

Q4 / 2009

Manpower  
Employment  
Outlook Survey  
United States

A Manpower Research Report



Manpower®

# Q4/09

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Please note that throughout this report, the figure used in all graphs is the “Net Employment Outlook.” This figure is derived by taking the percentage of employers anticipating an increase in hiring activity and subtracting from this the percentage of employers that expect to see a decrease in employment at their location in the next quarter. In addition, percentage totals may not equal 100% due to rounding.

# United States Employment Outlook

More than 28,000 interviews have been conducted with employers within 201 Metropolitan Statistical Areas (MSAs) in the United States and Puerto Rico to measure employment trends between October and December 2009. The mix of industries within the survey follows the North American Industry Classification System (NAICS) Supersectors and is structured to be representative of the U.S. economy. All participants were asked, “How do you anticipate total employment at your location to change in the three months to the end of December 2009 as compared to the current quarter?”

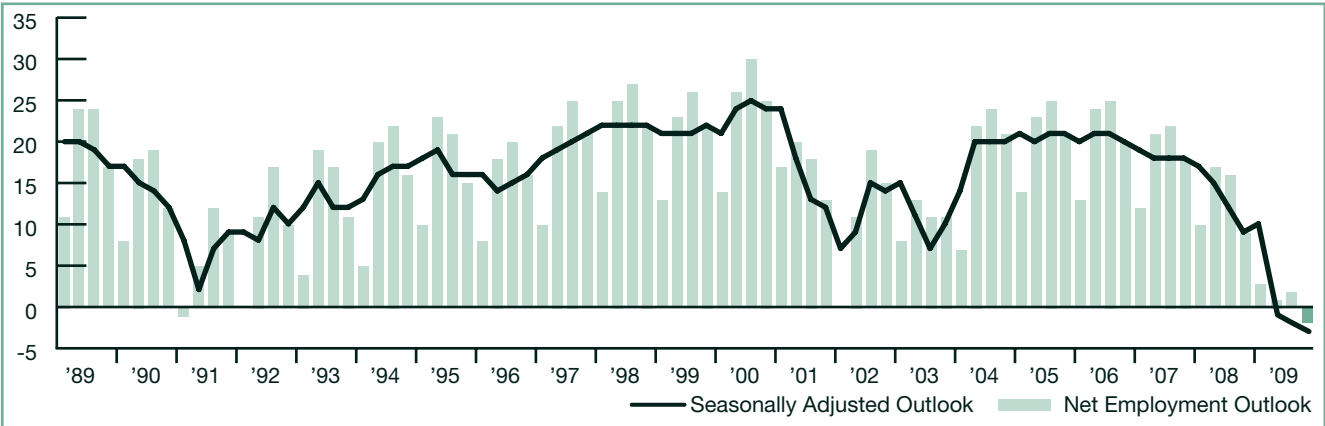
Among U.S. employers surveyed, 12% expect to add to their workforces, and 14% expect a decline in staff levels during Quarter 4 2009. Sixty-nine percent anticipate no change in the hiring pace, while 5% are undecided about their October – December hiring plans.

When seasonal variations are removed from the data, the results suggest that employers expect a slight decrease in the rate of hiring when compared to Quarter 3 2009. The fourth quarter Net Employment Outlook for the U.S. is considerably weaker than one year ago at this time.

According to seasonally adjusted regional data, employers in the South report a slight increase in hiring expectations compared to Quarter 3 2009, while employers in the Midwest and West expect the hiring pace to remain nearly unchanged. Employers in the Northeast are anticipating a moderate decrease and expect the weakest hiring conditions for Quarter 4 2009.

Employers across all regions anticipate a considerable decrease in hiring activity compared to one year ago.

	Increase	Decrease	No Change	Don't Know	Net Employment Outlook	Seasonally Adjusted
	%	%	%	%	%	%
<b>Quarter 4 2009</b>	<b>12</b>	<b>14</b>	<b>69</b>	<b>5</b>	<b>-2</b>	<b>-3</b>
Quarter 3 2009	15	13	67	5	2	-2
Quarter 2 2009	15	14	67	4	1	-1
Quarter 1 2009	16	13	67	5	3	10
Quarter 4 2008	22	13	59	6	9	9



No bar indicates Net Employment Outlook of zero. Revised methodology effective Quarter 1 2009.

The results of the Manpower Employment Outlook Survey in the United States include Puerto Rico.

## Industry Sector Comparisons

For Quarter 4 2009, employers in five of the 13 industry sectors, Wholesale & Retail Trade, Financial Activities, Professional & Business Services, Education & Health Services and Leisure & Hospitality, anticipate a positive Outlook. Employers in Mining, Construction, Durable and Non-Durable Goods Manufacturing, Transportation & Utilities, Information, Government and Other Services anticipate a negative Outlook for October – December 2009.

When the industry sector data is compared quarter-over-quarter, employers in one of the 13 industry sectors surveyed, Education & Health Services, are

more positive about employment prospects, predicting a moderate increase in hiring levels. Durable and Nondurable Goods Manufacturing, Wholesale & Retail Trade and Government foresee a slight decrease in hiring plans. Transportation & Utilities and Professional & Business Services employers predict a moderate decrease in the hiring pace, while employers in Construction and Leisure & Hospitality foresee a considerable decrease. Employers in Mining, Information, Financial Activities and Other Services expect staff levels to remain unchanged.

	Increase	Decrease	No Change	Don't Know	Net Employment Outlook Q4 2009	Net Employment Outlook Q3 2009
	%	%	%	%	%	%
Construction	10	20	65	5	-10	2
Education & Health Services	13	11	72	4	2	-4
Financial Activities	10	9	78	3	1	2
Government	9	17	70	4	-8	-4
Information	9	14	73	4	-5	-4
Leisure & Hospitality	18	16	63	3	2	18
Manufacturing – Durable Goods	10	18	68	4	-8	-6
Manufacturing – Nondurable Goods	11	14	72	3	-3	0
Mining	8	17	72	3	-9	-9
Other Services	10	11	76	3	-1	0
Professional & Business Services	15	12	69	4	3	8
Transportation & Utilities	10	19	67	4	-9	-3
Wholesale & Retail Trade	19	12	65	4	7	9

## Industry sector adjustments

Effective with the Quarter 1 2009 report, the 13 industries in the survey follow the North American Industry Classification System (NAICS) Supersectors, with Durable and Nondurable Goods Manufacturing reported separately.

This mix of industries is structured to be representative of the U.S. economy. Because of the adjustment, seasonally adjusted data for individual industries is not currently available. In addition, results for the Mining sector are reported only in the national survey data to ensure statistical accuracy.

## Regional Comparisons

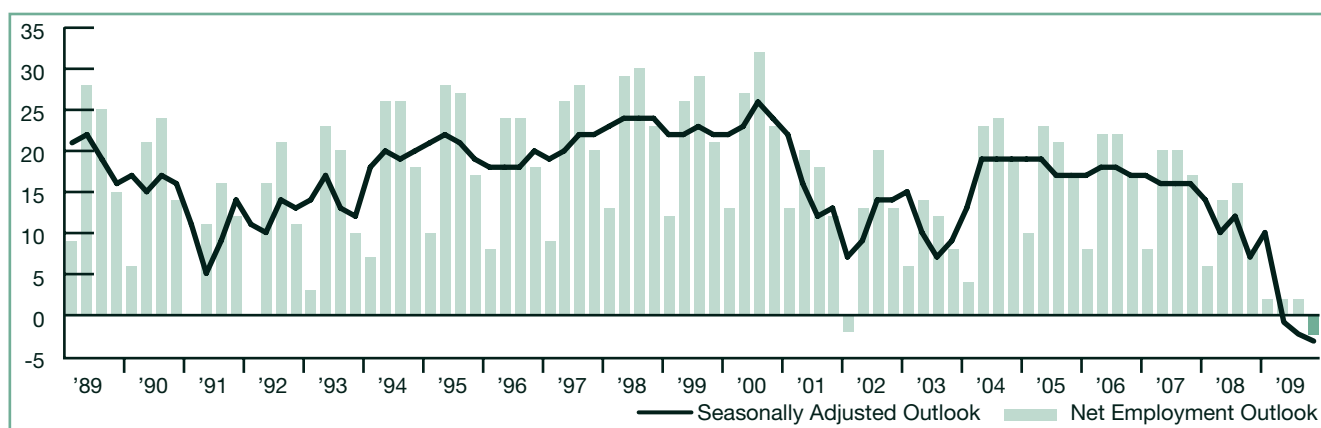
### Midwest -2 (-3)%

In the Midwest, 12% of employers surveyed expect to increase their staff levels for Quarter 4 2009 and 14% anticipate a decrease in the hiring pace, leading to a Net Employment Outlook of -2%. When seasonal variations are removed from the data, the employment forecast for the Midwest is similar to Quarter 3 2009. The Outlook is considerably weaker when compared to one year ago at this time.

Employers in four of the 12 industry sectors surveyed in the Midwest predict an upswing in hiring activity for Quarter 4 2009 when compared to Quarter 3 2009

expectations. Durable Goods Manufacturing, Professional & Business Services, Education & Health Services and Other Services employers anticipate an increase in hiring activity. Employers in Nondurable Goods Manufacturing, Wholesale & Retail Trade and Information foresee a slight decrease in hiring intentions compared to three months ago. Construction, Leisure & Hospitality and Government employers foresee a considerable decrease in hiring plans. Transportation & Utilities and Financial Activities employers expect the hiring pace to remain stable.

	Increase	Decrease	No Change	Don't Know	Net Employment Outlook	Seasonally Adjusted
	%	%	%	%	%	%
<b>All Industries – Midwest</b>	<b>12</b>	<b>14</b>	<b>70</b>	<b>4</b>	<b>-2</b>	<b>-3</b>
Construction	11	22	61	6	-11	–
Education & Health Services	10	12	75	3	-2	–
Financial Activities	10	7	81	2	3	–
Government	5	18	71	6	-13	–
Information	9	15	72	4	-6	–
Leisure & Hospitality	20	15	64	1	5	–
Manufacturing – Durable Goods	13	17	67	3	-4	–
Manufacturing – Nondurable Goods	12	13	72	3	-1	–
Other Services	9	8	80	3	1	–
Professional & Business Services	17	11	68	4	6	–
Transportation & Utilities	10	18	68	4	-8	–
Wholesale & Retail Trade	18	12	66	4	6	–



No bar indicates Net Employment Outlook of zero. Revised methodology effective Quarter 1 2009.

The Midwest Region comprises the following states: Illinois, Indiana, Iowa, Kansas, Michigan, Minnesota, Missouri, Nebraska, North Dakota, Ohio, South Dakota, Wisconsin. Because the industry sector reporting method has been changed effective Quarter 1 2009, seasonally adjusted data for individual industries is not currently available.

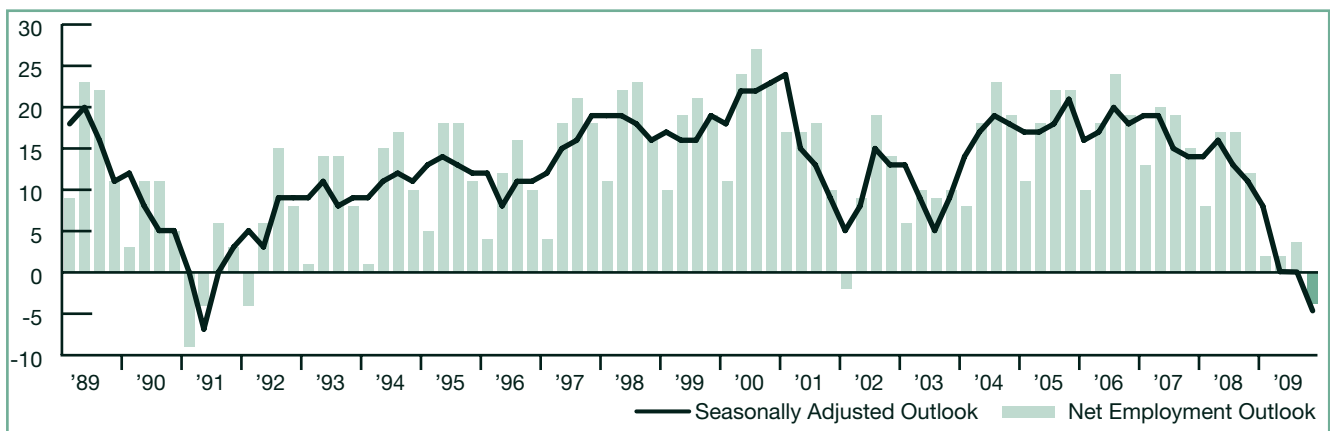
Northeast -4 (-5)%

Eleven percent of employers surveyed in the Northeast expect to increase staff levels, while 15% expect to cut payrolls, resulting in a Net Employment Outlook of -4% for Quarter 4 2009. The seasonally adjusted survey data reflects a moderate decrease in the hiring pace compared to Quarter 3 2009 and a considerable decrease in hiring compared to one year ago at this time. The Northeast has the weakest Outlook of the regions surveyed.

Among the 12 industry sectors surveyed, employers in Education & Health Services anticipate a moderate increase in hiring trends for Quarter 4 2009 when

compared with three months ago. Employers indicate slight increases in hiring pace for the Nondurable Goods Manufacturing compared to Quarter 3 2009. Employers in Durable Goods Manufacturing and Transportation & Utilities expect relatively stable hiring plans. The Financial Activities and Government sectors are expecting employment rates to decrease slightly. Wholesale & Retail Trade, Information and Other Services employers anticipate a moderate decline in hiring activity when compared to the July – September period. Construction, Professional & Business Services and Leisure & Hospitality employers have the weakest Outlook, as they anticipate a considerable decline in hiring.

	Increase	Decrease	No Change	Don't Know	Net Employment Outlook	Seasonally Adjusted
	%	%	%	%	%	%
<b>All Industries – Northeast</b>	<b>11</b>	<b>15</b>	<b>70</b>	<b>4</b>	<b>-4</b>	<b>-5</b>
Construction	10	18	67	5	-8	-
Education & Health Services	13	9	75	3	4	-
Financial Activities	7	9	81	3	-2	-
Government	7	12	77	4	-5	-
Information	7	16	73	4	-9	-
Leisure & Hospitality	17	21	60	2	-4	-
Manufacturing – Durable Goods	9	18	68	5	-9	-
Manufacturing – Nondurable Goods	12	13	71	4	-1	-
Other Services	8	11	78	3	-3	-
Professional & Business Services	12	12	72	4	0	-
Transportation & Utilities	13	21	64	2	-8	-
Wholesale & Retail Trade	19	15	61	5	4	-



Revised methodology effective Quarter 1 2009.

The Northeast Region comprises the following states: Connecticut, Maine, Massachusetts, New Hampshire, New Jersey, New York, Pennsylvania, Rhode Island, Vermont. Because the industry sector reporting method has been changed effective Quarter 1 2009, seasonally adjusted data for individual industries is not currently available.

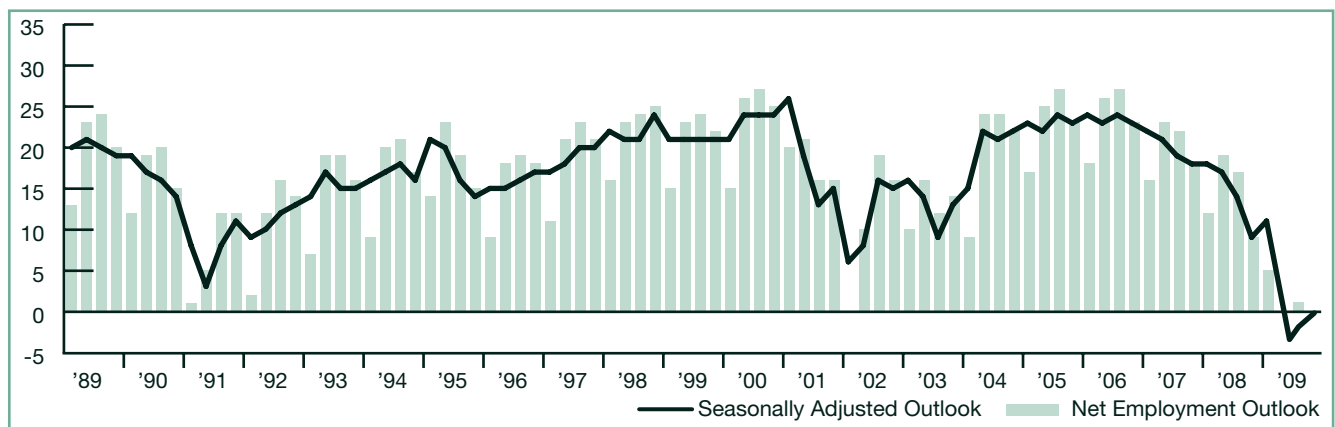
## South 0 (0)%

In the South, 13% of employers surveyed expect to increase staff levels, and 13% plan to cut payrolls, resulting in a Net Employment Outlook of 0%. When seasonal variations are removed from the data, the Quarter 4 2009 employment forecast is slightly stronger than Quarter 3 2009 but considerably weaker compared to one year ago at this time.

Employers in Other Services anticipate a slight uptick in hiring when compared to three months ago. Five industry sectors foresee steady hiring plans, and six industry sectors surveyed in the South foresee weakening job prospects. Job market stability is

expected in the Nondurable Goods Manufacturing, Wholesale & Retail Trade, Information, and Financial Activities and Education & Health Services sectors. Durable Goods Manufacturing, Transportation & Utilities and Government sector employers expect a slight decrease compared to the July – September period. Employers in Construction, Professional & Business Services and Leisure & Hospitality report the weakest Outlook in the South with a moderate decrease in hiring compared to Quarter 3 2009.

	Increase	Decrease	No Change	Don't Know	Net Employment Outlook	Seasonally Adjusted
	%	%	%	%	%	%
<b>All Industries – South</b>	<b>13</b>	<b>13</b>	<b>70</b>	<b>4</b>	<b>0</b>	<b>0</b>
Construction	9	17	69	5	-8	–
Education & Health Services	13	11	73	3	2	–
Financial Activities	11	10	77	2	1	–
Government	11	14	71	4	-3	–
Information	8	13	74	5	-5	–
Leisure & Hospitality	20	13	64	3	7	–
Manufacturing – Durable Goods	10	18	68	4	-8	–
Manufacturing – Nondurable Goods	11	14	72	3	-3	–
Other Services	11	11	76	2	0	–
Professional & Business Services	14	11	71	4	3	–
Transportation & Utilities	10	17	68	5	-7	–
Wholesale & Retail Trade	19	11	66	4	8	–



No bar indicates Net Employment Outlook of zero. Revised methodology effective Quarter 1 2009.

The South Region comprises Puerto Rico and the following states: Alabama, Arkansas, Delaware, District of Columbia, Florida, Georgia, Kentucky, Louisiana, Maryland, Mississippi, North Carolina, Oklahoma, South Carolina, Tennessee, Texas, Virginia, West Virginia. Because the industry sector reporting method has been changed effective Quarter 1 2009, seasonally adjusted data for individual industries is not currently available.

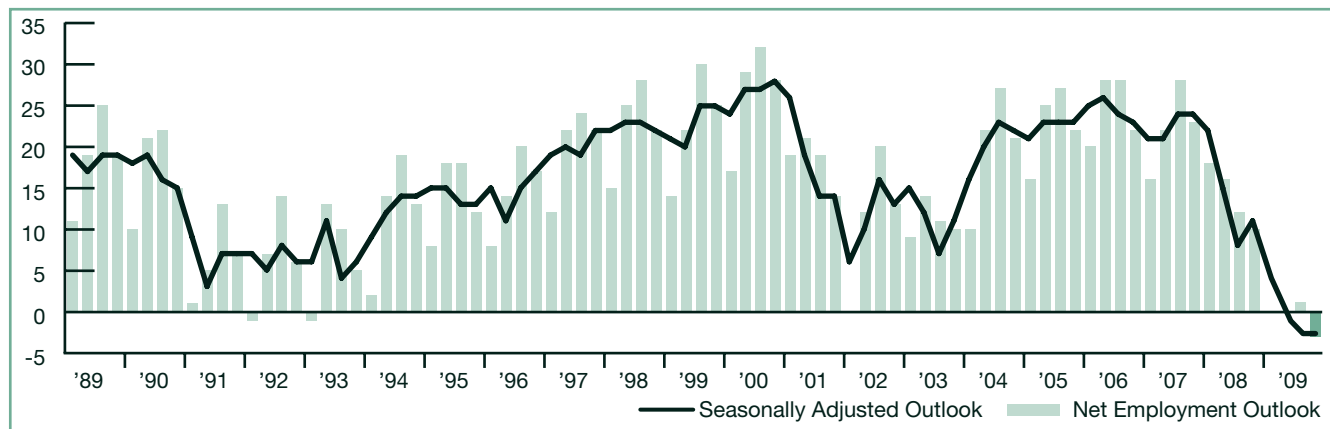
West -3 (-3)%

Among employers surveyed in the West, 13% plan to add staff, while 16% anticipate a decline in payrolls for the final months of 2009, resulting in a Net Employment Outlook of -3% for Quarter 4 2009. According to seasonally adjusted survey results, employers in the West anticipate relatively stable hiring compared to Quarter 3 2009 and a considerable decrease in hiring compared to one year ago.

Among the 12 industry sectors surveyed in the West, Education & Health Services employers are expecting the most promising quarter-over-quarter change, with a considerable increase in hiring intentions when compared to Quarter 3 2009. Information employers

expect a slightly stronger hiring pace for Quarter 4 2009, while Durable Good Manufacturing and Wholesale & Retail Trade sector employers foresee minimal changes. Eight industry sectors anticipate declines in staff levels for the September – December period compared to Quarter 3 2009. Professional & Business Services and Government employers predict slight decreases in the hiring pace, while Non-Durable Goods Manufacturing, Financial Activities and Other Services sector employers predict a moderate decrease in their plans to hire compared to three months ago. Employers in the Construction, Transportation & Utilities and Leisure & Hospitality sectors expect a more significant hiring slow-down for Quarter 4 2009.

	Increase	Decrease	No Change	Don't Know	Net Employment Outlook	Seasonally Adjusted
	%	%	%	%	%	%
<b>All Industries – West</b>	<b>13</b>	<b>16</b>	<b>67</b>	<b>4</b>	<b>-3</b>	<b>-3</b>
Construction	9	24	60	7	-15	-
Education & Health Services	14	14	67	5	0	-
Financial Activities	9	11	78	2	-2	-
Government	9	23	63	5	-14	-
Information	13	14	72	1	-1	-
Leisure & Hospitality	15	18	64	3	-3	-
Manufacturing – Durable Goods	9	17	68	6	-8	-
Manufacturing – Nondurable Goods	12	14	72	2	-2	-
Other Services	11	15	71	3	-4	-
Professional & Business Services	17	14	65	4	3	-
Transportation & Utilities	9	21	67	3	-12	-
Wholesale & Retail Trade	20	12	64	4	8	-



No bar indicates Net Employment Outlook of zero. Revised methodology effective Quarter 1 2009.

The West Region comprises the following states: Alaska, Arizona, California, Colorado, Hawaii, Idaho, Montana, Nevada, New Mexico, Oregon, Utah, Washington, Wyoming. Because the industry sector reporting method has been changed effective Quarter 1 2009, seasonally adjusted data for individual industries is not currently available.

# Global Employment Outlook

Over 72,000 employers were interviewed across 35 countries and territories to measure anticipated employment trends\* between October and December 2009. Manpower surveys employers in Brazil for the first time this quarter, expanding the reach of the Manpower Employment Outlook Survey to four key labor markets in South America.

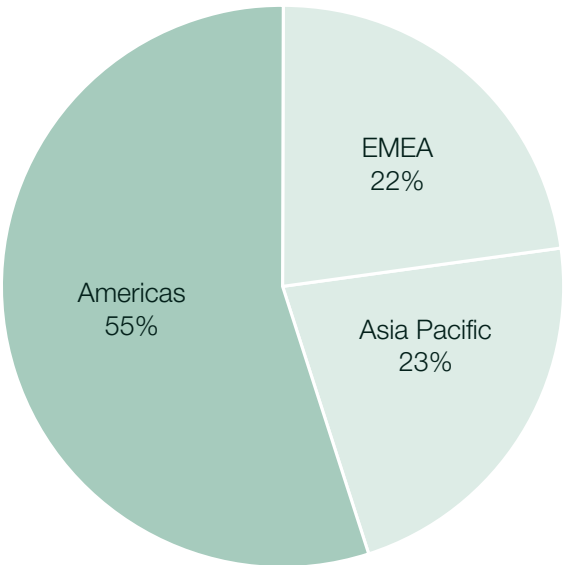
Employers in 17 of the 35 countries and territories Manpower surveys expect to add to their workforces in Quarter 4 2009. Where quarter-over-quarter comparisons are available, Outlooks improve in 20 of 34 countries and territories indicating an easing in the pattern of layoffs prevalent in the past several quarters. Where year-over-year comparisons can be made, hiring expectations are weaker in 31 of 33 countries and territories surveyed. Employers in 15 countries and territories are forecasting negative Outlooks, while those in 10 countries and territories are reporting the weakest hiring plans since the surveys were established there by Manpower.

Employment prospects are most favorable in India, Brazil, Colombia, Peru, China, Australia, Singapore, Costa Rica, Canada, Taiwan and Poland. Employer hiring expectations are weakest in Romania, Spain, Ireland, Japan and Mexico.

On a regional basis, employment prospects remain mixed. However, there are indications that the stabilization of labor markets first noted in Quarter 3 2009 is continuing with Outlooks improving in nearly two thirds of the countries and territories surveyed. In the Asia Pacific region, job prospects improve quarter-over-quarter in six of the eight countries and territories surveyed. In the Europe, Middle East & Africa (EMEA) region, Outlooks improve from three months ago in eight of 18 countries. In the Americas, employers report improving prospects for job seekers in six of the nine countries surveyed with only employers in Mexico and the United States reporting negative hiring intentions in the next three months.

\* Commentary is based on seasonally adjusted data where available.

## Survey Respondents by Region



Research for the Quarter 4 2009 Manpower Employment Outlook Survey involved surveying over 72,000 human resource directors and senior hiring managers from public and private organizations worldwide: 55% of the respondents came from nine countries in the Americas; 22% from 18 countries in EMEA; and 23% from eight countries and territories across Asia Pacific.

Full survey results for each of the 35 countries and territories included in this quarter's survey, plus regional and global comparisons, can be found at the Manpower Press Room at [www.manpower.com/meos](http://www.manpower.com/meos). In addition, all tables and graphs from the full report are available for download from the Manpower website at [www.manpower.com/library](http://www.manpower.com/library).

## About the 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. The survey has been running for more than 45 years and is one of the most trusted surveys of employment activity in the world. Various factors underpin the success of the Manpower Employment Outlook Survey:

**Unique:** It is unparalleled in its size, scope, longevity and area of focus.

**Projective:** The Manpower 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 in which it is conducted. The survey participants are not derived from Manpower's customer base.

**Robust:** The survey is based on interviews with over 72,000 public and private employers across 35 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 four decades, the survey has derived all of its information from a single question.

## Survey Question

All employers participating in the survey worldwide are asked the same question, "How do you anticipate total employment at your location to change in the three months to the end of December 2009 as compared to the current quarter?"

## Methodology

The Manpower Employment Outlook Survey in the U.S. is conducted using a validated methodology in accordance with the highest standards in market research. The mix of industries within the survey follows the North American Industry Classification System (NAICS) Supersectors and is structured to be representative of the United States economy. The survey is conducted by an independent, third-party research firm and includes a select sample of more than 28,000 employers located in the 200 Metropolitan Statistical Areas (as defined by the U.S. government) in the U.S. and one in Puerto Rico. With this number of interviews, the overall U.S. survey carries a margin of error of 0.49%, with a 90% confidence index.

## Net Employment Outlook

The key statistic we use throughout this report is the Net Employment Outlook. This figure is derived by taking the percentage of employers anticipating an increase in hiring activity and subtracting from this the percentage of employers that expect to see a decrease in employment at their location in the next quarter. The result of this calculation is the Net Employment Outlook.

## Seasonal Adjustment

Seasonal adjustments have been applied to the survey data by research professionals at the University of Wisconsin-Milwaukee. These adjustments make it possible to review the data without the employment fluctuations that normally occur at the same time each year, thus providing a clearer picture of the data over time.

## MSA Results

Complete results for the 201 MSAs, plus the complete results and visuals for the United States Manpower Employment Outlook Survey, are available for viewing and download at: [www.us.manpower.com/meos](http://www.us.manpower.com/meos)

## About Manpower Inc.

Manpower Inc. (NYSE: MAN) is a world leader in the employment services industry; creating and delivering services that enable its clients to win in the changing world of work. Founded in 1948, Manpower offers employers a range of services for the entire employment and business cycle including permanent, temporary and contract recruitment; employee assessment and selection; training; outplacement; outsourcing and consulting.

Manpower's worldwide network of 4,100 offices in 82 countries and territories enables the company to meet the needs of its 400,000 clients per year, including small and medium size enterprises in all industry sectors, as well as the world's largest multinational corporations. The focus of Manpower's work is on raising productivity through improved quality, efficiency and cost-reduction across their total workforce, enabling clients to concentrate on their core business activities. Manpower Inc. operates under five brands: Manpower, Manpower Professional, Elan, Jefferson Wells and Right Management. More information on Manpower Inc. is available at [www.manpower.com](http://www.manpower.com).

## About Manpower United States

In the United States, Manpower provides a wide range of employment services that allow companies to anticipate and benefit from the changes happening now and next in the contemporary world of work. Manpower is more than its core of industrial, contact center and administrative recruiting, assessment and selection. In addition to recruiting and screening for permanent positions, Manpower supports clients' cost savings through its managed service programs, recruitment process outsourcing needs, and other innovative solutions, through Manpower Business Solutions. Under the Manpower Professional brand, the company places superior talent in areas such as information technology, scientific, engineering and finance verticals. More information on Manpower is available at [www.us.manpower.com](http://www.us.manpower.com).

## History of the Survey

- 1962 First generation of the Manpower Employment Outlook Survey launched in the United States and Canada.
- 1966 Manpower's United Kingdom operation launches the equivalent of the United States survey, naming the report the Quarterly Survey of Employment Prospects. The survey adopts the same forward-looking research format as the United States survey and is the first of its kind in Europe.
- 1976 Second generation of the Manpower Employment Outlook Survey launched in the United States and Canada. Research methodology is updated to evolve with advancements in the field of market research.
- 2002 Manpower United Kingdom's Quarterly Survey of Employment Prospects is updated to adopt an enhanced research methodology. Manpower's operations in Mexico and Ireland launch the survey in their respective countries.
- 2003 Third generation of the Manpower Employment Outlook Survey is launched, expanding the program to a total 18 countries and territories worldwide: Australia, Austria, Belgium, Canada, France, Germany, Hong Kong, Ireland, Italy, Japan, Mexico, Netherlands, Norway, Singapore, Spain, Sweden, United Kingdom and United States.
- 2004 Manpower operations in New Zealand launch the Manpower Employment Outlook Survey.
- 2005 Manpower operations in China, India, Switzerland and Taiwan launch the Manpower Employment Outlook Survey.
- 2006 Manpower operations in Costa Rica, Peru and South Africa join the survey program. Surveys in Australia, Austria, Belgium, France, Germany, Hong Kong, Ireland, Italy, Japan, Mexico, Netherlands, Norway, Singapore, Spain and Sweden add seasonally adjusted data in the third quarter.
- 2007 Manpower operations in Argentina launch the Manpower Employment Outlook Survey. The survey in New Zealand adds seasonally adjusted data in the first quarter. Manpower operations in South Africa launch the Manpower Employment Outlook Survey.
- 2008 Manpower operations in Colombia, the Czech Republic, Greece, Guatemala, Poland and Romania join the survey program. China and Taiwan add seasonally adjusted data in the second quarter. India and Switzerland add seasonally adjusted data in the third quarter.
- 2009 Manpower Hungary launches the survey in the third quarter, and Manpower Brazil joins the survey in the fourth quarter.

Manpower Inc., 100 Manpower Place, Milwaukee, WI 53212, USA  
Tel: 414 961 1000  
[www.us.manpower.com](http://www.us.manpower.com)

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