Q1 2023

ManpowerGroup Employment Outlook Survey

ManpowerGroup®

Demand for Skilled Talent Persists for Q1 Despite Global Headwinds

Executive Summary

- Used internationally as a bellwether of economic and labor market trends, the Net Employment Outlook – calculated by subtracting the percentage of employers who anticipate reductions to staffing levels from those who plan to hire – now stands at +23%, down (-6%) from Q4 and (-14%) than this time last year.

- Organizations in the IT industry report the most optimistic Outlook (+35%); followed by Financials & Real Estate (28%), and Energy & Utilities (+26%).

- The brightest hiring intentions for next quarter are in North America (+31%) and South and Central Americas (+28%), with the greatest expectations in Panama (+39%), Costa Rica (+35%) and Canada (34%).

- Large organizations (250+ employees) are more than twice as optimistic as micro (less than 10 employees) to hire in the coming quarter with Outlooks of 29% and 13%, respectively.

Table of Contents

4

Q1 Employment Outlooks

15

How Today's Trends are Impacting Jobs

23

Workforce Trends & Challenges

26

**About the ManpowerGroup Employment Outlook Survey**

Q1 Employment Outlooks

Global Employment Outlook for Q1 2023

In the latest edition of the ManpowerGroup Employment Outlook Survey of nearly 39,000 employers, 12 of the 41 countries and territories report higher intentions than the previous quarter. Employers around the world are still expecting to hire more workers in the first quarter of 2023, reporting a seasonally adjusted, **Net Employment Outlook of +23%**. Hiring intentions decrease both year-over-year and quarter-over-quarter by -14% and -6%, respectively.

+23%
Net Employment Outlook Globally

Plan to Hire	Expect a Staffing Decrease	Plan to Keep Workforce Levels Steady	Undecided
41%	18%	38%	3%

Employer Hiring Expectations for January – March

When considering how staffing levels will change during the first quarter, **employers in 39 of 41 countries and territories anticipate a net positive hiring Outlook**.

Seasonally Adjusted, Net Employment Outlooks (%)

Panama, 39 · Costa Rica, 35 · Canada, 34 · Singapore, 33 · Guatemala, 32 · Australia, 32 · India, 32 · Peru, 31 · United States, 29 · Austria, 29 · Turkey, 29 · Mexico, 28 · Israel, 28 · Brazil, 27 · Finland, 27 · France, 27 · Puerto Rico, 26 · South Africa, 26 · China, 25 · Ireland, 25 · Switzerland, 24 · Colombia, 23 · Belgium, 23 · Norway, 23 · Sweden, 23 · Hong Kong, 22 · Netherlands, 20 · United Kingdom, 19 · Germany, 17 · Romania, 13 · Portugal, 12 · Taiwan, 11 · Italy, 10 · Argentina, 9 · Japan, 8 · Greece, 7 · Slovakia, 5 · Spain, 3 · Czech Republic, 1 · Poland, -2 · Hungary, -8

Moderate Hiring Expected in the First Quarter of 2023

With stable outlooks across the regions, **employers in North America (+31%) reported the strongest hiring intentions**, followed by South and Central America (+28%), Asia Pacific (+25%), and EMEA (+18%).

Strongest Hiring Prospects

Panama	Costa Rica	Canada
+39%	+35%	+34%

Weakest Hiring Prospects

| Czech Republic	Poland	Hungary
+1%	-2%	-8%

Quarterly Changes As Employers Respond to Challenges

Hiring confidence continues to drop across countries as concerns rise over possible recession and steady inflation.

Quarter-Over-Quarter Changes to Seasonally Adjusted, Net Employment Outlooks (%)

Country	Value
Greece	9
Austria	6
Taiwan	4
Israel	4
Canada	3
Argentina	3
Turkey	3
Romania	3
Switzerland	2
Panama	1
Japan	1
Spain	1
Peru	-1
Finland	-1
Poland	-2
Singapore	-3
Ireland	-3
Germany	-3
Italy	-3
Slovakia	-3
Hungary	-3
United States	-4
South Africa	-4
United Kingdom	-5
Puerto Rico	-6
Guatemala	-6
Australia	-6
France	-7
Netherlands	-8
Belgium	-10
Norway	-11
Sweden	-11
Czech Republic	-11
Mexico	-12
Portugal	-15
Costa Rica	-16
China	-18
Colombia	-20
Brazil	-21
Hong Kong	-21
India	-22

Outlooks Year-over-Year & Quarter-over-Quarter

Hiring expectations improve in 4 countries and territories when compared to one year ago and in 12 since last quarter.

For the second consecutive quarter,
the greatest **Year-over-Year improvements**
are reported in Singapore (+19%),
and Panama (+4%) and Costa Rica (+3%).
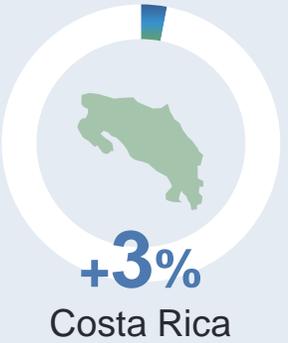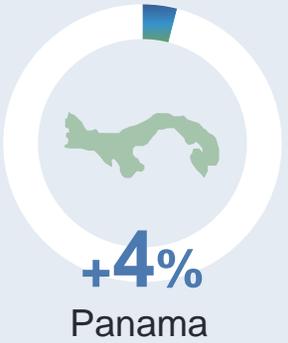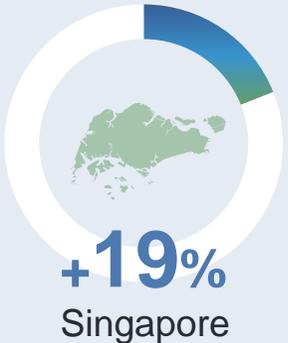
The most significant
Quarter-over-Quarter improvements are
reported in Greece (+9%), Austria (+6%),
Taiwan (+4%), and Israel (+4%).

+19% Singapore

+4% Panama

+3% Costa Rica

+9% Greece

+6% Austria

+4% Taiwan

+4% Israel
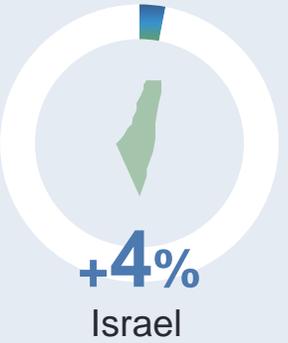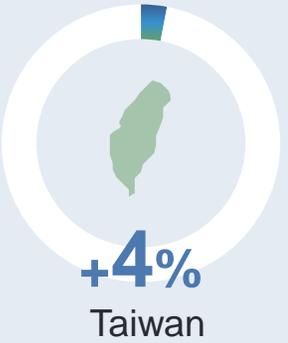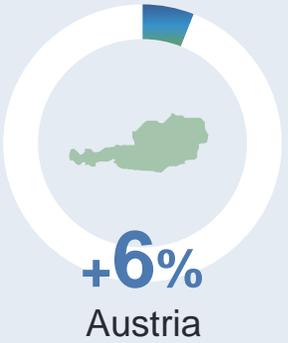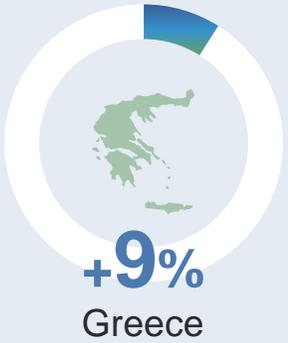
Employers Anticipate High Demand for Talent Across Key Sectors

Digital roles continue to drive most demand globally: Organizations in the IT industry report the most optimistic Outlook (+35%), followed by Financials & Real Estate (+28%) and Energy & Utilities (+26%).

35% — Information Technology
28% — Financials & Real Estate
26% — Energy & Utilities
23% — Health Care & Life Sciences
22% — Industrials & Materials
21% — Transport, Logistics & Automotive
19% — Communication Services
19% — Consumer Goods & Services
13% — Other* / None of the Above
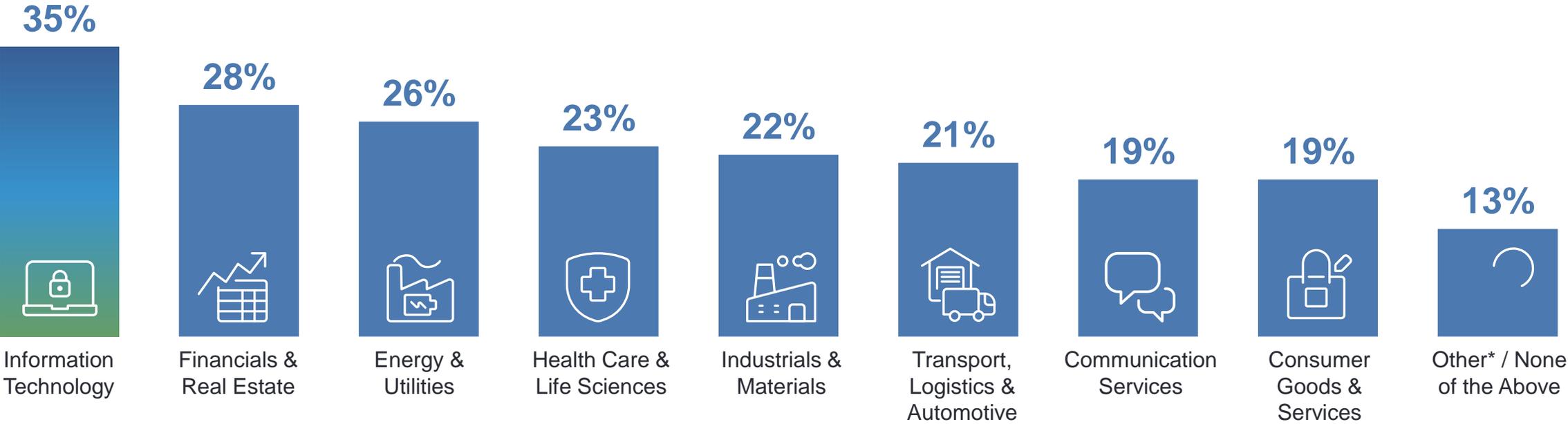
*Government or Public Service; Not for Profit/NGO/Charity/Religious organization; Other Industry; Other Transport, Logistics & Automobiles Sub-Industry; Educational Institutions; Agriculture & Fishing

Micro Organizations Brace Themselves for Q1

Companies with under 10 employees are half as optimistic as large businesses to hire from January to March, as costs rise and possible recession looms.

13%

Micro:
<10
Employees

19%
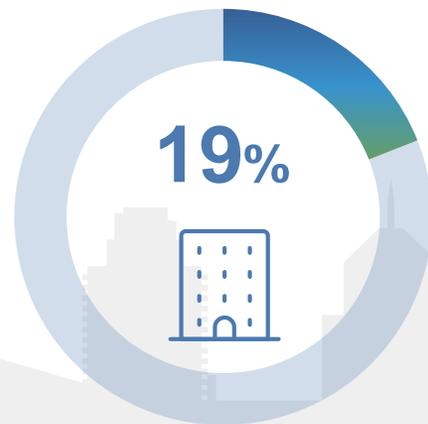
Small:
10 - 49
Employees

23%
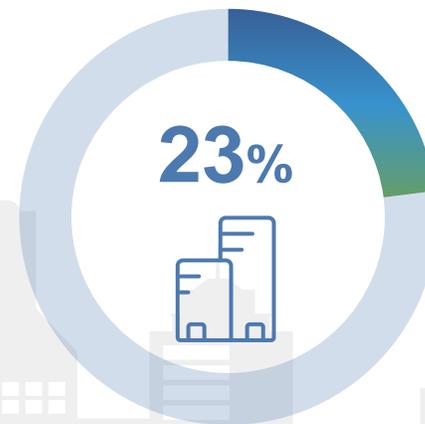
Medium:
50 - 249
Employees

29%
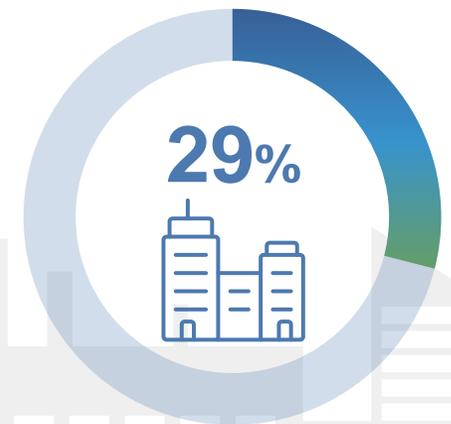
Large:
250+
Employees

Employers in Europe, Middle East & Africa Expect Hiring Decline

EMEA employers expect hiring to soften, reporting an Outlook of +18%. Intentions weaken -3% when compared to previous quarter and -14% since last year.

Outlooks vary across the region with employers most keen to hire in Austria (+29%), Turkey (+29%), and Israel (+28%), and the most cautious in Hungary (-8%), Poland (-2%), and the Czech Republic (+1%).

France (+27%), the United Kingdom (+19%), and Germany (+17%) are among the countries continuing to report a Net Employment Outlook in Q1.

For more regional information, read the global press release.

Strongest Hiring Intentions

Weakest Hiring Intentions

Poland
-2%

Czech Republic
+1%

Hungary
-8%

Austria
+29%

Turkey
+29%

Israel
+28%

Employers Across the Americas Report Promising Outlooks

All 11 countries and territories in North, Central and South America report positive employment outlooks for Q1, improving in 3 quarter-over-quarter and 2 compared to this time last year.

Employers in Canada (+34%) report a moderate increase (+3%) in their Outlooks comparted to last quarter, while the U.S. (+29%) and Puerto Rico (+26%) report decreases, -4% and -6%, respectively.

In Central and South America, Hiring managers in Panama report strongest intentions (+39%), followed by Costa Rica (+35%), and Guatemala (+32%); The lowest confidence is seen in Argentina (+9%).

For more regional information, read the global press release.

Strongest Hiring Intentions

Weakest Hiring Intentions

Canada
+34%

Panama
+39%

Costa Rica
+35%

Puerto Rico
+26%

Colombia
+23%

Argentina
+9%

Hiring Managers Across the Asia Pacific Anticipate Reduced Outlooks in Q1

Hiring managers across APAC anticipate strong (+25%) but slowing hiring intentions, weakening since the previous quarter and year by -15% and –11%, respectively.

Singapore (+33%), Australia (+32%), and India (+32%) report the most optimistic Outlooks, most cautious in Japan (+8%) and Taiwan (+11%).

Globally, the strongest hiring intentions in the Financials & Real Estate sector are found in Singapore (57%).

For more regional information, read the global press release.

Strongest Hiring Intentions

Weakest Hiring Intentions

Hong Kong
+22%

Japan
-8%

Taiwan
-2%

India
+32%

Singapore
+33%

Australia
+32%

How Today's Trends are Impacting Jobs

Consumer Goods & Services
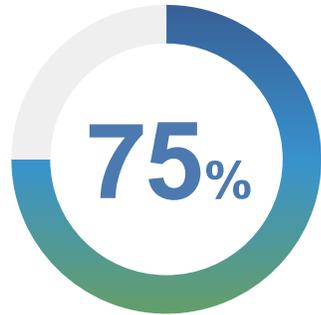
75% of Wholesale & Retail Trade employers report difficulty finding the skills required*

38% of employers within the Consumer Goods & Services industry report expectations to add to their staff during the first quarter, while 19% anticipate various decreases.

Once seasonally adjusted, this points to a Net Employment Outlook (NEO) of **19%**, weakening by 14 percentage points year-over-year and 8 percentage points quarter-over-quarter.

Despite strong optimism to hire, the industry faces a talent shortage where **75%** of employers report difficulty finding the hard and soft skills needed.

*The 2022 Global Talent Shortage, ManpowerGroup

Top 5
Soft Skills Wholesale & Retail Trade Employers are Seeking

1 **Reliability & Self-Discipline**

2 **Resilience & Adaptability**

3 **Reasoning & Problem-Solving**

4 **Collaboration & Teamwork**

5 **Creativity & Originality**
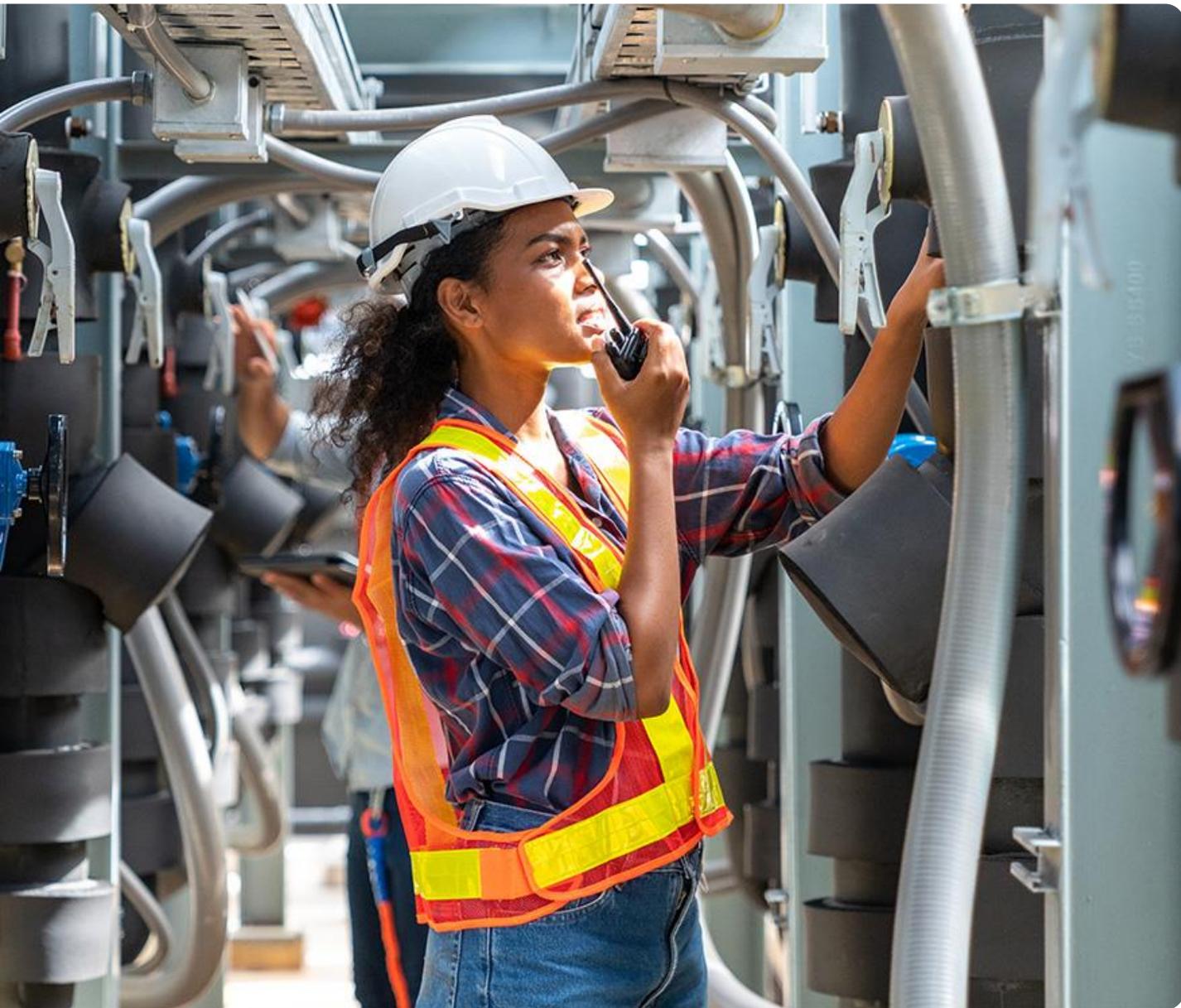
Energy & Utilities
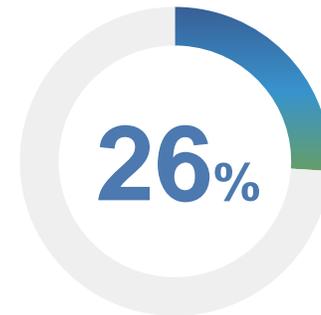
26% Net Employment Outlook anticipated by hiring managers in the Energy & Utilities industry

44% of employers within the Energy & Utilities industry report expectations to add to their staff during the first quarter, while 18% anticipate various decreases.

Once seasonally adjusted, this points to a Net Employment Outlook (NEO) of **26%**.

Financials & Real Estate
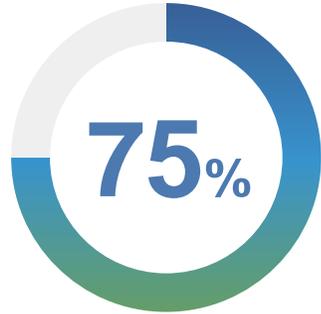
75% of Financials & Real Estate employers report difficulty finding the skills required*

44% of employers within the Financials & Real Estate industry report expectations to add to their staff during the first quarter, while 16% anticipate various decreases.

Once seasonally adjusted, this points to a Net Employment Outlook (NEO) of **28%**, weakening by 15 percentage points year-over-year and 9 percentage points since last quarter.

Despite strong optimism to hire, the industry faces a talent shortage where **75%** of employers report difficulty finding the hard and soft skills needed.

*The 2022 Global Talent Shortage, ManpowerGroup

Top 5
Soft Skills Financials & Real Estate Employers are Seeking

1 **Reliability & Self-Discipline**

2 **Critical Thinking & Analysis**

3 **Resilience & Adaptability**

4 **Reasoning & Problem-Solving**

5 **Creativity & Originality**

Communication Services
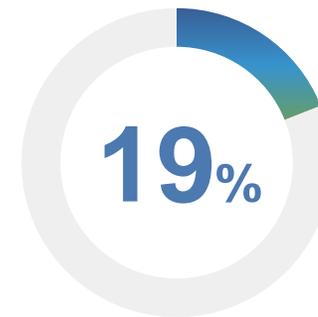
19% — **Net Employment Outlook anticipated by hiring managers in the Communication Services industry**

37% of employers within the Communication Services industry report expectations to add to their staff during the first quarter, while 18% anticipate various decreases.

Once seasonally adjusted, this points to a Net Employment Outlook (NEO) of **19%**, strengthening by 22 percentage points year-over-year, yet slightly weakening by 12 percentage points quarter-over-quarter.

Industrials & Materials

76%
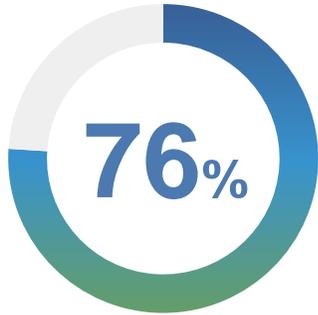
of Employers in the Manufacturing industry report difficulty finding the skills required*

39% of employers within the Industrials & Materials industry report expectations to add to their staff during the first quarter, while 18% anticipate various decreases.

Once seasonally adjusted, this points to a Net Employment Outlook (NEO) of **22%**, weakening by 12 percentage points year-over-year and 7 percentage points since the previous quarter.

Despite strong optimism to hire, the industry faces a talent shortage where **76%** of employers report difficulty finding the hard and soft skills needed.

*The 2022 Global Talent Shortage, ManpowerGroup

Top 5
Soft Skills Manufacturing Employers are Seeking

1 **Reliability & Self-Discipline**

2 **Creativity & Originality**

3 **Resilience & Adaptability**

4 **Reasoning & Problem-Solving**

5 **Critical Thinking & Analysis**

Transport, Logistics & Automotive

21%
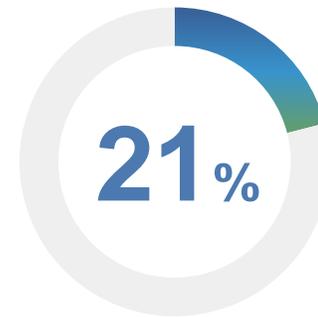
Net Employment Outlook anticipated by hiring managers in the Transport, Logistics & Automotive industry

41% of employers within the Transport, Logistics & Automotive industry report expectations to add to their staff during the first quarter, while 20% anticipate various decreases.

Once seasonally adjusted, this points to a Net Employment Outlook (NEO) of **21%**, weakening by 13 percentage points year-over-year and 4 percentage points since last quarter.

Information Technology
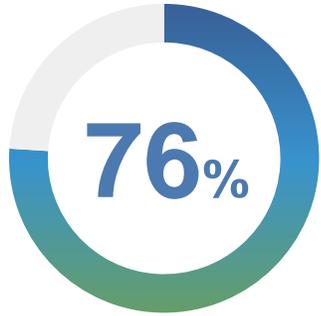
76% of Information Technology (IT) Employers report difficulty finding the skills required*

50% of employers within the IT industry report expectations to add to their staff during the first quarter, while 15% anticipate various decreases.

Once seasonally adjusted, this points to a Net Employment Outlook (NEO) of **35%**, weakening by 16 percentage points when compared to this time last year and 9 percentage points quarter-over-quarter.

Despite strong optimism to hire, the industry faces a talent shortage where **76%** of employers report difficulty finding the hard and soft skills needed.

*The 2022 Global Talent Shortage, ManpowerGroup

Top 5
**Soft Skills
IT Employers
are Seeking**

1 **Critical Thinking & Analysis**

2 **Creativity & Originality**

3 **Reasoning & Problem-Solving**

4 **Reliability & Self-Discipline**

5 **Resilience & Adaptability**

Workforce Trends & Challenges

The Trends Driving Transformation are Not New, but Newly Urgent

This recovery is unlike any we have ever seen – demand for skills is at record highs in many markets and unemployment levels remain high while workforce participation stagnates. Uneven economic growth continues with some markets recovering while others lag from soaring inflation and high cost of living.

1 in 5
organizations Globally are having trouble finding skilled tech talent

ManpowerGroup: Great Realization 2022

5 Million Jobs
may be displaced by a shift in the division of labor between humans and machines, more than offset by 97 million new roles anticipated to emerge

WEF: 2021 Future of Jobs Report

81%
of employees expect training programs from their employers to help keep skills up to date

2021: Edelman Trust Barometer: The Belief Driven Employee

"Our report indicates that there are early signs of labor markets softening and hiring intentions moving lower given the economic headwinds we are experiencing. Though employers say they are beginning to dial down their hiring plans in some areas, we still see strong demand for specific skills including IT, logistics, and finance. Amidst a cost-of-living crisis, and a depreciation in real-time wages, companies need to think more than ever about attracting and retaining their workers – that might start with pay, yet our data tells us flexibility, career development, and purpose-driven work is worth up to 5% of salary to many workers. There are lots of levers available for companies to attract and retain the talent they need to stay competitive."

– Jonas Prising, Chairman & CEO

About the ManpowerGroup Employment Outlook Survey

About the ManpowerGroup Employment Outlook Survey

The ManpowerGroup Employment Outlook Survey is the most comprehensive, forward-looking employment survey of its kind, used globally as a key economic indicator. The Net Employment Outlook is derived by taking the percentage of employers anticipating an increase in hiring activity and subtracting from this the percentage of employers expecting a decrease in hiring activity. Running since 1962, various factors underpin the success of the Survey:

Unique
It is unparalleled in its size, scope, longevity and area of focus. 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 nearly 39,000 public and private employers across 41 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 six decades the survey has derived all of its information from a single question: "How do you anticipate total employment at your location to change in the three months to the end of March 2023 as compared to the current quarter?"

Survey Methodology
The methodology used to collect the data for the Employment Outlook has been digitized in 41 markets for the Q1 2023 report.

Responses prior to Q1 2022 were contacted via telephone and are now collected in a double opt-in online panels where members are incentivized to complete the survey.

The question asked and the respondent profile remains unchanged. Size of organization and sector are standardized across all countries and territories to allow international comparisons.

Explore the Data

ManpowerGroup Solutions Across the Entire HR Life Cycle

Workforce Consulting & Analytics

Workforce Management

Talent Resourcing

Career Management

Career Transition

Top Talent Attraction

ManpowerGroup®

Manpower®

Experis® ManpowerGroup

Talent Solutions ManpowerGroup®

Visit www.manpowergroup.com to learn more

Appendix:
Do Not Include in the Report

Soft Skill Icons

Reliability &
Self-Discipline

Active Learning
& Curiosity

Collaboration
& Teamwork

Creativity &
Originality

Critical Thinking
& Analysis

Initiative
Taking

Leadership &
Social Influence

Reasoning &
Problem Solving

Resilience
& Adaptability