

**Q1** 2023

ManpowerGroup  
Employment  
Outlook Survey



# U.S. Demand for Skilled Workers Persists for Q1 Despite 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 +29% for the U.S. This is six percentage point above the global average of +23%.
- The U.S. IT industry reports the most optimistic Outlook at +52%. This is the highest Outlook for this industry worldwide. The second highest Outlook is in Financials & Real Estate (+34%).
- The U.S. ties for 9th place in the world, with the most optimistic hiring reported by employers in Panama (+39%) followed by Costa Rica (+35%) and Canada (+34%).
- The Outlook is lower in all four U.S. regions than last year at this time, and down in three out of four regions compared to last quarter.
- Large organizations (250+ employees) are more than three times optimistic as micro (less than 10 employees) to hire in the coming quarter with Outlooks of 36% and 10%, respectively.



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# Q1 Employment Outlooks

# U.S. Employment Outlook for Q1 2023

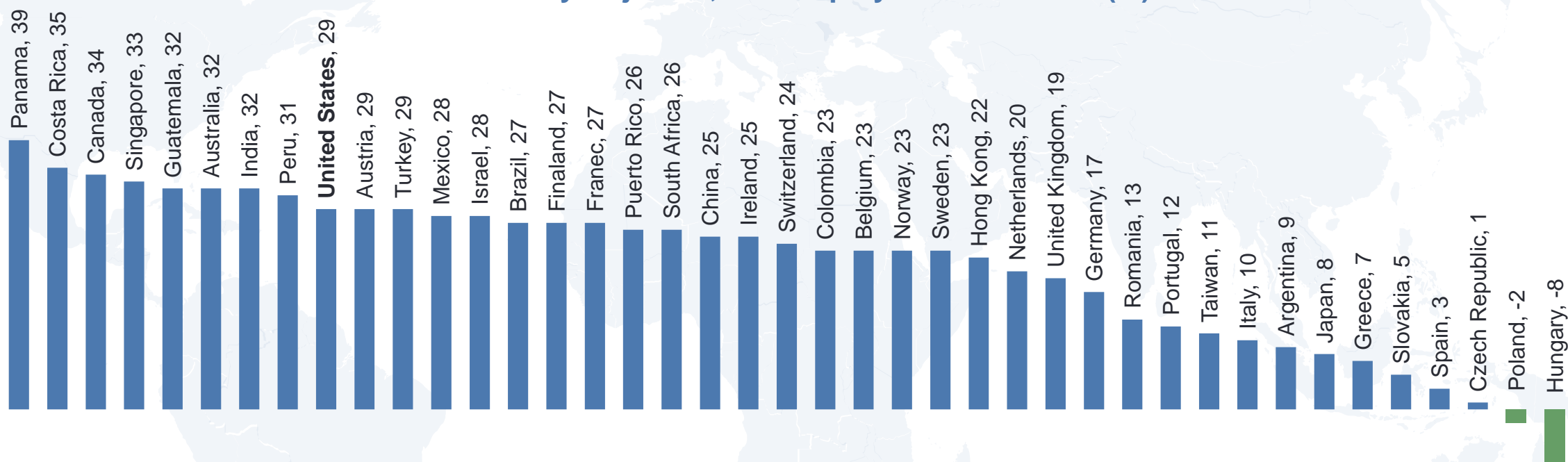
In the latest edition of the ManpowerGroup Employment Outlook Survey of over 6,000 employers, the seasonally adjusted, **Net Employment Outlook is +29%**. 45% of hiring managers plan to add to staff and only 16% plan to lay workers off.



# Global Hiring Expectations for January – March

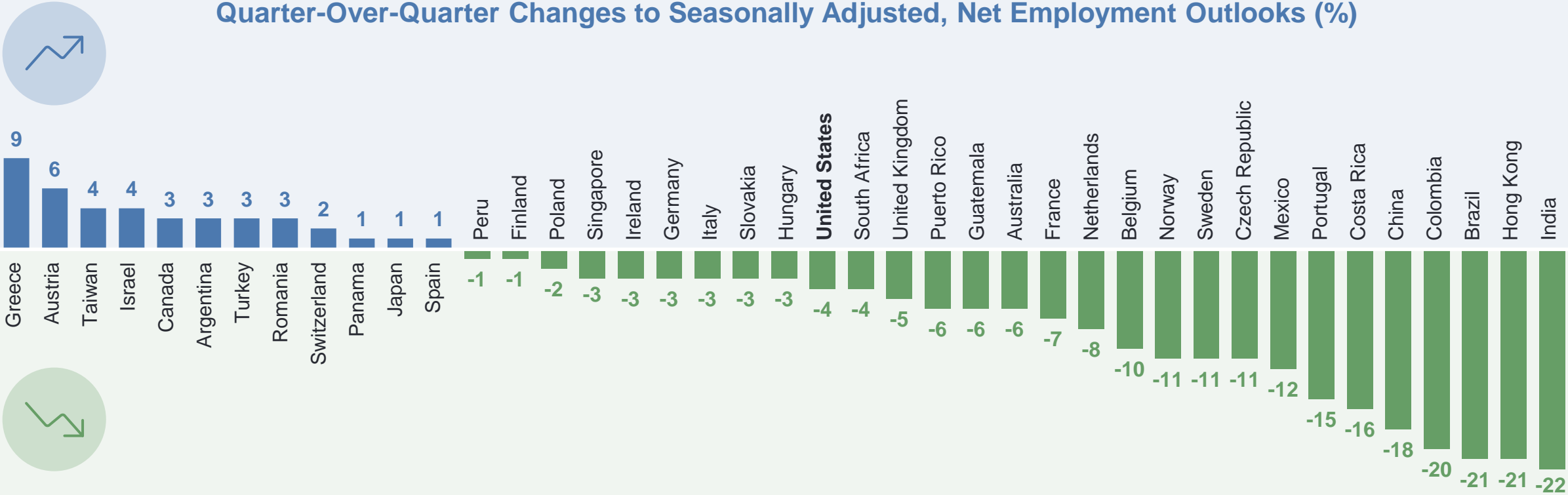
When considering how staffing levels will change during the first quarter, **employers in 38 of 41 countries and territories anticipate a net positive hiring Outlook.**

Seasonally Adjusted, Net Employment Outlooks (%)



# Quarterly Changes As Employers Respond to Challenges

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

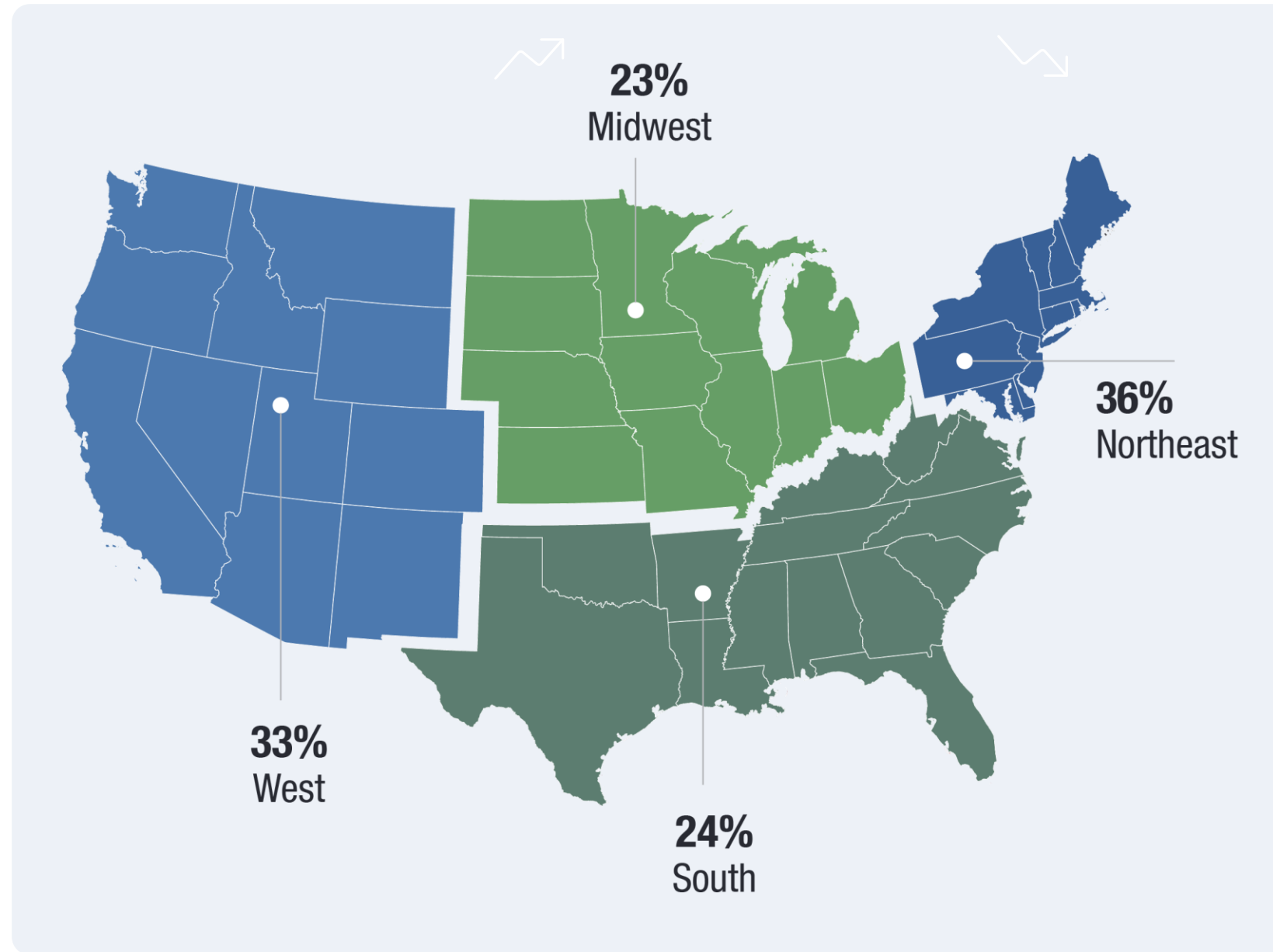




# Regional Hiring Outlooks Across the U.S.

Three out of four U.S. regions report lower hiring intentions in the 4th quarter than the previous quarter, and all regions report lower intentions than 12 months ago.

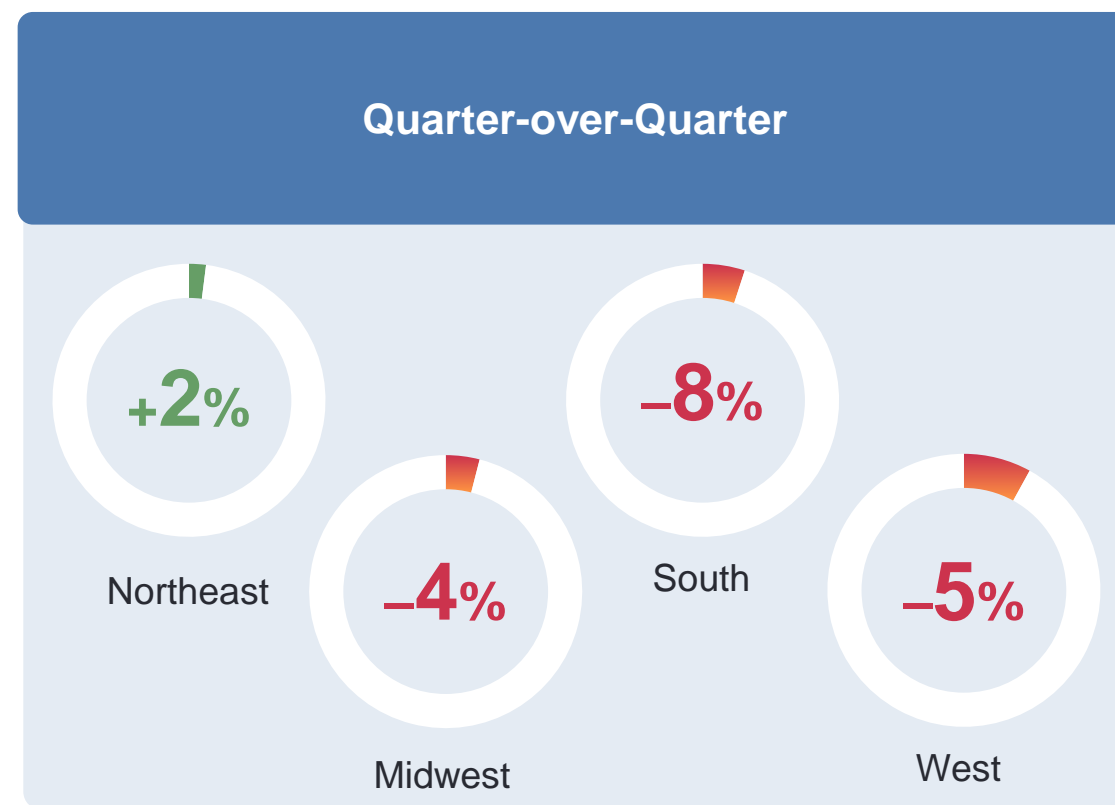
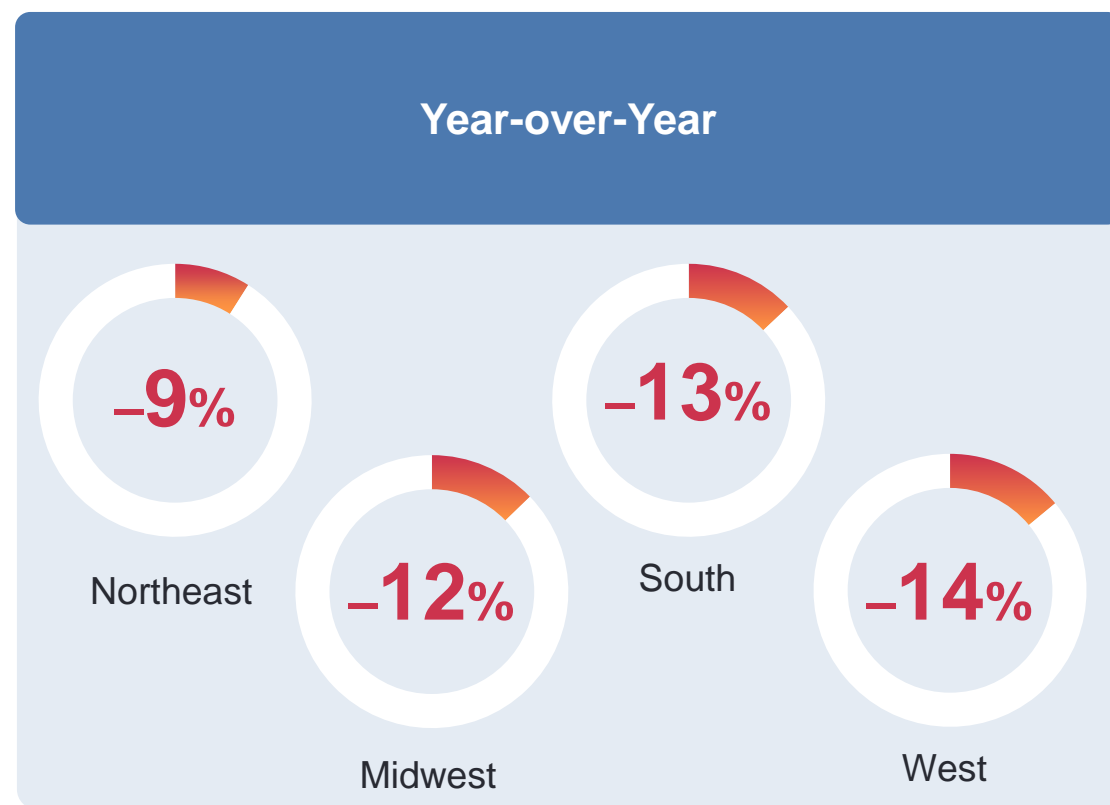
With moderate outlooks across the regions, employers in the Northeast (+36%) reported the most positive net employment outlook followed by the West (+33%), South (+24%), and Midwest (+23%).





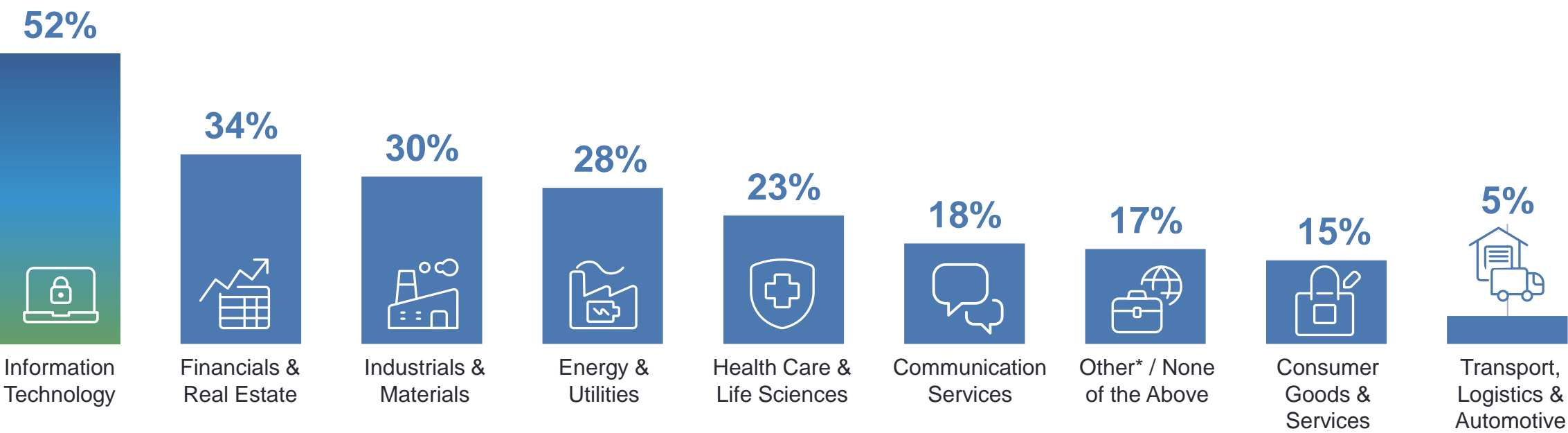
# Outlooks Year-over-Year & Quarter-over-Quarter

**Hiring expectations decline in all four U.S. regions** when compared to one year ago, and declines are expected in three out of four regions compared to last quarter.



# Employers Anticipate High Demand for Talent Across Key Sectors

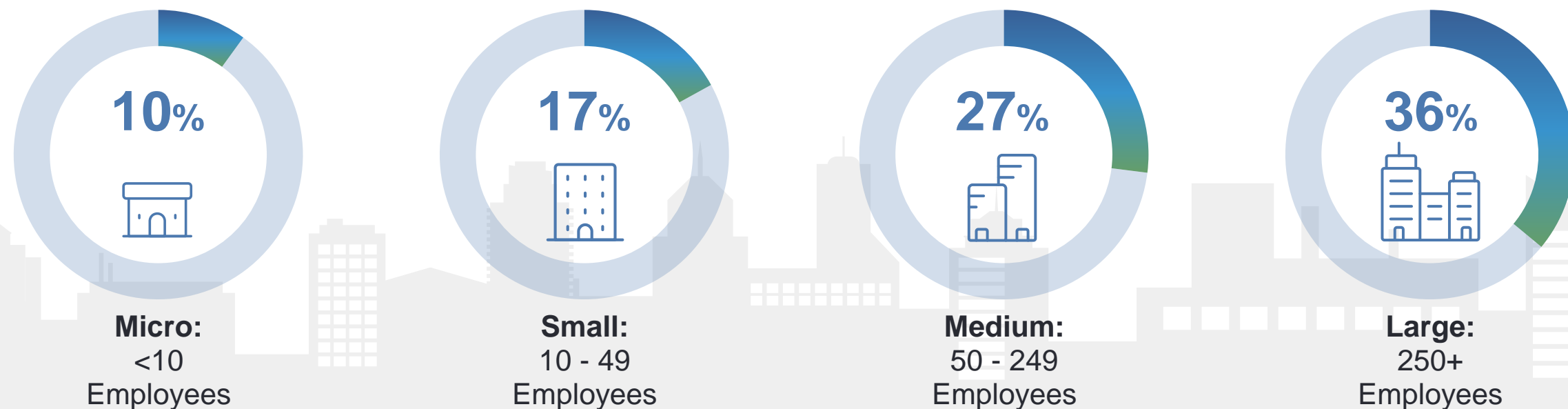
**Digital roles continue to drive most demand in the U.S.** Organizations in the IT industry report the most optimistic Outlook (+52%), followed by Financials & Real Estate (+34%) and Energy & Utilities (+28%).



\*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 only about a third as optimistic as large businesses to hire from January to March, as costs rise and possible recession looms.

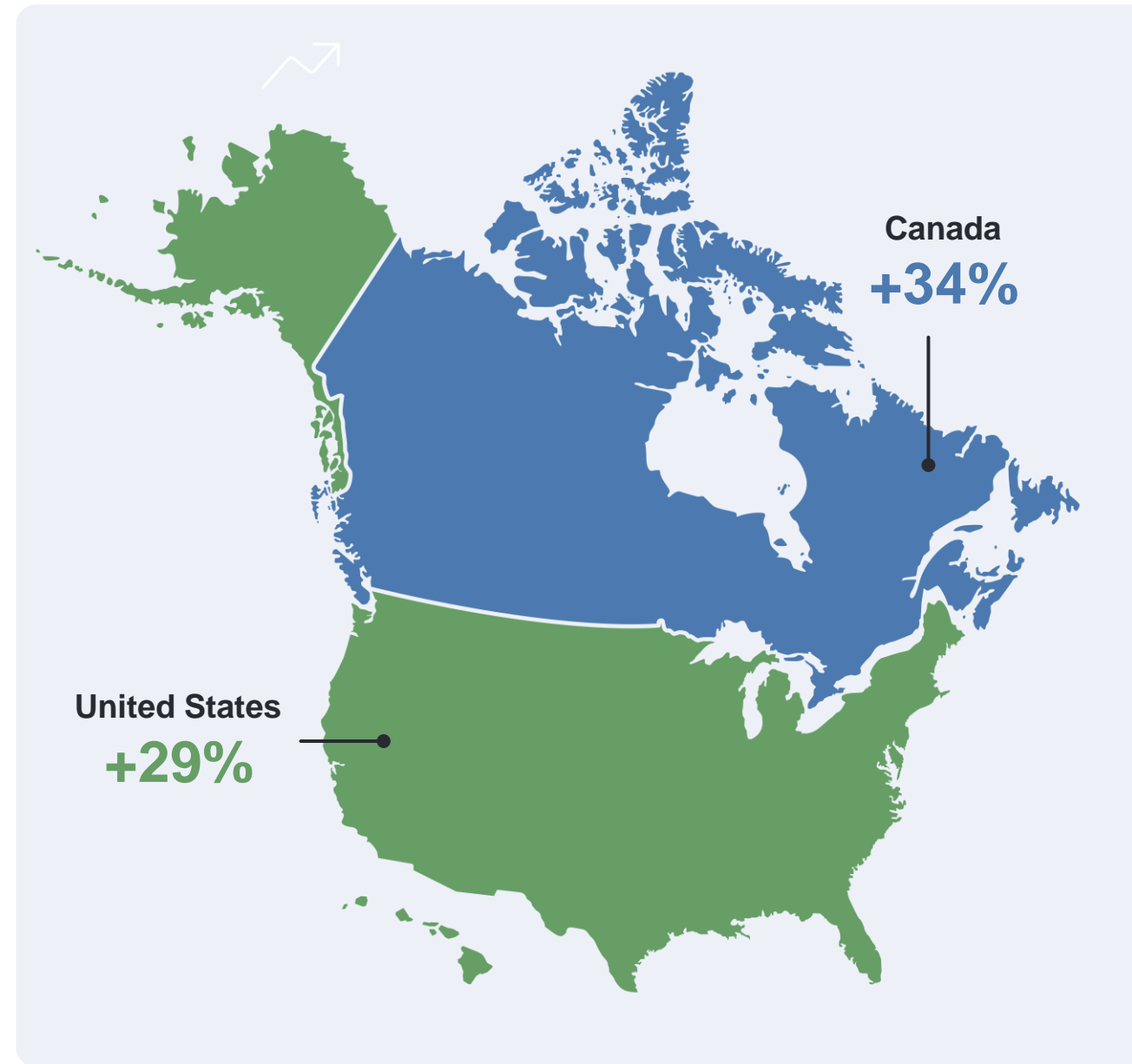


# Employers Across North America Report Declines from Last Year

The U.S. reports slight declines over last quarter and last year, while Canada expects a modest increase over last quarter.

Employers in Canada (+34%) report a moderate increase (+3%) in their Outlooks compared to last quarter, and a 3% decline from last year.

The U.S. (+29%) and Puerto Rico (+26%) report decreases from last quarter, -4% and -6%, respectively.



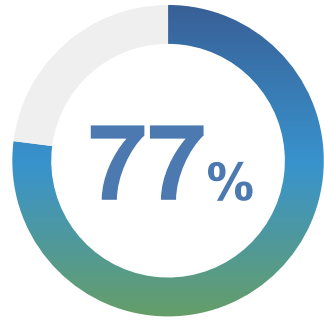




# How Today's Trends are Impacting Jobs



# Consumer Goods & Services



of Wholesale & Retail Trade employers report difficulty finding the skills required\*

35% of employers within the Consumer Goods & Services 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 **15%**, weakening by 19 percentage points year-over-year and 13 percentage points quarter-over-quarter.

Despite moderate optimism to hire, the industry faces a talent shortage where **77%** of employers report difficulty finding the hard and soft skills needed.\*

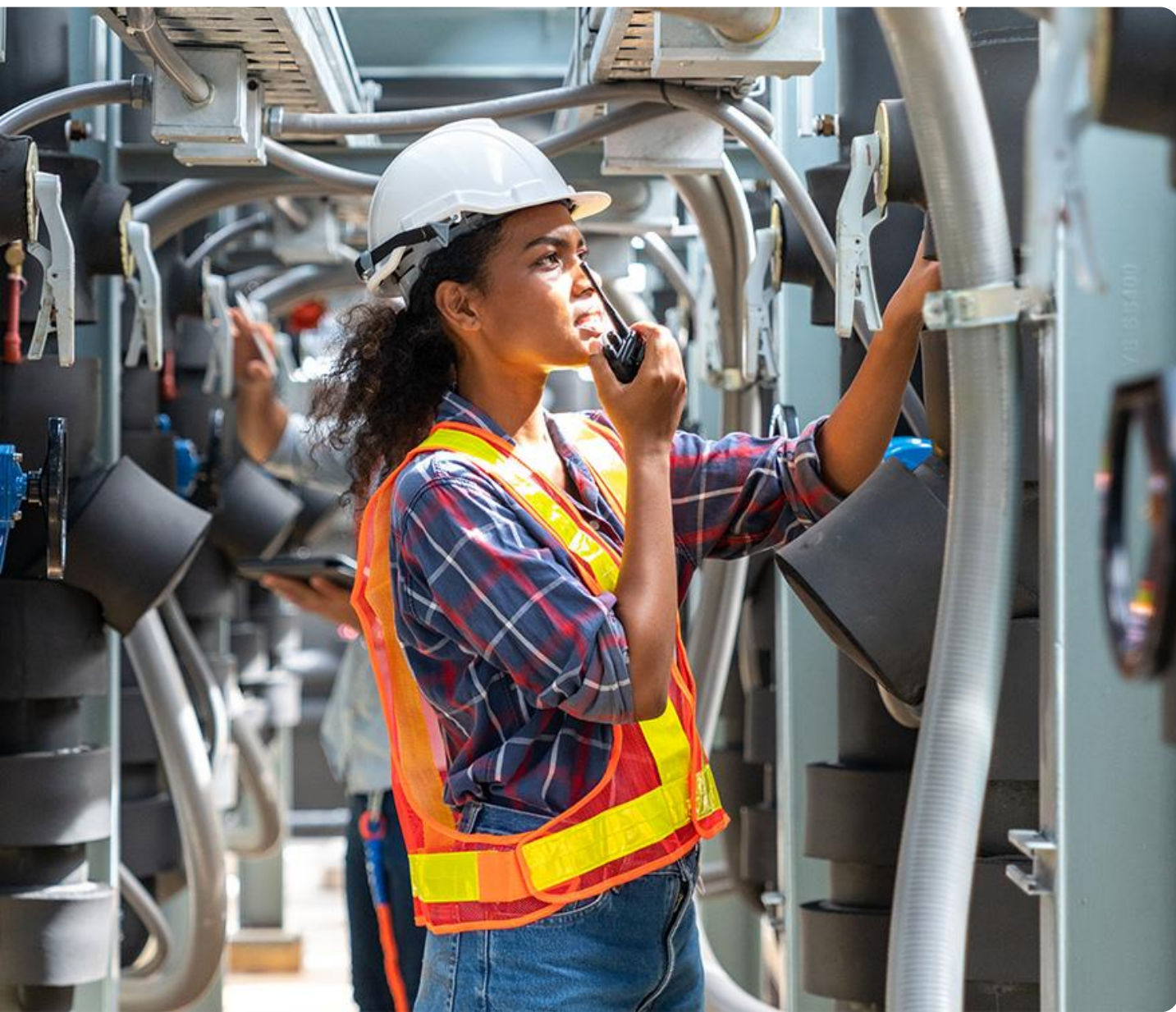
\*The 2022 Global Talent Shortage, ManpowerGroup



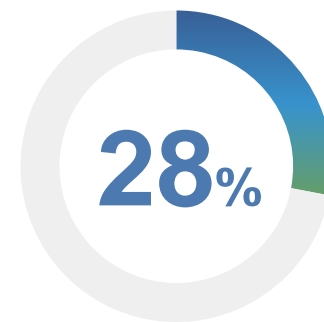
## Top 5 Soft Skills Wholesale & Retail Trade Employers are Seeking

- 1 Accountability, Reliability & Self-Discipline 
- 2 Leadership & Social Influence 
- 3 Critical Thinking & Analysis 
- 4 Reasoning & Problem Solving 
- 5 Initiative Taking 





## Energy & Utilities

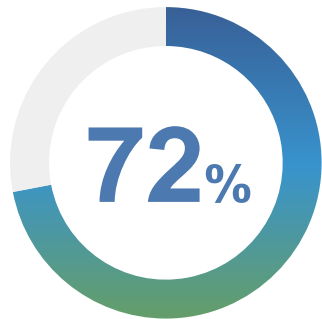


Net Employment Outlook anticipated by hiring managers in the Energy & Utilities industry

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

Once seasonally adjusted, this points to a Net Employment Outlook (NEO) of **28%**.

# Financials & Real Estate



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

49% of employers within the Financials & Real Estate 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 **34%**, weakening by 16 percentage points year-over-year and 8 percentage points since last quarter.

Despite strong optimism to hire, the industry faces a talent shortage where **72%** 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 Accountability, Reliability & Self-Discipline



2 Critical Thinking & Analysis



3 Reasoning & Problem-Solving



4 Leadership & Social Influence



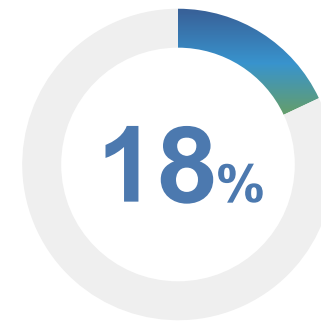
5 Creativity & Originality







## Communication Services



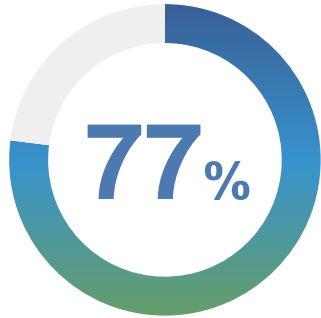
**Net Employment Outlook anticipated by hiring managers in the Communication Services industry**

36% of employers within 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 **18%**, weakening by 32 percentage points year-over-year, and 14 percentage points quarter-over-quarter.



# Industrials & Materials



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

45% of employers within the Industrials & Materials 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 **30%**, weakening by 9 percentage points year-over-year and 5 percentage points since the previous quarter.

Despite strong optimism to hire, the industry faces a talent shortage where **77%** of employers report difficulty finding the hard and soft skills needed.\*

\*The 2022 Global Talent Shortage, ManpowerGroup

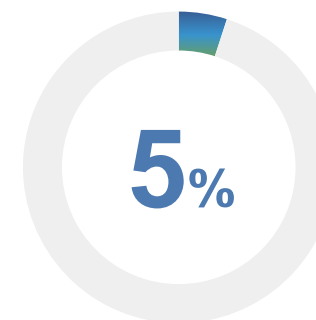
## Top 5 Soft Skills Manufacturing Employers are Seeking

- 1 Critical Thinking & Analysis
- 2 Accountability, Reliability & Self-Discipline
- 3 Reasoning & Problem-Solving
- 4 Leadership & Social Influence
- 5 Collaboration & Teamwork





## **Transport, Logistics & Automotive**



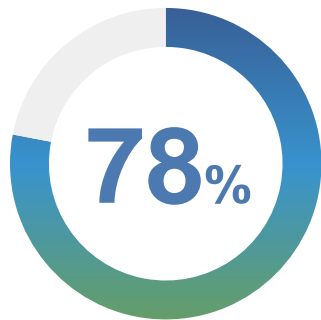
**Net Employment  
Outlook anticipated by  
hiring managers in the  
Transport, Logistics  
& Automotive industry**

32% of employers within the Transport, Logistics & Automotive industry report expectations to add to their staff during the first quarter, while 27% anticipate various decreases.

Once seasonally adjusted, this points to a Net Employment Outlook (NEO) of **5%**, weakening by 32 percentage points year-over-year and 21 percentage points since last quarter.



# Information Technology



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

64% of employers within the IT industry report expectations to add to their staff during the first quarter, while 12% anticipate various decreases.

Once seasonally adjusted, this points to a Net Employment Outlook (NEO) of **52%**, weakening by 9 percentage points when compared to this time last year and 6 percentage points quarter-over-quarter.

Despite strong optimism to hire, the industry faces a talent shortage where **78%** 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 Creativity & Originality



2 Critical Thinking & Analysis



3 Leadership & Social Influence



4 Reasoning & Problem-Solving



5 Reliability & Self-Discipline







# Workforce Trends & Challenges

# The Trends Driving Transformation are Not New, but Newly Urgent

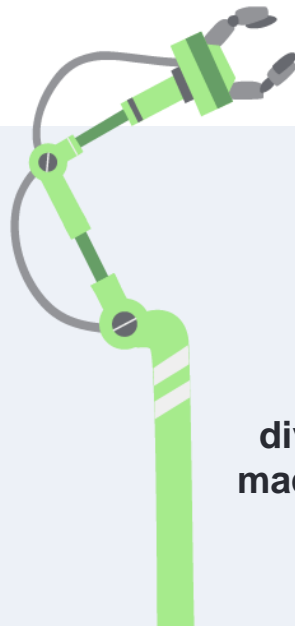
**This recovery is unlike any we have ever seen** – demand for skills is at record highs in many markets and unemployment levels remain high while workforce participation stagnates. Uneven economic growth continues with some markets recovering while others lag from soaring inflation and high cost of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



**69%**

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



*“This labor market continues to defy expectations with employers planning to add to their workforce across all key sectors for Q1. Those with tech and finance skills will find themselves in particularly strong demand. The data does indicate some hiring slow-down in logistics and transport, yet we’re seeing employers being very intentional in where they pause hiring. Many remember the challenges they faced to bring workers back post pandemic and are keen to hold onto the talent they have. When wage growth and skills shortages persist, focusing on attracting and keeping those with in-demand skills will continue to be critical for U.S. employers.”*

**– Becky Frankiewicz, ManpowerGroup  
Chief Commercial Officer and North America  
President**





# 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



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& Analytics**



**Workforce  
Management**



**Talent  
Resourcing**



**Career  
Management**



**Career  
Transition**



**Top Talent  
Attraction**



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