

Q2/2014

Manpower
Employment
Outlook Survey
United States

A Manpower Research Report



Manpower®

Q2/14

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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

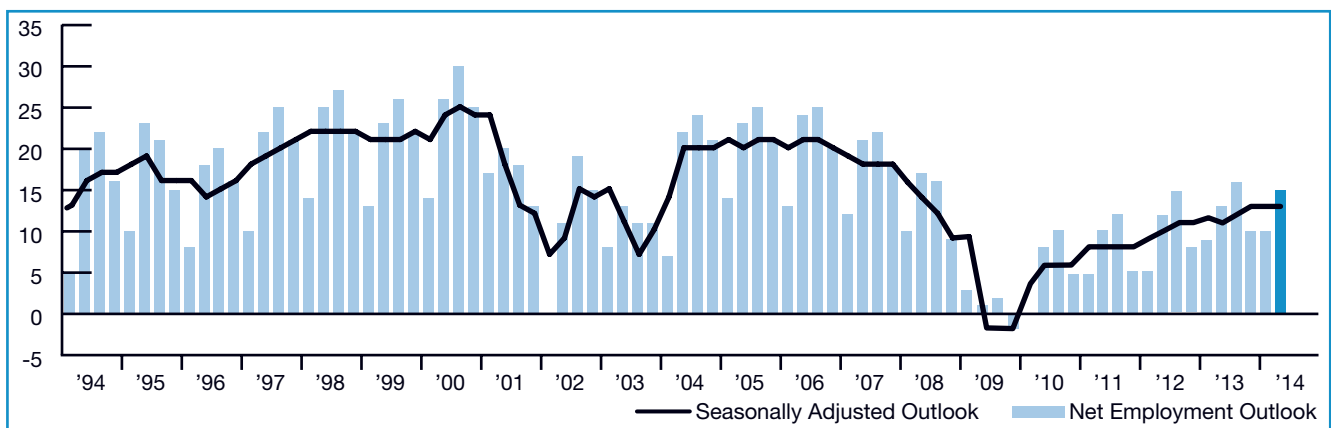
More than 18,000 interviews have been conducted with employers within the United States, including all 50 states, the top 100 Metropolitan Statistical Areas (MSAs), the District of Columbia and Puerto Rico, to measure hiring intentions between April and June 2014. The mix of industries within the survey 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 June 2014 as compared to the current quarter?"

Among U.S. employers surveyed, 19 percent expect to add to their workforces, and 4 percent expect a decline in their payrolls during Quarter 2 2014. Seventy-three percent of employers anticipate making no change to staff levels, and the remaining 4 percent of employers are undecided about their Quarter 2 2014 hiring plans.

When seasonal variations are removed from the data, the Net Employment Outlook is +13%. Survey results indicate that employers expect hiring intentions to remain relatively stable during Quarter 2 2014 compared to Quarter 1 2014 and slightly increase compared to one year ago at this time.

All four U.S. regions surveyed report a positive Net Employment Outlook. When seasonal variations are removed from the data, employers in the Midwest and South regions report the strongest Outlook at +13%. Quarter-over-quarter, plans to add workers remain consistent among employers in all four regions. Compared to one year ago at this time, employers in the Midwest and Northeast regions expect a relatively stable hiring environment, while employers in the South and West regions expect a slight increase for Quarter 2 2014.

	Increase	Decrease	No Change	Don't Know	Net Employment Outlook	Seasonally Adjusted
	%	%	%	%	%	%
Quarter 2 2014	19	4	73	4	15	13
Quarter 1 2014	17	7	73	3	10	13
Quarter 4 2013	18	8	72	2	10	13
Quarter 3 2013	22	6	70	2	16	12
Quarter 2 2013	18	5	73	4	13	11



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

Industry Sector Comparisons

For Quarter 2 2014, employers have a positive Outlook in all 13 industry sectors included in the survey. Seasonally adjusted results include: Leisure & Hospitality (+20%), Wholesale & Retail Trade (+19%), Mining (+18%), Professional & Business Services (+14%), Transportation & Utilities (+12%), Information (+12%), Durable Goods Manufacturing (+11%), Government (+10%), Construction (+9%), Financial Activities (+8%), Education & Health Services (+8%), Other Services (+7%) and Nondurable Goods Manufacturing (+6%).

When the industry sector data is compared quarter-over-quarter, employers in the Mining sector anticipate a moderate hiring increase, while employers in the Government sector anticipate a slight hiring increase. Staff levels are expected to remain relatively stable among

employers in seven industry sectors: Construction, Durable Goods Manufacturing, Transportation & Utilities, Wholesale & Retail Trade, Information, Education & Health Services and Other Services. Employers in the Financial Activities, Professional & Business Services and Leisure & Hospitality sectors anticipate a slight decrease in the hiring pace, while employers in the Nondurable Goods Manufacturing sector expect a moderate decrease in hiring.

Results for the Mining sector are reported only in the national survey data to ensure statistical accuracy.

	Increase	Decrease	No Change	Don't Know	Net Employment Outlook Q2 2014	Seasonally Adjusted
	%	%	%	%	%	%
Construction	19	6	70	5	13	9
Education & Health Services	12	3	80	5	9	8
Financial Activities	12	3	81	4	9	8
Government	15	3	78	4	12	10
Information	17	4	75	4	13	12
Leisure & Hospitality	30	6	59	5	24	20
Manufacturing - Durable Goods	17	3	76	4	14	11
Manufacturing - Nondurable Goods	15	6	75	4	9	6
Mining	28	6	64	2	22	18
Other Services	13	4	81	2	9	7
Professional & Business Services	21	5	70	4	16	14
Transportation & Utilities	21	5	71	3	16	12
Wholesale & Retail Trade	22	5	69	4	17	19

Regional Comparisons

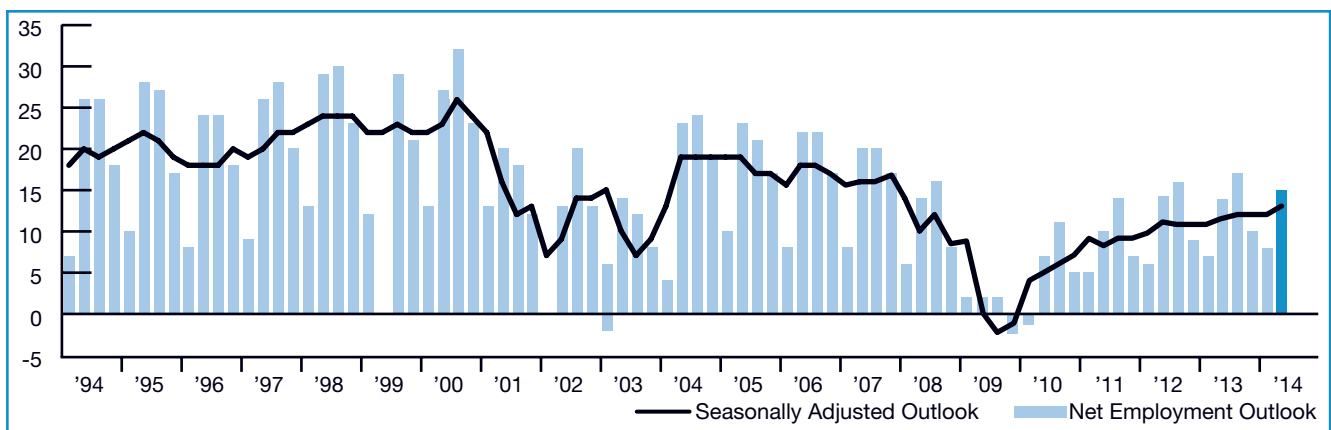
Midwest Seasonally Adjusted Net Employment Outlook: +13%

In the Midwest, 19 percent of employers surveyed expect to increase staff levels for Quarter 2 2014 and 4 percent anticipate reduced headcounts, leading to a Net Employment Outlook of +15%. When seasonal variations are removed from the data, the Outlook for Quarter 2 2014 is similar to Quarter 1 2014 and compared to one year ago at this time.

Among Midwest employers, seasonally adjusted hiring plans are stronger or relatively stable for Quarter 2 2014 compared to Quarter 1 2014 across eight of the industries surveyed. A moderate increase is anticipated among employers in the Durable Goods Manufacturing

and Other Services sectors, while employers in the Education & Health Services and Government sectors anticipate a slight increase in hiring. Employers look for the hiring pace to remain relatively stable in four sectors: Nondurable Goods Manufacturing, Wholesale & Retail Trade, Information and Financial Activities. Construction, Professional & Business Services and Leisure & Hospitality sector employers expect the hiring pace to slightly decrease, and employers in the Transportation & Utilities sector expect the hiring pace to moderately decrease quarter-over-quarter.

	Increase	Decrease	No Change	Don't Know	Net Employment Outlook Q2 2014	Seasonally Adjusted
	%	%	%	%	%	%
All Industries – Midwest	19	4	74	3	15	13
Construction	19	6	69	6	13	6
Education & Health Services	11	2	83	4	9	6
Financial Activities	9	2	85	4	7	9
Government	13	2	79	6	11	9
Information	14	4	80	2	10	10
Leisure & Hospitality	32	5	59	4	27	23
Manufacturing - Durable Goods	20	1	75	4	19	18
Manufacturing - Nondurable Goods	18	6	73	3	12	11
Other Services	14	3	80	3	11	9
Professional & Business Services	21	5	71	3	16	13
Transportation & Utilities	16	4	78	2	12	11
Wholesale & Retail Trade	24	5	67	4	19	18



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.

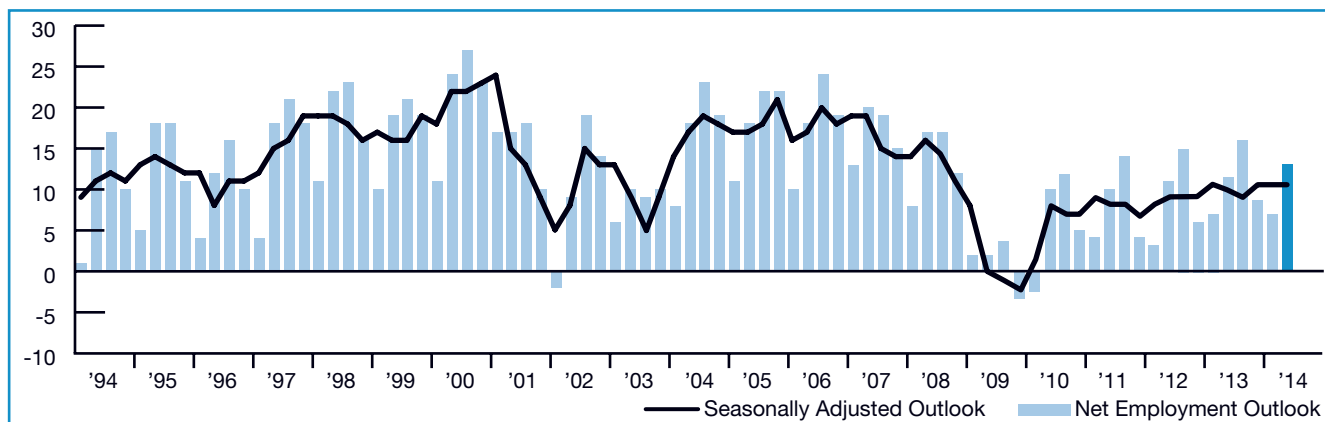
Northeast Seasonally Adjusted Net Employment Outlook: +11%

In the Northeast, 18 percent of employers indicate plans to increase staff levels, while 5 percent expect to decrease payrolls, resulting in a Net Employment Outlook of +13% for Quarter 2 2014. According to seasonally adjusted survey results, employers anticipate a relatively stable hiring environment compared to Quarter 1 2014 and one year ago at this time.

Compared to seasonally adjusted Quarter 1 2014 survey results for the Northeast, employers in the Construction, Professional & Business Services, Education & Health Services, Leisure & Hospitality and Government sectors expect the hiring pace to slightly

increase in Quarter 2 2014. Employers in four industry sectors report relatively stable hiring intentions for April – June 2014 compared to January – March 2014: Durable Goods Manufacturing, Transportation & Utilities, Wholesale & Retail Trade and Other Services. A slight decrease is expected by Information and Financial Activities employers, and a moderate decrease is projected for the Nondurable Goods Manufacturing sector.

	Increase	Decrease	No Change	Don't Know	Net Employment Outlook Q2 2014	Seasonally Adjusted
	%	%	%	%	%	%
All Industries – Northeast	18	5	73	4	13	11
Construction	20	7	66	7	13	6
Education & Health Services	12	3	80	5	9	8
Financial Activities	15	3	78	4	12	11
Government	15	3	79	3	12	10
Information	14	5	79	2	9	9
Leisure & Hospitality	29	6	60	5	23	17
Manufacturing - Durable Goods	13	5	78	4	8	6
Manufacturing - Nondurable Goods	13	6	77	4	7	5
Other Services	12	4	81	3	8	6
Professional & Business Services	22	4	71	3	18	16
Transportation & Utilities	24	7	67	2	17	12
Wholesale & Retail Trade	21	5	70	4	16	19



The Northeast Region comprises the following states: Connecticut, Maine, Massachusetts, New Hampshire, New Jersey, New York, Pennsylvania, Rhode Island, Vermont.

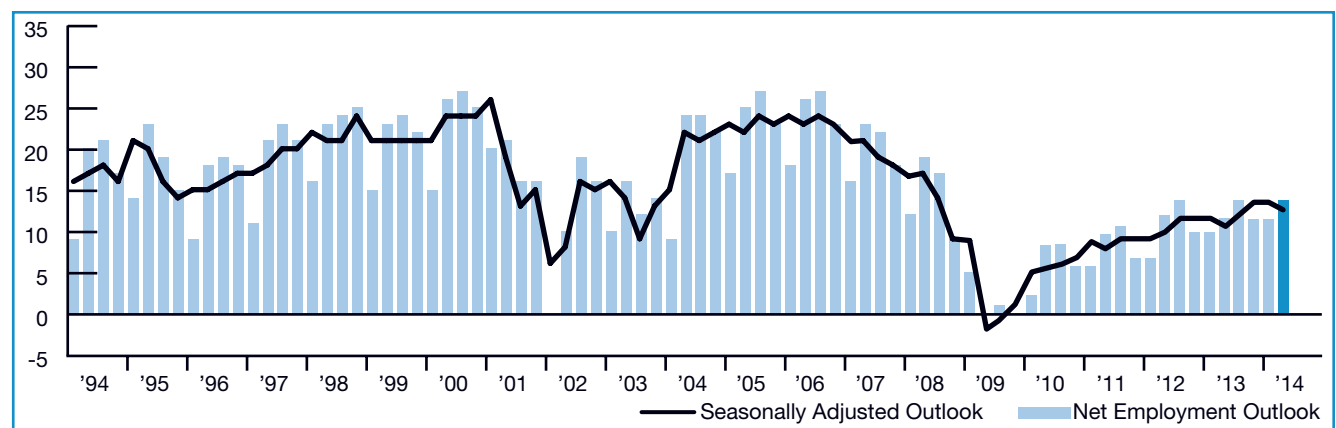
South Seasonally Adjusted Net Employment Outlook: +13%

In the South, 18 percent of employers surveyed expect to increase staff levels and 4 percent plan to decrease their employee headcounts, resulting in a Net Employment Outlook of +14%. When seasonal variations are removed from the data, the expected Quarter 2 2014 hiring pace is relatively stable from Quarter 1 2014 and slightly increased from a year ago at this time.

When seasonal variations are removed from the data, quarter-over-quarter, employers in the Government sector anticipate hiring plans to moderately improve, while employers in the Durable Goods Manufacturing and Information sectors anticipate a slight increase in

hiring plans. Employers in the Construction, Transportation & Utilities, Professional & Business Services and Education & Health Services sectors expect hiring to remain relatively stable. Employers in three sectors foresee a slight decline in the hiring pace: Wholesale & Retail Trade, Leisure & Hospitality and Other Services. Financial Activities employers expect a moderate decrease and Nondurable Goods Manufacturers foresee a considerable decrease in hiring in Quarter 2 2014.

	Increase	Decrease	No Change	Don't Know	Net Employment Outlook Q2 2014	Seasonally Adjusted
	%	%	%	%	%	%
All Industries – South	18	4	73	5	14	13
Construction	16	6	74	4	10	9
Education & Health Services	13	3	79	5	10	9
Financial Activities	11	4	82	3	7	6
Government	14	2	79	5	12	11
Information	17	2	77	4	15	14
Leisure & Hospitality	30	6	59	5	24	21
Manufacturing - Durable Goods	17	3	75	5	14	12
Manufacturing - Nondurable Goods	13	6	78	3	7	3
Other Services	12	3	82	3	9	6
Professional & Business Services	23	5	68	4	18	16
Transportation & Utilities	21	4	73	2	17	14
Wholesale & Retail Trade	20	6	71	3	14	17



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.

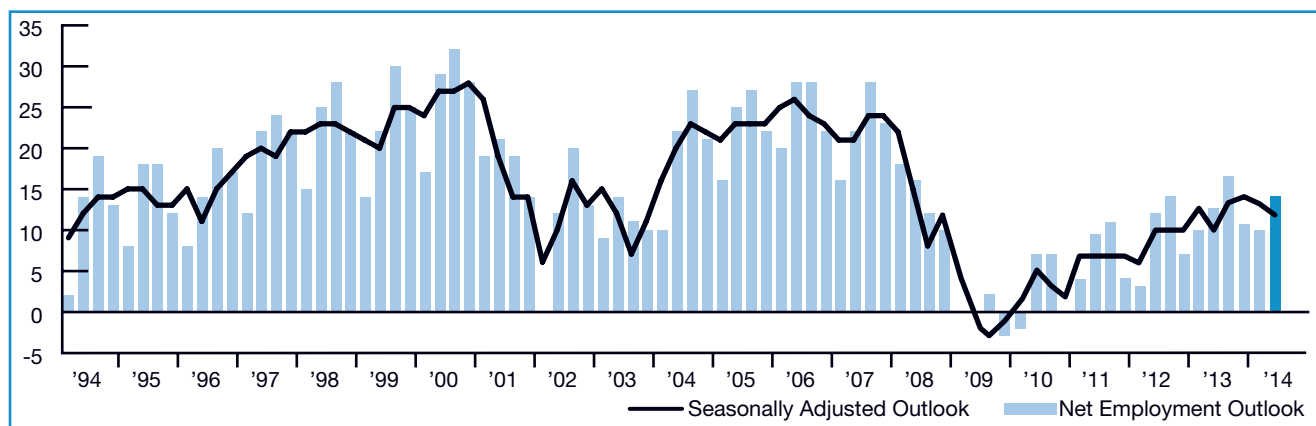
West Seasonally Adjusted Net Employment Outlook: +12%

Among employers surveyed in the West, 19 percent plan to add staff, while 5 percent anticipate a decline in payrolls, resulting in a Net Employment Outlook of +14% for Quarter 2 2014. According to seasonally adjusted survey results, employers in the West anticipate relatively stable hiring compared to Quarter 1 2014, while a slight increase in hiring pace is projected compared to one year ago at this time.

According to the seasonally adjusted data, quarter-over-quarter results show that nine industry sectors have an improving or stable Net Employment Outlook, with the remaining three sectors anticipating declining staff levels.

Construction and Financial Activities employers anticipate a moderate increase in hiring, while Durable Goods Manufacturing, Transportation & Utilities, Other Services and Government sector employers anticipate a slight increase. Employers in the Nondurable Goods Manufacturing, Wholesale & Retail Trade and Education & Health Services sectors expect hiring to remain relatively stable. The remaining three sectors expect a decline in hiring, with employers in the Professional & Business Services sector projecting a slight decrease and Information and Leisure & Hospitality employers predicting a moderate decrease.

	Increase	Decrease	No Change	Don't Know	Net Employment Outlook Q2 2014	Seasonally Adjusted
	%	%	%	%	%	%
All Industries – West	19	5	72	4	14	12
Construction	23	6	67	4	17	12
Education & Health Services	12	4	81	3	8	8
Financial Activities	14	3	78	5	11	10
Government	18	4	74	4	14	10
Information	20	7	67	6	13	14
Leisure & Hospitality	27	6	60	7	21	20
Manufacturing - Durable Goods	18	3	77	2	15	10
Manufacturing - Nondurable Goods	17	6	72	5	11	9
Other Services	14	4	80	2	10	10
Professional & Business Services	18	5	73	4	13	10
Transportation & Utilities	24	6	66	4	18	13
Wholesale & Retail Trade	24	5	67	4	19	21



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.

Global Employment Outlook

To measure hiring expectations in the world's major labor markets between April and June 2014, ManpowerGroup interviewed more than 65,000 employers in 42 countries and territories. The second-quarter survey indicates that the headwinds encountered in many global labor markets may be moderating amid numerous signs of measured optimism among employers. Staffing levels are expected to increase in 38 of 42 countries and territories – the largest proportion of positive hiring plans since the third quarter of 2008 – with employers in both Ireland and Spain reporting their first positive hiring forecasts since 2008. The strongest hiring plans across the globe are reported by employers in India, Taiwan, New Zealand, Turkey and Costa Rica. Conversely, the weakest – and only negative – second-quarter forecasts are reported by employers in Italy, the Czech Republic and in France where the Outlook slips into negative territory for the second time in the past four quarters.

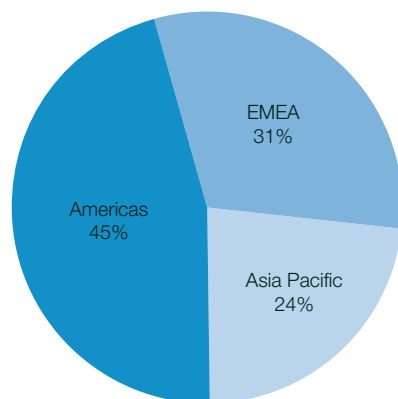
In the Americas region, employers in all 10 countries surveyed expect to grow payrolls during the next three months. When compared with the previous quarter, hiring plans improve in four countries but decline in two. Employers in Costa Rica report the region's most optimistic second-quarter hiring prospects, while, for the third consecutive quarter, employers in Argentina report the least optimistic Outlook in the Americas.

Staffing levels are forecast to grow in all eight Asia Pacific countries and territories during the next three months. Stronger Net Employment Outlooks are reported in five countries and territories when compared with the previous quarter, with employers reporting weaker hiring prospects in two. When compared with Quarter 2 2013, hiring plans improve in seven countries and territories, and decline only in China. The strongest labor market is expected in India, while for the eighth consecutive quarter employers in Australia report the region's weakest hiring prospects.

Employers in 20 of 24 countries in the EMEA region forecast workforce growth during the next three months. Hiring prospects improve in 17 countries quarter-over-quarter, but decline in seven. As in the previous four quarters, Turkish employers report the most optimistic hiring intentions in the region. The region's weakest Outlook is reported in Italy, but employers here report their strongest forecast since the third quarter of 2012 with hiring plans expected to improve or remain relatively stable in most industry sectors and regions when compared to both three months ago and last year at this time.

* Commentary is based on seasonally adjusted data where available.

Survey Respondents by Region



For the Quarter 2 2014 research, ManpowerGroup surveyed more than 65,000 human resources directors and senior hiring managers from public and private organizations worldwide: 45% of respondents come from 10 countries in the Americas; 24% from eight countries and territories across Asia Pacific; and 31% from 24 countries in EMEA.

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. 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. 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 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 more than 65,000 public and private employers across 42 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 five decades the survey has derived all of its information from a single question.

Survey Question

For the 2Q 2014 research, 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 June 2014 as compared to the current quarter?"

Methodology

The Manpower Employment Outlook Survey is conducted using a validated methodology, in accordance with the highest standards in market research. The research team for the 42 countries and territories where the survey is currently conducted includes ManpowerGroup's internal research team and Infocorp Ltd. The survey has been structured to be representative of each national economy. The margin of error for all national, regional and global data is not greater than +/- 3.9%.

Regions: The survey reports results by the four regions within the U.S. as determined by the U.S. Census Bureau. Each region is represented with a minimum error factor of +/- 1.4% based on a 90% confidence level.

Industries: The survey reports national results by the NAICS Supersectors. Error factors not to exceed +/- 5% for Mining and +/- 3% for the remaining Supersectors based on a 90% confidence level.

Net Employment Outlook

Throughout this report, we use the term "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 expecting to see a decrease in employment at their location in the next quarter. The result of this calculation is the Net Employment Outlook. Net Employment Outlooks for countries and territories that have accumulated at least 17 quarters of data are reported in a seasonally adjusted format unless otherwise stated.

Seasonal Adjustment

Seasonal adjustments have been applied to the data for Argentina, Australia, Austria, Belgium, Brazil, Canada, Colombia, Costa Rica, China, the Czech Republic, France, Germany, Greece, Guatemala, Hong Kong, Hungary, India, Ireland, Italy, Japan, Mexico, Netherlands, New Zealand, Norway, Panama, Peru, Poland, Romania, Singapore, South Africa, Spain, Sweden, Switzerland, Taiwan, the United Kingdom and the United States to provide additional insight into the survey data. 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. ManpowerGroup intends to add seasonal adjustments to the data for other countries in the future, as more historical data is compiled. Note that in Quarter 2 2008, ManpowerGroup adopted the TRAMO-SEATS method of seasonal adjustment for data.

Additional Information Available

Find complete survey results, including reports for the top 100 Metropolitan Statistical Areas, 50 states, District of Columbia and Puerto Rico on our website at press.manpower.com.

History of the Survey

- 1962** First generation of the Manpower Employment Outlook Survey launched in the United States and Canada.
- 1966** ManpowerGroup'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 ManpowerGroup United Kingdom's Quarterly Survey of Employment Prospects is updated to adopt an enhanced research methodology. ManpowerGroup'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 of 18 countries and territories worldwide: Australia, Austria, Belgium, Canada, France, Germany, Hong Kong, Ireland, Italy, Japan, Mexico, Netherlands, Norway, Singapore, Spain, Sweden, the United Kingdom and the United States.
- 2004 ManpowerGroup operations in New Zealand launch the Manpower Employment Outlook Survey.
- 2005 ManpowerGroup operations in China, India, Switzerland, and Taiwan launch the Manpower Employment Outlook Survey.
- 2006 ManpowerGroup operations in Costa Rica and Peru 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. ManpowerGroup operations in South Africa launch the Manpower Employment Outlook Survey.
- 2007 ManpowerGroup operations in Argentina join the Manpower Employment Outlook Survey. The survey in New Zealand adds seasonally adjusted data in the first quarter.
- 2008 ManpowerGroup 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 ManpowerGroup operations in Hungary and Brazil launch the Manpower Employment Outlook Survey.
- 2010 ManpowerGroup's Panama operation launches the Manpower Employment Outlook Survey, expanding the program total to 36 countries and territories worldwide. Peru adds seasonally adjusted data in the second quarter. Costa Rica adds seasonally adjusted data in the fourth quarter.
- 2011 Beginning in the first quarter, operations in Bulgaria, Slovenia and Turkey join the Manpower Employment Outlook Survey. Seasonally adjusted data is added in the first quarter for Argentina and South Africa. Israel and Slovakia launch the Manpower Employment Outlook Survey in the fourth quarter.
- 2012 Beginning in the second quarter, ManpowerGroup operations in the Czech Republic, Greece, Guatemala, Poland and Romania initiate reporting of seasonally adjusted data. ManpowerGroup's operation in Finland joins the survey in the fourth quarter. Seasonal variations are also removed from Colombian data for the first time.
- 2013 ManpowerGroup Hungary begins reporting seasonally adjusted data in the third quarter and the Brazil operation begins reporting seasonally adjusted data in the fourth quarter.
- 2014 Survey data for Panama is seasonally adjusted for the first time in the second quarter.

About ManpowerGroup™

ManpowerGroup™ (NYSE: MAN) is the world leader in innovative workforce solutions that ensure the talent sustainability of the world's workforce for the good of companies, communities, countries, and individuals themselves. Specializing in solutions that help organizations achieve business agility and workforce flexibility, ManpowerGroup leverages its 65 years of world of work expertise to create the work models, design the people practices and access the talent sources its clients need for the future. From staffing, recruitment, workforce consulting, outsourcing and career management to assessment, training and development, ManpowerGroup delivers the talent to drive the innovation and productivity of organizations in a world where talentism is the dominant economic system. Every day, ManpowerGroup connects more than 630,000 people to work and builds their experience and employability through its relationships with 400,000 clients across 80 countries and territories. ManpowerGroup's suite of solutions is offered through ManpowerGroup™ Solutions, Manpower®, Experis™ and Right Management®. ManpowerGroup was named one of the World's Most Ethical Companies for the third consecutive year in 2013, confirming our position as the most trusted brand in the industry.

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