

LABOUR MARKET RESILIENT TO SHOCKS

DESPITE THE ENERGY CRISIS AND INFLATION, MOST COMPANIES DO NOT PLAN TO LAY OFF

- 29 % of Slovak employers expect an increase in the number of employees, 25 % expect a decrease and 38 % expect no change, the remaining 8 % did not comment
- Based on the data, seasonally adjusted Net Employment Outlook in Slovakia, is + 5 % for the first quarter of 2023.
- The highest Net Employment Outlook is in Bratislava (+11%) and lowest in central Slovakia (-5 %).
- More job opportunities are expected mainly by firms operating in finance and real estate with a Net Employment Outlook of + 21 %, in IT (+11 %) and in transport, logistics and automotive (+10 %)
- Globally strongest recruitment plans have organizations in Panama (+39 %), Costa Rica (+ 35 %) and Canada (+ 34 %); the weakest are in Hungary (-8 %), Poland (-2 %) and the Czech Republic (+ 1 %).

Bratislava (January 17th, 2023) – Although Europe, in particular the countries neighboring to Ukraine, are experiencing the consequences of the energy crisis and rising business costs, Slovak labor market remains relatively stable. This is illustrated by the results of a regular quarterly survey of ManpowerGroup Slovakia carried out on a sample of 510 employers.

The seasonally adjusted Net Employment Outlook in Slovakia, adjusted for seasonal fluctuations, stands at + 5 %. This is a three percentage point decrease in the index, compared to the previous quarter. However, the labor market index fell by up to 12 percentage point year-on-year.

Greater caution in the labor market is evident, but the consequences of the current uncertainty and fears of the global recession are not yet as manifested in Slovakia as in Hungary or Poland, where more employers are planning to lay off than hiring new people.

At the global level, the outlook looks more optimistic. All industries and sectors report their plan to recruit more people in the first quarter. Globally, the Net Employment Outlook stands at + 23 % in the first quarter. Thus, the current challenges do not appear to affect all countries equally, which is reflected in uneven economic growth across countries and within the same region. This is evidenced by neighboring Austria, which has the highest Net Employment Outlook of all European countries (+ 29 %).

“Employers are a little more reluctant in their plans to expand labor force due to the challenges we are currently facing,” Zuzana Rumiz, General Manager of ManpowerGroup Slovensko stated.

“At the same time, we still see a strong demand for specific skills, including the finance, transport, logistics and automotive, as well as IT sectors. Due to higher living costs and wage devaluation, it is even more important for employers to focus on attracting and retaining the people,” adds Mrs. Rumiz.

While competitive pay is a prerequisite for attracting or retaining qualified people, the data show that flexibility, career development and meaningful work are worth up to 5 % of the wage for many workers. Therefore companies have many other ways to be a more attractive employer.

COMPARISON OF RECRUITMENT PLANS BY INDUSTRY

Companies active in finance and real estate plan to create the most new jobs (Net Employment Outlook +21 %). However, this is a decrease of 16 percentage points compared to the previous quarter. The transport, logistics and automotive sector (+ 10 %) and the information technology sector (+11 %) also hold high demand for employees.

REGIONAL COMPARISON

Employers in all the regions with the exception of central Slovakia, plan to recruit more people than to lay off. Most companies expect recruitment of new people in Bratislava, with a Net Employment Outlook + 11 %. However, this is a 33 percentage point year-on-year decline, or decrease of four percentage points, compared to the previous quarter. Employers in other parts of Slovakia are even more cautious. In central Slovakia, the Net Employment Outlook is negative (-5 %), Eastern + 1 % and Western Slovakia + 9 %.

COMPARISON BY SIZE OF COMPANIES

Medium and large companies plan to hire the most employees. For organizations employing between 50 and 249 people, the Net Employment Outlook is +7%. This is a decrease of 13 percentage points compared to the previous quarter. For firms over 250 employees, there was a one percentage point decrease compared to the previous quarter, to the current +7%.



GLOBAL DEVELOPMENTS IN THE LABOUR MARKET

- From a regional point of view, employers in North America (+ 31 %) and Central and South America (+ 28 %) have the strongest recruitment plans in the next quarter.
- The most optimistic are the organizations in Panama (+ 39 %), Costa Rica (+ 35 %) and Canada (+ 34 %), the least optimistic in Hungary (-8 %), Poland (-2 %) and the Czech Republic (+ 1 %).
- Compared to the previous quarter, recruitment plans improved in 12 countries and regions and decreased in 29 countries.
- Information technology remains the strongest sector (+ 35 %), followed by organizations in the finance and real estate sector (+ 28 %) and in the energy and utilities sectors (+ 26 %).

ABOUT THE 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.

Full results of the ManpowerGroup Employment Outlook survey are available at <https://go.manpowergroup.com/meos>. Detailed results for Slovakia can be found at www.manpower.sk/prieskumy.

In the context of the labor market survey, 510 Slovak employers were asked: *“How do you expect the total number of employees in your company to change in the following quarter by the end of December compared to the current quarter?”*

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 hundreds of thousands of organizations every year, providing them with skilled talent while finding meaningful, sustainable employment for millions of people across a wide range of industries and skills. Our expert family of brands – Manpower, Experis, and Talent Solutions – creates substantially more value for candidates and clients across more than 75 countries and territories and has done so for over 70 years. We are recognized consistently for our diversity – as a best place to work for Women, Inclusion, Equality, and Disability, and in 2022



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MANPOWERGROUP SLOVENSKO

In Slovakia, ManpowerGroup takes care of the personnel and payroll agenda of more than 2,000 employees it has searched for and who work with its clients every month. Thanks to a network of four branches, ManpowerGroup finds 6,000 new co-workers per year for 500 clients. More information at www.manpower.sk

Unless stated otherwise, all data are seasonally adjusted. The formula with which the data are seasonally adjusted is refined from quarter to quarter, and data for previous quarters are recalculated with the new formula to take account of the more data available.