

Kent &  
Medway

Employment

# OUTLOOK

*July 2021*



In partnership with



# INTRODUCTION

Kent Invicta Chamber of Commerce, working in partnership with HR GO Recruitment, undertook this survey to identify the impact of the Covid 19 pandemic on the local employment market. By carrying out this research the Chamber has built a better understanding of the current and future needs of local businesses and of the support measures that it needs to consider.

In summary, the survey results show that whilst the employment landscape has shifted significantly over the past 12 months there is real optimism for growth with 60% of employers expecting to increase their permanent workforce in the coming year. However, such economic growth may well be hampered by a severe lack of job applicants with the appropriate skills to fill these future vacancies. As a result, many employers are now planning to review salary and benefits packages to attract applicants which could lead to wage inflation issues. Also, businesses reported using multiple channels to try to source suitable applicants with social media by far the most popular channel.

What is clear from this research is that the working environment will never be the same. Nearly half of respondents are planning, post pandemic, to permanently adopt a hybrid model of working from home and the workplace.

## Who took part?

- Over 100 invited businesses participated in the survey from across a wide variety of sectors.
- They were based across Kent and Medway.
- Sizes varied from micro businesses to large organisations with more than 1000 employees.
- The research was conducted from Monday 29th March to Friday 30th April 2021.

## Survey objectives

- Providing insight on how COVID-19 has impacted on recruitment and the existing workforce of Kent and Medway based businesses.
- Understanding what their employment and recruitment plans look like for the coming 12 months.
- Identifying potential challenges businesses may have with sourcing the right talent and skills to fill vacancies.



**Jo James OBE**  
*Chief Executive*  
*Kent Invicta Chamber of Commerce*

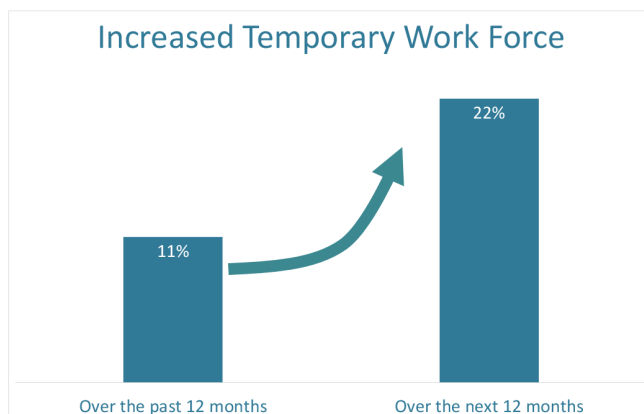
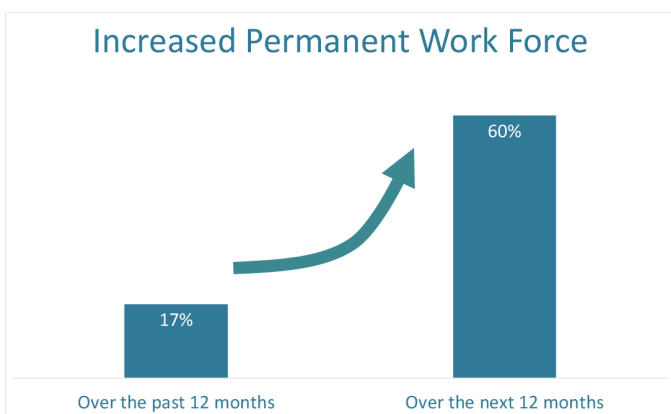
# SURVEY RESULTS

## Mixed fortunes for Kent businesses over the past 12 months of the pandemic

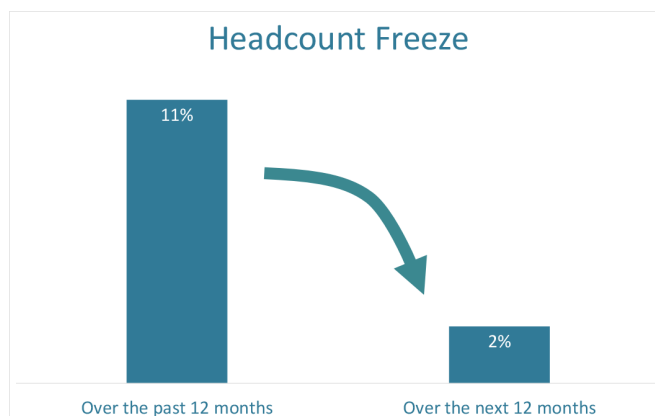
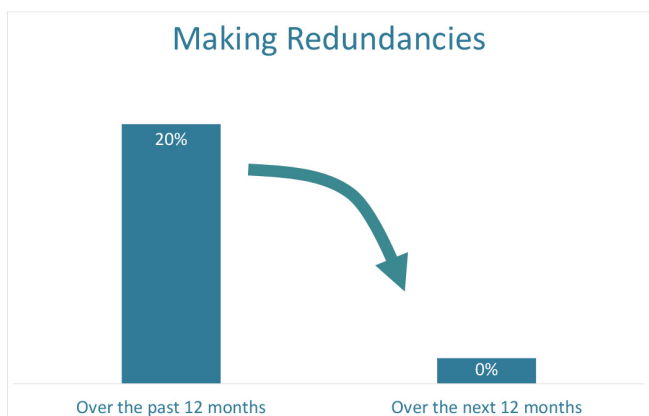
- 17% of businesses increased their workforce and 24% were able to increase pay however, 20% made redundancies and reduced hours and 10% reduced pay.
- 54% of businesses made use of the furlough scheme to protect 676 jobs.

## Optimism about growth in the next 12 months, with many businesses planning to recruit

- 65% of businesses have little or no capacity to take on extra work without creating more jobs.
- Over the next 12 months, 60% of employers expect to increase their permanent workforce and 22% of those that use temporary workers expect to increase temporary numbers too.



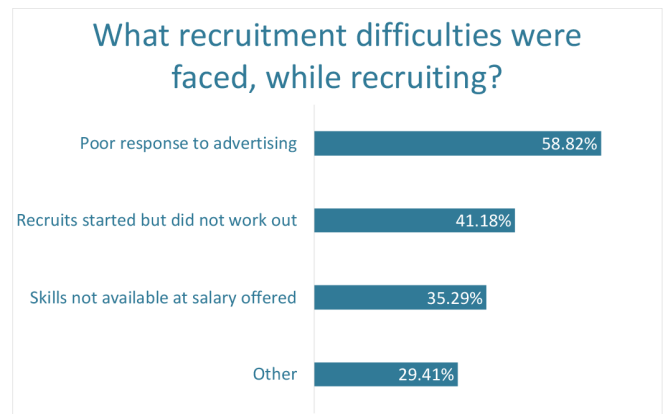
- 82% of businesses are expecting to recruit new full-time staff over the next 12 months and 30% are looking to recruit more part-time staff.
- Surprisingly, none of the businesses surveyed are expecting to make redundancies in the coming year, and only 2% of employers believe they will have a headcount freeze, compared to 10% in the previous 12 months. This shows considerable economic confidence amongst those surveyed.



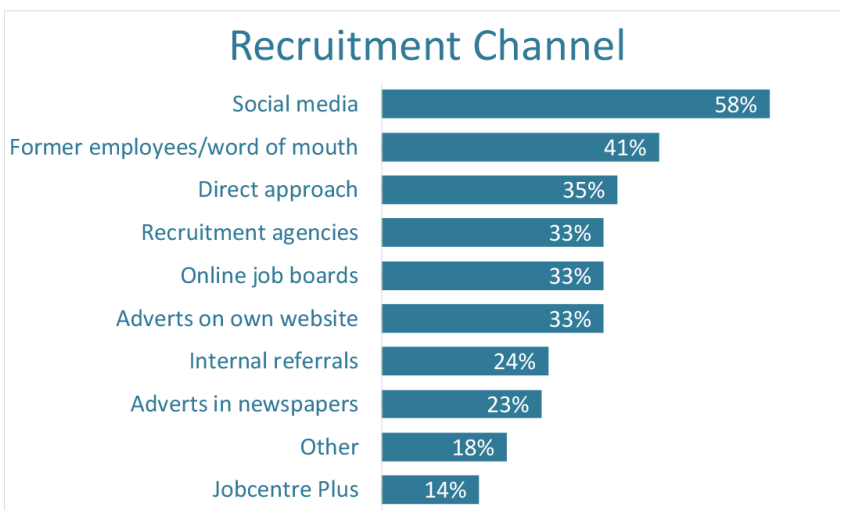
# SURVEY RESULTS

## However, there could be challenges ahead due to difficulties sourcing the right talent and skills

- 50% of businesses surveyed have been actively trying to recruit over the past 3 months.
- 70% of those businesses have experienced difficulties finding suitable staff.
- 58% of companies reported a poor response to recruitment advertising. This could be due to a reluctance to leave an existing job during a time of economic uncertainty, combined with a lack of appropriate skills amongst job seekers.
- Recruiting difficulties were reported across all job levels – skilled/professional and unskilled, and across all industries.
- 41% reported that applicants they had recruited during this period were no longer employed by them. This could suggest that, in the need to fill vacancies, some employers had selected applicants that didn't have the exact level of skills required, and unfortunately these hires hadn't worked out.



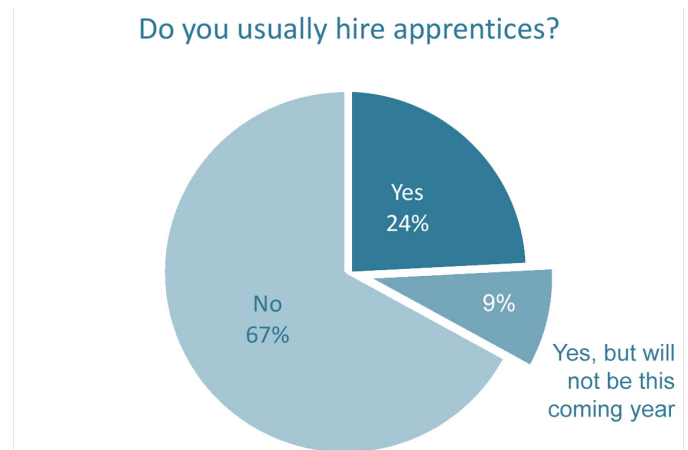
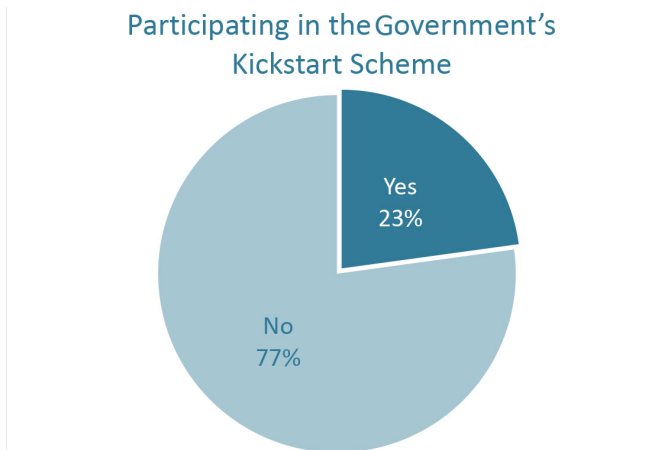
- Many employers are having to use a wide range of communication channels to source new staff, reinforcing how hard it is to attract the right quality of candidates. Nearly 60% are now using social media and professional networks and 40% are relying on former employees or word of mouth to attract applicants.
- Due to the shortage of applicants, many employers are now planning to review salary and benefits packages to make them more attractive along with making changes to their recruitment procedures.



# SURVEY RESULTS

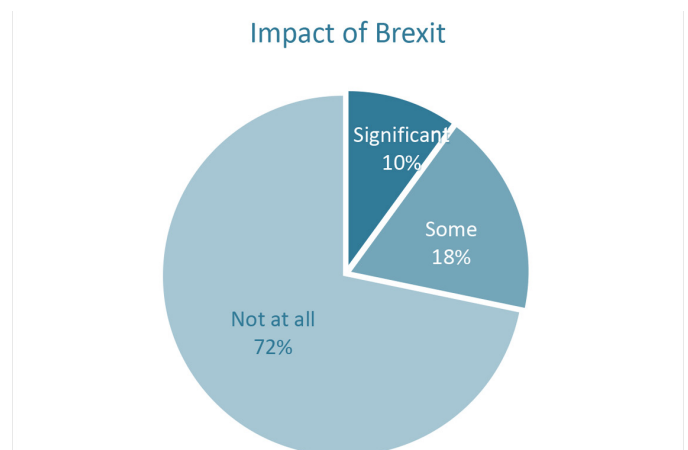
## Yet the majority of businesses are still not taking advantage of government funded employment schemes to solve their skill shortages

- Less than a quarter of businesses are participating in apprenticeships or the Kickstart Scheme.
- Of those employing apprentices, 9% were not planning to offer positions in the coming year.



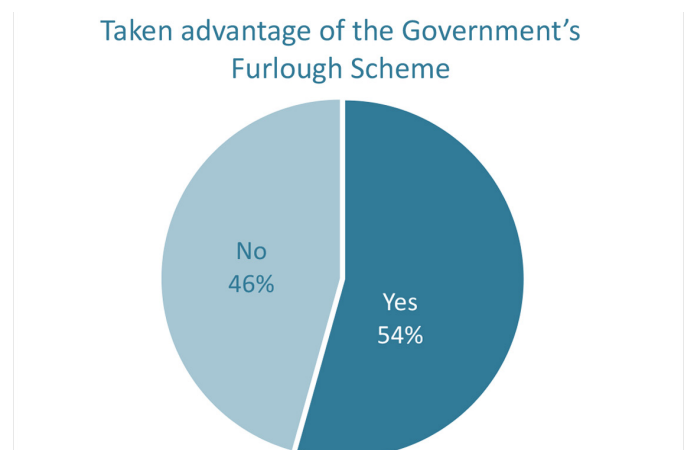
## Brexit has exacerbated recruitment difficulties across a wide range of sectors

- Almost 30% of businesses have experienced, or expect to experience, negative effects on their workforce due to Brexit. Many are struggling to find UK employees skilled enough to replace EU staff that have returned to their home country.
- These businesses operated in more than half of the sectors represented by participants, from professional services to construction.



## Staff retention and employer reputation will be important to businesses in the next 12 months

- Despite 54% of businesses using the furlough scheme which is due to end in September, none of the survey participants expect to make redundancies in the next 12 months.
- 25% expect to increase staff pay in the next 12 months. This could be due to renewed confidence in business stability and potential growth or the need to increase pay to retain staff and attract new hires.



## SURVEY RESULTS

### The pandemic looks to have permanently changed the way many businesses operate, with 'work from home' here to stay for many

- 63% of businesses adopted homeworking over the past 12 months, with over 10% planning to ask employees to continue working from home permanently, whilst 45% will be looking to adopt a hybrid approach.
- This has ramifications for the office and commercial property sector as there will be surplus stock and less demand.
- More positively, job vacancies that offer working from home, or a hybrid approach, could attract appropriately skilled applicants that currently live some distance from an employer. Something that could help with skills shortages in some sectors.

#### Post lockdown, working arrangements



## NEXT STEPS

The results from this survey will be used by Kent Invicta Chamber of Commerce to help us identify where our efforts can be best placed in our work to support Kent and Medway businesses recover from the impact of the pandemic.

The survey's findings have also been shared with the Kent & Medway Employment Task Force, a public/private sector group set up by Kent County Council, who are looking at the interventions required to strengthen the employment market and to help local people get back into work.





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With over 60 years' experience supporting businesses in Kent and Medway, HR GO Recruitment has an in-depth understanding of the local labour market and the expertise to source the right candidates for each employer.