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India's Employment Outlook Softened from a Peak Last Quarter; Employers Remain Positive Overall but are Becoming More Selective in Hiring.

Employers cite economic uncertainty, above AI, as the key driver of hiring uncertainty.

- Employers in India reported a 29% decline in hiring intentions compared to Q2 2026 but globally India leads for its employment outlook by 22 points.
- Global economic conditions play a significant role in staffing decisions among Indian employers:
 - 15% of those considering workforce expansion remain optimistic about identifying growth opportunities despite ongoing geopolitical challenges.
 - Among organizations reducing staff, 31% cited economic challenges while 27% pointed to geopolitical challenges as the primary factor impacting staff decisions.
 - 26% of those uncertain about changing staffing cite Geopolitical challenges and 20% want to keep things stable as a result.

NEW DELHI, INDIA (Mar 10, 2026) – Indian employers are expected to scale back hiring plans in the third quarter, signaling a slowdown in hiring momentum, according to ManpowerGroup's latest [Employment Outlook Survey](#) of more than 3,100 employers across India conducted from April 1 to 30, 2026. The Net Employment Outlook (NEO) for Q3 2026 stands at 48%, down 20 points from the previous quarter but stronger by 6 points since Q3 2025.

*"India's Q3 2026 hiring outlook remains the strongest globally, with a Net Employment Outlook of 48%, reflecting continued employer confidence in the country's growth trajectory despite an increasingly complex business environment," said **Mr. Sandeep Gulati, Managing Director, ManpowerGroup India and Middle East.** "While the outlook has moderated from 68% in the previous quarter, the shift reflects a more measured approach to hiring rather than a slowdown in business confidence. Strong activity across manufacturing and services, along with the continued expansion of Global Capability Centers, continues to support hiring demand. At the same time, employers are navigating a broader mix of challenges, including AI-led workforce optimization, softer entry-level hiring demand, global trade uncertainty, and geopolitical developments that are impacting supply chains and business costs. As a result, organizations remain positive about growth but are becoming more selective in their hiring decisions."*

"The survey also points to a clear evolution in workforce priorities. Employers are increasingly seeking talent with strong communication, collaboration, and teamwork skills, reflecting the growing need for adaptable and resilient workforces," said Mr. Gulati. "As businesses continue to navigate changing market conditions, workforce strategies are becoming more focused on capability building, continuous learning, and long-term talent development. Organizations are looking beyond immediate hiring needs and investing in skills that can support productivity, innovation, and sustainable growth."

The NEO across Sectors and Regional Highlights

Hiring sentiment eased across most sectors in Q3, as eight of the nine sectors recorded quarter-on-quarter declines, with only one sector posting growth.

- 59% of employers anticipate an increase in hiring, down from 74% in Q2 while 29% expect to maintain current staffing levels, up from 19% in Q2. 11% anticipate a decrease, and 1% are unsure of their hiring plans.
- Highest Q-on-Q decline in Trade & Logistics (44%) followed by Public Sector, Health & Social Services (37%) and Information sector (47%) by 24, 23 & 21 points respectively.
- India's most competitive sector is the Utilities & Natural Resources with an employment outlook of 61, even though expectations in the sector weakened by 9 points from last quarter but rose by 12 points since Q3 2025. Globally, India ranks first for its employment expectations in this sector, above the global outlook by 37 points.



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- One of the sectors with the highest yearly growth in expectations is Finance & Insurance, which has recorded a 14 point increase since Q2 2025.
- With a NEO of 52, the East remains the most competitive region, despite a 16-point decline in hiring expectations from Q2.
- South reported the greatest growth in expectations since Q3 2025 with an increase of 10 points.
- Employment expectations have weakened in all 6 organization sizes. Compared to Q3 2025, job markets have strengthened in 5 organization sizes and stayed stable in 1.
- Employers in large organisations with 1000 to 4999 employees are the most optimistic, with a NEO of 56 down by 2 points vs last quarter. Globally, India ranks second for its employment expectations in these organizations, beating the global outlook by 26 points.

AI Drives Productivity Gains, But Human Judgment Remains the Most Valued Hiring Tool

AI continues to reshape how organizations think about productivity and the workforce, and the Q3 data shows employers aren't ready to hand over the keys to AI entirely.

- Despite growing AI adoption, a person reviewing resumes (75%) remains the most valued hiring resource, ranked above all AI and automated tools: Automated status update and communication tools/AI-assisted job description writing/AI-driven resume screening, parsing, and sourcing (72% each).
- At the same time, as employers navigate AI integration, people skills command the highest premiums, revealing where human value is increasingly concentrating: Communication and collaboration (87%), Problem Solving (84%), Time management/Strong work ethic (82%).
- When it comes to technical and interpersonal skills: more than three-fourths (84%) of employers are willing to pay a premium for AI Model/App development & AI literacy skills. This is followed by sales and marketing skills (79%), and traditional IT and data skills (77%).

To view the complete results for the Q3 2026 ManpowerGroup Employment Outlook Survey, including regional and country data, visit: <https://www.manpowergroup.co.in/meos-q3-2026.aspx>. The next survey will be released in September 2026 and will report hiring expectations for Q4 2026.

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ABOUT THE SURVEY

The ManpowerGroup Employment Outlook Survey, now in its 64th year is the most comprehensive, forward-looking employment survey of its kind, used globally as a key labor market indicator. The Net Employment Outlook (NEO) 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.

SURVEY METHODOLOGY

The data for the third quarter was collected between April 1–30, 2026. The findings are based on interviews with 40,592 public and private employers across 42 countries to measure anticipated employment changes and trends. The results reflect employer sentiment at the time of data collection and may not capture the potential impact of subsequent events. Size of organization and sector are standardized across all countries and territories to allow international comparisons.

ABOUT THE INDUSTRY SECTORS

ManpowerGroup has introduced an updated industry sector classification to ensure our insights more closely reflect today's global economy. Beginning with this release, data will be reported across nine sectors: Construction & Real Estate; Finance & Insurance; Hospitality; Information; Manufacturing; Professional, Scientific & Technical Services; Public Sector, Health & Social Services; and Trade & Logistics. Historical data has been reclassified to maintain consistency over time, and national and regional results remain unchanged. This update enhances comparability with other research and ensures greater relevance for clients, media, and market stakeholders

Tech & IT Services is a specialty sector that combines subsectors across Manufacturing, Information, and Professional Services to provide a holistic view of all aspects relating to IT and telecoms. Automotive is a specialty sector that combines subsectors across Manufacturing and Trade & Logistics to provide a holistic view of all aspects relating to the automotive value chain.



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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](#), [Talent Solutions](#) and [Rotostat](#) – creates substantially more value for candidates and clients across India and has done so for more than 25 years. We are recognized consistently for our diversity – as a best place to work for Women, Inclusion, Equality and Disability and in 2025 ManpowerGroup was named one of the World's Most Ethical Companies for the 16th time - all confirming our position as the brand of choice for in-demand talent. For more information, visit www.manpowergroup.co.in or follow us on [LinkedIn](#), [Facebook](#), [Instagram](#), and [Threads](#).

FORWARD-LOOKING STATEMENTS

This report contains forward-looking statements, including statements regarding labor demand in certain regions, countries and industries, and economic uncertainty. Actual events or results may differ materially from those contained in the forward-looking statements, due to risks, uncertainties and assumptions. These factors include those found in the Company's reports filed with the U.S. Securities and Exchange Commission (SEC), including the information under the heading "Risk Factors" in its Annual Report on Form 10-K for the year ended December 31, 2025, whose information is incorporated herein by reference. ManpowerGroup disclaims any obligation to update any forward-looking or other statements in this release, except as required by law.