

Manpower Leads Middle East

Lionel Laurent, 01.10.08, 2:45 PM ET
LONDON -

Manpower thinks the Middle East job market is ripe for development, and the American staffing agency has become the region's largest employment-services firm with a recent acquisition.

Manpower said on Thursday it had acquired Clarendon Parker Middle East, its partner firm in the region, for an undisclosed sum. The recruitment agency is now market leader in the United Arab Emirates, Bahrain, Kuwait, Qatar and Saudi Arabia.

Shares in Manpower ticked down 42 cents, or 0.8%, to \$51.36, during midday trading in New York.

Although Manpower's business in the region will primarily deal with higher-end jobs in information technology, engineering and scientific spheres, chief executive Jeffrey Joerres told Forbes.com that clients were still conscious of the negative side to the region's job market.

"The [multi-nationals](#) are saying, 'I want someone there I can trust,'" said Joerres, who underlined the importance of treating workers with dignity and respect. But he acknowledged there would be challenges ahead relating to the cultural differences between West and East, comparing it to earlier expansion into countries like China.

Joerres said the job market in the Persian Gulf was suffering from "an intense demand for talent," which could not be satisfied at home. He believed Manpower's international network would put it in a better position to make cross-border matches for employers.

But it remains to be seen whether the expansion of an American recruitment company in the Middle East can overcome more pressing issues within the region, such as runaway inflation, which could hinder the flow of workers.

Inflation in Saudi Arabia hit a 10-year high of over 5% late last year, while in Qatar the rate hit 15%. Inflationary pressures pushed Kuwait to abandon its peg to the U.S. dollar last summer, switching instead to a basket of currencies. (See "[Kuwait Ditches Dollar](#)")

A survey earlier this month by *ArabianBusiness.com* showed that nearly 90% of Gulf businesses that were polled said it was a "struggle" to attract international talent, with rampant inflation and a weak exchange rate making salaries uncompetitive.