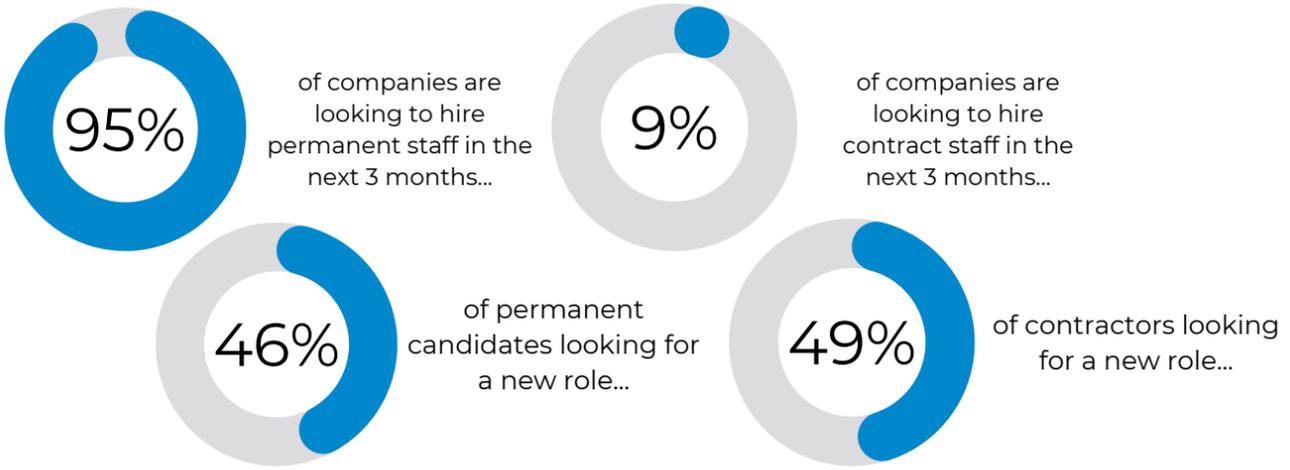


MARKET UPDATE - APRIL 2022

We canvassed the companies we work with to get an insight into the current market which has been disrupted by trends and challenges such as the great resignation, inflation, and increasing prices. If you would like to discuss anything in this report with us further, please get in touch.

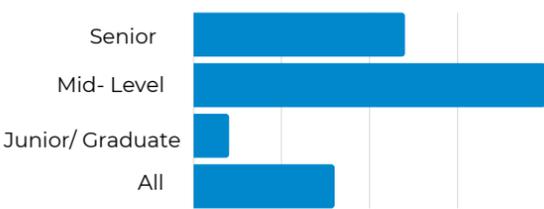
Permanent recruitment levels are particularly high currently, with planned contract recruitment falling significantly behind. We also asked candidates about their plans for changing jobs, and whilst demand for permanent candidates may be much higher than for contractors, the percentage of candidates actively looking for each is nearly level...



95% is the highest percentage we've seen since we began asking this question. Whilst it's great to see such a "growth" mindset after the uncertainties of the past two years, it's clear – when coupled with the level of "active" jobseekers – that there is a real recruitment challenge to be faced. The low percentage of companies seeking contract staff comes as a surprise given what we traditionally see at this time of year, but with a shortage of permanent candidates available, companies may need to consider interim contractors, unless they wish to see their growth plans stall.

- Graham Bruce, Director

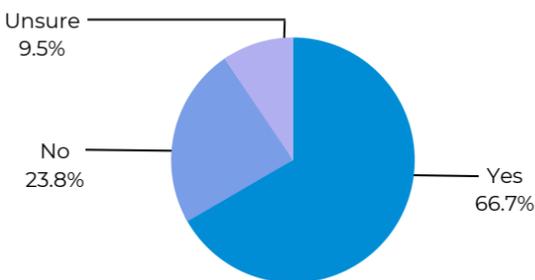
What seniority level are you looking to hire?



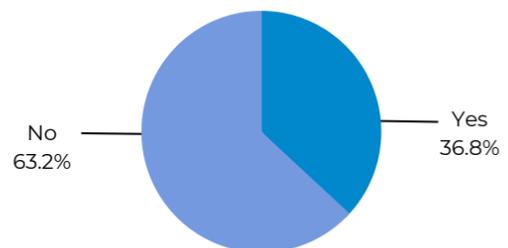
With a clear surge in demand for permanent headcount, we wanted to get an accurate picture of where that demand was focused in terms of seniority level. The majority of companies are interested in hiring mid-level and senior candidates currently, but many companies are also planning to hire at all levels. A number did tell us, though, that relevant skills and "ability" were more important to them than the overall number of years' experience/seniority.

Inflation has continued to raise prices, increasing by 6.2% in the past 12 months, which is the fastest rate in 30 years. This ultimately has caused pressure on businesses to raise salaries to try and match the increased cost of living. Some organisations already had plans in place to increase their salaries as they do so each year, but others have decided to do so only in response to the current situation. Inflation is also increasing other costs for businesses and so because of this, many are starting to pass those costs onto their customers via increased prices.

Are you under pressure to/do you plan to raise salaries as a result of rising inflation?



Do you plan to raise your own prices as a result of rising costs?



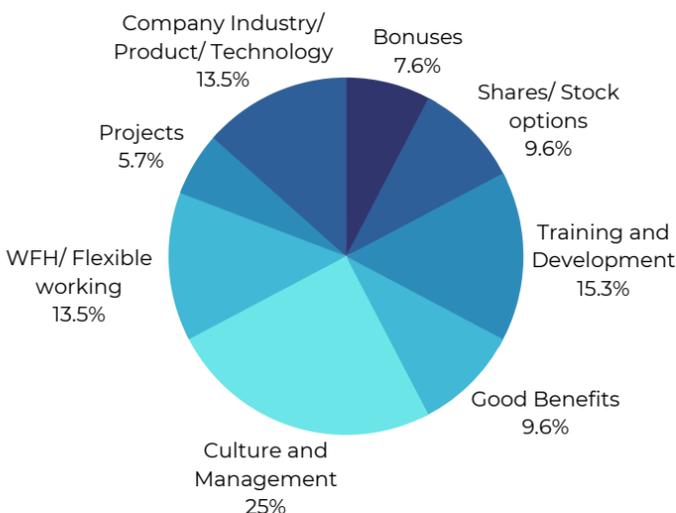
It comes as no surprise to see that so many companies feel under pressure to increase salaries, as a result of rising inflation, especially in such a competitive market, where organisations already need to do all they can to hold on to the technical talent they have. It appears that the vast majority of companies are looking to absorb these costs initially, however I'd expect to see more and more companies increase their own prices as the year progresses.

- Megan Robertson, Account Manager Team Lead

With the market showing that there are currently more open vacancies than candidates available to fill them, companies are under increasing pressure to ensure that they retain their existing employees, as well as attract new candidates when hiring. We asked the companies we work with what they offer to attract/incentivise people to join their organisation, as well as what they believe makes them stay. Whilst many answers centred around material things like bonuses, benefits, share schemes, and flexible/remote working, a lot of companies' answers focused more on the culture and management side, as well as on the training and development offered to employees, and the projects the employees are able to work on/the nature of the work itself.

We also asked if any changes have been made so far this year, to the benefits offered/retention strategies in place, due to the market situation. Whilst the majority haven't - probably due to most having focused on raising salaries - a number have formalised/made permanent, their working from home arrangements. Of those companies who said yes, added benefits included share schemes, bonuses, increased pension contributions, the option to buy and sell holiday, training subscriptions and an increased focus on wellness.

What are the ways you incentivise people to join your company, and what do you believe incentivises them to stay?

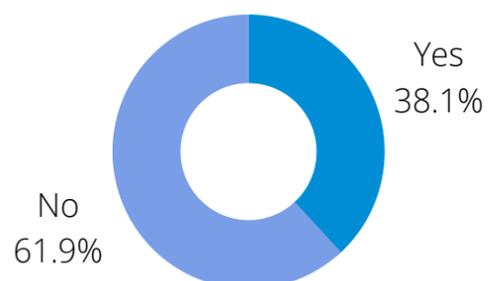


These particular benefits are common within most organisations and so it is not surprising that they featured in the answers we received. Since lockdown, candidate priorities have shifted, and working from home seems to be the top selling point for the majority. Given the effects of Covid on individuals' mental health, a good working environment and an emphasis on company culture is something that candidates are also actively focussing on. Depending on experience level, some benefits are more pivotal than others, and particularly for juniors, a heavy value is placed on the offering of training and development programmes. It would be beneficial for businesses to properly assess their workforce to understand what not only attracts them, but also what motivates them to stay within their current role.

- Shanice Peart, Account Manager



Have you made any changes to your benefits/retention strategy over the past 3 months, given the increasingly difficult recruitment landscape?



Following the lifting of Covid restrictions, it is not surprising to see companies formalising their remote working policies, as it is what both their current and prospective employees want. In such a competitive, candidate-driven market, companies do need to stand out from their competitors. So, as remote working is starting to be viewed now as standard/expected, companies do need to ensure that their overall package can compete, as candidates take the overall package on offer into consideration, and not just the base salary.

- Hayley Jones, Account Manager