



ManpowerGroup™

UNDER STRICT EMBARGO:

NOT FOR PUBLICATION BEFORE 00.01 GMT 13 March 2018

Press release
March 13, 2018

ManpowerGroup Employment Outlook Survey: Hiring intentions reported by Finnish employers strongest in five years

The ManpowerGroup Employment Outlook Survey for the second quarter of 2018 was conducted by interviewing a representative sample of 626 employers in Finland. Finnish employers report favorable hiring plans for the April–June time frame with 22% of employers forecasting an increase in staffing levels, 6% anticipating a decrease and 72% expecting no change. The seasonally adjusted Net Employment Outlook thus stands at +10%. Compared with the previous quarter, hiring prospects are 2 percentage points stronger and 6 percentage points stronger in comparison with the second quarter of 2017. Payrolls are expected to increase in three regions out of the four. Employers in eight of the 10 industry sectors expect an increase in staffing levels during the coming quarter.

According to the ManpowerGroup Employment Outlook Survey released today, Finnish employers have highly favorable hiring intentions in the second quarter of 2018. 22% of employers forecast an increase in staffing levels, 6% anticipate a decrease and 72% expect no change. The seasonally adjusted* Net Employment Outlook for the second quarter of 2018 is +10%. Compared with the previous quarter, hiring prospects are 2 percentage points stronger.

The latest ManpowerGroup Employment Outlook Survey, released today, reveals that Finnish employers are very optimistic in terms of hiring, with the strongest Employment Outlook since the survey began over five years ago. Three of four regions predict payroll gains in the forthcoming quarter. Northern Finland employers report the strongest hiring plans with a healthy Net Employment Outlook of +26%, while steady workforce growth is forecast in both Southern and Eastern Finland, with Outlooks of +16% and +12%, respectively. However, employers in Western Finland anticipate an uncertain hiring climate, reporting an Outlook of -2%.

Employers in five of the 10 industry sectors report higher hiring intentions when compared with the previous quarter, and six out of the 10 industry sectors report higher Outlooks when compared with this time one year ago.

“We are seeing an improved situation in the labour market and both consumer and business confidence are at a historically high level”, says **Matti Kariola**, ManpowerGroup Finland’s Managing Director. “Employment intentions have been strengthening three quarters in a row now, as Finland has managed

to improve its overall competitiveness and enjoyed the tailwinds from its trading partners. This is excellent news for job seekers, albeit employment is not improving as fast as it should. In fact, companies are facing severe talent shortages with skilled trade workers as well as with IT, digital, sales and customer services professionals.”

In Europe, Middle East & Africa (EMEA region), workforce increases are planned in 25 of 26 countries. Based on seasonally adjusted data, employers in Hungary have the most optimistic hiring plans in the EMEA region, driven partly by strong projections in the Construction sector. In the Nordics, the strongest Outlooks are reported in Finland.

Regional analyses – Northern Finland stands out

Employers in three regions out of the four report increased hiring plans for the upcoming quarter. Northern Finland employers report the strongest hiring plans with a high Net Employment Outlook of +26%. A steady increase in the workforce is predicted in Southern and Eastern Finland with Outlooks of +16% and +12%, respectively. Western Finland employers report an uncertain hiring climate with an outlook of -2%.

“The employment outlook in Northern Finland is the strongest since the survey began,” says Kariola. “Foreign tourism has been growing favorably all last year and is benefitting hotel and restaurant businesses as well as retail. Lapland resorts are constantly struggling to hire the numbers they would need, but there is simply not enough supply.”

A steep improvement of 21 percentage points is reported in Northern Finland when compared with the previous quarter. The Outlook for Western Finland is 2 percentage points stronger, while employers in Southern and Eastern Finland forecast relatively stable hiring prospects in comparison to the first three months of the year.

Compared to the same period one year ago, Northern Finland prospects improve sharply by 41 percentage points. Eastern Finland employers forecast a considerable increase of 9 percentage points, while Southern Finland reports an increase of 7 percentage points in the hiring Outlook. Western Finland reports a decline of 5 percentage points.

Industry sector analyses – employers in the majority of industry sectors anticipate positive hiring climate

Finance, Insurance, Real Estate & Business Services sector employers report the most optimistic hiring prospects with a Net Employment Outlook of +21%, while the Manufacturing sector and Construction sector predict favorable labor markets, with Outlooks of +20% and 19%, respectively. A steady hiring pace is expected by Restaurants & Hotels sector employers, reporting a +15% Outlook. A +7% Outlook stands for both the Public & Social sector and the Wholesale & Retail Trade sector. Mining & Quarrying

sector employers predict stagnant hiring activity with an Outlook of 0%, while a decline is expected in payrolls in the Transport, Storage & Communication sector, with an Outlook of -7%.

Hiring intentions improve in five of the 10 industry sectors when compared with the previous quarter. Construction sector employers forecast a considerable increase of 24 percentage points, while both the Manufacturing sector and the Restaurants & Hotels sector have 10 percentage points higher Outlooks. Meanwhile, four sectors report weaker hiring plans, most significantly by 13 percentage points in the Transport, Storage & Communication sector, and by 7 percentage points in the Agriculture, Hunting, Forestry & Fishing sector.

“Hiring intentions are robust among different sectors, which signifies growth in the Finnish economy, particularly in the manufacturing industry”, Kariola analyzes. “However, employers are concerned with the lack of an available labor force and in-demand skills, which is expected to be one of the biggest bottlenecks for faster growth. This is an issue that requires attention across society.”

Compared with this time one year ago, employers in six of the 10 industry sectors report higher Outlooks. Employers in the Construction sector and the Manufacturing sector report steep improvements, 35 and 25 percentage points, respectively. An increase of 7 percentage points is reported by employers in the Finance, Insurance, Real Estate & Business Services sector, and employers in the Mining & Quarrying sector report a higher Outlook of 6 percentage points. Hiring prospects are weaker, for instance, in the Transport, Storage & Communication sector, where the decline is 6 percentage points.

Company size comparisons – quarter-over-quarter growth in all categories

A growth in staffing levels is predicted across all four company sizes during the forthcoming quarter. A healthy level of hiring is predicted by Medium- (50-249 employees) and Large-size employers (250 or more employees), which report a Net Employment Outlook of +23% and +22%, respectively. Small employers (10-49 employees) forecast respectable hiring intentions with an Outlook of +14%, while the Outlook for Micro firms (less than 10 employees) is at +10%.

Compared with the first quarter of 2018, Large employers predict a growth of 3 percentage points, while Medium- and Micro-size employers report Outlooks 2 percentage points stronger. No quarter-over-quarter change is forecast by Small employers.

Medium- and Micro-size employers report a 7 percentage point increase in hiring plans compared with this time one year ago. Large employers report a growth of 6 percentage points, while Small employers report a relatively stable Outlook.

* Following the accumulation of more than four years of data, Finland’s ManpowerGroup Employment Outlook Survey now features seasonally adjusted data. Seasonal adjustment is a calculation method used to standardize time series for regularly

occurring seasonal variation. This allows presentation of the data without the effect of fluctuations triggered by commonly encountered events such as seasonal weather changes, public holidays, harvests or school schedules. Seasonal adjustment makes it easier to observe cyclical and other underlying trends in data collected over time.

The following files are available for download at <http://www.manpowergroup.fi/ajankohtaista1/>

- Full report
- Diagrams
- Infographics
- Photo of Matti Kariola, Managing Director
- Photo of Mika Wilén, Director, Marketing & Communications

The Q3/2018 Manpower Employment Outlook Survey will be published on 12 June 2018.

Results for all 44 countries can be viewed in the new interactive [Manpower Employment Outlook Survey Explorer tool](https://www.manpowergroup.com/DataExplorer/) at <https://www.manpowergroup.com/DataExplorer/>

About the ManpowerGroup Employment Outlook Survey

The ManpowerGroup Employment Outlook Survey is conducted quarterly to measure employers' intentions to increase or decrease the number of employees in their workforces during the next quarter. ManpowerGroup's comprehensive forecast of employer hiring plans has been running for more than 55 years and is one of the most trusted surveys of employment activity in the world. Various factors underpin the success of the Manpower Employment Outlook Survey:

Unique: It is unparalleled in its size, scope, longevity and area of focus.

Projective: The ManpowerGroup Employment Outlook Survey is the most extensive, forward-looking employment survey in the world, asking employers to forecast employment over the next quarter. In contrast, other surveys and studies focus on retrospective data to report on what occurred in the past.

Independent: The survey is conducted with a representative sample of employers from throughout the countries and territories in which it is conducted. The survey participants are not derived from ManpowerGroup's customer base.

Robust: The survey is based on interviews with over 59,000 public and private employers across 44 countries and territories to measure anticipated employment trends each quarter. This sample allows for analysis to be performed across specific sectors and regions to provide more detailed information.

Focused: For more than 55 years the survey has derived all of its information from a single question:

For the 2Q 2018 research, all employers participating in the survey worldwide are asked the same question, "How do you anticipate total employment at your location to change in the three months to the end of June 2018 as compared to the current quarter?"

¹ The Net Employment Outlook for the second quarter of 2018 in Finland is +10%. The Outlook is calculated by taking the percentage of employers anticipating an increase in hiring activity and subtracting from this the percentage of employers expecting to see a decrease in employment at their location in the next quarter. The result of this calculation is the Net Employment Outlook. The data has been seasonally adjusted.

More information:

Matti Kariola, Managing Director

ManpowerGroup Oy

matti.kariola@manpowergroup.fi

Tel. +358 (0)40 824 0117

Mika Wilén, Director, Marketing & Communications

ManpowerGroup Oy

mika.wilen@manpowergroup.fi

Tel. +358 (0)41 455 2970

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 70 years. In 2018, ManpowerGroup was named one of the World's Most Ethical Companies for the eighth 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