

Mismatch between labor market needs and the skills workers

Prague, 11th March 2025 – In Q2 2025, Czech organizations report mild hiring intentions with a Net Employment Outlook (NEO) of 10 percentage points. The outlook shrinks by 4 points compared to last quarter but improves by 5 points since this time last year. The Czech Republic ranks fifth to last globally for its employment expectations, 15 points below the global average.

“The beginning of the year traditionally brings the highest unemployment rate, which is caused by the end of seasonal work, the completion of short-term employment contracts and lower recruitment activities of companies after the Christmas period. This trend increases the tension in the labor market every year. In addition, this year it can contribute to a further increase and start the online registration of the unemployed at the employment offices. Digitization of the process does offer applicants a situation, but at the same time it can temporarily worsen the optical situation on the labor market. Despite these challenges, firms' hiring plans remain stable in the second quarter of the year, with optimism prevailing. According to our survey, 31% of employers plan to increase the number of employees, while 20% expect to downsize. The labor market will thus continue to change dynamically and there will be transfers of labor between sectors and companies,” said **Jaroslava Rezlerová, Managing Director of ManpowerGroup Czech Republic.**

Industry sector comparisons

Czech organizations in 6 of 9 sectors expect an acceleration in staffing levels in the upcoming quarter, while employers in 2 sectors expect a decrease. Since last quarter, job markets have strengthened in 4 sectors, weakened in 4, and remained steady in 1 sector. Compared to Q2 last year, hiring intentions have strengthened in 7 sectors and weakened in 2.

The most competitive sector in the Czech Republic is Health Care & Life Sciences with a NEO of 42. This sector reports the greatest growth in expectations from the last quarter and this time last year, increasing by 28 points from Q1 2025 and 18 points since Q2 2024. In fact, this quarter is the highest NEO recorded in the Czech Health Care & Life Sciences sector since we started tracking in Q1 2022.

Regional comparisons

Czech organizations in all 3 regions anticipate an increase in staffing levels in the upcoming quarter. However, since prior quarter, employment expectations have contracted in all 3 regions. Compared to Q2 2024, employment outlooks have increased in all 3 regions.

The most competitive region in the Czech Republic is the Prague region with a NEO of 11. Although all regions reported weakening outlooks from last quarter, Prague saw the lowest decrease of 4 points since Q1 2025. Nevertheless, Prague's outlook is still up by 1 point since Q2 2024.

Organisation size comparisons

Czech employers in 4 of 6 organization sizes anticipate an increase in staffing levels in Q2 2025, while 2 organization sizes are expecting a decrease. Since last quarter, staffing environments have strengthened in 3 organization sizes and weakened in the remaining 3. Since this time last year, staffing environments have strengthened in 4 organization sizes and weakened in 2.

Czech employers in large organizations with 250-999 employees are the most optimistic with a NEO of 23, rising by 10 points since last quarter and 21 points since this time last year.

Interestingly, the two largest organization sizes in Czech Republic report the lowest employment outlooks, while smaller organization sizes are doing better. This goes against the global trend where larger organizations tend to report higher outlooks.

Global overview

The Q2 2025 ManpowerGroup Employment Outlook Survey (MEOS) surveyed 39,449 hiring decision-makers across 41 countries and territories. The data collection took place throughout the month of January 2025 when global uncertainty remained elevated. At this time, significant changes in policies, trade, international cooperation, and regulation were on the horizon: A potential 'trade war' began to look more likely as the US threatened tariffs on their major trade partners who are likely to respond; many countries shifted towards inward-looking policies focused on growing their self-sufficiency and pulled back from international agreements; and debates around regulation versus competitiveness intensified in light of the AI acceleration. Organizations displayed mixed reactions to uncertainty, with some positive that the changes would spur growth and others cautious or feeling pressure to keep up with change.

In this context, the global employment outlook remained steady, with the seasonally adjusted Net Employment Outlook (NEO) standing at 25 for the third quarter in a row, up by 3 points since this time last year. These figures indicate that employers keep their hiring levels stable in the upcoming quarter, and that the global labor market remains resilient.

In sum, organizations continue balancing competing priorities: regulation versus innovation, self-reliance versus international cooperation, stability versus a race to keep up, and new opportunities versus risk. These tensions are reflected in the job market, where almost as many organizations are hiring (40%) as keeping their staffing levels unchanged (42%).

About the survey

The Employment Outlook Survey – conducted in October 2021 – 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.

Commentary is based on seasonally adjusted data where available. Full survey results for each of the 41 countries and territories included in this quarter's survey, plus regional and global comparisons, can be found in the ManpowerGroup Press Room at www.manpowergroup.com/meos. In addition, all tables and graphs from the full report are available to be downloaded for use in publication or broadcast from the ManpowerGroup Web site at: <http://www.manpowergroup.com/press/meos.cfm>

ManpowerGroup has also released its ManpowerGroup Employment Outlook Survey Explorer tool, a new interactive way to examine and compare its data. The tool can be viewed at <http://www.manpowergroupsolutions.com/DataExplorer/>

This survey is conducted quarterly to measure employers' intentions to increase or decrease the number of employees in their workforce during the next quarter. The Czech Republic is one of 41 countries and territories participating in the quarterly measurement of employer hiring intentions. The survey for Quarter 2 2025 was conducted by interviewing a representative sample of 525 employers in the Czech Republic and asking the same question: "How do you anticipate total employment at your location to change in the three months to the end of June 2025 as compared to the current quarter?"

The global ManpowerGroup Employment Outlook Survey has been running for 60 years, and uses a validated methodology in accordance with the highest standards in market research. This survey helps to identify the hiring intentions of both regional and industry sector employers, and facilitates preparation for labor market pressures.

The next ManpowerGroup Employment Outlook Survey featuring the forecast for the 3Q 2025 period will be published on 10th June 2025.

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

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Gain access to ManpowerGroup's extensive thought leadership papers, annual Talent Shortage surveys and the ManpowerGroup Employment Outlook Survey, one of the most trusted indices of employment activity in the world, via the ManpowerGroup World of Work Insight iPad application. This thought leadership app explores the challenges faced by employers navigating the changing world of work and provides in-depth commentary, analysis, insight and advice on strategies for success.

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More information available on www.manpowergroup.cz.