



# Flexi and flourishing:

how flexible staffing can help businesses post-COVID

An independent study carried out by 4media Group on behalf of redwigwam.

July 2020



changing work  
for good

# A quick foreword

In the wake of the COVID-19 pandemic, businesses will be squeezed, jobs lost and hundreds of thousands, if not millions, more people than before left looking for work.

Although the economic recovery will be a long and gradual process needing a plethora of measures from both the Government and businesses, changes brought about by the pandemic offer opportunities for businesses to introduce new, beneficial ways of working.

The necessary shifts towards remote working and more flexible working practices have made businesses re-evaluate how they operate and what they may see as acceptable in the future.

Flexible staffing is one measure on which there is now greater focus. Not only does it enable businesses to increase and scale back capacity as required, it can offer workers a more flexible lifestyle, or ongoing work while they search for a permanent job.

This report looks at the impact of the pandemic on businesses, the opportunities that it presents, and the role flexible staffing can have on for businesses. It considers the importance of flexibility in business, the need for quick decision-making and the role technology can play.

We hope the report not only provides valuable insights for businesses, but that it can also contribute towards the broader economic recovery.

For our own part at redwigwam, we want to take this opportunity to change the way we all work, by opening up flexible working for the world to enjoy. We hope you'll join us.



“

**Lorna Davidson**  
CEO, redwigwam

# About this report

Data from the [Office for National Statistics \(ONS\)](#) shows that there were around 1.49 million people employed as temporary employees in the UK during the first quarter of 2020. That's up a touch from a year earlier, but down from the same period in 2015, when it peaked at 1.63 million.

## Why is that important?

Well, at a time when businesses are being set to be increasingly squeezed by the dual fall-out from the pandemic and Brexit, unemployment is set to rise and workers value a flexible lifestyle more than ever before. Increasing the number of temporary workers again could be part of a solution.

Although at redwigwam, we prefer to talk of 'flexible teams' rather than 'temporary staff' – because it implies an ongoing process that is more in line with the ebbs and flows of business capacities – the two terms can be used to some extent interchangeably.

**Adopting a culture of flexible staffing can allow businesses to run a more efficient and agile operation, helping to optimise investment.**



# Report contributors

This report is based primarily on an independent survey of 250 leading employers, 125 from the FMCG sector and 125 from the logistics sector, with the aim of understanding the impact the COVID-19 pandemic has had on businesses.



**Employer  
respondents**



# 250

**UK business leaders**



**FMCG - 125**

**Logistics - 125**



**Business size**  
Number of employees



**250-499**



**500-999**



**1,000-1,999**



**50-249**



**1-49**



**2,000+**



**Turnover**



**£5-10m**



**£10-50m**



**£50m+**



**Up to £5m**

In addition to the independent survey of employers, redwigam surveyed 350 of our 130,000+ worker community, which is spread across a range of sectors, like field marketing, hospitality and recruitment. This provides an idea of how they, and temporary workers more generally, are viewing the post-COVID work environment. To protect the independence of the employer survey data, this worker survey data is presented separately in its own section.



## The report is broken down into four main sections:

**1**

### **A culture of confidence**

Exploring the impact of the pandemic, how businesses are revising strategies and the need for building confidence to successfully deliver those strategies.

**2**

### **The need for flexibility**

Looking at the use of flexible staffing by businesses prior to the pandemic, the benefits reported by businesses and their future staffing intentions.

**3**

### **The tech and data explosion**

Insights into the growing use of staffing technology and how businesses are using data to improve performance.

**4**

### **What the workers say**

Insights about temporary work and flexible staffing in the post-COVID age from the redwigwam worker community.

# Our findings in brief

## For businesses

Businesses have, of course, been heavily impacted by the pandemic, with 70% needing to change their long-term strategies. As such, managing expenditure and cashflow will be more critical than ever before.

There will be a greater need for financial control and efficiency, which businesses recognise flexible staffing can provide. With employees typically accounting for the biggest business cost by some distance, it will be necessary to look at ways in which this might be minimised and made flexible where possible.

A quarter of businesses already employing temporary workers are expecting to increase their numbers in relation to permanent staff, showing a confidence among those businesses that flexible staffing offers a good route towards increased control and efficiency.

Businesses are also planning to introduce new technologies to improve the efficiency and effectiveness of their hiring. There is also a recognition that data can improve performance and that businesses can use their data to a greater extent.

## For workers

There will be a greater need than before to search for jobs more broadly and to fill any increase in the number of temporary roles offered by businesses. But they will also expect businesses to offer flexible working as a matter of course, with almost half of respondents to our worker survey indicating as much.

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# A culture of confidence

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# Culture of confidence

Around 18% of the businesses surveyed performed in line with their forecasts between March and July 2020 and 40% exceeded their revenue forecast, with businesses reporting annual turnovers of over £10m more likely to have exceeded their revenue forecast (43% vs 37% of companies with annual turnovers of less than £10m).

However, 42% of businesses were, unsurprisingly, negatively affected by the COVID-19 pandemic as many were partially or completely closed down.

Similarly, looking forward, nearly half of businesses (43%) say they are only somewhat confident, are not very confident or are not at all confident about meeting their 2020-21 forecasts. Larger businesses (those with annual turnovers of more than £10m) are more likely to be 'extremely' or 'very' confident (15% vs 12% and 48% vs 39% respectively), while companies with an annual turnover of less than £10m are more likely to be only 'somewhat' confident (40% vs 28%).

An even starker 70% say they have been forced to change their long-term strategies as a result of the pandemic. This is more likely among those with annual turnovers of less than £10m (77% vs 64% of £10m+ turnover firms).

**Figures like these are to be expected, but as countries gradually and tentatively reopen their economies, building confidence is key for businesses. While the need to revise forecasts has been unavoidable for many, the crucial thing now is to put robust measures in place to help achieve those updated outlooks.**



**of businesses say they have been forced to change their long-term strategies as a result of the pandemic.**



We can be confident that flexible staffing, as one such measure, will both contribute to business performance and inspire confidence. Indeed, of the businesses surveyed, 40% believe flexible staffing can benefit their business.

Delving more deeply, 30% believe it will be possible to increase their hiring rate through the increased appetite in society for working flexibly. 34% say they will feel more in control through the use of flexible staffing, 38% believe it will allow them to react faster and 41% believe it will allow them to invest with less risk.

While ONS figures show that temporary workers make up only around 5% of the UK workforce, our survey shows that businesses see significant benefits in their employment. What's more, their numbers are likely to grow, with businesses indicating their intentions to increase their use of flexible staffing following the pandemic.

**Not only is there a recognition that flexible staffing can provide more control and financial security for businesses, but in turn, it can improve performance and help to drive the broader economic recovery.**



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# The need for flexibility

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# The need for flexibility

Prior to the pandemic, temporary workers accounted for an average of 39% of staff at businesses that employed them, with permanent workers making up the larger 61%.

Looking forward, the vast majority of businesses surveyed are expecting to increase the size of their teams (58%) or keep them the same size (24%). Perhaps surprisingly, only 18% of those surveyed are expecting to reduce their staffing numbers.

Furthermore, 32% of those planning increases are expecting to do so by 26%-50%, 46% are expecting to do so by a huge 51%-75% and a smaller but still significant number of 7% are expecting the largest increases in size of 76%-100%.

At first glance, these figures would appear to contradict overall national figures, with the Chartered Institute of Personnel and Development and the Adecco Group UK & Ireland's [Labour Market Outlook: Spring 2020](#) indicating that redundancies are expected at around a fifth of employers and the [Office for Budget Responsibility \(OBR\)](#) suggesting that unemployment is likely to rise to 12% by the end of 2020.



**Over half of businesses that use flexible staffing intend to increase the number of their temporary workers in relation to permanent workers, or to at least maintain their current balance.**



The survey's focus on the FMCG and logistics sectors, however, explains this, with FMCG less affected than other sectors and logistics having seen an increase in demand.

Over half (52%) of businesses that already use flexible staffing are expecting to either keep about the same balance of temporary and permanent workers, or to actually increase the number of their temporary workers in relation to permanent workers.

**This shows a confidence among those businesses that flexible staffing offers a good solution for a period when efficiency will be crucial.**



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# The tech and data explosion

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# The tech and data explosion

Over a third of the surveyed businesses (34%), believe they need to innovate and use technology in order to grow.

Currently, 69% hire through staffing platforms, 64% through traditional agencies and 40% through in-house recruitment teams. Over the next year though, 64% of respondents plan to begin hiring through digital jobs boards, 56% online recruitment platforms and 51% social media.

Other related tools that businesses are planning to adopt include applicant tracking systems (37%) and video for purposes like employer overviews and interviews (18%).

These are big numbers and reflect real desire among businesses to hire more efficiently and effectively. They're also reinforced by the fact that only 4% of respondents said they didn't expect to adopt any of the technologies listed on the survey.



**Over a third of businesses believe they need to innovate and use technology in order to grow.**





Elsewhere, most (60%) of the businesses surveyed said they already use data to drive their performance, around a third of businesses (31%) indicated that, although they use data, they do not do so to its best effect and 9% reported that they do not currently use data, but that they would benefit from doing so.

**While it is encouraging to see the majority of businesses already making good use of data to drive performance, clearly there remain opportunities for improvement at a time when efficiency will be increasingly crucial.**

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# What the workers say

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# What the workers say

Of the 350 redwigwam workers we surveyed separately, around a third were either employed full-time (30%) or employed part time (31%), with redwigwam offering a means of taking on additional work on top of their existing roles if they want.

Indeed, 39% report using redwigwam to top up their existing salaries and 34% said it provides them with the level of flexibility they need, while only 4% said they use it as their only form of income. 13% said they are using the platform while they look for full-time work.

Just over a quarter (26%) were not employed and looking for work, 5% were not employed and not looking for work and 4% were retired.

As would be expected, by far and away the most common means of looking for work was by searching the internet, with 87% of respondents taking this approach. Elsewhere, 43% reported using social media, 34% use apps, 28% use online staffing platforms and 26% rely on calls from agencies.

While only 3% of respondents were under 18 and 6% over 65, there was otherwise a fairly balanced spread of ages. The 18-24 age bracket accounted for 9%, 25-34 bracket 19%, 35-44 bracket 22%, 45-54 bracket 23% and 55-64 bracket 18%.



**of workers think people will demand flexible working from employers following the pandemic.**





Notably, 68% of those surveyed were female, while only 32% were male. This to some extent reflects the overall split in temporary work according to [ONS figures](#), with 669,000 men (45%) and 818,000 women (55%).

While 32% of respondents saw no change to their work situation as a result of the COVID-19 pandemic, 37% reported having less work and 20% were furloughed. A small but not insignificant number (11%), saw their workload increase.

Unsurprisingly, the biggest concerns about employment following the pandemic were the availability of work (48%), finding a new job (40%) and keeping a job (27%).

Other concerns included being able to work in a suitable location (22%), hours being potentially reduced (19%), the impact on career progression (16%) and being able to work around childcare arrangements (14%).

Almost half (48%) of respondents said they thought people will demand flexible working from employers following the pandemic, with 28% believing flexible working will increase “a little”. 11% said they thought it would stay the same, while 13% said they thought there would be less flexible working.

In terms of how safe workers felt in relation to the pandemic, 38% said they were worried about COVID-19 and the potential for being exposed to the virus at work and 13% said they had already felt exposed at work.

Around a quarter (26%) said they were not worried about COVID-19 and would like to work more and 17% said they felt safe at work.

# Our juiciest takeaways

- **Businesses have been forced to change their strategies and must retool to be more efficient and more agile.**
- **There is a recognition among businesses that flexible staffing can increase control, speed up reaction times and lower the risk of investment.**
- **Many firms that already use flexible staffing plan to increase their reliance on it following the pandemic.**
- **A greater demand among workers for flexible staffing roles will increase the quality of candidates available.**
- **Businesses must double-down on the innovative technologies and data they use to help improve efficiencies and optimise performance or risk losing out to competitors.**





# Are you ready to change work for good?

**Talk to us about how our community  
can help you work flexibly.**

[hello@redwigwam.com](mailto:hello@redwigwam.com)

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