

Mind the Gap

The Search Consultancy Skills Shortage Report

February 2021

search.

The Recruitment Specialists



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Introduction

The Search Skill Shortage Report investigates the extent of the skills shortage in the UK and examines the causes and consequent impact it is having on businesses across a range of industries.

The data presented comes from market research with over 1,000 senior managers across 20 sectors providing a fair representation of the current landscape.

We also presented our findings to business leaders and have shared the steps you can take to resolve the skills shortage in your business.



Foreword



Richard Vickers

CEO

Search Recruitment
Group



“Three-quarters of businesses are impacted by skill shortages – an issue that is costing UK businesses £6.3 billion per year in temporary staff and training for workers who are not as experienced as required¹. The skills gap isn’t a problem that is going away without substantial effort and it is certainly not one we can ignore.

It’s fair to say that the skills shortage is not a new phenomenon; however, it has been exacerbated by COVID-19. Amidst the issue, organisations are forced to adopt new, often remote, business practices that have further widened the skills gap. In fact, in the latest KMPG post-COVID survey, 62 percent of people said the skills shortage is preventing their organisation from keeping up with the pace of change required to be successful².

*Further to this, almost three-quarters of HR professionals (72%) ranked **reskilling employees** as one of the most important paths to shaping the workforce. Despite this, only one-third said this would be easy to implement³.*

To support the businesses we work with that may be experiencing issues due to the skills gap, Search Consultancy has looked at multiple sectors within UK business and has determined the primary causes, contributors and potential solutions to the challenge. We have also discussed these findings with key business leaders in their respective fields and shared these insights in the Search Skills Gap Report.

With this collective knowledge from UK businesses, both regionally and nationally, we hope to provide you with the knowledge required to make informed decisions that can benefit you, your business and your employees.”



¹ <http://www.open.ac.uk/business/apprenticeships/blog/uk-skills-shortage-costing-organisations-%C2%A363-billion>

² <https://home.kpmg/xx/en/home/insights/2020/10/reskilling-for-the-future.html>

³ <https://home.kpmg/xx/en/home/insights/2020/10/reskilling-for-the-future.html>

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Chapter one

The current state of
the skills shortage



How bad is the situation?

The skills shortage has affected businesses across the UK for decades and a number of factors over recent months have exacerbated the situation.

A contributing factor to the skills shortage challenge is that Britain has been experiencing an ageing population for four decades with the number of people turning 18 having dropped each year since 2019⁴. The number of UK citizens applying to University also dropped by 3% from 2018 to 2019 meaning there are fewer candidates each year to apply for jobs.

Coronavirus has also had a significant impact on the job market. Whilst some businesses have been reluctant to make new hires in a particularly turbulent market, those that have been searching for new employees have found that candidates are hesitant in making a move to a new company. In fact, Google searches for available jobs have decreased by 24% from this time last year.

When it comes to the skills shortage, research that Search conducted in January 2021 shows almost three-quarters (73%) of organisations are currently impacted with a third of respondents saying it has had a significant effect on their business.

Research also shows that on average, UK businesses are more than 20% understaffed. While one-fifth (22%) of businesses are understaffed by less than 10%, one in 20 are currently working at less than 50% of their ideal headcount. This seriously impacts the overall success of a business, the level of service offered and the wellbeing of the existing workforce.



⁴<https://www.ons.gov.uk/peoplepopulationandcommunity/populationandmigration/populationprojections/articles/being18in2018/2018-09-13>

⁵<https://luminare.prospects.ac.uk/uk-population-trends-and-graduate-numbers>

What sectors are the worst affected?

Although every industry surveyed is impacted by the skills shortage to some extent, it is clear that certain sectors have been hit the hardest.

The industry most affected by the skills shortage is engineering and manufacturing with 85% of senior managers explaining that their business is struggling. This comes off the back of a statement in 2019 from the British Chambers of Commerce which said that the manufacturing industry was facing the biggest skills shortage in 30 years.



Rich Westhead

Managing Director of
Driving, Engineering
& Manufacturing,
Hospitality, Industrial
Search Consultancy



“The food & drink sector is the UK’s largest manufacturing industry and the demand for staff currently exceeds supply. The significant growth and continual focus on new products in this sector also means there is an increase in food science and new product developments roles which are amongst the most difficult to recruit. Engineering roles still remain as the key skill shortage within the industry.”

Also heavily affected by the skills shortage is the financial services sector with 84% of businesses feeling the current workforce does not have the skills required to adequately execute the job. In fact, in 2018 The Treasury established a task force to examine whether the financial services sector has the skills needed to remain globally competitive, indicating that urgent progress in upskilling must be made to remedy the issue.



Jonathan Abell

Managing Director of
Financial Services, Legal,
Logistics, Procurement &
Supply Chain, Scientific
Search Consultancy



“The legal market has been highly candidate driven for a number of years and has very quickly returned to this since August 2020. Client demand is at peak levels for corporate, litigation and employment lawyers on the commercial side, in both practice and in house, as commerce and industry’s appetite for hiring their own legal talent continues; as well as family lawyers on the private client side; with good candidates actively looking being quite limited. As a result of us being accustomed to working in a candidate led market we are well positioned to minimise any challenges faced by this skills shortage and still deliver to our clients.”



Ed O'Connell

Managing Director of
Accountancy & Finance, HR,
Marketing, Sales

Search Consultancy



“The implications of Brexit, legislative and regulatory change offset by the global pandemic has seen an increasing demand for niche skills in key industries.

Businesses now more than ever have an increasing range of challenges creating a perfect storm and a short supply of key talent.”

The healthcare market has also felt the brunt of the skills shortage with 84% of respondents admitting they were suffering from a lack of skilled workers. Those surveyed that work in the sector highlighted that healthcare organisations were understaffed by 26% with COVID-19 understandably exacerbating the situation.

At the other end of the scale are marketing, legal and sales which are the three sectors least impacted with 66%, 58% and 52% of managers saying they have felt the effects of the skills shortage.



Dominic Starkey

Director of Marketing & Communications

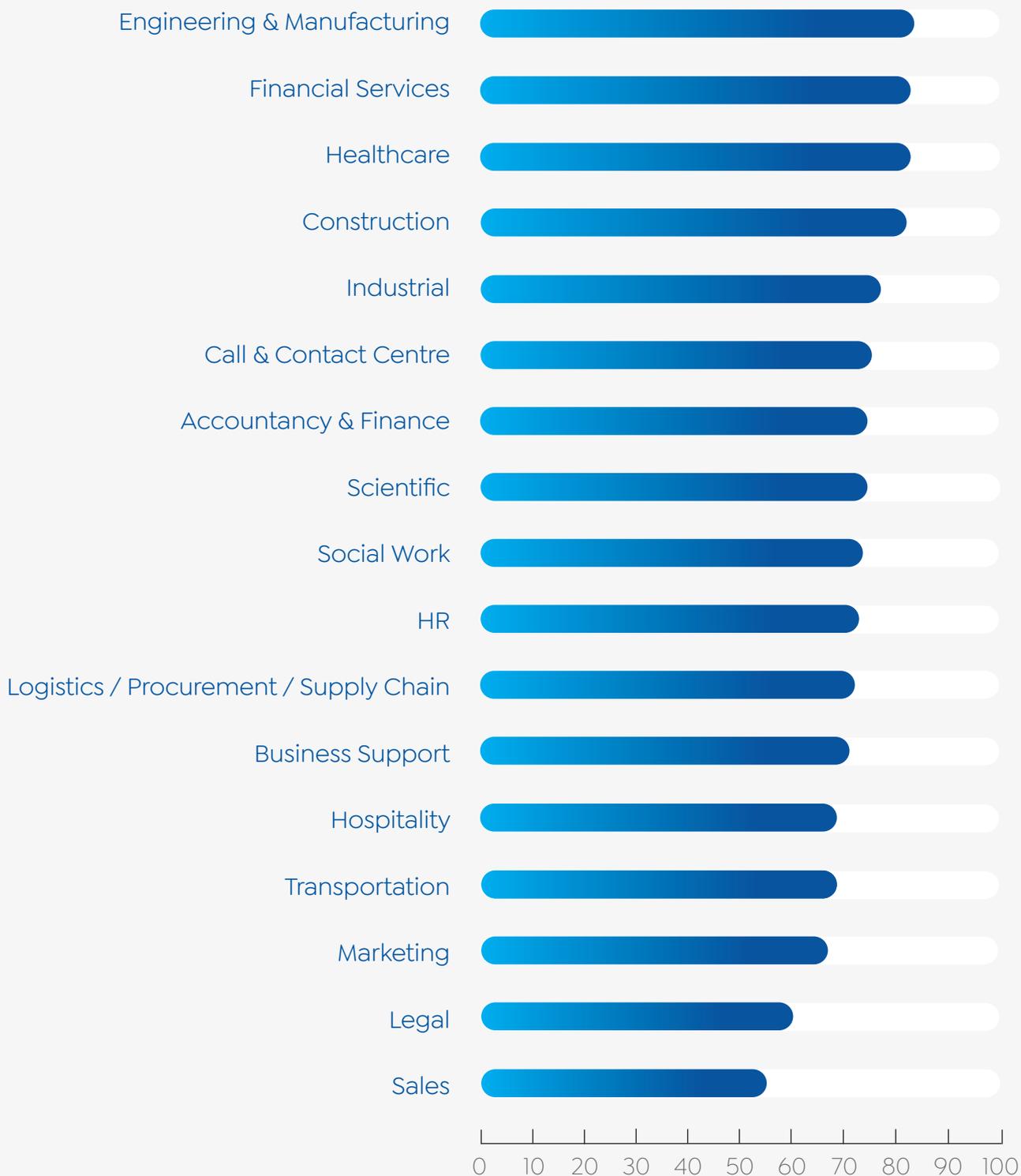
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“It is not a struggle to get fresh talent interested in a career in marketing. The challenge for companies is finding experienced people with the skill sets to support wider marketing strategies. The last 12 months has seen an explosion in demand for those with online and ecommerce experience as companies prioritise digital transformation. It’s clear that Marketing, as a profession, encompasses a wide range of specialisms, so there is no one-size fits all approach to recruitment. The shortage is more acute for senior management level positions, which require a broader multi-discipline understanding and an ability to piece these disparate areas together to positively impact bottom line performance.”

Industries most affected

The % of managers from each industry who said their business was affected by the skills shortage.



Is this an issue across the whole UK?

The region most affected is London, with 83% percent of those surveyed struggling with the impact of the skills shortage. Contributing factors include the ever-rising cost of living in the capital and establishment of large business hubs in secondary cities such as Manchester and Birmingham. As talent migrates north to more affordable cities, the skills gap in London is predicted to widen with a 2020 report from PwC highlighted that in 2021 the population of our capital is set to decline for the first time in history⁶.



⁶ <https://www.ons.gov.uk/peoplepopulationandcommunity/populationandmigration/populationprojections/articles/being18in2018/2018-09-13>

78% of West Midlands based organisations are also experiencing a skills shortage. This is addressed in the West Midland Skills Agreement in 2018 where the Government and the West Midlands Combined Authority established a strategy to boost digital and technical skills, job opportunities and productivity across the region. The strategy focuses on supporting more young people and adults into work as well as upskilling and retraining local people of all ages⁷.

Also affected is Scotland with almost three-quarters of businesses experiencing a shortage of skills. In 2020, the Scottish Government created the Shortage Occupation List as a call for evidence on the impact migration has on the Scottish workforce. On average, each business within Scotland is understaffed by 23% with only 6% working to the necessary headcount.



“The skills shortage in Scotland can be attributed to several factors; an ageing population, a lack in the uptake in further and university training as well as disproportionate gender balance within some sectors such as STEM and Technology.”

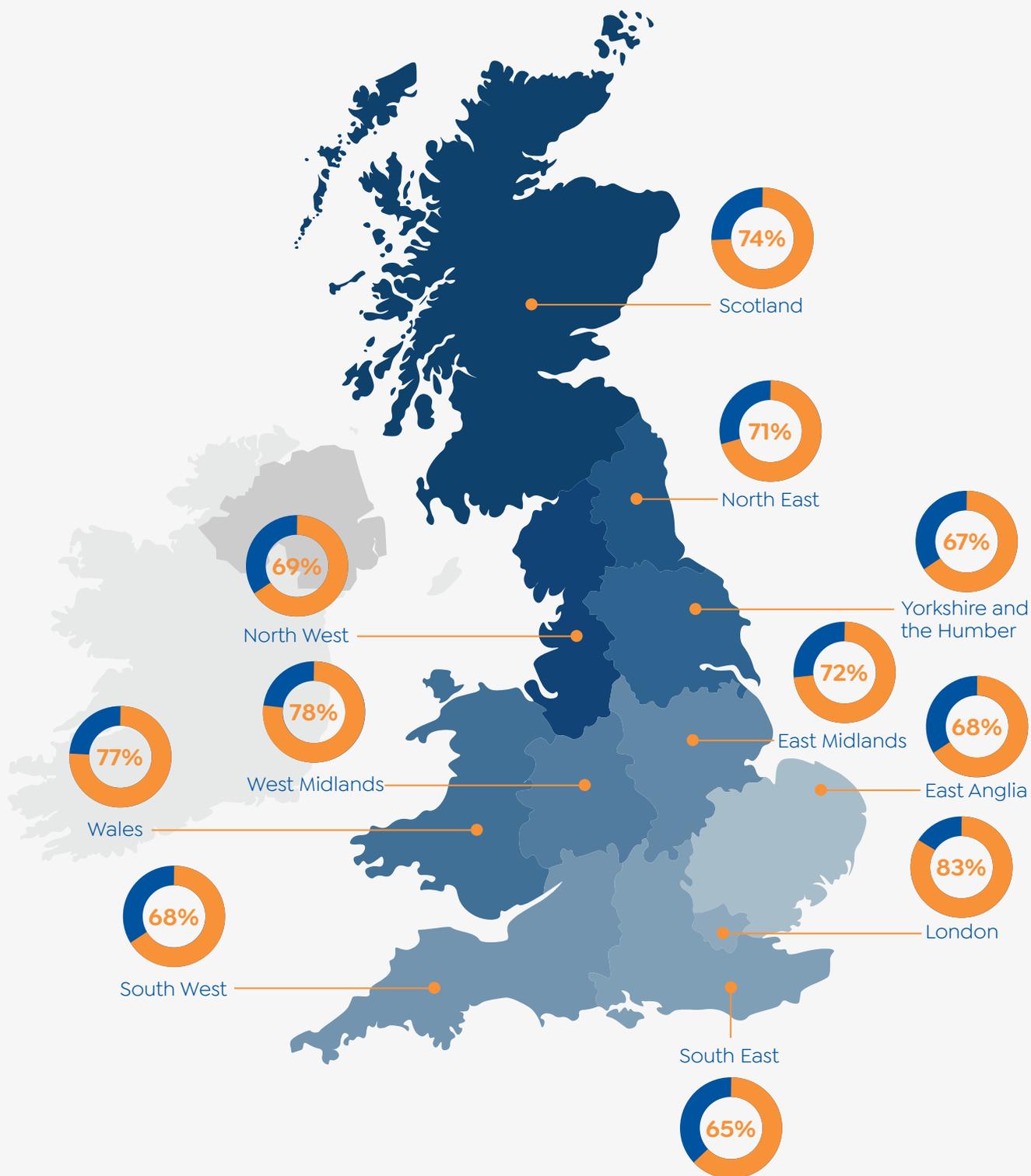
Julie Calisir

Managing Director of Business
Support, Call & Contact Centre
Search Consultancy

⁷ https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/726951/West_Midlands_skills_agreement_2018.pdf

The impact of the skills shortage across the UK

The % of managers in each region that say they are impacted by the skills shortage.



Which roles are hardest to fill?

More than half of businesses (52%) experienced issues filling mid-level positions within their organisation's managerial roles, while a further 29% struggled to fill entry-level roles. 27% have had difficulty hiring senior leaders.



29%

struggle to fill
entry-level roles



52%

struggle to fill
mid-level roles



27%

struggle to fill
senior roles

At entry-level, the construction industry struggles the most as 36% of businesses find it difficult to fill these roles. This is compared to only 17% of logistics and supply chain businesses and 23% of those that provide business support.

When it comes to senior hires, the construction industry struggles the least with only 12% of businesses having difficulty making senior appointments. This contrast is in part due to the outward image of the industry. Often seen as difficult or uncomfortable work, the sector struggles to recruit up and coming talent. Once seen as a solid career path, senior level jobs are filled by people that have been working in the industry for up to 50 years.

The accountancy and finance industry struggles the most making senior hires with 38% admitting to finding it difficult to source business leaders.



Most in-demand roles

The most in-demand job by title is nurses, with COVID-19 being a significant contributing factor. This is closely followed by IT managers and engineers. Admin staff and drivers came in 4th and 5th as the most in demand jobs.



Lisa McLean

Managing Director of Health
& Social Care, Nursing,
Social Work

Search Consultancy



“Skills shortages in Health & Social Care are continuously an industry struggle. Vacancies for nurses, qualified social workers and occupational therapists are high ranked in the shortage stakes and this is something we work closely with our clients to remedy.”



Ed O’Connell

Managing Director of
Accountancy & Finance, HR,
Marketing, Sales

Search Consultancy



“In these markets, financial & operational change specialists, specialist accountants, HR and organisational change managers, digital and transformation specialists along with technology focussed leaders. ERP/CRM, Ecommerce, supply chain management will all see a sustained increase in demand as businesses look to evolve.”

The most in demand jobs – in order

1. Nurse
2. IT Manager
3. Engineer
4. Admin staff
5. Driver
6. Finance Manager
7. Data Analyst
8. CEO
9. Accountant
10. Customer Service Rep
11. Marketing Manager
12. Call Centre Staff
13. Operations Manager
14. Chef
15. Solicitor
16. Director
17. Software Manager
18. Sales
19. Account Manager
20. Lawyer
21. Production operatives
22. Support worker
23. Care worker
24. HR manager
25. Apprentices



“The transportation industry has had a shortage of drivers for at least 20 years and the situation is not getting better. In fact, 30,000 drivers have had their HGV tests postponed due to lockdown further exacerbating the situation.”

Jennifer Swain
Head of Talent and Operations
Road to Logistics

This list is reinforced by the official UK Government Skilled Worker Shortage database which heavily features engineers in various disciplines including electronics, M&E and civils. The official list also includes IT professionals, in particular, cybersecurity as well as welders and chefs⁹.

Recruitment lead times

On average, managers say that the average lead time to find a suitable candidate for a permanent role was just over 4 months, however, 12% of people spent more than 7 months to fill a single vacancy. The science and social work sectors both averaged roughly 5 and a half months followed by the industrial sector which took 5 months. At the other end of the scale are sales and hospitality staff, which were the easiest to source, taking a maximum of 3.5 and 3.3 months, respectively.



⁹<https://www.gov.uk/government/publications/skilled-worker-visa-shortage-occupations/skilled-worker-visa-shortage-occupations>

What skills and attributes are missing?

The importance of soft skills within a business is rising, with COVID-19 further driving their importance. A recent article from Forbes states that skills such as self-motivation, resilience and emotional intelligence are all now crucial success factors in business⁹. This is reflected in the results of our recent research.

The most lacking skill in organisations is previous experience in the role with 38% of respondents stating this is something they struggle with within their organisation. This was closely followed by a proactive attitude (33%) and a strong work ethic (31%).

The crucial skillsets lacking varies from sector to sector. Most sectors agree that their workforces require more hands on experience in their roles.

Proactivity was listed as one of the most lacking skills by eight sectors including business support, construction, engineering & manufacturing, healthcare, HR, industrial, legal and logistics & supply chain making it the second most absent skill.

Resilience was also listed as one of the most lacking skills in business support, call & contact centre, engineer & manufacturing, healthcare, legal and logistics & supply chain.

the contact company



Kevin Horgan

Head of Operations

The Contact Company

“Resilience is the one that stands out to us the most; particularly due to current climate and the nature of the customer service role. Sometimes customer interactions can be sensitive, and emotions may be high, so resilience is a key skill/competency which can sometimes be trickier to source. This skill is improved with experience, appropriate coaching and also a really good level of empathy, support and understanding from line managers. Generally, we look for signs of these key competencies at interview, and then we will provide coaching and support so that we’re always working on these skills with our colleagues.

A positive attitude and teamwork are important skills/competencies. In terms of formal qualifications, we have an in-house training team which we take advantage of and they can train out any niche/professional skills and we also invest in recognised qualifications.”

⁹<https://www.forbes.com/sites/forbeshumanresourcescouncil/2021/01/20/soft-skills-are-essential-to-the-future-of-work/?sh=6c98bdb91341>

Top three **lacking** skills for each sector

In an increasingly digital age, no sectors surveyed listed computer skills in their top three lacking skills, as with the ability to work in a team.

Business support

1. Experience
2. Work ethic
3. Resilience / positivity / initiative

Construction

1. Experience
2. Work ethic
3. Resilience / positivity / initiative

Financial services

1. Experience
2. Work ethic
3. Resilience / positivity / initiative

Hospitality

1. Experience
2. Work ethic
3. Resilience / positivity / initiative

Industrial

1. Experience
2. Work ethic
3. Resilience / positivity / initiative

Logistics and supply chain

1. Experience
2. Work ethic
3. Resilience / positivity / initiative

Sales

1. Experience
2. Work ethic
3. Resilience / positivity / initiative

Social work

1. Experience
2. Work ethic
3. Resilience / positivity / initiative

Accountancy and finance

1. Proactive
2. Attitude
3. Resilience / work ethic / emotional intelligence

Call and contact centre

1. Proactive
2. Attitude
3. Resilience / work ethic / emotional intelligence

Engineering and manufacturing

1. Proactive
2. Attitude
3. Resilience / work ethic / emotional intelligence

Healthcare

1. Proactive
2. Attitude
3. Resilience / work ethic / emotional intelligence

HR

1. Proactive
2. Attitude
3. Resilience / work ethic / emotional intelligence

Legal

1. Proactive
2. Attitude
3. Resilience / work ethic / emotional intelligence

Marketing

1. Proactive
2. Attitude
3. Resilience / work ethic / emotional intelligence

Scientific

1. Proactive
2. Attitude
3. Resilience / work ethic / emotional intelligence

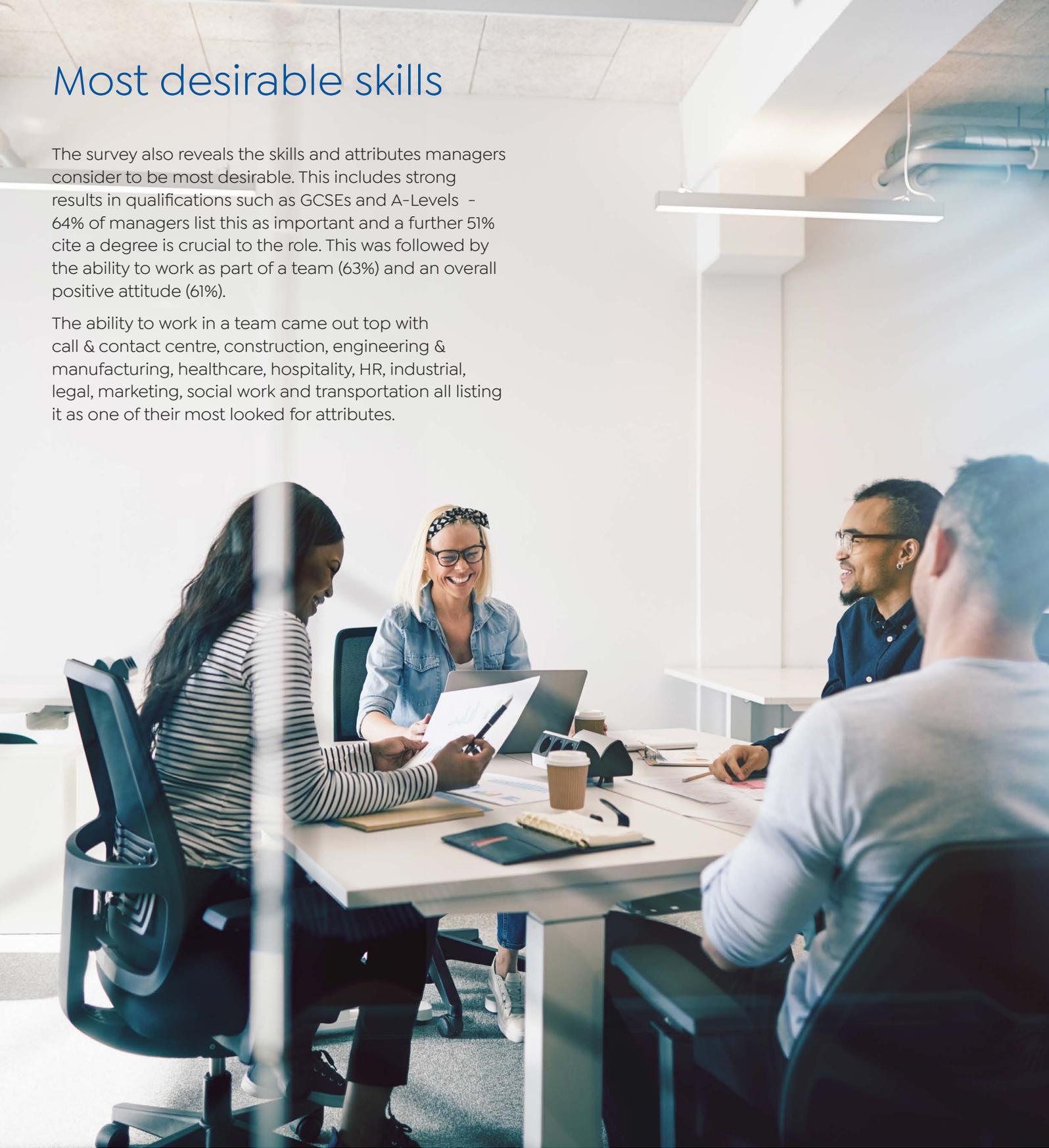
Driving

1. Proactive
2. Attitude
3. Resilience / work ethic / emotional intelligence

Most desirable skills

The survey also reveals the skills and attributes managers consider to be most desirable. This includes strong results in qualifications such as GCSEs and A-Levels – 64% of managers list this as important and a further 51% cite a degree is crucial to the role. This was followed by the ability to work as part of a team (63%) and an overall positive attitude (61%).

The ability to work in a team came out top with call & contact centre, construction, engineering & manufacturing, healthcare, hospitality, HR, industrial, legal, marketing, social work and transportation all listing it as one of their most looked for attributes.



Top three **desirable** skills for each sector

Positivity, adaptability and initiative all came out high on the most desired attributes, closely followed by computer skills.

Business support

1. A-levels
2. Computer skills
3. Adaptability

Construction

1. Teamwork
2. Initiative
3. Positive attitude

Financial services

1. A-levels
2. Computer skills
3. Initiative

Hospitality

1. Work ethic
2. Teamwork
3. Adaptability

Industrial

1. A-levels
2. Adaptability
3. Time management

Logistics and supply chain

1. Experience
2. Adaptability
3. Communication skills

Sales

1. Work ethic
2. Time management
3. Self-management

Social work

1. Teamwork
2. Self-management
3. Emotional intelligence

Accountancy and finance

1. Adaptability
2. Self-management
3. Teamwork

Call and contact centre

1. A-levels
2. Positive attitude
3. Teamwork

Engineering and manufacturing

1. Teamwork
2. Initiative
3. Communication skills

Healthcare

1. Practical qualifications
2. Teamwork
3. Adaptability

HR

1. Positive attitude
2. Teamwork
3. Adaptability

Legal

1. Degree
2. Computer skills
3. Initiative

Marketing

1. Positive attitude
2. Creativity
3. Teamwork

Scientific

1. A-levels
2. Proactive attitude
3. Computer skills

Driving

1. Proactive attitude
2. Teamwork
3. Computer skills

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Chapter two

Cause and effect



Leading causes of the shortage

Of those who say their organisation is experiencing a skills shortage, 36% believe that a simple lack of appropriate candidates is the main contributing factor. There are however other issues at play with 25% of managers citing an inability to retain staff as a major issue and 25% saying Brexit is a key contributing factor.

23% of managers also believe their industry is experiencing a skills shortage due to job cuts with 22% citing a lack of training opportunities. One in five also states insufficient funding within the sector is contributing.



Jennifer Swain

Head of Talent and Operations
Road to Logistics



“An aging workforce is a key contributing factor to the skills shortage in the driving industry. The average age of a driver is 47 and without encouraging fresh new talent to enter to the industry, the situation is set to only worsen.

More recently, COVID-19 and Brexit have further widened the skills gap. New recruits haven't been able to qualify as drivers due to test being postponed and our EU contingent of drivers has been diminished further as people leave the UK.”

⁶ <https://www.ons.gov.uk/peoplepopulationandcommunity/populationandmigration/populationprojections/articles/being18in2018/2018-09-13>

Managers within construction, hospitality and call and contact centres have also been impacted by Brexit with a third listing the loss of EU workers as a reason for the skills shortage with their sectors.

The healthcare industry is most hindered by the fact it is deemed an unattractive industry to work in, further exacerbated by the impact of COVID-19 which is also causing an inability to retain staff members. Almost a third (30%) of healthcare professionals say Brexit is also a key cause of concern. In light of this, Raj Sehgal, who sits on the board of the National Care Association, has called on the Government to include senior carers on its Shortage Occupation List (SOL) to help fill the 112,000 vacancies for care home staff¹⁰.

Those working in sales are most likely to be affected by job cuts, an inability to retain staff and insufficient funding. 29% of managers in this sector listed these triggers as the main causes of the skills shortage. The sales industry, however, is much less likely to be affected by an ageing workforce and Brexit with only one in ten organisations in the sector impacted.



Paul Kynaston

Managing Director of
Construction & Property
Search Consultancy



“I think the industry has an image problem. Construction work is seen as dangerous, poorly paid and dirty and I think young people are now looking for quicker career movement than it’s traditionally been possible to achieve.

The reality is something very different. Projects are now diverse and dynamic places to work, often at the cutting edge of engineering technology, and salaries/rates of pay have increased dramatically. Indeed, it is not unusual for skilled blue collar workers in the sector to comfortably earn £50k pa.”

¹⁰ <https://inews.co.uk/news/brexit/uk-faces-critical-skills-shortage-care-homes-immigration-brexit-734888>





“The pandemic has seen a huge improvement in appreciation for our drivers. Without them, food wouldn’t be on tables and crucial healthcare equipment, such as PPE and even vaccines, would still be in warehouses.”

Jennifer Swain
Head of Talent and Operations
Road to Logistics

Leading causes of the skills shortage

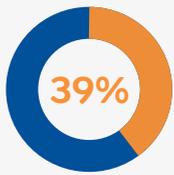


The impact of the skills shortage

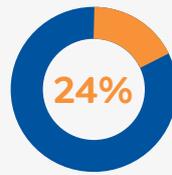
As a result of the skills shortage in their industries, 39% of managers say staff have had to work longer hours. This added pressure on internal teams contributes to an inability to retain staff, leading to an increase in recruitment costs, something one in four managers said is a result they've experienced from the skills shortage. 20% of managers have also had to face larger operational costs in an attempt to remedy the situation.

A further 24% have also experienced increased training costs and one in five businesses are experiencing a disengaged workforce.

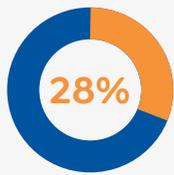
Leading causes of the skills shortage



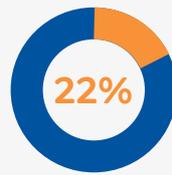
Staff working longer hours



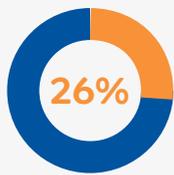
Increased training costs



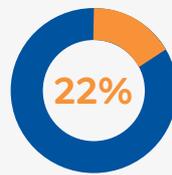
Poor quality of work



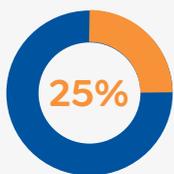
Disengaged workforce



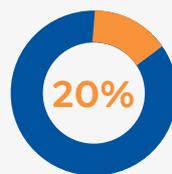
Unfulfilled worked



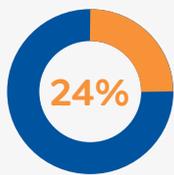
Larger operations cost



Increased recruitment costs



Loss of business



Missed deadlines

The impact of the skills shortage doesn't just disrupt internal processes, it can have a long-term effect on relationships with clients and customers. More than a quarter (28%) of managers surveyed admitted to poor quality of work being produced and a further 26% were unable to fulfil work commitments to clients and customers. This jeopardises relationships and puts the long-term success of businesses at risk.

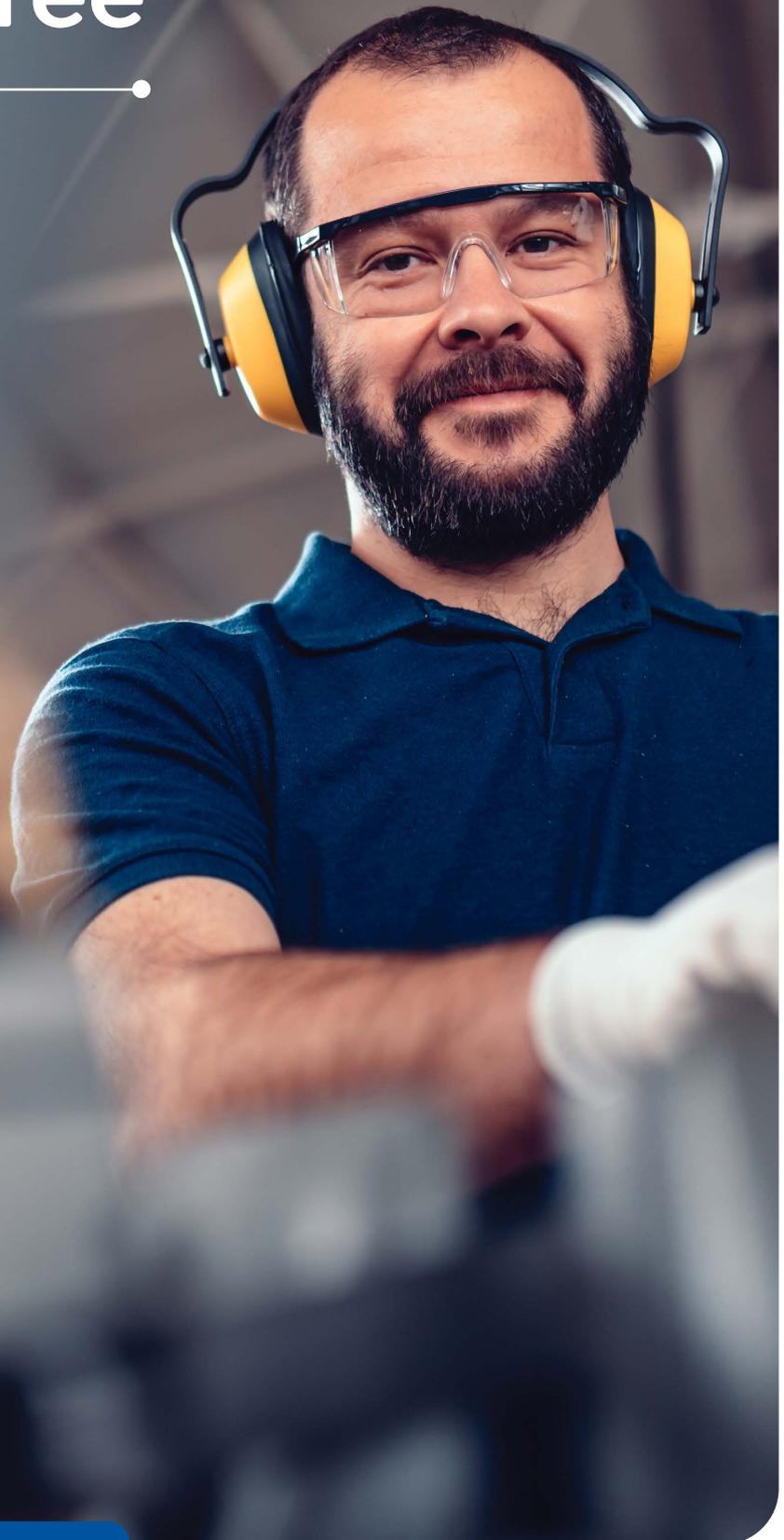
This is a particular issue to the logistics/procurement & supply chain industry, with a third of organisations missing out on business due to the skills shortage. One in four call and contact centres have also had to turn down business as they simply didn't have the skill set required to facilitate the work.

The social work and construction sectors were least likely to miss out on business with 11% and 12% of managers listing this as an issue, however, a third of managers in construction do admit to skilled staff having to work longer hours to make up for the shortfall. Science-based businesses and hospitality staff are worst impacted however with more than 50% of staff working longer hours.

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Chapter three

Closing the gap



Introducing measures

Organisations across the UK have been implementing measures to close the skills shortage gap. One-third of businesses have introduced an increasing amount of internal training for staff to elevate their skillsets. A further one in five has also invested in external training. 20% has also recruited internally from other roles that may not necessarily be as impacted by the skills shortage.

More than a quarter (28%) have focused on staff retention by ensuring their organisation offers more than competitors to reduce the risk of staff leaving. 21% of managers surveyed have had to implement salary increases to encourage staff retention and entice new recruits. This however, is a short-term strategy. As other businesses adopt the same practice to remain competitive in the industry, this could lead to a never-ending salary increase programme and therefore cannot generate long-term results. In line with this, 17% of managers say they have had to improve soft benefits within their organisation.

If the lack of qualified candidates is a problem that cannot be overcome, a fifth of businesses are investing in technology such as AI to resolve the issue without the need for personnel.

Whilst 16% of organisations have partnered with specialist recruiters to source talent, 6% admit to having not yet implemented any measures to resolve the skills shortage. This is most felt in the hospitality sector with only 86% of organisations executing skill gap strategies.

Almost one in five (18%) have also had to look at recruiting apprentices to fill entry level roles, the sectors most likely to take advantage of apprentices include financial services, engineering & manufacturing and construction where more than a quarter of organisations are investing.

More than a third (36%) of managers in financial services have also been forced to negotiate higher salaries to encourage staff retention and new recruits compared to just 10% of those in the construction industry.

Managers working in the industrial sector are most likely to invest in training, both internal and external (65%) compared to just 26% of those working in call and contact centres and 39% of legal organisations.

38% of managers in transport and one-third of those in the science industry have invested in new technology to help fill the skills shortage while only 7% of the logistics & supply chain sector have admitted to making the same investment.





the contact company



Kevin Horgan
Head of Talent and Operations
The Contact Company

“From a customer service perspective, we actually see a lot of transferable customer service skills (hospitality, retail, education, cabin crew), and this has only increased in light of the current pandemic. In some niche areas in the business (i.e. finance, training, compliance, catering, etc.) there may be a gap if we are recruiting internally, but we then invest in recognised qualifications and training for our colleagues to bridge that gap and provide opportunities for development in-house; something which we are passionate about.”

 **Polypipe**



Becky Appleyard-Kelly
Channel Marketing Manager
Polypipe

“We recognise more generally the need to encourage young people in to STEM careers and so engage on a number of levels with our local community. We work with local secondary schools and higher education events such as Get Up to Speed, and have supported the creation of the Doncaster University Technical College, where our UK HR Director Melissa Flett is part of the Governance Board. We have created a graduate management programme to ensure the next generation of leaders progress through Polypipe and have a very active in house Leadership & Development team to provide continuous development and progress opportunities for our current employees.”



“It is a false economy to not provide good employment packages for drivers. By offering competitive salaries and benefits packages, retention rates will increase consequently saving money on recruitment and training costs.”

Jennifer Swain

Head of Talent and Operations
Road to Logistics



“To bridge the skills gap, as an industry we need to promote the career opportunities that the sector offers. Consideration should also be put into reasons why people leave the sector, and the support given to individuals whilst working in health and social care. Financial support for those seeking to become qualified with links to the industry should also be implemented. Quality and flexibility of training is also hugely important.”



Lisa McLean

Managing Director of Health
& Social Care, Nursing, Social
Work
Search Consultancy



“Building key communities of talent and promoting such skills will recognise the importance of key skills at a point when the markets need both to recover and to innovate. Recruiters are central in this activity and can influence the pace at which we both recover and innovate.”



Ed O'Connell

Managing Director of
Accountancy & Finance, HR,
Marketing, Sales
Search Consultancy



Julie Calisir

Managing Director of Business Support, Call & Contact Centre Search Consultancy



“We recognise there are many industries with transferrable skills, for example, two sectors who have a high calibre of individuals and customer focused would be retail and hospitality both hit badly by the pandemic. We have consulted with many employers thus far in them recognising that there is talent available who would support their business growth from outside contact centres with potential to be great employees.”



Rich Westhead

Managing Director of Driving, Engineering & Manufacturing, Hospitality, Industrial Search Consultancy



“Recruiters can build large databases of candidates and are able to offer a variety of driving jobs at short notice. We also build longstanding relationships with clients to understand exactly what type of people they look to recruit and by spending time with candidates at interview stage are able to match people more effectively.”

Can diversity resolve the issue?

Of those surveyed, 60% say that a more diverse workforce would help resolve the skills shortage in their industry with diversity helping significantly for one in five.

60% of businesses believe they suffer from a lack of racial diversity within the business and more than half (54%) say they do not have a fair gender representation. Just below half (49%) believe they have a fair spread of ages across the business.

The financial services industry agrees an improvement in diversity would resolve the skills shortage the most with 71% of managers agreeing that opening up opportunities to a more diverse workforce would help fill their skills gap.

This is followed by the construction sector at 66% and healthcare which stands at 64%. Only 40% of staff in sales believe improving diversity would be a feasible solution.

Construction sector managers believe their industry is struggling most with gender diversity with 68% of those surveyed saying it is an issue. This is closely followed by transportation at 63% and industrial at 60%.

When it comes to racial diversity in the workplace, 70% of HR managers say this needs to be improved compared with sales which comes in at 52%.





the contact company



“We feel our industry, and our workforce as microcosm of this, is extremely diverse across all roles and levels. We welcome people from all different backgrounds and walks of life and we do not target any specific demographics. The only thing that can occasionally be a challenge to diversity, in terms of age specifically, is the security checks and compliance required to provide customer service for certain industries (financial campaigns, for example). Due to their nature, many will have minimum age requirements of upwards of 18.”

Kevin Horgan

Head of Talent and Operations
The Contact Company



“The transportation industry needs to work hard to become more diverse and the benefits of doing so will be ten-fold. Not only will encouraging more diversity, whether it is age, race or gender, help in filling the skills gap by generating a wider talent pool, it will also encourage younger people to enter the industry. It is proven that younger people will look to their employer to share their ideologies and having a very one dimensional workforce will prevent the next generation of drivers from entertaining joining your business.”

Jennifer Swain

Head of Talent and Operations
Road to Logistics

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Chapter four

Looking to the future

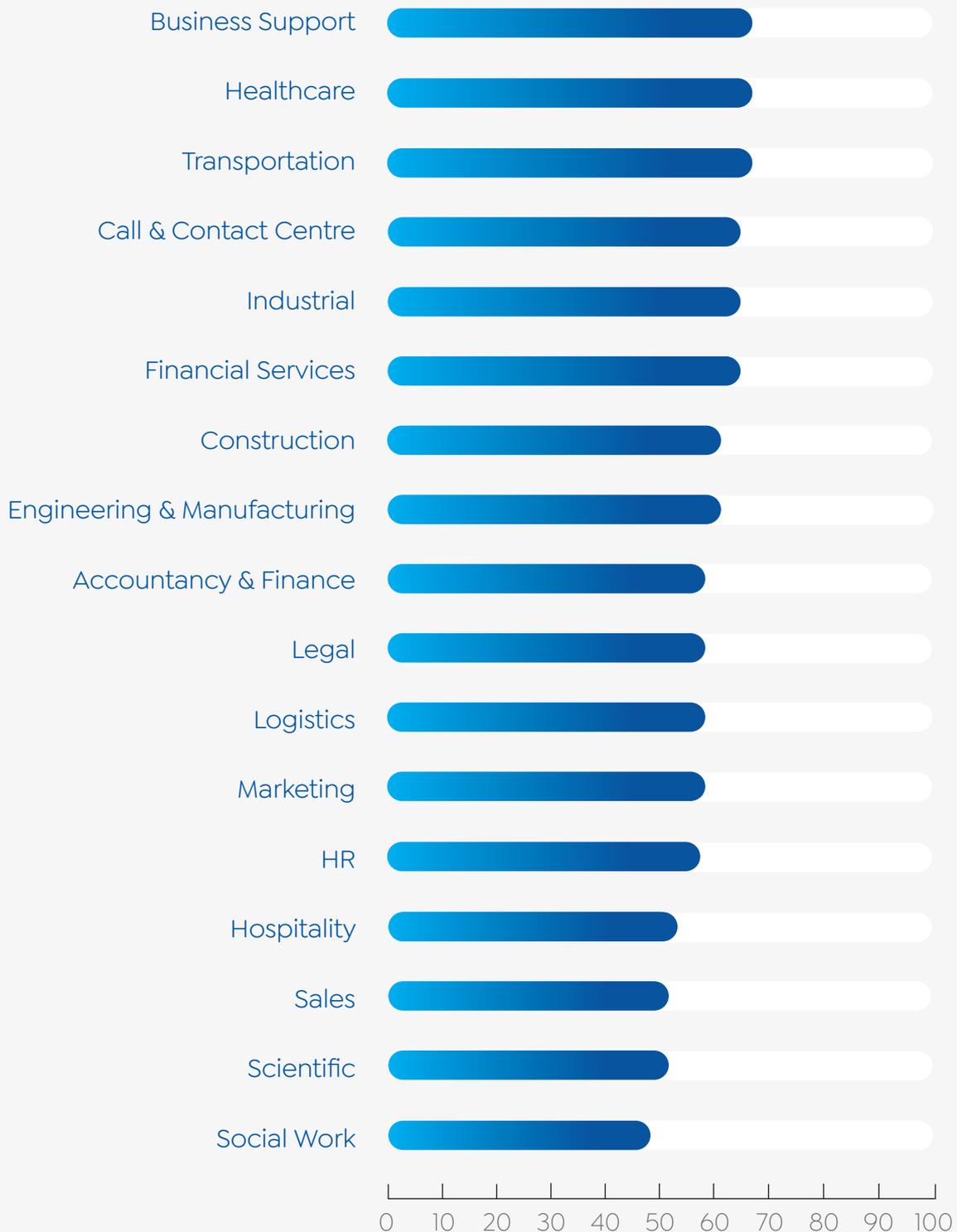


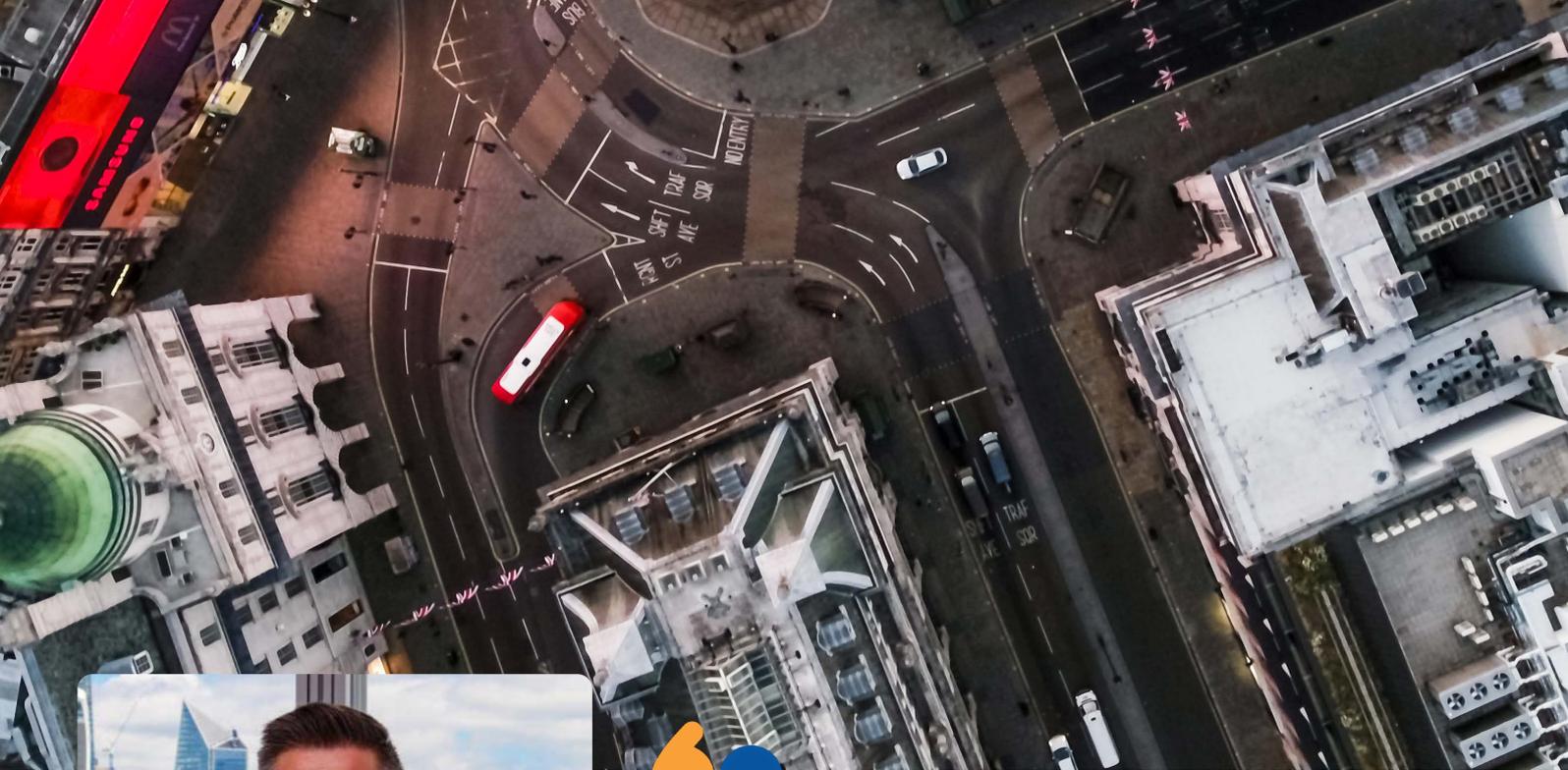
60% of businesses believe the skills shortage is set to improve over the next two years, with 67% of managers in business support and transportation and 65% in financial services agreeing. This is, in part, due to an increase in the use of AI and automation. As technology develops, businesses are exploring software that can help streamline processes and reduce the need for physical intervention from humans.

This may be a viable solution for businesses in manufacturing or the industrial sectors but there are undoubtedly organisations that will always require a substantial element of human interaction. For example, only half (51%) of those in the social work sector can see the skills shortage improving over the next two years.

It is also important to consider the other external factors that could further expand the skills gaps the UK is experiencing.

Percentage of managers that think the skills shortage will improve over the next two years





“The need for specialised skills will create increased pay rates and will increase competition amongst organisations vying for elite talent. The luxury of time will disappear and in most case already has – the need to change and evolve is now hence those that act have the opportunity to get ahead.”

Ed O'Connell

Managing Director of
Accountancy & Finance, HR,
Marketing, Sales

Search Consultancy



“If the country is to achieve it's ambitions of having world leading infrastructure, then we're going to need the people to design and build it and the Construction sector will need to up it's game to attract the talent of tomorrow.”

Paul Kynaston

Managing Director of
Construction & Property

Search Consultancy

Brexit

In December 2020 The Guardian reported that the economic recovery from the Covid-driven recession will be hampered by a post-Brexit shortage of key workers including healthcare assistants, senior care workers and dental nurses.

In its annual report, the Migration Advisory Committee (Mac) said many of the roles with the highest vacancies in the UK, such as veterinary nurses and welders, require a significant level of training, which could cause a delay in filling jobs and “hinder future economic recovery”.

Financial services and the construction sectors are most likely to be impacted by Brexit with 44% of managers saying it will have an impact on their industries. Healthcare is also high on the list with 43% of managers expecting Brexit to further impact the skills shortage they are currently experiencing. Only 20% of the marketing industry and 23% of those in the legal profession felt Brexit was a threat to their business.



Jonathan Abell

Managing Director of
Financial Services, Legal,
Logistics, Procurement &
Supply Chain, Scientific
Search Consultancy



“Due to Brexit, any UK based Logistics industry that exports or moves goods into Europe has been impacted with new processes. As these are processes we have never seen before there is a massive skill-gap within the import/export & customs industry. These are complete new roles within the sector.”



Conclusion

Search is an award-winning recruitment agency and trusted recruitment partner to organisations across more than 20 industries. Its success across each of its specialisms is underpinned by its talented and expert recruitment specialists who know their markets inside and out.

Search successfully combines the scale and leverage of a nationwide multi-disciplinary recruitment agency with the agility and responsiveness of a local team. It's this level of service and partnership that sees people return to use its services time and time again.

Search is passionate about connecting talent with opportunity and was the first recruitment agency to be awarded Investors in People over twenty years ago. It is also one of the first recruitment agencies to be awarded platinum status. Over the years it has been a regular feature in the Sunday Times best companies list and has won numerous industry awards for its commitment to the recruitment industry.

search.

The Recruitment Specialists

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Our accreditations

