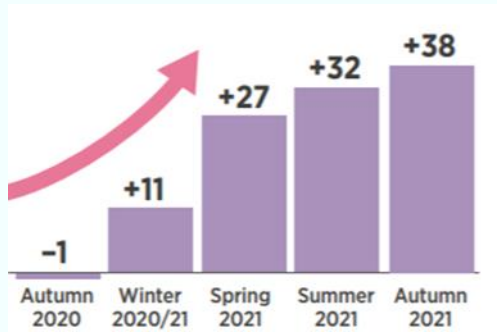


# The Case For Change

Kieran O'Donoghue

# The job market is difficult



3 m forecast – more employers increasing than decreasing headcount



Hard to fill vacancies more prevalent



Particularly challenging to fill low skilled roles

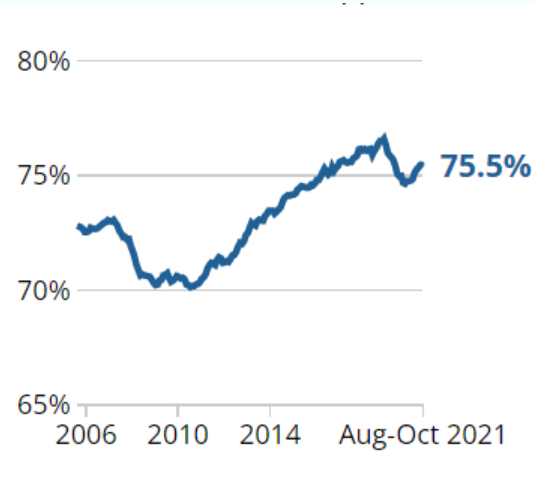


Median base pay expectations have risen

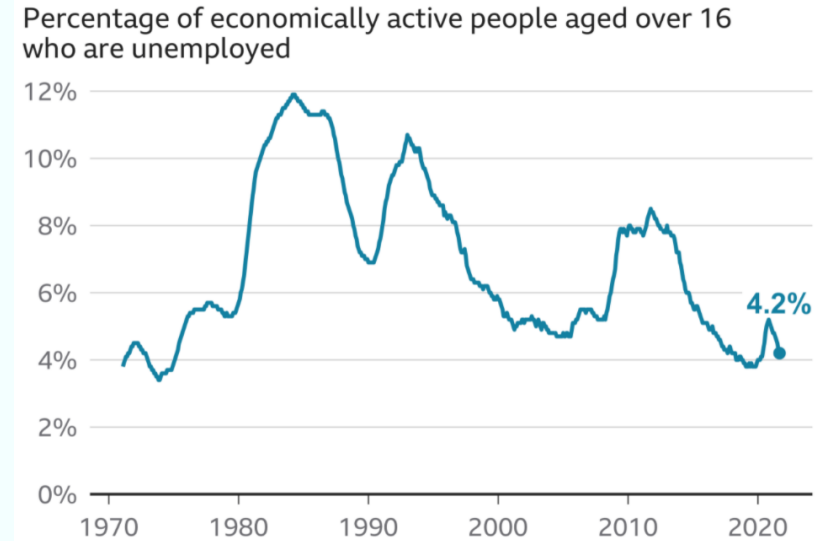
# ..and likely to become more so



Highest vacancy levels for 20 years. All industry sectors increasing except for electricity, gas, steam and air conditioning supply



Employment levels recovering



Unemployment declining

- The rate of annual pay growth was 4.3% in August to October 2021
- Regular pay continues to grow at a faster rate than inflation, at 1.0%
- Employees on payroll now exceed pre-Covid peak

# The workforce is getting older

Hiring managers have a negative view of 45+ jobseekers, even though employers rate highly the job performance of those they hire.

## The older workforce is your workforce

- One in three workers in the UK are aged 50 and over
- Average employee in the UK now in their 40s
- Need to meet skills shortages and workforce planning



**22%**

Nearly a quarter of employers think that their organisation is unprepared for the ageing workforce.

(IFF survey of 500 employers/Ageing Better October 2017)

Between 2018 and 2025 there are forecast to be:

**300,000**

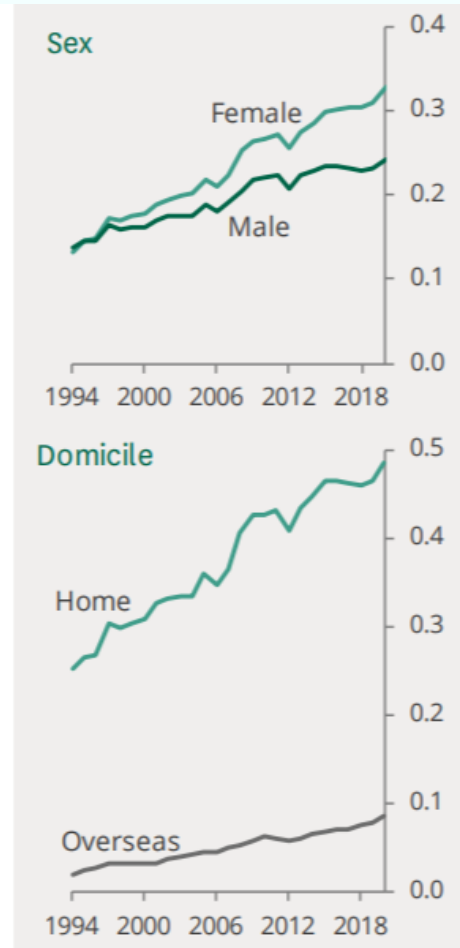
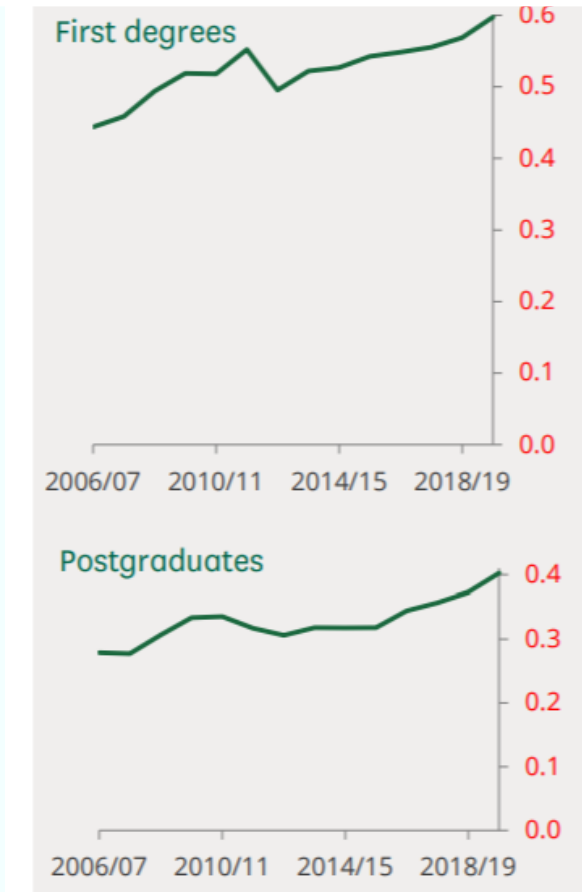
fewer workers under the age of 30 in the UK



**1 million**

more workers over the age of 50 in the UK

# Educational Attainment

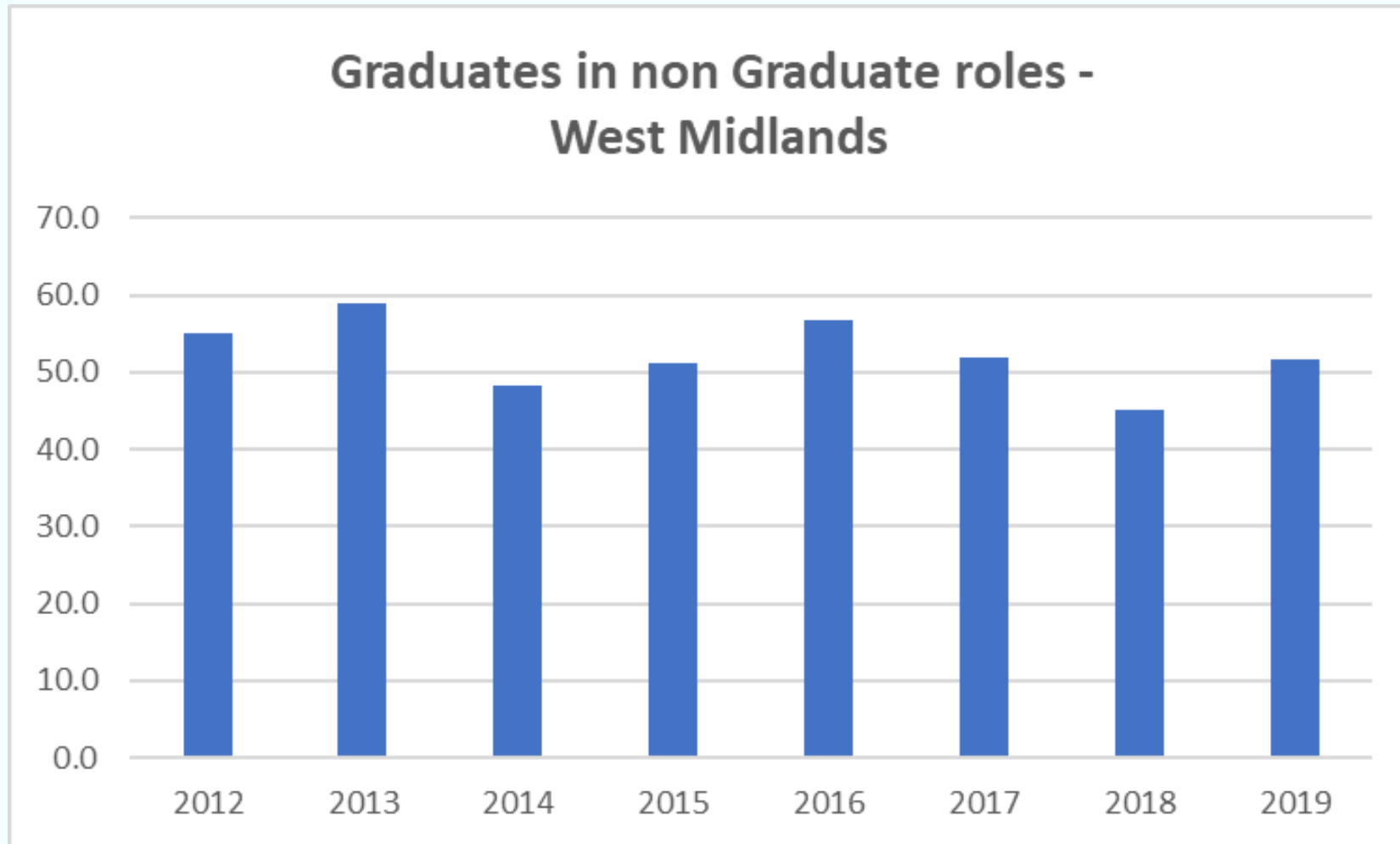


Proportion of population with A levels and above increasing 24% in 2002 to 42% in 2017

University entrants in millions  
Higher education student numbers Feb 21



# Are graduates fulfilled in their role?



ONS Nov 2020

# Job Applicant 'wants'



But not all homeworking

- 23% of UK employees work part-time, and research suggests that a further 25% of full-time workers would prefer to work part-time if they could

- At least 13 million people plan to ask for permanent flexible working arrangements (Research by Direct Line Insurance)
- More than 71% of UK workers say they want flexible options to remain after the crisis has passed. (Research by Microsoft)
- The majority of employees would prefer a hybrid working model to a return to pre-pandemic work patterns. (McKinsey report)
- 9 in 10 millennials want a flexible working week. (Research by Workthere)







Equality, climate change  
& sustainability – driving  
younger generations to  
careers with positive  
social impact

Measures a  
company's entire  
social and  
environmental  
performance

Evaluation of how a  
company's operations &  
business model impacts  
workers, community,  
environment and  
customers

70% re-  
evaluating their  
careers since  
Covid

89% want  
career with  
strong sense  
of purpose

# Recruitment Trends

Half (57%) of hires are not working out (bad hires)

- 25% of bad hires have left the business or are not working out, while a further third (32%) are struggling with some elements of their role.
- Root cause of frequent failed hires:
  - a combination of complicated, drawn-out processes (31%)
  - poor candidate experience (31%)
  - inability to test culture fit (31%).
- Direct and indirect costs of a bad hire range 50% and 150% of the employee's annual salary (PWC)

# In Summary

It's tough out there....

...and it's only going to get tougher

But, by understanding the reasons why,  
we can do something about it