



Information for the Media

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ZVEH Poll: business mood better than ever before

Upswing continues in the electrical-engineering trade

The economic mood in the electrical-engineering trade has yet again reached a new high point, as shown by the current Spring Poll* of the German Central Association of Electrical and Information Technology Contractors (ZVEH).

Current business situation

No less than 97.8 percent of companies in the electrical-engineering trade see their current business situation in a positive light. Almost three quarters (74.1 percent) rate the situation as 'good', the rest regard it as being 'satisfactory'. This represents yet another increase over the results of the last Spring Poll in 2017 (96 percent positive). In the eastern states of Germany, the level of satisfaction is even higher than in the west with 80.5 percent voting 'good' compared to 72.1 percent respectively. The positive basic mood has also resulted in a new record high point for the national business climate index of the electrical-engineering trade, which has now reached 86 points on the scale of nought to one hundred. This value has been climbing continuously over recent years.

Use of operational capacity

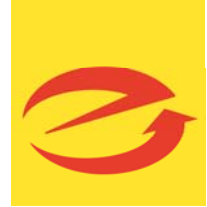
The degree to which operational capacity is being used remains excellent: 38.7 percent can point to full order books for at least the next two months and, of these, more than half can do so for over four months. Another 25.8 percent are booked up for the next one to two months. Only 11 percent have orders for the relatively short period of one to two weeks.

Revenue drivers and customers

Projects in the energy and building-services technology segments are responsible for a good two thirds of companies' turnover (67.4 percent). Trailing far behind are information and telecommunication technology (10.3 percent) and automation technology (4.8 percent). As in the past, the electrical-engineering companies receive most of their work from commercial enterprises (38 percent) and private customers (37 percent). The share held by public authorities (14 percent) and housing societies (11 percent) is much lower.

Number of employees and company size

Over the last half year, the number of employees increased in one in five companies. However, 16.8 percent of companies noted a decline in employee numbers over the same period. The demand for qualified, skilled personnel continues to be very high: 54.2 percent of all electrical-engineering companies report that they have jobs to fill. In terms of size, the companies can be classified as follows: large electrical-engineering companies with at least 20 employees account for 19.2 percent of the total. Companies with ten to 19 employees make up 24.7 percent of the



market while those with five to nine employees represent 25.9 percent. Small enterprises with up to four employees represent 30.2 percent of the market.

Future expectations

Expectations for the coming half year remain buoyant thanks to the good economic situation: 21.8 percent of companies expect that the business situation will improve while almost three quarters (73.8 percent) anticipate no change – on a generally high plane. Only 4.4 percent anticipate a decline.

Conclusion

ZVEH CEO Ingolf Jakobi: “We are delighted that the electrical-engineering trade continues to develop well and set new records. Now, in these good economic times, it is essential that companies emphasise employee training. And this is a challenge for us as a trade association: we know that the content of the training courses must be adapted to take account of the challenges posed by digitalisation. In a pilot project organised in cooperation with the Federal Ministry of Economics and Energy (*BMWi*), we set trainees new tasks, with which they are likely to be confronted at work as a result of digitalisation. Now, we are analysing the results to see which subjects should be integrated into the training whereby systems integration and interdisciplinary activities are gaining rapidly in importance.”

The ZVEH poll generated a good echo with completed questionnaires being received from 1,117 of the 4,727 companies polled (22.9 percent).

* The business poll was conducted on behalf of the ZVEH in the spring of 2018 by the Institute for Small Business Economics (*Volkswirtschaftliches Institut für Mittelstand und Handwerk – ifh Göttingen*) of the University of Göttingen.

ZVEH: the German Central Association of Electrical and Information Technology Contractors (*Zentralverband der Deutschen Elektro- und Informationstechnischen Handwerke – ZVEH*) represents the interests of 53,755 companies from three trades: electrical engineering, information technology and electrical electro-mechanical engineering. With 491,542 employees, over 40,00 of them trainees, the companies generated a turnover of around €57.6 billion in 2017. 12 State associations with around 330 guilds belong to the ZVEH.

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