

COVID-19 SNAPSHOT

How is the Covid-19 pandemic shaping sentiment towards the UK economy, employment outlook, skills needs and career prospects?

2020 arguably started off with an increased degree of stability due to increased Brexit certainty and a decisive general election, but the Covid-19 crisis has since had a greater impact than anyone could ever have imagined.

As we begin to transition from total lockdown to a new way of working, what do professionals think about our economic recovery, and what impact is there likely to be on jobs, skills

and salaries? Are employers still recruiting? Are professionals confident about their prospects?

This market insights report, based on the survey results of over 16,200 professionals, provides invaluable insight into the views, confidence and sentiment of both employers and employees across the UK. In a fast-moving situation it offers a snapshot into how the employment market is faring.

Key findings

28%

of professionals are confident in the UK's economic recovery in the next six months.

31%

of employers are actively recruiting.

43%

of professionals rate the current prospects of their organisation positively.

27%

of professionals are optimistic or very optimistic about the UK's current employment outlook.

54%

of employers need communication skills.

33%

of professionals are less confident in their ability to progress their career since the start of the coronavirus outbreak.

56%

of professionals say job security has increased in importance to them since lockdown began.

29%

of professionals say their work-life balance has worsened since the lockdown.

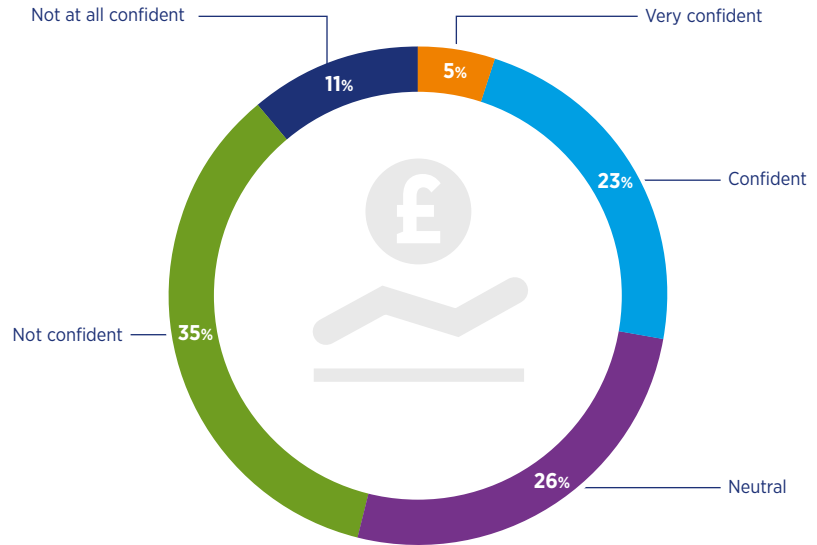
Economic recovery: what's the outlook?

The recent turmoil and prevailing uncertainty has inevitably impacted confidence in the UK economic outlook, with 45% of professionals lacking confidence in the UK's economic recovery.

However, there is still a level of positivity amongst professionals. Over a quarter of professionals (28%) are confident in the UK's economic recovery in the next six months.

This confidence is highest in the East Midlands (34%), South West England (30%), Greater London (29%) and North West England (29%). Confidence is lowest in Scotland (22%), Northern Ireland (22%) and the East of England (26%).

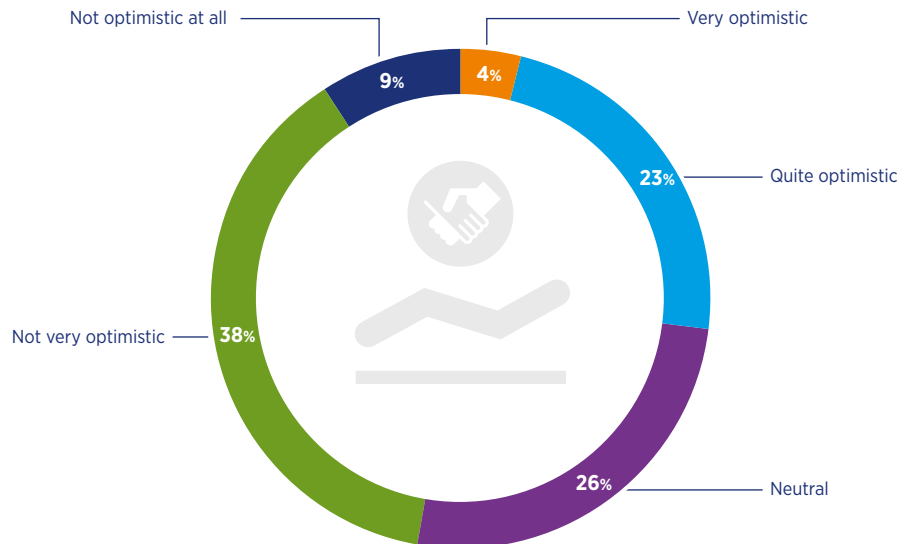
How confident professionals feel about the UK's economic recovery in the next six months



Employment outlook: are professionals optimistic?

27% of UK professionals are optimistic or very optimistic about the UK's current employment outlook, 26% are neutral and 47% are not very optimistic or not optimistic at all.

How optimistic professionals feel about the UK's current employment outlook



“ There is still a level of positivity amongst professionals. Over a quarter of professionals (28%) are confident in the UK's economic recovery in the next six months. ”

Organisational status: what phase are they in?

In order to gauge on how organisations are faring in light of Covid-19, we asked respondents to outline which phase they deemed their organisation to be in, from crisis to rapid growth.

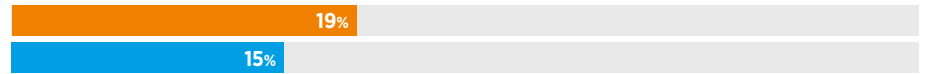
Many organisations indicated they were through the 'crisis' phase and working in 'defensive' mode. This is comparable across SMEs and large organisations, with over half of SMEs (54%) saying they are in a 'crisis' or 'defensive' phase, compared to 48% of large or very large sized organisations. 31% of large or very large sized organisations already state they are working as 'business as usual' compared to only a quarter (25%) of SMEs. Overall, almost as many organisations state that they are in a growth or rapid growth phase, as those who state that they remain in crisis mode.

A greater proportion of private sector organisations say they are in 'crisis' or 'defensive' phases (53%) compared to 43% of public sector organisations. Just over a third (34%) of public sector organisations are in 'business as usual' phase compared to 27% of private sector organisations.

The phase in which organisations currently are (according to organisation size)

■ SME ■ Large or very large

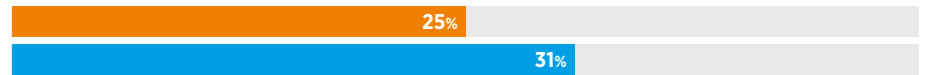
Crisis



Defensive



Business as usual



Growth



Rapid growth



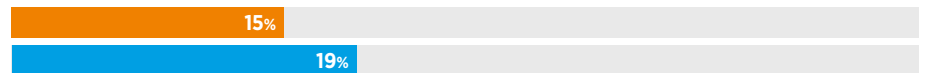
None of the above



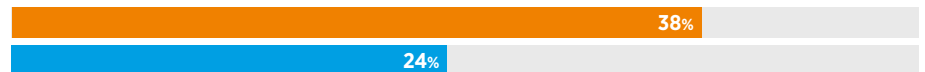
The phase in which organisations currently are (according to sector)

■ Private ■ Public

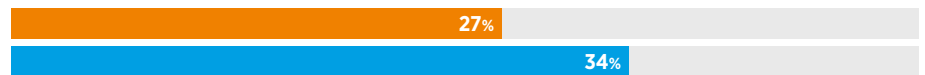
Crisis



Defensive



Business as usual



Growth



Rapid growth



None of the above



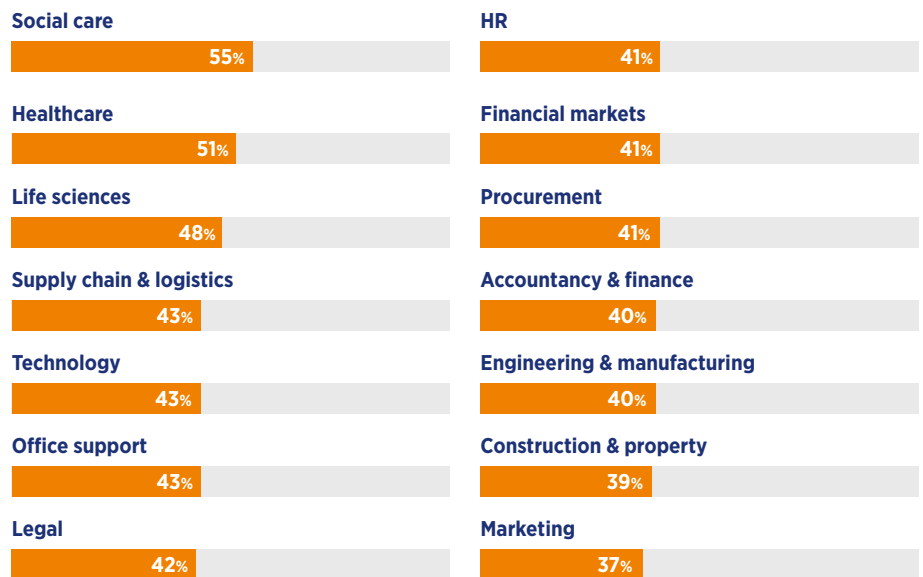
Organisational performance: are professionals confident in their organisation's prospects?

When looking at how much confidence professionals have in their organisation's prospects, 43% rate the current prospects of their organisation as positive, 40% are neutral, and 17% rate their organisation's prospects negatively.

Professionals from larger organisations are more likely to be positive about their organisation's performance prospects than those from smaller ones, with 48% of professionals from large or very large organisations rating their organisation's prospects positively in comparison to only 38% of professionals from small to medium-sized organisations.

Positivity about organisational outlook in terms of performance also varies by industry, with social care (55%), healthcare (51%) and life sciences professionals (48%) displaying the most positivity about their organisation's prospects.

Professionals who are positive about their organisation's current performance prospects (according to profession)

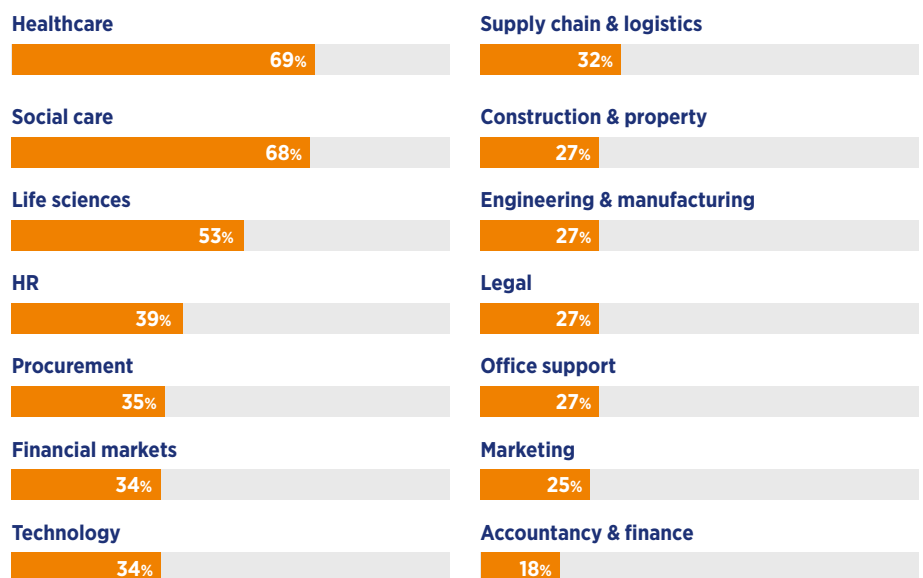


Recruitment activity: who is hiring?

Nearly a third of employers (31%) are still actively recruiting, with recruitment activity much higher in the public sector (46%) than the private sector (25%), demonstrating the pressure that the effects of Covid-19 are currently placing on public services, which is increasing the need for skilled workers.

Recruitment activity also varies when you drill down into the specialist areas, with healthcare (69%) and social care (68%) seeing the highest recruitment activity.

Employers currently recruiting (according to specialist area)



“ Nearly a third of employers are still actively recruiting, with recruitment activity much higher in the public sector than the private sector. ”

Job confidence: how do people feel about their careers?

Overall, over half of professionals (55%) say their confidence in their ability to progress their career hasn't changed as a result of the coronavirus outbreak. A third (33%) are less confident than they would have been before the pandemic began and only 12% are more confident.

There is a slight divide between permanent and temporary professionals. 37% of temporary workers say the outbreak of coronavirus has made them less confident in their ability to progress their career, in comparison to only 31% of permanent professionals.

Not only do the majority of professionals feel that their ability to progress their careers hasn't been impacted by the coronavirus outbreak, but they also remain positive about their current jobs. 44% state that they have a positive or very positive outlook towards their job. This varies according to the seniority of their role, with senior professionals tending to have a more positive outlook.

In terms of employee confidence about their ability to progress their career in the short-term, just over a third (34%) of professionals are not confident, 36% are neutral, while 30% are confident or very confident. Professionals become more confident in their ability to progress their career when looking over the long-term, with just under two thirds (65%) saying they are confident or very confident in the long-term.

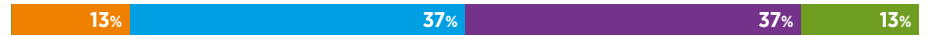
How confident professionals feel in their ability to progress their career (UK professionals overall)

Not confident Neutral Confident Very confident

In the short-term (within 6 months)



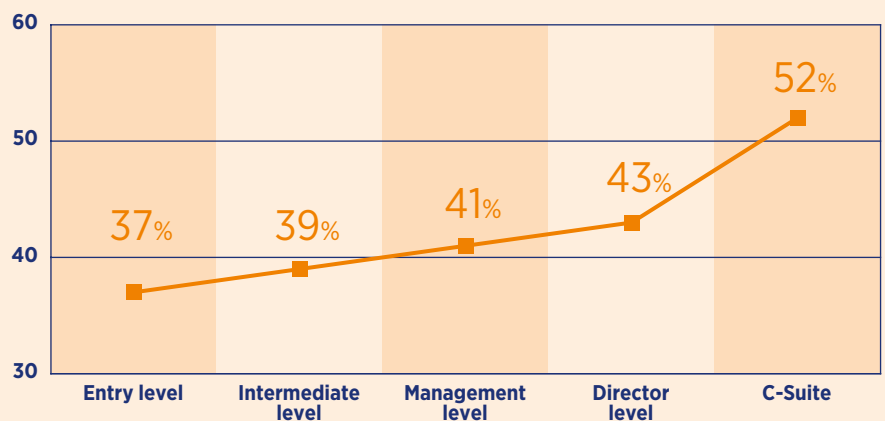
In the medium-term (within a year)



In the long-term (over a year)



Professionals who have a positive or very positive outlook towards their job (according to seniority)



Skills in demand: what do employers want?

In terms of the skills employers need, managerial & leadership, operations, and projects & change management are currently the specialist skills most in-demand. Communications, problem-solving and flexibility are the soft skills employers want most.

Skills employers want (UK employers overall)

(UK employers overall)

Specialist skills (top 3)

Managerial & leadership

35%

Operations

30%

Projects & change management

26%

Soft skills (top 3)

Communications

54%

Problem-solving

48%

Flexibility

45%

Job priorities: what's important to employees?

The aspects that professionals rate most positively are their confidence in their job ability and their mindset towards their job, with 35% and 27% respectively rating these aspects as 'excellent'. Conversely, the aspects rated lowest include their job security (30% rate as 'poor or very poor'), their mental health support (29%) and support towards their physical health (also 29%).

In terms of the job aspects that professionals say have increased in importance since the lockdown, over half (56%) say that job security has become more important, followed by work-life balance (45%) and mental health support (44%). The change in importance attributed to job security since lockdown varies by seniority, with 59% of junior professionals saying it is more important now in comparison to 50% of C-suite professionals.

Aspects of a job that professionals say are more important to them since lockdown

Job security

56%

Work-life balance

45%

Mental health support

44%

Work support network

43%

Physical health support

36%

Mindset towards job

35%

Confidence in job ability

32%

Salary

26%

Job autonomy

25%

Work-life balance: how has it changed?

The picture of work-life balance is mixed, with a number of variables likely to be influencing the quality of it, including childcare, furlough and remote working. Over half (52%) of professionals rate their current work-life balance as good or very good, and only 18% rate it as poor or very poor.

However, these ratings reflect an impact from the lockdown. Overall, 29% of professionals say that their work-life balance has worsened since lockdown began. 34% say their work-life balance has improved. This level of improvement varies by profession, with those who have seen the greatest rise including HR professionals (39%), legal professionals (37%) and procurement professionals (36%).

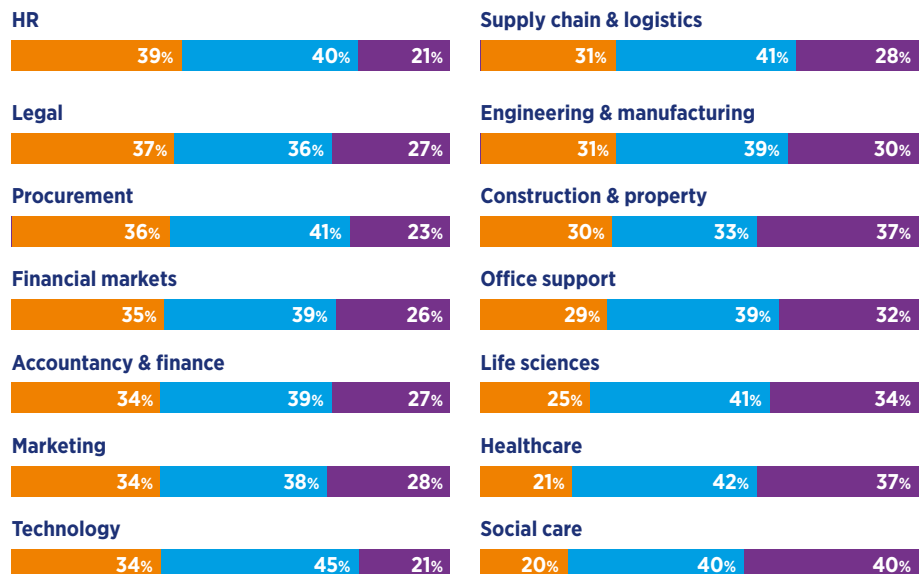
Those whose work-life balance has worsened the most include social care professionals (40%), healthcare professionals (37%) and construction and property professionals (37%).

Has your work-life balance changed since the coronavirus lockdown began? (UK professionals overall)



Professionals who have seen the greatest improvement to their work-life balance since the coronavirus lockdown began (according to profession)

Improved Stayed the same Worsened



Conclusion

Despite the market uncertainty surrounding the coronavirus pandemic and its ongoing effects, our survey findings indicate a considerable degree of positive sentiment around the employment outlook and career prospects.

In addition to this, almost a third of employers are currently recruiting, indicating an ongoing demand for talent that is particularly acute in areas under pressure from the additional demands created by Covid-19.

The speed with which both employers and employees have had to react to an extraordinarily unprecedented situation has also highlighted the importance of certain key technical and soft skillsets to organisational success. Our research findings indicate that skills currently in demand include:

- Strong leadership
- Flexibility
- Excellent communication

These will need to be prioritised by employers looking to hire as we move forward into the new era of work. For professionals looking to move jobs, emphasising change management experience – especially if it involves managing stakeholders or implementing new technology – will be crucial.

In order to acquire the talent they need, employers must acknowledge how the crisis has affected what candidates prioritise in a career and adapt their employee value proposition accordingly. Our survey findings indicate that since the onset of the lockdown, there has been an increased importance attributed to work-life balance and mental health support.

The post-lockdown era of agile working, including remote working and flexible hours, looks set to remain at least for a while. Showcasing these provisions as part of a candidate attraction strategy will be key to attracting talent moving forward.

This report offers a snapshot of how Covid-19 is shaping public sentiment around the UK's economic forecast, employment outlook and skills in demand. Although there is some underlying positivity, it also highlights some of the changes in the world of work that may never truly be reversed. These changes to career priorities, and working practices need to be understood by employers. Employers and employees will have to adapt if they are to thrive in the new era of the world of work.

METHODOLOGY

The survey on which this report was based was carried out between 23rd April – 4th May 2020 and received 16,228 responses. It was sent to the Hays database (not limited to current jobseekers) and offers the views of both employers and employees.

The survey was completed by professionals from across the UK, working across a range of industry sectors. It was undertaken by professionals employed in various types and sizes of organisation in both the private and public sector.

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