations, however, considerably more than one third of businesses are planning new hirings by the end of the year (40 percent). The seasonally adjusted Net Employment Outlook for the fourth quarter of 2017 is cautiously optimistic and reaches a level of +5 percent. With a decrease of one percentage point since the previous quarter, this figure is relatively stable. “From a macroeconomic perspective, declines in the individual sectors and regions are currently balanced out by peaks in Manufacturing sectors and in the large cities,” says Herwarth Brune, Chairman of the Executive Board of ManpowerGroup Germany. “The strength of German exports is helping corporations and industries and, accordingly, the employment outlook is strong among this group of employers.” Employers in the Manufacturing sector report the strongest hiring confidence since the beginning of 2012 with a seasonally adjusted Net Employment Outlook of +10 percent points. Only employers in the Finance, Insurance & Real Estate sector report a stronger fourth-quarter forecast with an Outlook of +13 percent. These are the results of the ManpowerGroup Employment Outlook Survey for the fourth quarter of 2017, for which 1,000 employers in Germany were polled.

99 percent of all large German corporations with 250 or more employees want to grow, or at least are planning no dismissals. Four out of 10 employers in companies of this size are specifically looking to hire new employees in the fourth quarter of 2017. This means that the German corporate landscape is thriving with a seasonally adjusted Net Employment Outlook of +38 percent. This corresponds to an increase of 13 percentage points compared to the previous quarter and represents the strongest outcome since the beginning of the survey, differentiated by company size, in 2008. “Large, globally operating companies, such as the Dax corporations, can expect a record year. Their turnover has improved by a third compared

to the same period in the previous year. This is why they are searching for new employees at full speed, just like many companies in other countries,” says Brune. “The German mid-sized sector must find good arguments to hold its own against the large corporations when competing for the most skilled personnel.” Additionally, 27 percent of employers in medium-sized companies are also planning to hire new employees this year, according to the survey. The seasonally adjusted Net Employment Outlook is up by 20 percentage points here too. This is the strongest forecast since 2011. Among small companies, the level dropped from +14 percent reported in the previous year to +10 percent.

### **Finance & Business Services and Manufacturing sectors are on the rise; Wholesale & Retail Trade sectors have the sharpest decline of hiring intentions since 2003**

On the whole, the seasonally adjusted Net Employment Outlook is positive for the fourth quarter in four out of nine analyzed industries in Germany; this is down from seven in the third quarter. Employer confidence in the Wholesale & Retail Trade sector, which is heavily represented by small companies, faced the steepest decline. Here the Net Employment Outlook in the fourth quarter is at -6 percent, which is 11 percentage points weaker than the previous year and 13 percentage points weaker than the previous quarter. This is the strongest decline of hiring intentions since the start of the survey in 2003. Hiring intentions in Transportation & Communication sectors as well as Electricity, Gas and Water suppliers are declining slightly.

As in the previous quarters, the strongest hiring prospects are reported in the Finance & Business Services sector. In this area the seasonally adjusted Net Employment Outlook for the fourth quarter 2017 comes to +13 percent – an additional growth by 2 percentage points compared to the previous quarter. The Manufacturing sector forecast is also among the four most optimistic sectors. With an employment outlook of +10 percent, it lies four percentage points above the previous quarter making this the strongest quarterly advance in all sectors and representing the most optimistic forecast in this sector since the beginning of 2012. Construction as well as the Public Administration are also among the economic sectors with a favorable employment climate.

### **The strongest employment outlook is reported in Frankfurt; Berlin catching up**

The employment outlook in the city on the Main is at an upbeat +14 percent. This is one percentage point more than in the previous quarter and five percentage points more than in the previous year. Employers in every fifth company in Frankfurt am Main want to recruit. “Nine out of ten Frankfurt companies belong to the Finance & Business Services sector, which shows the best employment outlook among all sectors,” explains ManpowerGroup Germany CEO Herwarth Brune. “As a result of Brexit, Frankfurt will grow in importance for



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the Financial

Services sector. The companies can anticipate an influx of professionals from London as a result of Brexit,” says Brune.

In Munich, approximately every fifth company also plans to hire people in the fourth quarter of 2017 (21 percent). But as six percent are planning staff reductions, the Bavarian capital only achieves a seasonally adjusted Net Employment Outlook of +11 percent. Compared to the previous quarter, this means a decrease of two percentage points.

Although the employment outlook in Germany’s capital is not as high as in Frankfurt or Munich, it is a cautiously optimistic +7 percent and has caught up significantly: Compared to the third quarter, Berlin gains five percentage points and has improved six percentage points compared to the previous year. “All of Eastern Germany is showing a positive development,” Brune says. The eastern region is gaining five percentage points compared to the previous quarter and is even nine percentage points stronger compared to the previous year.

The main loser in the regional comparison is the Ruhr area with an employment outlook of -6 percent in the fourth quarter – a loss of 15 percentage points compared to the previous year. The north shows a seasonally adjusted Net Employment Outlook of +2 percent. Hamburg, with 28 percent of companies ready to hire, is particularly instrumental in bringing stability to this region.

### **Global forecasts are mostly positive**

Fourth-quarter forecasts are mostly positive with employers in 42 of 43 countries and territories expecting workforces to grow by varying margins over the next three months. Only employers in Switzerland forecast a flat fourth-quarter hiring pace. As a result, for the first time since Quarter 2 2008 and the ensuing global recession there are no negative Net Employment Outlooks in any of the 43 countries and territories surveyed. When compared with Quarter 3 2017, Outlooks improve in 23 of the 43 countries and territories, decline in 13 and are unchanged in seven. When compared with this time one year ago, hiring plans strengthen in 25 of the 43 countries and territories, weaken in 15 and are unchanged in three. The most optimistic Net Employment Outlooks are reported in Japan, Taiwan, Costa Rica, India and Hungary. The weakest fourth-quarter hiring plans are reported in Switzerland, Brazil and the Czech Republic.

Across the 25 countries in the Europe, Middle East and Africa (EMEA) region, employers expect some job growth in 24 countries, with only Swiss employers expecting a flat hiring environment. Hiring intentions strengthen in 13 countries when compared with the third quarter, weaken in nine, and are unchanged in three. In the year-over-year comparison employers in 15 countries report stronger forecasts, those in eight expect the hiring pace to slow, while forecasts in two countries remain unchanged. For the second consecutive



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quarter employers in Hungary report the EMEA region's strongest forecast. Swiss employers report the weakest fourth-quarter hiring plans. The Outlook in the neighboring country Austria grows

moderately stronger in both quarter-over-quarter and year-over-year comparisons, propelled by considerable gains from the prior quarter's survey in the Transport, Storage & Communications and Manufacturing sectors.

Payroll growth is forecast in each of the eight Asia Pacific countries and territories, with hiring prospects improving from three months ago in five, declining in two and remaining unchanged in one. When compared to Quarter 4 2016, forecasts strengthen in four countries and territories, decline in three and are unchanged in one. Employers in Japan and Taiwan report the strongest job prospects while the weakest forecast is reported in China.

You can find more detailed results from the ManpowerGroup Employment Outlook Survey for all participating countries including infographics [here](#).

### **About the survey**

The ManpowerGroup Employment Outlook Survey is the longest-running, most extensive, forward-looking employment survey in the world, commencing in 1962 and now polling over 59,000 employers in 43 countries and territories to measure their intentions to increase or decrease the number of employees in their workforce during the next quarter. The survey serves as a bellwether of labor 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 the health of labor markets.

### **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 over 400,000 clients and connect 3+ million people to meaningful, sustainable work across a wide range of industries and skills. Our expert family of brands – Manpower®, Experis®, Right Management® and ManpowerGroup® Solutions – creates substantially more value for candidates and clients across 80 countries and territories and has done so for nearly 70 years. In 2017, ManpowerGroup was named one of the World's Most Ethical Companies for the seventh consecutive year and one of Fortune's Most Admired Companies, confirming our position as the most trusted and admired brand in the industry. See how ManpowerGroup is powering the future of work: [www.manpowergroup.com](http://www.manpowergroup.com)

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