

Deloitte & APSCo find recruiters look to expand in Europe as financial growth slows

Submitted by: BlueSky Public Relations Ltd

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- Net fee income up year-on-year but financial growth slows;
- Increasing trend towards new European offices;
- Access to skills top priority for business leaders.

The fifth annual UK Recruitment Index (<http://www.apsco.org/uk-recruitment-index-2017.aspx>) from Deloitte and the Association of Professional Staffing Companies (APSCo) found that while the majority (64%) of recruiters saw net fee income (NFI) increase over the last 12 months, the share of respondents experiencing growth in NFI is at the lowest level since the report was launched.

The report also reveals an increasing trend towards new European offices, with 14% planning to expand in the continent over the next 12 months. This marks a notable increase since last year's report, when just 5% of respondents planned to open hubs in mainland Europe.

The study of 100 companies from the business advisory firm and the professional recruitment trade body also indicates that churn among recruiters has impacted productivity. On average, recruiters saw 26% churn of fee earner staff that had been with the business for less than 12 months.

Challenges around talent were also evident elsewhere, with 74% citing learning and development as a priority for investment and 71% stating the need to upskill employees as a significant barrier to growth. By comparison, just over half (55%) identified the impact of Brexit as a key challenge.

Katie Folwell-Davies, financial advisory partner and lead partner for human capital services at Deloitte said:

“The latest results indicate overall continued growth in the UK recruitment sector. While the majority of recruitment firms report increasing net fee income for their most recent financial year, the pace of growth seems to have slowed, with the lowest proportion of recruiters reporting increases in net fee income in the survey's history. This may be attributed to a decrease in corporate risk appetite in an uncertain market.

Commenting on the findings, Ann Swain, Chief Executive of APSCo, said:

“While UK businesses have held their breath during the political uncertainty seen over the past 18 months, growth in the sector has slowed and fee earner churn levels have risen. Recruitment companies have seen challenges as a result of this, but are proactively using this time to focus on the people at the heart of their business and to reinforce their strategies with a view to the wider European market.”

- Ends

Notes to editors:

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About the Association of Professional Staffing Companies (APSCo)

APSCo is the membership body that is dedicated to representing professional recruitment in the UK. It was formed to give all firms involved in the recruitment of professional talent who have a commitment to excellence, the specialist support and distinctive voice they need to be successful. It gives candidates and employers a trusted badge of quality whilst providing member firms with an innovative range of services designed for them by recruitment experts. These services, combined with its growing international profile, commitment to Corporate Social Responsibility and opportunities for professional networking give APSCo members a unique opportunity to develop their businesses and gain competitive advantage.

<http://www.apsco.org>

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