

Labour Hoarding takes hold across the UK as uncertainty reigns

Submitted by: BlueSky Public Relations Ltd

Monday, 10 June 2024

- Businesses seemingly focusing on retention as skills shortages and uncertainty continue to hit the UK
- Employee career progression confidence reports greatest quarterly boost as labour hoarding takes hold
- More than half (60%) of the workforce are confident in their current job prospects

Specialist recruitment business, Robert Half, has warned that Labour hoarding is gripping the UK as employers increasingly seek to retain staff in light of continued uncertainty in the economy and growing skills shortages.

According to the global staffing expert, businesses have begun to hoard staff as they face a growing dearth of specialist talent at a time of sustained economic uncertainty, with interest rate instability and a general election putting additional strain on firms and the labour market.

This is evidenced by an unusually high level of worker confidence in the current climate which has been reported in the latest Robert Half Jobs Confidence Index (JCI) (<https://www.roberthalf.com/gb/en/insights/jobs-confidence-index>) – an economic confidence tracker produced in partnership with the Centre for Economics and Business Research (Cebr).

The most recent iteration of the report revealed that jobs confidence continues to rise across the UK, now standing at 46.3, an increase of 6.6 points quarter-on-quarter in Q1. Note that a normal confidence range would stand between -30 and 30. This marks the 14th consecutive quarter that the JCI has been in positive territory, which indicates a level of confidence above expectations given the falling vacancies numbers.

Job security at its highest

The impact of labour hoarding is further demonstrated by the increase in job security. This pillar of the JCI now stands at the highest level of confidence since the research began in Q1 2009, with 60% feeling confident in their current job prospects over the next six months.

The job search and progression confidence pillar experienced the strongest quarterly gain, rising by 20.6 points on the quarter to reach 23.5 in Q1. Overall, 46% of survey respondents from the latest wave of the JCI said that they feel confident or very confident about their future career prospects and ability to progress in their role over the coming five years, up from 40% last quarter.

Macroeconomic confidence also improved for the second consecutive quarter, up 9.9 points. Pay confidence was the only pillar to fall, dropping into negative territory at -10.9 (down from 11.6 in Q4 of last year).

Matt Weston, Senior Managing Director UK & Ireland, at Robert Half, commented:

“We’re seeing a changing relationship between economic growth and the labour market. Historically unemployment rises when demand is low and vice versa. We’re just out of a recession and have experienced over a decade of meagre economic growth. Despite this, job confidence remains high and the labour market remains tight.

“Exacerbated by skills shortages, labour hoarding is among the core drivers of this. Employers are recognising that if they can’t source the talent they need when the economy is weak, they will have less chance when it bounces back, particularly with the on-going skills shortages being felt across the globe. As such, they’re doing their best to retain workers and limit the impact on already low productivity rates.”

Ends

Press contact

Vickie Collinge

vickie@bluesky-pr.com

About the research

In partnership with the Centre for Economics and Business Research, the quarterly Robert Half Jobs Confidence Index is the most authoritative report on the key socio-economic factors influencing confidence in the UK labour market.

The Jobs Confidence Index (JCI) is made up of four equally weighted pillars, each measuring a factor which contributes to jobs confidence. These are:

1. Job security confidence
2. Pay confidence
3. Job search and progression confidence
4. Macroeconomic confidence

The JCI takes a positive or negative number, where numbers above zero signal that jobs confidence is higher than the long-term average, and numbers below zero show it is lower. The JCI can take any number, but it usually stands between -30 and 30, showing that confidence is close to a

normal level when it is within this range.

About Robert Half

Robert Half (NYSE: RHI) is the world's first and largest specialised talent solutions and business consulting firm, connecting highly skilled job seekers with rewarding opportunities at great companies.

We offer contract talent and permanent placement solutions in the fields of finance and accounting, technology, marketing and creative, legal, and administrative and customer support, and we also provide executive search services. Robert Half is the parent company of Protiviti, a global consulting firm that delivers internal audit, risk, business and technology consulting solutions. In the past 12 months, Robert Half, including Protiviti, has been named one of the Fortune® Most Admired Companies™ and 100 Best Companies to Work For and a Forbes Best Employer for Diversity. Explore talent solutions, research and insights at www.roberthalf.com/gb/en.