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Hungarian employers report strongest hiring plans since Manpower Employment Outlook Survey began in 2009

Fourth-quarter hiring plans are strongest in the Restaurant & Hotels, Manufacturing and Trade sectors

- 14% of employers expect to increase staffing levels in the next three months, 4% forecast a decrease, and 81% anticipates no change.
- Nearly than one in four employers in the Restaurants and Hotels sector plan to hire new staff.
- Employers in all of the eight regions intend to add to their payroll.

Budapest, 8th September 2015 – ManpowerGroup Hungary released today its quarterly Manpower Employment Outlook Survey, reporting on employer hiring plans for the fourth quarter of 2015. The ManpowerGroup research revealed that 14% of employers forecast an increase in staffing levels, 4% anticipate a decrease and 81% expect no change. Once the data is adjusted to allow for seasonal variation, the Outlook stands at +11%. Hiring prospects improve by 6 percentage points when compared with the previous quarter and are 7 percentage points stronger year-over-year. As a result, the Outlook is the strongest reported since the survey began in 3Q 2009.

“Employers report the strongest hiring intentions since our survey started in 2009. This is partly due to the slightly stronger business environment in general, but also due to the ever rising talent shortage. Employees are hard to find and even harder to keep, especially in those sectors which report the strongest outlook – Restaurants & Hotels, Trade and Manufacturing. The talent shortage is also reflected in the rising wages in general.” comments László Dalányi, Country Manager for ManpowerGroup Hungary.

The Manpower Employment Outlook Survey for the fourth quarter 2015 was conducted by interviewing a representative sample of 750 employers in Hungary in July. All survey participants were asked, “How do you anticipate total employment at your location to change in the three months to the end of December 2015 as compared to the current quarter?”

Sector Comparisons

Employers in eight of the nine industry sectors forecast job gains during 4Q 2015. Restaurants & Hotels sector employers anticipate the strongest hiring pace, reporting a Net Employment Outlook of +23%. Elsewhere, steady hiring activity is anticipated in two sectors with Outlooks of +13% – the Manufacturing sector and the Wholesale & Retail Trade sector. Respectable workforce growth is also expected in the Agriculture, Hunting, Forestry & Fishing sector and in the Finance, Insurance, Real Estate & Business Services sector, where Outlooks stand at +12% and +11%, respectively. Meanwhile, employers in the Electricity, Gas & Water Supply sector forecast a decline in staffing levels with an Outlook of -2%.

When compared with 3Q 2015, Outlooks improve in eight of the nine industry sectors. Hiring intentions are 9 percentage points stronger in both the Finance, Insurance, Real Estate & Business Services sector and the Restaurants & Hotels sector, while Public & Social sector employers report an increase of 7 percentage points. Employers in three sectors report Outlook improvements of 6 percentage points – the Agriculture, Hunting, Forestry & Fishing sector, the Electricity, Gas & Water Supply sector and the Wholesale & Retail Trade sector. However, hiring prospects are 6 percentage points weaker in the Transport, Storage & Communication sector.

Year-over-year, employers in six of the nine industry sectors report stronger hiring plans. The most noteworthy improvements of 17 percentage points are reported in both the Agriculture, Hunting, Forestry & Fishing sector and the Restaurants & Hotels sector. Wholesale & Retail Trade sector employers report an increase of 9 percentage points while the Outlook for the Finance, Insurance, Real Estate & Business Services sector is 8 percentage points stronger. Elsewhere, hiring intentions weaken in three sectors, including the Manufacturing sector with a decline of 4 percentage points.

Regional Comparisons

Employers in all eight regions expect to grow payrolls during 4Q 2015. The strongest labor market is anticipated in Northern Hungary where the Net Employment Outlook stands at +22%. Elsewhere, steady workforce gains are forecast in Central Transdanubia and Western Transdanubia, where Outlooks stand at +15% and +12%, respectively, while Budapest employers report an Outlook of +11%. Employers in Central Hungary report cautiously optimistic hiring intentions with an Outlook of +10%, while the Outlook for Northern Great Plain stands at +8%.

When compared with the previous quarter, employers report stronger hiring prospects in seven of the eight regions. The most noteworthy improvements of 16 and 10 percentage points are reported in Northern Hungary and Northern Great Plain, respectively. The Outlook for Western Transdanubia is 6 percentage points stronger, while employers in Central Transdanubia report an increase of 5 percentage points. However, a slight decline of 2 percentage points is reported in Southern Transdanubia.

Year-over-year, Outlooks improve in all eight regions, most notably by 14 percentage points in Northern Hungary and by 12 percentage points in Budapest. Elsewhere, Hiring intentions are 6 and 5 percentage points stronger in Southern Transdanubia and Central Transdanubia, respectively. Meanwhile, employers in Southern Great Plain report relatively stable hiring plans.

Organization Size Comparisons

Participating employers are categorized into one of four organization sizes: Micro businesses have less than 10 employees; Small businesses have 10-49 employees; Medium businesses have 50-249 employees; and Large businesses have 250 or more employees.

Payrolls are forecast to increase in all four organization size categories during the coming quarter. The strongest labor markets are forecast by Large- and Medium-size businesses, with Outlooks of +19% and +18%, respectively. Small employers report a cautiously optimistic Outlook of +10% while the Outlook for Micro employers stands at +5%.

When compared with the previous quarter, Outlooks strengthen in all four organization size categories, most notably by 8 percentage points for Medium employers. Improvements of 6 and 5 percentage points are reported by Large- and Small-size employers, respectively, while the Outlook for Micro firms is 3 percentage points stronger.

Year-over-year, hiring prospects also improve in all four organization size categories. Medium employers report the most notable increase of 14 percentage points, while Outlooks are 8 and 5 percentage points stronger in the Large- and Small-size categories, respectively.

Global Employment Outlook

ManpowerGroup interviewed nearly 59,000 employers across 42 countries and territories to forecast Quarter 4 2015 labor market activity.* All participants were asked, "How do you anticipate total employment at your location to change in the three months to the end of December 2015 as compared to the current quarter?"

Employers in 36 of 42 countries and territories intend to add to their payrolls by varying margins during the October-December time frame. However, evidence of definitive fourth-quarter workforce gains remains patchy amid signs that the pace of recovery following the recession continues to be slow and protracted. Many employers continue to exercise caution and are refraining from aggressive hiring until they sense more meaningful indicators of a market upturn.

Employers in India and Taiwan report the strongest hiring plans across the globe, while employer confidence in Japan is growing steadily with job seekers likely to benefit from the most optimistic forecast reported since Quarter 1 2008. Similarly, hiring intentions in the U.S. continue to improve, and the current outlook is the strongest reported since Quarter 4 2007.

In the Europe, Middle East & Africa (EMEA) region, workforce gains are expected by employers in 19 of 24 countries. In a quarter-over-quarter comparison, opportunities for job seekers are expected to be stronger in seven countries and weaker in 12. When compared to Quarter 4 2014, employer confidence is stronger in 12 countries and weaker in nine. Furthermore, among those countries where payroll growth is forecast, expected gains are mostly modest with employer optimism apparently tempered—at least in part—by issues associated with the most recent Greek debt crisis. The region's most active hiring pace is forecast in Romania, while Italian employers again report the region's weakest year-end hiring plans.

Full survey results for each of the 42 countries and territories included in this quarter's survey, plus regional and global comparisons, can be found at www.manpowergroup.com/meos. The next Manpower Employment Outlook Survey will be released on 8 December 2015 and will detail expected labor market activity for the first quarter of 2016.

* Commentary is based on seasonally adjusted data where available. Data is not seasonally adjusted in Finland.

About the Manpower Employment Outlook Survey

The Manpower 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 50 years and is one of the most trusted surveys of employment activity in the world.

About ManpowerGroup

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