

Future of Jobs: white paper #4

Regions 2025

The future of jobs – what this means for regional jobs markets



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Introduction

The UK's jobs market is evolving at pace. Automation, demographics, changing candidate expectations, and evolving skills needs are just some of the external factors in play. Increasingly, these forces of change are impacting at a regional as well as national level.

The aim of this white paper is to find answers to three core questions:

1. What are the drivers of change across specific regions? We want to raise awareness of and participation in Local Enterprise Partnerships (LEPs) and the government's Industrial Strategy to boost engagement of employers and recruitment professionals.
2. Why does it matter? Major debates of the day around sustainability, skills, inclusion, good work, and automation are being driven at the regional and local level. This is where we need to put our energy; this is where we can make the most impact.
3. How can we thrive in a changing regional landscape? As the speed of change accelerates, industry leaders and recruitment professionals can help clients and candidates make sense of the evolving regional landscape. The future belongs to those who wake up (to new opportunities) early!

Method

Analysis of public profiles of millions of LinkedIn members provides a unique vantage point from which to view an evolving external environment and evolving workforce dynamics across the regions. Our conclusions and priorities for action are based on the insight gleaned over the last year from direct engagement with over 1,000 recruitment professionals within REC membership and with leading employers signed up to the REC Good Recruitment Collective. This white paper also pulls together the latest REC data, latest figures from the Office for National Statistics (ONS) and other sources. The focus is on English regions, with specific white papers on the future of jobs in each of the devolved nations planned for later in the year.

This is what we found

- Talk of an 'atomised' UK jobs market may be premature, but increasingly distinctive regional ecosystems are emerging. The latest political developments and the devolution agenda will accelerate this trend.
- Candidate availability has declined month-on-month across most regions and sectors since 2013.¹ There has never been a more important time to support the localised skills agenda and to make great work happen across all regions.

- Targeted support to the regions is a priority for government. The debate around skills and good work is increasingly devolved, so a strong presence and voice in the regions is a prerequisite if we want to influence the agenda.
- Local Enterprise Partnerships and city mayors are taking the initiative on priority issues such as sustainability, transport, skills, inclusion, good work, productivity and building better bridges between education and the world of work. Being aware of, and involved in, future-focused plans is a source of competitive advantage for local businesses and specialist recruiters.
- Ninety per cent of employers are looking to their recruitment partners for one thing above all else: expertise.² Harnessing local labour market intelligence is the means for recruiters to develop more strategic relationships with clients.
- Seventy-five per cent of people expect organisational leaders to have a view on the big issues of the day.³ Feeding into localised debates around skills, good work and business growth is a great way of demonstrating thought leadership and boosting brand awareness.



‘Strategic workforce planning will be critical to mitigating organisational capability risk as well as achieving agility and competitive advantage. Its foundations need to start from a clear alignment with the long-term business strategy.’

Prashanie Dharmadasa, Market Development Manager, LinkedIn

These are the top ten emerging jobs in the UK⁴

	Emerging job	Where the jobs are	Industries hiring this talent
1	AI Specialist	London	IT and services, financial services, computer software, research
2	Data Protection Officer	London, Manchester, Cardiff	Financial organisations, government administration, IT and services, non-profit organisations, hospitals and health care providers
3	Robotics Engineer	London, Manchester, Edinburgh, Birmingham, Coventry	Information technology and services, financial services, industrial automation, management consulting, computer software
4	Site Reliability Engineer	London, Bristol, Reading, Leeds, Belfast	Internet, information technology and services, computer software, financial services, broadcast media
5	Customer Success Specialist	London	Computer software, information technology and services, marketing and advertising, financial services
6	User Researcher	London, Manchester, Newcastle, Birmingham, Leeds	Government relations, design, IT and services, government administration, hospitals and health care
7	Data Scientist	London, Cambridge, Edinburgh, Manchester, Oxford	IT and services, internet, financial services, computer software, marketing and advertising
8	Sales Development Representative	London, Reading, Slough, Manchester	Computer software, IT and services, internet, marketing and advertising, food and beverages
9	Cloud Engineer	London, Reading, Edinburgh, Manchester	IT and services, computer software, financial services, telecommunications, banking
10	Cyber Security Specialist	London, Bristol, Manchester, Reading, Edinburgh	IT and services, financial services, computer and network security, accounting, telecommunications

1. What are the drivers of change across specific regions?

Structures are in place to drive regional strategies around skills, good work, and business growth.

How are the tectonic plates of regional and local jobs markets shifting and what does this mean for employers, recruitment professionals and policymakers?

Is the UK jobs market being atomised?

The demand for skills and staff in sectors like healthcare, IT, hospitality, and logistics is increasing across the country. However, we are also seeing specific trends emerge in different regions. Talk of an 'atomised' UK jobs market may be premature, but increasingly distinctive regional ecosystems are emerging. Below are just a few examples:⁵

- The Humber region has created the most jobs in the manufacturing sector, with a current rate of 112% above the national average, and 3,600 more jobs projected over the next three years.
- The Black Country is seeing its health and social care sector booming – 13% over the national average, and projected to have 1,500 more jobs in the next few years.
- The South East LEP has benefited from a growth in the construction sector, currently with 43% more jobs than the national average; and it is projected to create 3,900 more jobs over the next three years, 400 more than the national trend would suggest.
- Sheffield LEP has seen a particular growth in accommodation and food service activities – now representing 93% of job openings, and with 3,200 more jobs projected over the next three years, 1,600 more than the national trend would suggest.
- In the South West, Dorset has seen a huge growth in information and communication jobs, with 1,100 more jobs projected over the next three years.
- The Cheshire & Warrington LEP is becoming a professional, scientific, and technical hub – 38% above the national average, and with 4,300 more jobs projected over the next three years, 2,800 more than the national trend would suggest.

Industrial strategy – what’s the latest and what does it mean for recruitment?

The government’s Industrial Strategy aims to boost productivity and create good jobs through investment in skills, industries, and infrastructure across the country. As part of this, a number of ‘sector deals’ have been agreed in specific sectors such as aerospace, AI, automotive, construction, creative industries, life sciences, nuclear, offshore wind, rail, and tourism. The government has also identified four ‘Grand Challenges’ that can put the UK at the forefront of the industries of the future. These are: AI and data, ageing society, clean growth, and the future of mobility (change in how we move people, goods, and services around our towns, cities, and countryside).

Life sciences is a good example of a priority sector, with four of the world’s top six universities for research based in the UK (Cambridge, Imperial College, Oxford, and UCL), and the global life sciences industry is expected to reach over \$2 trillion by 2023. To ensure that the UK seizes new opportunities in the sector, the government has promised £85 million for genomics research capacity, five new centres in digital technology and data analytics, and £146 million for medicines manufacturing. The construction sector is also benefiting from sector deals, with a focus on skills development, and a big push on house-building in the West Midlands, Cambridge, Milton Keynes, Oxford, and the Thames Estuary region amongst others. Tech is also a front runner, with projects in the East and North East, as well as a growing boom in tech start-up companies on the South Coast.

What does all this mean for employers and recruiters? Keeping a close eye on political developments and on how the government’s Industrial Strategy evolves over the coming years will be a source of commercial opportunity. Forward-looking industry leaders are using this insight to pre-empt future skills needs across specific regions and priority sectors and ensure that they are in a position to meet the demand for staff and skills.



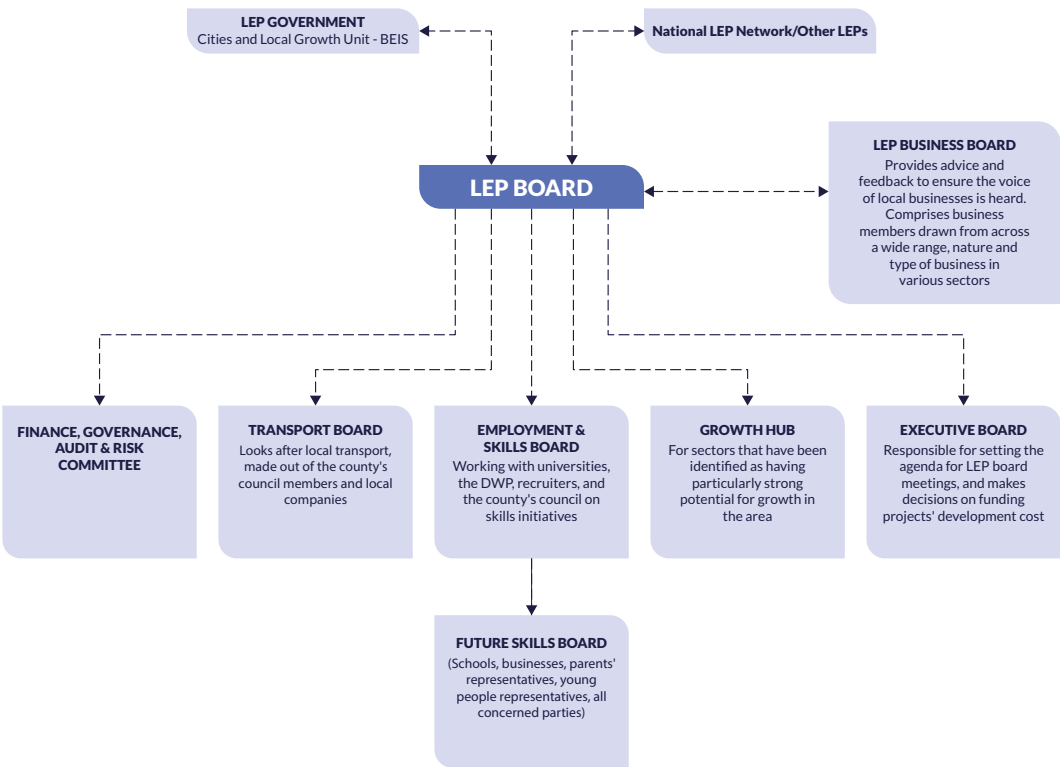
‘In recent years the map of local and sub-regional government has shifted, through the introduction and evolution of Local Enterprise Partnerships and the creation of new Mayoral Combined Authorities, for example.’

Charlotte Alldritt, Director, Centre for Progressive Policy

Local Enterprise Partnerships are driving the regional skills agenda

Local Enterprise Partnerships (LEPs) are business-led partnerships between local authorities and private sector employers. Specific aims are to drive regional economies and jobs markets, improve infrastructure, and raise workforce skills within the local area. There are 38 LEPs in England. To date, the LEPs network has delivered a total of over £7.6 billion of private sector investment; supported over 196,000 businesses; created over 180,000 local jobs; and helped to build over 93,000 homes. ⁶

Typical structure of a Local Enterprise Partnership



'The business community are taking up the challenge, working with schools and colleges across the country. Their dedication is making a real difference to the lives of young people and communities – lifting aspiration and opportunity.'

John Yarham, Interim CEO, Careers and Enterprise Company

The feedback from employers signed up to the REC Good Recruitment Collective is that there is still a lack of 'visibility' in terms of jobs and vacancies that need filling. LEPs are committed to ensuring that all individuals have a better understanding of the employment opportunities available in their regions and the pathways to access them. As part of this, developing strong links between employers and education is a core priority. According to McKinsey & Company, up to 90% of people in the UK will need some kind of upskilling by 2030, but 50% of the lowest socioeconomic group has not had any training since leaving school. This underlines the scale of the skills challenge ahead.

Up to 90% of people in the UK will need some kind of upskilling by 2030.⁷

LEPs are also tasked with developing long-term plans. For example, the North East LEP's 'Vision for 2024' is one where all partners understand the importance of skills in improving productivity and living standards, with a commitment to delivering good working environments for residents. Strategic Economic Plans developed by LEPs across the country lay out specific challenges, new opportunities, and a vision for a successful regional economy and jobs market. Being aware of and involved in these future-focused plans is a source of competitive advantage for local businesses and specialist recruiters.

Case study: North East Ambition⁸ initiative

The initiative was developed by the North East LEPs to support schools and colleges in the region achieve the Good Career Guidance benchmark by 2024. The network of Enterprise Advisers puts schools in contact with senior business leaders via the LEP's Enterprise Coordinators.

The initiative also includes a career benchmark audit tool to analyse their school's strengths and weaknesses. Recent developments include a pilot scheme supporting 70 primary schools from across the North East LEP area to begin to build careers aspiration and inspiration from an early age.

The LEP's 'Vision for 2024' is one where employers have strong links with education and training providers. Industry leaders and recruitment professionals can play an active role in the North East by signing up to the REC's Future of Jobs Ambassadors initiative or by making direct contact with the Enterprise Coordinators in the region.

Case study: Connecting schools and business in Worcestershire

The Connecting Schools and Business (CSAB) programme forms part of Worcestershire LEP's overall employment and skills strategy. It is an ambitious project focusing on establishing lines of communication with young people and their parents and guardians. The CSAB programme includes the delivery of several core activities, including:

- developing a skills show and an annual careers fair
- driving the apprenticeship agenda locally through an annual apprenticeship awards and the development of a 'clearing house' for apprenticeships
- creating an online hub – 'Careers and Skills Central' – which helps individuals map out career and educational paths and enables local businesses to register work placements
- developing an online record of achievement – using Careers and Skills Central – that effectively builds CVs for young people.

Case study: Tech start-ups in Bournemouth

The seaside town of Bournemouth has become a haven for technology visionaries working on new digital products and services. As well as maintaining a strong tourist economy, Bournemouth is now something of a tech and fintech hub, with major employers including JP Morgan, Tata (formerly Unisys) and Liverpool Victoria.

Bournemouth and neighbouring Poole are also a home to creative industries, and benefit from a strong supply of graduate talent from local universities, including the acclaimed National Centre for Computer Animation at Bournemouth University. According to Tech Nation, Bournemouth is now home to close to 200 start-ups, and almost 16,000 people are employed in the digital sector.

Other external factors are impacting on regional jobs markets

Brexit is one external factor, with labour markets in many regions relying heavily on EU workers. The number of EU citizens joining the UK workforce has already fallen by 95% between 2016 and 2018.⁹ Analysis by LinkedIn shows that the UK is becoming less attractive as a place to work for job-seekers from the other EU member countries. The number of international views of UK jobs from EU27 countries, which declined after the referendum vote, continues to fall – dropping from 52% in Q1 2018 to 47% in Q1 2019 (as a share of all international views on UK jobs).¹⁰

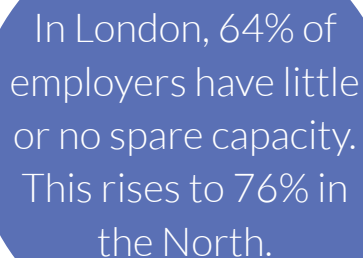
Forty-three per cent of recruiters say the UK is less attractive to candidates from the EU, with a further 60% saying that Brexit has negatively impacted the UK's talent brand.

Another external factor impacting regional labour markets is the traditional 'brain drain' to London and the South East. The Centre for Cities think tank has put forward a number of practical recommendations¹¹ for addressing this, including coordinating efforts to boost demand for high-skilled workers through innovation, inward investment, and enterprise policies. LEPs are playing a role in actively promoting their regions as great places to live and work, and in finding new solutions to latent challenges such as poor transport links. For recruitment professionals, the opportunity is to support employers in not only selling the job to potential candidates but also selling the region and overall quality of life.

Seventy-two per cent of employers across the UK say they have little or no spare resource capacity.¹² There are significant regional variations, ranging from 76% in the North to 64% in London, for example. This lack of spare capacity will accelerate recruitment needs when demand for services and products increases and business confidence stabilises.



43% of
recruiters say the
UK is less attractive
to candidates from
the EU



In London, 64% of
employers have little
or no spare capacity.
This rises to 76% in
the North.

2. Why does it matter?

Major debates of the day around clean growth, skills, inclusion, good work, and automation are being driven at the regional and local level. This is where industry leaders can make the most impact, by influencing the agenda and seizing new opportunities.

AI and automation will impact differently across the regions

The AI revolution is one of the four challenges identified in the government's Industrial Strategy. It is expected to change the face of the service sector, cybersecurity, life sciences, construction, energy, and agricultural technology.¹³

The rise of AI will particularly impact regions populated with low-skilled workers who are most likely to suffer the human cost of automation: the Midlands, the North, and East Anglia particularly. Transport and manufacturing roles are expected to be most affected, while the education and health sectors will be mostly spared from automation.

Pre-empting the impact of AI and automation is a global debate, as well as a national and regional one. How are policymakers responding? In the US, the state-level response in some areas is to look at an 'automation tax' that would help fund retraining needs. In the UK, the REC has consistently called for more agile and effective structures to be put in place to facilitate career transitions for workers affected by disruption in specific sectors and regions. This is something we will continue to engage with the government on, in particular through our Partnership Agreement with the Department for Work and Pensions.

The AI revolution can be seen as a huge reskilling opportunity. As the government invests in PhD funding, some regions have already planned how to benefit from this Fourth Industrial Revolution – the Cambridge–Milton Keynes–Oxford corridor as well as the West of England have, for instance, secured AI sector deals. The opportunity for industry leaders and recruitment professionals is to feed into these topical debates, to harness new technology, and to pre-empt future skills needs in specific regions and sectors.



'AI and automation will continue to make jobs less repetitive and more creative, which means that talent will be able to make a bigger business impact than ever before. As jobs become more creative, recruiting will become a key differentiator where the most talented and creative recruiters will get ahead of the curve.'

Olivier Sabella, Senior Director, Mid-Market & SMB Sales Europe, Talent Solutions, LinkedIn

The green economy will drive jobs and new skills needs across the regions

Clean growth is a further ‘grand challenge’ identified in the government’s Industrial Strategy. It targets energy, engineering, construction, agriculture, and finance. The creation of zero-emission vehicles also features as part of the ‘mobility challenge’ component of the Industrial Strategy. The potential creation of a wave of new green jobs is at the top of the global, as well as national and regional, policy agenda, with the International Labour Organization (ILO) identifying ‘a raft of new and decent jobs in the production of green products and services, and in the development of environmentally friendly processes’.



‘2/3 of those between 18 and 24 years old would prefer work in an environmentally friendly job.’¹⁴

ILO ‘Green Jobs’ report 2016

On the domestic front, many LEPs have already put in place projects channelling the green skills of the future. The West of England is introducing an Offshore Wind Sector Deal, while Greater Manchester is focusing on clean growth aiming for carbon-neutral living in the city-region by 2038. The North West is introducing a coastal arc eco-innovation partnership for low-carbon energy and eco-innovation, while South Hampshire has set up a Green Infrastructure Strategy, and Cumbria has put environmental sustainability as a key driver of economic growth.

Industry leaders must prepare now for the reskilling of workers as we transition to new and more sustainable regional economies. The opportunity for recruitment professionals – particularly in sectors like construction and engineering – is to facilitate this transition by pre-empting future skills needs and helping clients and candidates navigate the evolving green jobs landscape.



‘The move towards greener and more sustainable regional economies will require the recruitment sector to react and adjust so that the evolving skills needs and changing expectations are recognised.’

Ketan Dattani, CEO, Buckingham Futures

Progress on diversity and inclusion is being driven at the local level

Accelerating progress across all strands of the diversity and inclusion (D&I) agenda remains a UK-wide priority. However, real change is being driven through regional and local-level action.

For example:

- Good Employment Charters – such as the one being taken forward in Manchester by Mayor Andy Burnham and the one currently being developed by the Worcestershire LEP – are promoting awareness and galvanising employer engagement.
- LEPs across the country have embedded inclusion and progression within their visions for a successful future jobs market in their region. These visions are underpinned by specific D&I targets.
- Chambers of Commerce are driving the inclusion agenda in their regions through peer-to-peer exchanges.
- Targeted initiatives such as the Recruitment Industry Disability Initiative (RIDl) are showcasing tangible examples of recruiters and their clients working together in their region to boost employment and progression opportunities for people with disabilities.
- The REC Good Recruitment Collective stimulates innovation in hiring procedures and provides practical guidance on inclusive recruitment practices.
- Leading employers are driving good practice on inclusion and diversity through regional and national supply chains. HS2 is an example of this.



‘The impact we have on our employees, customers, partners and communities are all key components of how society perceives the value that companies provide.’¹⁵

Greg Prager, Chair, EMEA Corporate Practice, Weber Shandwick



‘Recruitment professionals have to understand the problems their clients face and help to solve them. Helping employers access diverse talent – diverse skills, background and ways of thinking – is an opportunity for recruitment agencies.’

Claire Scott, Chief People Officer, Access¹⁶

Driving skills and inclusive recruitment in Manchester

The REC held two roundtable meetings in 2019 with Manchester Mayor Andy Burnham and local recruitment industry leaders. These are some of the key messages emerging from our talks:

- Local businesses can support the social mobility agenda by working with schools to boost awareness and aspiration and by providing relevant work placements.
- The Manchester Good Employment Charter now includes a specific focus on good hiring practices, with a direct link to the REC Good Recruitment Collective.
- Work-shadowing must be rolled out more widely, including work-shadowing of senior businesses and public leaders. The mayor himself has a 'work-shadows' most weeks!
- Businesses must take a leading role on local industrial strategy. The expertise and insight of recruitment professionals in particular must feed into the regional and local-level skills agenda.

Case study: HS2 – driving inclusion through the supply chain

HS2 has adopted a proactive stance in driving this approach through the supply chains and ensuring its suppliers and contractors meet agreed commitments to promote inclusion and diversity. For instance, one of the key requirements set to vendors in order to be part of the company's recruitment pipeline is to provide an accessible website, ensuring disabled people are not being excluded from applying.

HS2 hosts regular supplier events in different regions to promote good practice and ensure that organisations in their supply chain are signed up to the government's Disability Confident scheme. HS2 also supports targeted initiatives such as the Recruitment Industry Disability Initiative (RIDI), which showcased practical examples of employers and recruiters making change happen on diversity and inclusion in their region.

3. How can we thrive in a changing regional landscape?

What does the evolving regional ecosystem mean in practice for employers, recruiters, and individuals? There are real opportunities ahead. As the speed of change accelerates, industry leaders and recruitment professionals can play an increasingly pivotal role in helping clients and candidates make sense of the changing jobs landscape.

Building a brand in the region

For both employers and recruitment businesses, building a strong local brand has huge benefits. The feedback from leading employers is that a strong, dynamic, and authentic employer brand is a major building block of recruitment plans and workforce strategies. As candidate shortages intensify across regions and sectors, building a strong local presence will become increasingly important. Showcasing practical examples of what works is at the heart of the REC Good Recruitment Collective.

Recruitment businesses are amplifying their brand as a means of attracting new clients as well as candidates and staff for their own organisation. Demonstrating expertise, thought leadership, and a genuine commitment to making positive change happen in the local community are all part of the mix. Seventy-five per cent of people expect organisational leaders to have a view on the big issues of the day.¹⁸ Feeding into localised debates around skills, good work, and business growth is a great way of demonstrating thought leadership and boosting brand awareness.

75% of people expect organisational leaders to have a view on the big issues of the day.¹⁷



‘Hosting events on topical issues for HR and recruitment professionals demonstrates thought leadership, provides added value to existing clients and a means of nurturing relationships with potential new clients. Being proactive in your region opens new doors.’

Susie Ankrett FIRP CertRP, Director, Plum Personnel

Building brand in the regions

Based on the feedback from REC members and our latest 'employer brand' research, below are five examples of practical steps that employers and recruiters are taking to boost their brand in their region:

1. Local Enterprise Partnerships – A number of REC members are already involved in the Employment and Skills Boards that drive the skills agenda within LEPs. Let's get involved!
2. Chambers of Commerce and other employer networks – In addition to peer-to-peer learning, building a strong collective voice in the region boosts influence and awareness.
3. Local JobCentres – Facilitating local-level cooperation between public and private sector employment experts is at the heart of the REC/DWP Partnership Agreement.
4. Charities and third sector – As well as supporting fundraising and community initiatives, recruiters and employers are using these links to support employment opportunities for under-represented groups.
5. Schools and colleges – Recruitment professionals are uniquely placed to help build better bridges between education and the world of work. Facilitating interaction with local schools, colleges, and universities is the aim of the REC Future of Jobs Ambassadors network.

Local jobs experts are needed more than ever

More than half of employers (59%) say they struggle to recruit people with the skills their organisation needs.¹⁹ Recruitment is getting harder; the immediate solution is to get better at it.

Within this backdrop, 90% of employers are looking to their recruitment partners for one thing above all else: expertise.²⁰ Harnessing local labour market intelligence is the means for recruiters to develop more strategic relationships with clients.

Recruitment businesses need to be well informed about labour market conditions and able to have different strategic conversations with clients. Being jobs market experts is at the heart of the value recruiters add to clients and candidates. Our JobsOutlook report shows that 90% of employers who use external providers are looking to their recruitment partners for expertise. This refers specifically to local labour market dynamics, which is why harnessing data, client insight, and the latest technology are increasingly important. Industry leaders are recognising the opportunities that lie ahead, with 60% of REC members identifying 'building more strategic relationships with clients' as their main organisational priority post-Brexit.²²

Using detailed data and insight on key issues such as jobs and job-posting trends, industry growth, and headline occupation categories, recruitment businesses can deepen their understanding of labour market dynamics and provide better support to clients and candidates. At the same time, whether looking to diversify, specialise in certain sectors, or expand into new territories, analysing regional data will enable recruitment businesses to make better-informed decisions about the direction and growth of their own business.

More than half of employers (59%) say they struggle to recruit people with the skills their organisation needs.²¹

90% of employers are looking to their recruitment partners for expertise.²³



‘Recruiters have a key role to play by signposting candidates to education and training providers in their region.’

John Blackmore, Action West London



‘It is hard to attract people who aren’t looking for a job, to a company they have never heard of, for a role they didn’t know existed. This is where using external recruitment experts becomes vital.’

Simon Feeney, Procurement Director, Collinson Group²³

Future-focused – practical steps recruiters are taking now

1. Building internal project teams to scope potential opportunities
2. Hosting ‘future of jobs’ events for clients
3. Attending external events and reviewing latest research
4. Analysing trends and developments in other regions and countries
5. Reviewing regional industrial strategy plans to pre-empt where future jobs are most likely to be created
6. Ramping up longer-term business planning activities

Nurturing the next generation of leaders and managers

Employers and recruitment businesses face a major challenge: how to build a workforce that can seize these new opportunities across the regions, and how to attract and develop the next generation of leaders and managers.

According to the Chartered Management Institute (CMI), we need to develop 1.9 million new managers across all of the UK regions by 2024. The size of the challenge was explored in detail in the REC's 'Leadership 2025' white paper. It is also worth reflecting on the size of the prize – getting this right holds the key to a number of other pressing priorities, such as creating a step-change on productivity and boosting workplace well-being through a new cadre of people-centric line managers and organisational leaders. Poor mental health costs UK employers up to £45 billion a year, and it's increasing.²⁵ Ensuring that managers and leaders have the awareness and deep-set commitment to address this is one of the main actions for the UK business community.

Driving good recruitment across the regions

One in three employers believe traditional recruitment practices are perpetuating skills shortages (36%), while almost half agree that these recruitment practices are no longer working and need to be more innovative (48%).²⁶ The need to review current hiring procedures is increasingly recognised. The core aim of the REC Good Recruitment Collective is to facilitate the review process through targeted research and peer-to-peer exchanges.

How can we spread the good recruitment message and make change happen across the regions?

Here are five ways forward:

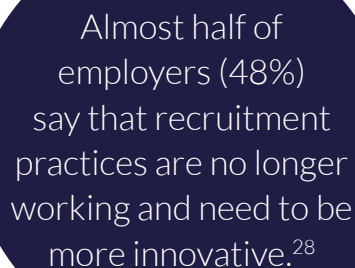
1. Good Employment Charters that are being developed through LEPs and city mayors should include a specific focus on good hiring practices (this is already the case in Manchester and Worcestershire, for example).
2. Chambers of Commerce and other local business groups can promote good hiring practices and drive regional engagement into the Good Recruitment Collective.
3. Leading employers can promote good recruitment and inclusive hiring practices through the local supply chain.
4. MPs can support the good recruitment agenda through jobs fairs and business forums in their constituencies and by practising what they preach in their own recruitment.
5. Recruitment businesses can spread the latest jobs market intelligence and good practice research to clients in their region.

Organisations are looking for new ways to compete in tightening local jobs markets. Three-quarters (75%) of recruiters have seen a shift in terms of businesses looking to source candidates from within the UK rather than internationally. Ensuring that starting salaries are competitive, enhancing employee benefits, and offering more flexible work opportunities are the most common responses.

With candidate availability declining month-on-month since May 2013,²⁷ ramping up hiring activities and developing innovative attraction strategies are priorities for employers across all regions.

Building the next generation of recruitment professionals

Recruitment will be mission critical and the role of the 'recruiter' is one of the most in-demand jobs as businesses brace for a future where talent is everything. In LinkedIn's Future of Recruiting report,²⁹ data shows demand for recruiting professionals is up by 63% since 2016. As the talent landscape is getting increasingly complex, recruiter capabilities will also need to shift to meet more regional market demands. LinkedIn's data shows that, since 2015, there has been an increasing shift towards more complex recruiter capabilities – such as communications, problem-solving, strategic planning, and data analysis – than the more traditional recruiter capabilities.

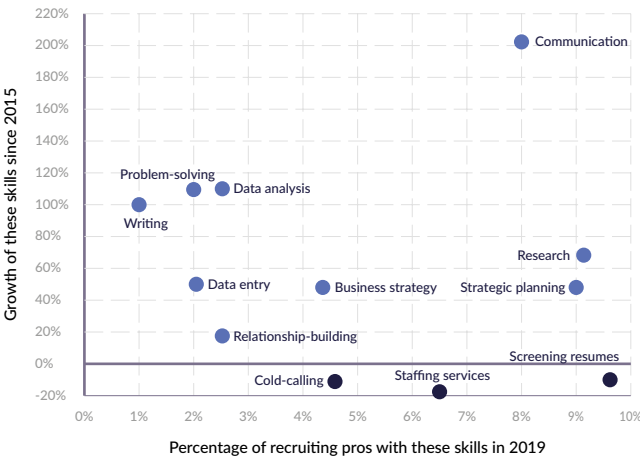


Almost half of employers (48%) say that recruitment practices are no longer working and need to be more innovative.²⁸



Demand for recruiting professionals is up by 63% since 2016.³⁰

More recruiters are listing these skills on LinkedIn



Percentage of recruiting professionals who currently list these skills on LinkedIn (x-axis) and growth of that percentage from 2015-2019 (y-axis)

- Becoming more common
- Becoming less common

The nine skills involved in engaging, analysing, and advising that we highlighted are becoming more common: the share of recruiting pros with these skills is increasing every year.

The other skills on the bottom of the chart – screening resumes, staffing services, and cold-calling – while still relatively common, are trending down over time: fewer and fewer recruiting pros list these skills.

The LinkedIn Future of Recruiting report underlined the need for agility in the face of rapidly changing hiring needs across the regions. A good place to start is to ask one question: ‘What are the people implications of the business strategy?’ This will prompt businesses to think about future needs and decide whether a ‘buy, build or borrow’ talent strategy is most suited to their organisation. This will also force discussions around workforce segmentation and looking at talent through the critical lens of which roles and job families will impact directly on the bottom line, and are most critical to the business’s future. This will enable employers to think about building talent pools and pipelines against each of these critical skills, as well as future skills, and align internal succession planning efforts accordingly.

Having a data-derived understanding of market trends, competitor landscape, talent supply chain, and skills availability is a significant enabler to getting workforce planning right. A helicopter view of the macro- and micro-economic landscape can inform key business decisions about whether opening operations in certain regions is feasible from a talent standpoint. LinkedIn’s global recruiting trends report shows that 71% of CEOs see data on talent as a source of competitive advantage.

Case study: Hexa Services – Promoting recruitment as a career in the North West

A career in recruitment can be incredibly rewarding. However, this is not always well communicated to potential new entrants to the profession. Our approach has been to:

- Attract and train people from outside the industry rather than taking consultants from other agencies.
- Offer a clear progression path towards senior roles.
- Ensure our pay and benefits package is competitive.
- Recognise that positive workplace culture, recognition, and development opportunities are key factors in driving day-to-day motivation and performance.

Our workforce strategy has kept retention rates amongst our consultants significantly higher than the industry average. We also ensure that our own staff go the extra mile in talking up recruitment as a career. Agencies who fail to adapt will struggle to attract and retain; they need to make the most of new opportunities.



‘Attracting and retaining talent is one of the most pressing challenges for the recruitment sector. We need to practise what we preach on good hiring practices!’

Graeme Wolf, Director at Hexa Services and REC North West Regional Ambassador



‘Recruiters increasingly need to provide not only a strategic and data-driven approach to finding and placing the right candidates, but also more increased demand on the soft skills to better understand potential, ambition, and true needs.’

Adam Hawkins, Head of Search & Staffing EMEA at LinkedIn

The three skills that will drive effective recruitment

Here are three skills which – in combination with technology – will be required for effective recruitment in the future:

1. Proactive engagement – recruiters will need to constantly focus on proactively engaging with passive candidates to bring them into the funnel. The emphasis on brand engagement and talent insights will be key to this.
2. Data literacy – recruiters will need to be ahead of the game in using data to get insight that will drive effective decision-making. This data-driven approach will boost efficiency and radically enhance the experiences of the candidates, clients, and colleagues they work with.
3. Soft skills – recruiters will increasingly be in the business of building genuine partnerships with candidates and clients. The knowledge, awareness, and empathy of recruitment professionals will help candidates and clients make the right decisions on career opportunities and critical hires.

4. Recommendations

Regions 2025 – Creating the best possible regional jobs markets

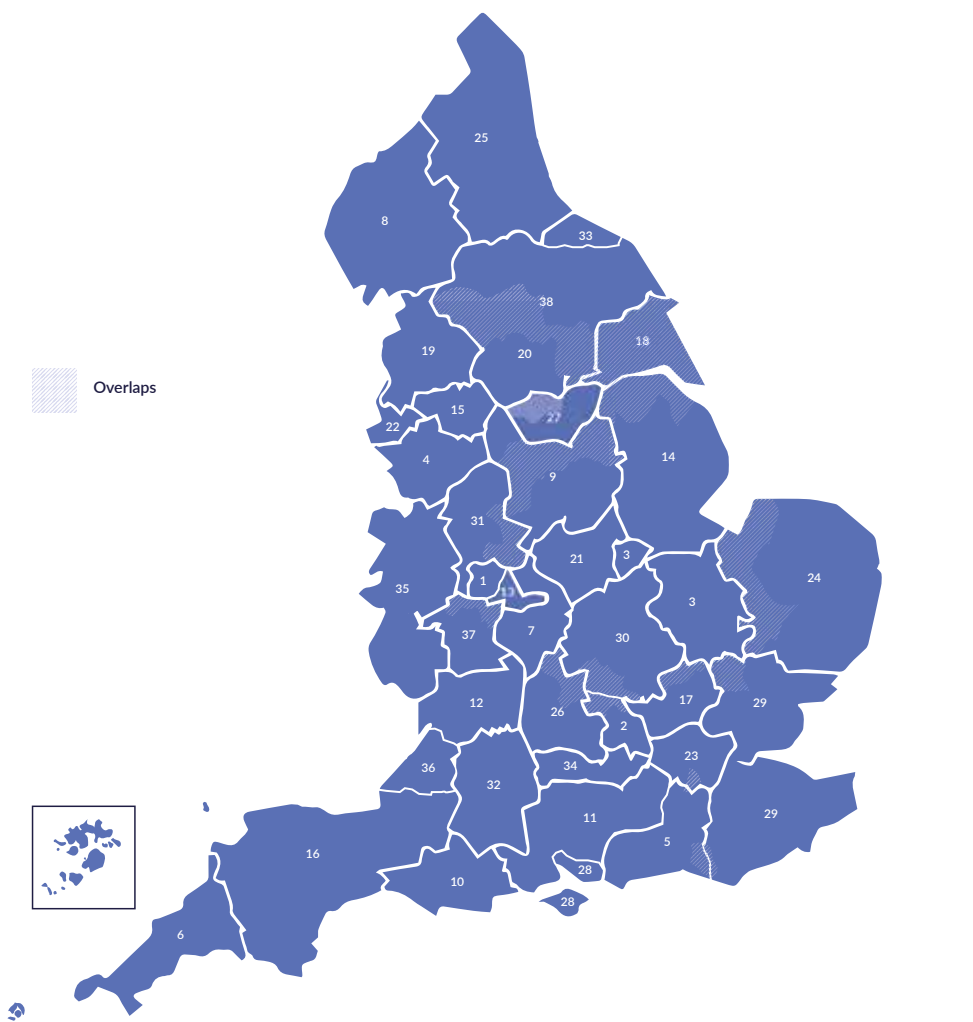
For employers and recruiters

1. **Get involved** – Work with local schools, colleges, charities, and Job Centres to raise awareness of regional skills needs and build bridges into work. Facilitating this is at the heart of the REC's Future of Jobs Ambassadors network and our partnership work with DWP and the Careers & Enterprise Company.
2. **Be a voice** – Feed into the work of Local Enterprise Partnerships (LEPs), Chambers of Commerce and other representative bodies on regional skills policy, and into national debates around immigration, industrial strategy, and good work.
3. **Build your brand!** Being a strong voice and force for change in your region has significant collateral benefits, including raising brand awareness, boosting sense of purpose with staff, and creating new networks.
4. **Be the change!** Make change happen on sustainability and inclusion by reviewing current hiring procedures and spreading the word on the Good Recruitment Collective.
5. **Be good** – Promote compliance, ethics, and good governance to raise the overall reputation of business and your sector in the regions.
6. **Get ahead of the game** – Use localised jobs data and practical tools to pre-empt evolving skills needs, develop forward-looking workforce strategies, and seize new opportunities.

Policymakers

1. **Create the environment for regional jobs markets to thrive** – Ensure that regulations are proportionate and effectively enforced, and that national immigration policy reflects the needs of employers.
2. **Ramp up the people element of the Industrial Strategy** – Skills alone will not boost productivity and performance. The focus must be supporting employers to ramp up people strategies to ramp up motivation and well-being.
3. **Listen to business** – Harness local data and insight from recruitment professionals and business leaders across the regions to inform policy developments and labour market policies.
4. **Boost progression** – The aspiration is for the UK to become a genuine 'progression nation'. Evolving the apprenticeship levy into a broader skills levy that benefits more workers would be a big step forward.
5. **Prepare for disruption** – Develop innovative approaches to career transitions to pre-empt future disruption in specific regions and sectors.
6. **Develop regional government champions** – Develop a network of regional ministers with a duty to ensure that the voice of local business is heard at the highest level of government.

The 38 Local Enterprise Partnerships across England



- | | | | |
|---|-----------------------------------|--------------------------------|---|
| 1. Black Country | 10. Dorset | 20. Leeds City Region | 30. South East Midlands |
| 2. Buckinghamshire | 11. Enterprise M3 | 21. Leicester & Leicestershire | 31. Stoke-on-Trent and Staffordshire |
| 3. Cambridgeshire & Peterborough | 12. GFirst | 22. Liverpool City Region | 32. Swindon and Wiltshire |
| 4. Cheshire & Warrington | 13. Greater Birmingham & Solihull | 23. London | 33. Tees Valley |
| 5. Coast to Capital | 14. Greater Lincolnshire | 24. New Anglia | 34. Thames Valley Berkshire |
| 6. Cornwall and Isles of Scilly | 15. Greater Manchester | 25. North East | 35. The Marches |
| 7. Coventry and Warwickshire | 16. Heart of the South West | 26. Oxfordshire | 36. West of England |
| 8. Cumbria | 17. Hertfordshire | 27. Sheffield City Region | 37. Worcestershire |
| 9. Derby, Derbyshire, Nottingham, Nottinghamshire | 18. Humber | 28. Solent | 38. York, North Yorkshire and East Riding |
| | 19. Lancashire | 29. South East | |

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REC

Recruitment
& Employment
Confederation

The Recruitment & Employment Confederation is the voice of the recruitment industry, speaking up for great recruiters. We drive standards and empower UK recruitment businesses to build better futures for their candidates and themselves. We are champions of an industry which is fundamental to the strength of the UK economy.

Find out more about the REC at www.rec.uk.com



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