ManpowerGroup

MEDIA CONTACT:
Geeta Cheema
Director - Marketing and PR
ManpowerGroup Services India Pvt. Ltd.
D: +91 22 67868400
E: geeta.cheema@manpowergroup.com

EMBARGOED UNTIL Sep 8, 2026, AT 00:00 A.M. IST

India's Employment Outlook Strengthens in Q4 as Changing Roles and Skills Reshape Why Employers Add Staff

Employer hiring intentions rise eleven points year-on-year as nearly two-thirds of those expanding headcount are hiring to transform their workforces, while a third are backfilling roles.

NEW DELHI, INDIA (Sep 8, 2026) – India's hiring momentum strengthens heading into the final quarter of 2026, according to ManpowerGroup's latest Employment Outlook Survey of 3,055 employers across India conducted from July 1 to 31, 2026. The Net Employment Outlook (NEO) for Q4 2026 stands at 54%, up six points from the previous quarter and eleven points from the same period last year. Globally, India is the frontrunner for its employment outlook, 25 points above the global average.

Sixty-five percent of employers in India plan to increase staffing between October and December, compared with 11% anticipating reductions, while 24% expect staffing levels to remain unchanged. Anticipated hiring increases are driven primarily by company expansion, while expected decreases are driven by automation/technology & economic challenges.

Beneath the headline number, the data points to a workforce in transition. Among employers planning to add staff, 69% cite changing roles and skills, including branching into new areas and new expertise demanded by advancing technology, as reasons for hiring.

"Employer confidence in India continues to build while heading into Q4 2026, with the Net Employment Outlook climbing to 54% at a six-point rise over the previous quarter and eleven points higher than this time last year," said Mr. Sandeep Gulati, Managing Director, ManpowerGroup India and Middle East. "This keeps India firmly ahead of every other market globally, 25 points above the average. What's notable is the nature of this growth: employers aren't just adding headcount, they are rethinking the shape of their workforce. Nearly 70% of employers are hiring in response to evolving roles and changing skill demands. The continued expansion of Global Capability Centers, alongside strong growth in sectors such as Finance & Insurance and Hospitality, is creating sustained demand for talent. While employers continue to navigate challenges ranging from AI-driven workforce transformation to skills shortages and mis-matched candidate expectations, the overall outlook remains one of confident and purposeful growth."

"The MEOS survey report captures a shift in the intent behind hiring decisions, not just their scale," Mr. Gulati added. " More than a growth story, today's hiring momentum reflects organizations' efforts to build the capabilities required for an evolving world of work. Across India, employers are reshaping their workforces with greater intent, placing a stronger emphasis on capability building than on headcount growth alone. Recruitment is also accelerating, with 57% of employers reporting a faster time-to-hire than a year ago, driven largely by the adoption of AI in hiring processes. The real test now lies in skills availability. As job requirements continue to evolve, sourcing candidates with the right capabilities is becoming increasingly difficult, making sustained investment in upskilling and continuous learning critical to maintaining this momentum."

ManpowerGroup

The NEO across Sectors and Regional Highlights

Indian employers in all 9 sectors anticipate increasing staffing levels in the next quarter. Compared to last quarter, job markets have strengthened in 6 sectors and weakened in 3 sectors. Looking back to this time last year, hiring intentions have strengthened in 7 sectors and weakened in 2.

- Finance & Insurance and Hospitality report the strongest NEO for Q4 2026 at 60% and 58% each, followed by Information at 57%.
- India's most competitive sector, Finance & Insurance is expected to grow by 4 points since last quarter and since Q4 2025. Globally, India holds the second position for its employment expectations in this sector, above the sector's global outlook by 24 points.
- Highest Q-on-Q increase is seen in Hospitality by 21 points, followed by Public Sector, Health & Social Services with 15 points and Trade & Logistics sector by 9 points.
- Utilities & Natural Resources reported the most decline from Q3 by 23 points followed by Professional, Scientific & Technical Services by 3 points.
- Hiring intentions have strengthened in all four regions compared with the previous quarter and year-over-year. The most competitive region in India is the East region with a NEO of 59, rising by 7 points since last quarter and 23 points compared with the same quarter last year. This region reports the greatest growth in expectations since last quarter and this time last year.
- South reported the second highest growth in expectations since Q4 2025 with an increase of 10 points.
- Employers in very large organizations with 1,000 to 4,999 employees are the most optimistic with a NEO of 58, rising by 8 points since last quarter and 5 points since Q4 2025. Globally, India ranks third for its employment expectations in these organizations, beating the global outlook by 29 points.
- When compared to Q3, employment expectations have risen in all organization sizes except those with 10-49 employees where it declined marginally by 2 points.
- Employers in small organisations with less than 10 employees have seen the most growth from last year by 20 points followed by large organisations with 5000+ employees by 12 points.

Changing Roles and Skills Drive a Growing Share of Hiring

While company expansion (44%) remains the single most common reason employers are adding staff, the survey shows that hiring is increasingly about transformation rather than growth alone. According to the research findings, 39% of organizations are increasing headcount due to advancing technology, 30% are hiring to adapt to shifting skill requirements, and 22% are adding staff to backfill vacant positions.

Together, these findings reveal a labor market in which employers are reshaping their workforces, not merely expanding them, as evolving roles and skill demands to redefine the future of work.

AI Is Accelerating Hiring Processes

There is increasing use of AI across recruitment, and employers are seeing a universal improvement in time-to-hire. Fifty-seven percent say their average time-to-hire has become faster compared with 2025, while 23% say it has remained about the same and only 19% say it has become slower.

Skills shortages continue to constrain progress. Employers identify a lack of candidates with required skills (36%), mismatches between candidate expectations and job requirements (36%), a lack of qualified candidates in local markets (28%), surge in AI-created resumes (26%), and lengthy recruitment processes (26%) as key obstacles slowing hiring.

To view the complete results for the Q4 2026 ManpowerGroup Employment Outlook Survey, including regional and country data, visit: https://manpowergroup.co.in/meos-q4-2026.aspx.

The next survey will be released in December 2026 and will report hiring expectations for Q1 2027. The 2027 cycle marks the 65th anniversary of the ManpowerGroup Employment Outlook Survey.

###

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 fourth quarter was collected between July 1-31, 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.

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.