

Recruiter Robert Walters cautions jobs market recovery unlikely before 2025

Recruiter [Robert Walters](#) has become the latest firm from the sector to reveal the impact of an ongoing global hiring slowdown and said a recovery was not likely until 2025.

The group reported a 15% slump in gross profit to £84.8 million in the second quarter to June 30, leaving it with an 18% drop overall in the first half.

The UK was among the worst impacted divisions, with an 18% tumble in the second quarter and 19% fall across the half-year.

Robert Walters chief executive Toby Fowlston said the jobs market correction following the volatile pandemic years was taking longer than expected.

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Toby Fowlston, Robert Walters

He said: "This period of market adjustment is now longer in duration than previously expected, with macroeconomic turbulence and political uncertainty restraining client and candidate confidence in certain geographies.

"Our near-term planning now assumes that any material improvement in confidence levels will be gradual, and likely not occur before 2025."

Mr Fowlston added that "current market conditions suggest a wider range of potential outcomes for the full-year than seen

historically”.

[Shares](#) fell 3% in morning trading on Monday.

The group continues to appropriately tailor headcount to current demand conditions, and is being highly selective on replacing fee earner natural attrition

Robert Walters

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The group joined [PageGroup](#) and Hays in reporting tumbling second quarter gross profits as the global hiring market remains under pressure, with its two rivals alerting over annual profits earlier this month.

Hays said last week that political uncertainty due to elections in the UK and [France](#) was hampering trading further.

The recruitment sector has itself been shedding staff to save costs in the face of tougher trading and less hiring, with companies putting off recruitment decisions and workers reluctant to move jobs in a more uncertain climate.

Robert Walters said it had cut its workforce by 5% since the first quarter and by 15% year-on-year, to 3,625.

“The group continues to appropriately tailor headcount to current demand conditions, and is being highly selective on replacing fee earner natural attrition,” it said.

Its update showed second quarter gross fees fell 15% across Asia Pacific, 14% in [Europe](#), 18% in the UK and 14% in the rest of the world division.

In the UK, it said conditions were “more challenging” in the regions, with net fee income plunging 21% against a 6% drop in London.

Recruitment outsourcing – which accounts for over half of UK fee income – slumped 19%.