



## WORKFORCE IN DRIVING SEAT AS JOBS MARKET ACCELERATES TO 30-YEAR HIGH

- *Employment Outlook across the UK at highest for three decades, at +32%*
- *IT, Technology & Telecoms sectors boost demand for white collar roles*
- *London is the most confident region stepping into 2022*

**London, 14 December:** UK hiring intentions hit a thirty-year high as employers struggle to fill vacancies finds the latest ManpowerGroup Employment Outlook Survey. A result of Brexit reducing the applicant pool and the knock-on effect of the Great Resignation. What's more, many industries are thriving and simply cannot keep up with the staffing needs to meet the pace of their expansion.

The UK's tech sector intends to grow its workforce at a record rate, with almost half of tech businesses planning to increase headcount in Q1. Driven by the pandemic and new ways of working, organisations are expanding their IT and tech teams to meet the demand for products and services, reflected in the IT, Tech & Telecoms sector Outlook of +49%.

The ManpowerGroup Employment Outlook Survey is based on responses from 2,033 UK employers. The research asks employers in the UK if they intend to hire additional workers, maintain current headcount or reduce the size of their workforce in the coming quarter (January to March 2022). It is the most comprehensive, forward-looking employment survey of its kind and is used as a key economic indicator by both the Bank of England and the UK Government.

"Looking ahead to the New Year, we're facing another quarter of record high hiring intentions for the UK," said Chris Gray, Director, ManpowerGroup UK. "A reflection of a buoyant jobs market, which is challenged by a smaller and more selective workforce than prior to the pandemic. Hiring demand has not been met quarter-on-quarter and so hiring intentions continue to grow. The challenges in recruiting staff in warehousing and logistics have been well documented. But now we're seeing growing labour shortages among highly-skilled workers. Those with the in-demand skills hold the power, and have the freedom and flexibility to accept a job that suits their particular needs and expectations. If an opportunity doesn't suit them, there are plenty more out there."

The growth in IT, Technology & Telecoms sector is not only driven by traditional digital firms on the hunt for new people and skills but other industries trying to meet increasing demand for online systems and overcome staff shortages via automation in the search for improved productivity. The integration of automated systems provides some relief, especially in the Retail and Hospitality sectors, where demand for workers looks set to continue into the New Year with Outlooks of +36% and +47% respectively. This is almost double the Hospitality industry's Outlook of the previous quarter (+20%) and a +73% increase year-on-year.



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Chris Gray added; “We’re often faced with touch screens when we shop, and ordering from our smart phones in restaurants. The acceleration of the British businesses’ digital transformation is increasing the demand for new and emerging skills. Supermarkets, shops and restaurants up and down the country are relying on technology to address the fact that they’re faced with a shortage of candidates. Not only that but they’re keen to continue their investment in providing shoppers with the convenience, choice and competitive pricing brought on by online ‘pandemic’ shopping.”

Across the UK, London’s employers report the highest Outlook of +42%, up a record 54% year-on-year in the wake of the one of the longest lockdowns nationally. This follows recent reports that the supply of candidates for roles in the capital has declined "at a near-record pace". The reasons for this lack of candidates included signs of an unwillingness among people to move jobs, an exodus from the city with the growth of remote working and the impact of Brexit - London lost the highest number of EU migrants after the UK’s EU exit.

Chris Gray continued, “The growth in hiring plans in London is seen across all sectors, most markedly in Banking & Finance, growing 42 percent year-on-year to a record +44%. It is absolutely a candidate-led market right now, and organisations know that salary increases are not enough, they have to be quick off the mark to secure the best candidates. We’re seeing businesses simplifying the interview process by eliminating multiple rounds of interviews and assessments.”

Employers across the UK are rising to the demands of candidates and offering hybrid work models (a mixture of in workplace and remote work) to help fill roles. Organisations say that between 55% (for finance roles) and 32% (for manufacturing and production roles) will work a hybrid mix moving into the New Year. Gray concludes; “With the ongoing changes to government guidance and the uncertainty around new variants of COVID-19 it’s not surprising to see workplaces continue to offer more remote working options. What is interesting is the growth of hybrid working in sectors that are traditionally seen as wholly location based, such as manufacturing and production and front office roles.”

- ENDS -

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#### NOTES TO EDITORS

A ‘Net Employment Outlook’ is calculated by subtracting those employers who plan to reduce staffing levels from those who plan to hire staff. A positive result indicates that more employers plan to increase rather than decrease staffing levels; a negative result reflects the opposite. [% increase - % decrease]

Commentary and full details on every sector and region can be found in the survey report at [manpowergroup.co.uk/meos](https://manpowergroup.co.uk/meos), or by calling the Press Office on 0207 404 5959/ [manpower@brunswickgroup.com](mailto:manpower@brunswickgroup.com)



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Commentary is based on seasonally adjusted data where available. Full survey results for each of the 43 countries and territories included in this quarter's survey, plus regional and global comparisons, can be found in the ManpowerGroup Press Room at [www.manpowergroup.com/meos](http://www.manpowergroup.com/meos). In addition, all tables and graphs from the full report are available to be downloaded for use in publication or broadcast from the ManpowerGroup Web site at: <http://www.manpowergroup.com/press/meos.cfm>

Note that in Quarter 2 2008, the Survey adopted the TRAMO-SEATS model for seasonal adjustment of data. As a result, you may notice some seasonally adjusted data points change slightly from previous reports. This model is recommended by the Eurostat department of the European Union and the European Central Bank, and is widely used internationally.

#### **About the Survey**

The world leader in innovative workforce solutions, ManpowerGroup releases the ManpowerGroup Employment Outlook Survey quarterly to measure employers' intentions to increase or decrease the number of employees in their workforce during the next quarter. It is the longest running, most extensive, forward-looking employment survey in the world, polling over 58,000 employers across 43 countries and territories. The survey serves as a bellwether of labour market trends and activities and is regularly used to inform the Bank of England's Inflation Reports, as well as a regular data source for the European Commission, informing its EU Employment Situation and Social Outlook report the *Monthly Monitor*. ManpowerGroup's independent survey data is also sourced by financial analysts and economists around the world to help determine where labour markets are headed.

#### **About ManpowerGroup**

ManpowerGroup® (NYSE: MAN), the leading global workforce solutions company, helps organizations transform in a fast-changing world of work by sourcing, assessing, developing and managing the talent that enables them to win. We develop innovative solutions for hundreds of thousands of organizations every year, providing them with skilled talent while finding meaningful, sustainable employment for millions of people across a wide range of industries and skills. Our expert family of brands – Manpower, Experis and Talent Solutions – creates substantially more value for candidates and clients across more than 75 countries and territories and has done so for over 70 years. We are recognized consistently for our diversity - as a best place to work for Women, Inclusion, Equality and Disability and in 2021 ManpowerGroup was named one of the World's Most Ethical Companies for the 12th year - all confirming our position as the brand of choice for in-demand talent.

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<sup>i</sup> <https://www.rec.uk.com/our-view/news/press-releases/report-jobs-starting-pay-inflation-record-high-candidate-availability-continues-plummet>