



**Under strict embargo for release on 13 March 2018 at 0:01 UTC/GMT**

ManpowerGroup Employment Outlook Survey:

## **Buoyant mood among German employers: Hiring plans at strongest levels in eight years**

- **Twelve percent of German employers plan to hire new staff**
- **Trend is mainly among medium-sized companies and manufacturing industry**
- **One in five Berlin-based employers expect to add new staff in the second quarter**

**Eschborn, 13<sup>th</sup> March 2018 – The mood in the German economy is excellent and the order books are mostly full. For this reason, many more employers are planning to hire new staff than in the previous months. The seasonally adjusted Net Employment Outlook stands at a moderate +8 percentage points in the second quarter of 2018. Compared to the previous quarter and to the second quarter of 2017, hiring plans have risen slightly by two percentage points. Approximately one in eight employers in Germany plans to boost their staff numbers between April and June 2018. Only two percent are considering cutting jobs. The labor force will remain stable for the majority of employers. The outlook is particularly positive among medium-sized enterprises and the manufacturing industry.**

**“The medium-sized enterprises are living up to their role of being the engine of the economy”, says Herwarth Brune, CEO of ManpowerGroup Germany. “However, the positive mood is not limited to specific company sizes, industries and regions for the next quarter. The overall employment outlook has not been this good across all sectors for a long time.” From a regional perspective, the trend is being set by the capital: Berlin employers report the strongest employment outlook followed by hiring plans reported in Frankfurt. These are the results of the Manpower Employment Outlook Survey for the second quarter of 2018, for which 1,000 employers in Germany were surveyed.**

**+++ You can find the results of the study in a compact format as a video and infographics [here](#) +++**

Confidence among German employers is growing according to the latest ManpowerGroup Employment Outlook Survey. Of the German employers surveyed, 97 percent plan to grow or maintain their current workforces. In fact, 12 percent of the 1,000 employers surveyed said they planned to hire new staff over the next few months.

The driver of this development is mainly the medium-sized enterprises. The seasonally adjusted Net Employment Outlook among medium-sized enterprises is +29 percent, which is the strongest forecast reported by this group in ten years. In the first quarter of 2018, this figure stood at +17 percent which was an increase of an impressive 12 percentage points. One in



ManpowerGroup™

## Press Release

three medium-sized enterprises (33 percent) plans to hire new staff between April and June. Small companies have also boosted their forecast from +7 percent in the previous quarter to +14 percent in the second quarter of 2018. There is also a positive trend among the very large and the very small enterprises, but this is much weaker. Although employers in large companies report a figure of +35 percent, this is an increase of only three percentage points.

“Germany’s medium-sized enterprises have shown once more that they are well prepared for the future with a solid capital base and a sustainable HR strategy,” says Brune. “Many enterprises from Germany’s digital sector have grown out of the startup status and now belong to the medium-sized driving forces. Skilled workers are urgently required in sectors such as IT, telecommunications et al”.

Besides trending industries such as IT, Germany’s medium-sized enterprises traditionally include many companies from the Manufacturing industry. Employers from this sector have also reported their strongest forecast in ten years with +14 percentage points. The seasonally adjusted Net Employment Outlook in the second quarter of 2018 for the Manufacturing industry increased by 7 percentage points compared to the first quarter and by 6 percentage points compared to the same quarter of last year.

### **All nine industries positive – especially Industry and Logistics**

The Outlook for the second quarter of 2018 indicates that employers in all nine industry sectors expect to add to their payrolls over the next three months. The biggest surge in hiring plans is reported by employers in the transport, storage and communications sector with a seasonally adjusted employment outlook of +10 percent and an increase compared to the previous quarter of 13 percentage points. The Outlook improves 9 percentage points compared to the previous year. Retail has stabilized at a cautiously optimistic level. With an outlook of +5 percent, the forecast is more conservative than other industries, but has added another 1 percentage point compared to the previous quarter and three percentage points compared to the previous year. “In the past, there were some painful declines in retail, such as at the end of 2016 when the figure fell to -10 percent. However, the retail business has made a good recovery thanks to strong domestic demand. Exports have also climbed to record levels in 2017,” concludes Herwarth Brune.

The forecast in the utilities, gas, water and electricity sector declines moderately when compared to the previous quarter, although it still has a positive employment outlook of +11 percent. In the first quarter, this figure stood at +16 percent.

It is also worth mentioning the slight decline in the sector for finance, real estate, insurance and corporate service providers from +9 percent in the previous quarter to +8 percent in the second quarter of 2018. This industry used to post the best figures for hiring plans for many years and now finds itself falling behind other sectors for the first time. Furthermore, 6 percent

of the sector's employers are planning to cut jobs. Large banks, in particular, hit the headlines with this news. "The digital rebuilding of the banking sector and further automation could have an effect on the staff in bank branches – although this effect will not be as serious as some suggest. After all, digitization also offers opportunities for staff with technical skills", says Brune. "What's more, some jobs will be transferred from London to other cities, such as Frankfurt, as a result of Brexit".

## **One in five Berlin-based employers plans to hire new staff – Frankfurt a strong second among big cities**

The German banking center Frankfurt am Main is also well positioned. The current outlook of +15 percent represents an increase of 4 percentage points compared to the first quarter of 2018 and of 8 percentage points compared to the same quarter of last year.

With a seasonally adjusted Net Employment Outlook of +18 percent, hiring plans are stronger among Berlin-based employers than in any other region. After a similarly strong second quarter in 2017, the figure dropped to +2 percent and has developed positively ever since. The increase compared to the first quarter of 2018 amounts to 8 percentage points. At the moment, 21 percent of employers are planning to hire new staff and none are looking to make job cuts.

Employers in Eastern Germany also anticipate second-quarter job gains. The outlook for the second quarter of 2018 stands at +4 percent after a negative result of -4 percent in the first quarter and -2 percent in the second quarter of 2017.

Even the Ruhr Valley region has returned positive results for the employment outlook for the second quarter of 2018 with +3 percent, despite a slight decrease of 1 percentage point.

## **Global Employment Outlook remains at a high level**

Employers forecast varying levels of job gains in 43 of 44 countries and territories during the April-June time frame, including Croatia where employers, surveyed for the first time, report healthy hiring intentions based on unadjusted survey data. When forecasts are compared with those reported in the first-quarter, hiring intentions improve in 17 countries and territories, decline in 17 and are unchanged in nine.\*\* Some upward momentum is detected in the year-over-year comparison with forecasts improving in 25 of 43 countries and territories, declining in 13, and remaining unchanged in five.

Among the countries and territories featuring seasonally adjusted data, confidence is strongest in Taiwan, Japan, Hungary and the United States, while the weakest hiring prospects are reported in Italy, the Czech Republic and Switzerland.

# Press Release



ManpowerGroup™

Some noteworthy developments are observed in the second-quarter forecast. Employer confidence in Brazil has improved steadily for five consecutive quarters, and Brazil's cautiously optimistic second-quarter forecast indicates progress toward recovery following the negative Outlooks that prevailed through much of 2015 and all of 2016. Elsewhere, Finnish employers report their most optimistic forecast since launching the survey in 2012.

You can find more detailed results from the Manpower 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 44 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 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](http://www.manpowergroup.com)

---

# Press Release



## **Press contact**

Faktenkontor GmbH

Clemens Hoh / Nicole Schütze

Wiesenhüttenplatz 26

60329 Frankfurt am Main

Tel.: +49 69 2474980-20

E-Mail: [manpower@faktenkontor.de](mailto:manpower@faktenkontor.de)