Recruiter Robert Walters UK profit dips 6%

G
lobal recruitment firm Robert Walters has warned that the economic background became “more uncertain” during the third quarter of the year recording a dip in UK profit of 6% as shifts in the labour market take hold.

The UK stood out as the only drop in figures as group profits from fee incomes for job candidates increased by 18% across the year to £112 million, profits across Europe climbed by 32% and Asia Pacific figures were boosted by 16%.

International business accounted for 84% of the group’s net fee income up slightly from 80% during quarter three last year as the recruiter set out its global footprint opening two new offices in Austin, Texas and Berlin.

Employee levels at Robert Walters also rose 5% quarter-on-quarter to 4,267 up from 4,051 at June 30 this year.

Chief executive Robert Walters, said: “The macro-economic backdrop became more uncertain as the quarter progressed. Nevertheless, job flow remained largely strong, candidate shortages remained acute, wage inflation continued to grow; and group net fee income increased by 18% year-on-year.

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“84% of the group’s net fee income is now generated by our international businesses. Asia Pacific and Europe, the group’s largest regions, continued to produce good growth and it’s also been encouraging to see our smaller businesses across the Americas and Middle East delivering strong results.

“The more volatile political and economic backdrop in the UK has impacted local market confidence, resulting in a decline in UK net fee income year-on-year.

The group said that profit for the full year is expected to be in line with market expectations, despite economic headwinds.

Robert Walters has also appointed Leslie Van de Walle as chair designate to succeed interim chair Tanith Dodge who will remain on the board of the business as senior independent non-executive director, and will join the firm at the beginning of November.

Van De Walle is currently non-executive director of HSBC UK and has previously served as chair at the group.

Walters added: “I am delighted that Leslie has agreed to return to the group as chair, and I look forward to working with him moving forward. He will provide the board with strong leadership and be a great support to both the non-executive directors and the executive team.”