

Summary

Analysis of the results to September 2019

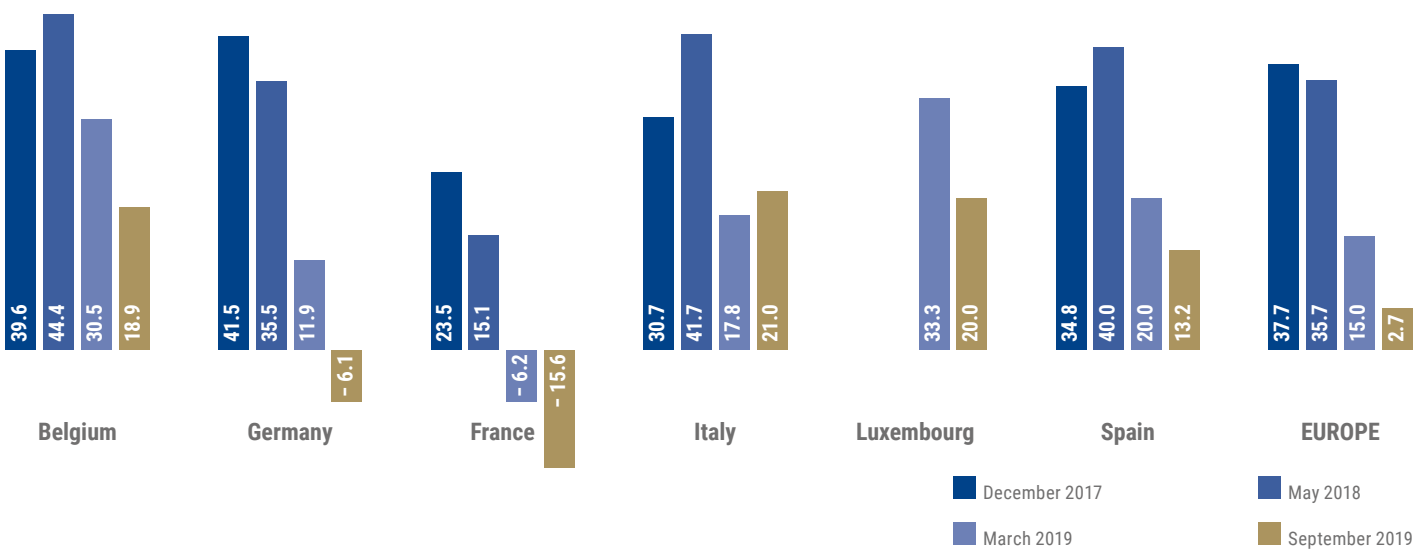
The European Barometer of Executive Recruitment conducted by ECSSA on the perception of the state of the market shows, as of September 2019, a consolidated index equal to + 2.7, i. e. a decrease of 12 points compared to the beginning of 2019. This index confirms and amplifies the decline of the optimism recorded at the beginning of the year (+ 15) and contrasts with the period March 2017–May 2018 when the index fluctuated between 35 and 38.

In line with the European average, and with the exception of Italy, all participating countries recorded a continuous decline in confi-

dence compared to previous editions (March 2019, May 2018 and December 2017). During 2019, the largest drop was in Germany (- 18 points) followed by Luxembourg (- 13), Belgium (- 11.6), France (- 9) and Spain (- 7).

In the breakdown of performance by country, we distinguish two groups: Italy, Luxembourg, Belgium and Spain, which perform better than the European average, and Germany and France, which have a negative index (- 6 and - 15.6 respectively).

FIGURE 1: STATE OF THE INDUSTRY INDEX, DECEMBER 2017 TO SEPTEMBER 2019 PER COUNTRY





Results per country:

Italy

Italy leads the ECSSA Barometer with an index of 21. This performance can be interpreted as a recovery from the sharp drop in confidence recorded in March 2019 (- 24 points). Activity as of September 2019 is perceived as satisfactory (45 %) or even below budget (35 %) for 80 % of respondents and 32 % consider that current demand is growing over the last 3 months. The order book is considered satisfactory for 55 % of the respondents.

As for the future, 42 % of Italian firms are counting on an improvement in activity in the next six months and 42 % on a continuation.

Luxembourg

With an index of 20, Luxembourg ranks second in the European Barometer of Executive Recruitment. It should be noted that this country unfortunately did not participate until 2019.

With 90 % of respondents considering that the activity is satisfactory (60 %) or even higher than the budget (30 %), Luxembourg has the highest European score on this criterion. The same applies to the perception of demand for the next six months, with Luxembourg firms betting on stability (60 %) or even an increase (30 %).

Belgium

Belgium remains in the top three of the European Executive Recruitment Barometer with 18.9.

This country has the highest European scores for the perception of the activity (40 % of Belgian managers responding believe that the current activity has outperformed) and for the perception of the order book (25 % consider it superior to expectations).

As for the future, half of Belgian firms expect demand to increase over the next six months, another best European score.

Spain

In fourth place in the ranking, Spain's index fell from 40 to 20, then from 20 to 13.2. In September 2019, 42 % of Spanish participants still reported an increase in their activity over the last three months, which is the best European performance.

As for the outlook for the next six months, the Spanish expect demand to remain stable (47 %) or even increase (32 %).

Germany

In first place in the European Executive Recruitment Barometer in 2017, Germany remains in fifth place in the ranking for the second edition, which confirms the decline in the confidence of its recruitment consulting firms.

With a negative index for the first time in the history of the barometer (- 6), half of German companies still see a steady order book level and 46 % are satisfied with the current business. Regarding the outlook for the next six months, 30 % of German firms expect a decline in activity, which is the worst result of the barometer.

France

At the bottom of this barometer of executive confidence, France again recorded a negative index in 2019 with - 15.6.

80 % of managers report a decline in demand over the last 3 months, which is the worst European result. For 41 % of French companies, the business level and order book are also down.

As for the six-month forecasts, ¾ French executive recruitment consulting firms are counting on maintaining activity within six months.

TABLE 1: DETAILS PER COUNTRY, SEPTEMBER 2019

	Belgium	France	Germany	Italy	Luxembourg	Spain
How is your present state of business	%-Share	%-Share	%-Share	%-Share	%-Share	%-Share
Good (above budget)	40 %	5 %	26 %	35 %	30 %	32 %
Satisfying (breakeven)	26 %	55 %	46 %	45 %	60 %	53 %
Dissatisfying (below budget)	34 %	41 %	27 %	19 %	10 %	16 %
Has your turnover within the last three months...?						
Increased	30 %	20 %	29 %	32 %	40 %	42 %
Remained stable	40 %	0 %	41 %	55 %	40 %	47 %
Decreased	30 %	80 %	30 %	13 %	20 %	11 %
Is your company's current number of recruitment assignments...?						
Large (above budget)	25 %	5 %	13 %	19 %	20 %	16 %
Satisfying (breakeven)	49 %	55 %	49 %	55 %	60 %	63 %
Dissatisfying (below budget)	26 %	41 %	39 %	26 %	20 %	21 %
Will your company's performance within the next six months...?						
Increase	49 %	16 %	19 %	42 %	30 %	32 %
Remain stable	34 %	74 %	51 %	42 %	60 %	47 %
Decrease	17 %	11 %	30 %	16 %	10 %	21 %
State of Business Index March 2019	18,9	- 15,6	- 6,1	21,0	20,0	13,2

About the ECSSA barometer

The level of business activity of the recruitment consultancy industry requires a finely-tuned steering given the frequency and reactivity with which it is evolving. That is why the index supplied by the barometer of the European Executive Recruitment market, created by ECSSA in 2010, offers a tool that makes it possible to anticipate the industry's short-term and mid-term developments.

This index is the result of a mathematical calculation based on the German Ifo Index (see www.cesifo-group.de) integrating two quality factors:

- ★ the perception of the current situation as experienced by Executive Recruitment Consulting companies.
- ★ their estimation of the short-term trends.
- ★ It makes it possible to draw conclusions at two levels:
 - ★ the evolution of the situation of each respondent country over time,
 - ★ the difference in the evolution of each ECSSA member country.

The ECSSA barometer is quarterly and factors in the data obtained from each of the ECSSA member countries, Germany, Belgium, France, Luxembourg, Spain, Italy and the United Kingdom.

About ECSSA:

The European Confederation of Search and Selection Associations ECSSA was formed in 2004 by the French, German and Italian association. Belgium, Spain and the UK joined closely after. ECSSA currently counts seven national member associations in European countries. The primary objective of ECSSA is to develop the Recruitment and Search & Selection industry on a European level by professional ethics and standards, to become a dynamic forum for networking and exchange of information and views between members and to promote the interests of the Recruitment and Search & Selection industry among different European organizations.