

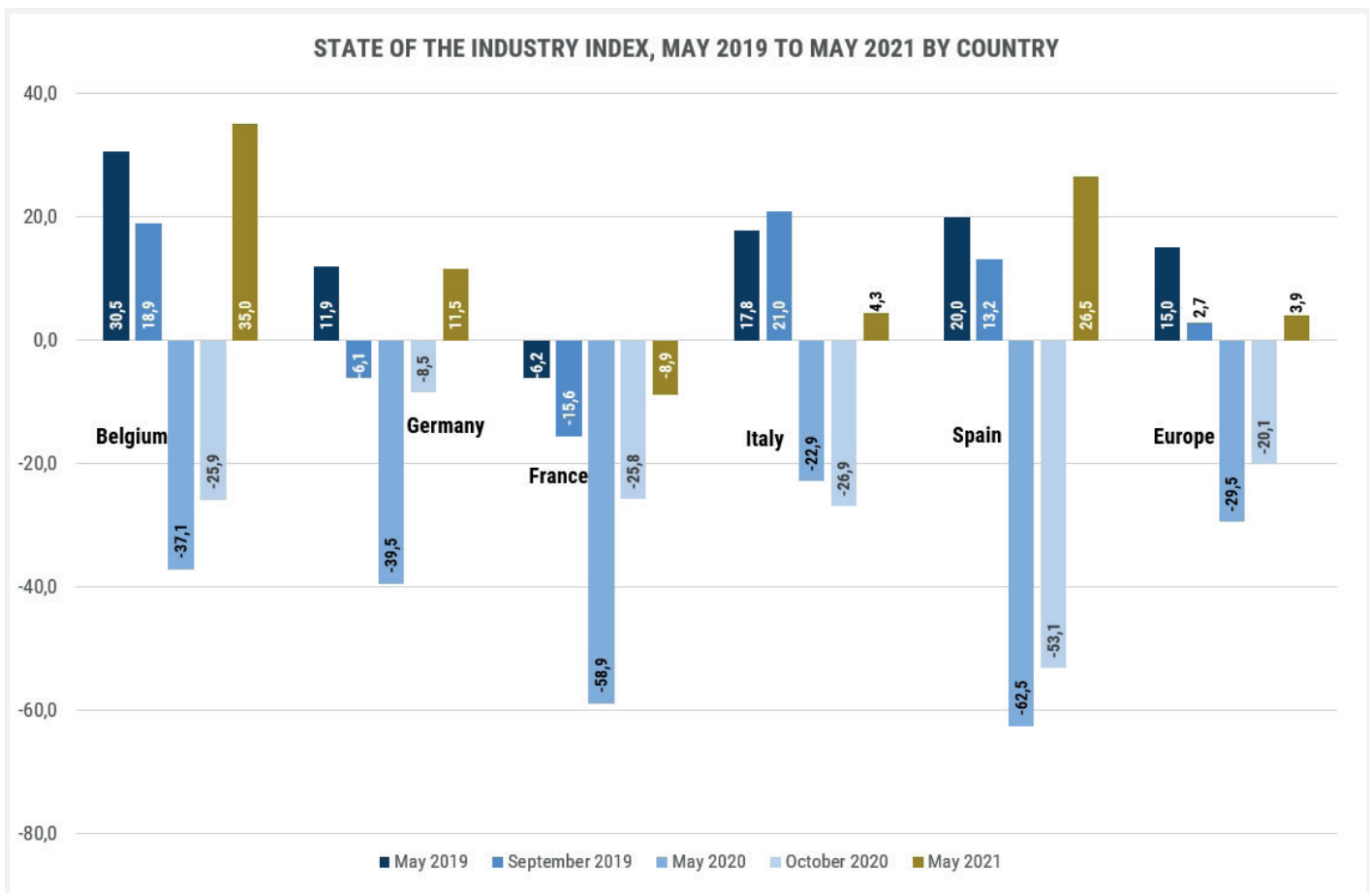
Summary

Analysis of the results to May 2021

The current edition of the ECSSA Business Climate Index underlines the positive development in all recruitment markets from last October. Here, the business climate had already increased across Europe compared to May 2020. Currently, the ECSSA Barometer stands at a value of 3.9 and thus nearly exactly at the level of September 2019.

The best sentiment is currently seen among Belgian and Spanish recruitment consultancies. The highest proportion of retained Executive Search companies that are confident about the next six months is currently to be found in France.

FIGURE 1: STATE OF THE INDUSTRY INDEX, MAY 2019 TO MAY 2021 PER COUNTRY





Results per country:

Belgium

According to the ECSSA Barometer, Belgium has developed very positively in March 2021. Compared to October 2020, the index has increased by a full 60.9 points and currently lies at 35.0. The current state of business has recovered significantly and has risen from 67 points to 19.0. Business expectations for the coming six months were already positive in the previous quarter and have increased further this quarter with a net value of 48. Current company turnover and the number of assignments are also back in positive net level.

France

In March 2021, France again has a negative index for the fifth time in a row. However, it is only slightly negative at -8.9, an increase of 16.9 points. Although the current business situation is still strongly negative at -41, the expected business performance for the next six months is much more positive with the index at 23. Current business turnover has also recovered and is now only slightly negative, while recruitment is still barely increasing.

Germany

Following three negative results in succession last year, Germany's ECSSA Barometer Index has now returned to positive for the first time, with a value of 11.5. The business expectations for the coming six months were already in positive range last time and have increased only slightly by 7 points. This may also be linked to the poor business performance of the last three months, as a much better performance had been expected.

Italy

Italy has developed positively in the past year. After the drastic fall due to the pandemic, they again show a positive index value of 4.3 in the ECSSA Barometer and have thus achieved a plus of 31.2 index points. This is mainly due to the expected companies' performances for the next six months, as 57% expect them to increase. A more positive company development was already expected in the last few months, but this has so far only occurred to a limited extent. The current business situation is at -39 and has thus increased by only 7 index points. This is also reflected in the recruitment assignments, which remain negative at -39.

Luxembourg

Luxembourg has again shown positive figures in the ECSSA Barometer, with an index of 30.0, up 45.4 points compared to May last year. The current business situation has also risen strongly, increasing by 59 points to a value of 20.0. The business outlook also increased once again, while the net level for assignments remained constant at 0.

Spain

After a loss-making 2020, things are improving again for Spain. The latest ECSSA study shows that the index values have risen sharply and, at 26.5, are significantly better off than in the last two years. In the past year alone, the State of Business Index has increased by 79.6 index points. Since sales in recent months have been significantly better than forecast and the current business situation is satisfactory, the development forecast of + 53% is also in clearly positive sign. The level of assignments remains negative, but has also increased significantly.

TABLE 1: STATE OF BUSINESS INDEX APRIL 2021

State of Business Index April 2021		Belgium	France	Germany	Italy	Luxembourg	Spain
How is your present state of business		%-Share	%-Share	%-Share	%-Share	%-Share	%-Share
	Good (above budget)	39%	8%	39%	13%	33%	24%
	Satisfying (breakeven)	42%	44%	23%	35%	56%	52%
	Dissatisfying (below budget)	19%	48%	38%	52%	11%	24%
Has your turnover within the last three months...?							
	Increased	64%	47%	15%	26%	22%	47%
	Remained stable	26%	0%	54%	26%	67%	35%
	Decreased	10%	53%	31%	48%	11%	18%
Is your company's current number of recruitment assignments...?							
	Large (above budget)	26%	7%	38%	13%	0%	0%
	Satisfying (breakeven)	58%	44%	31%	35%	89%	71%
	Dissatisfying (below budget)	16%	48%	31%	52%	11%	29%
Will your company's performance within the next six months...?							
	Increase	55%	62%	46%	57%	44%	53%
	Remain stable	39%	0%	31%	35%	44%	47%
	Decrease	6%	38%	23%	9%	12%	0%
		33,9	-8,9	11,5	4,3	27,8	26,5

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.