

A report

Understanding the impact of Covid-19 on Oxfordshire's employment market

For most of us, these are testing times. Our challenges may be different but our stresses and pressures are similar. In the face of so many unknowns, **we felt it was important to reach out to businesses and job-seekers in our home county of Oxfordshire**, and ask them to share their experiences so that we could gain an insight into how they are coping and the HR strategies they are adopting.

We know from our conversations with Oxfordshire businesses, employees and job-seekers that what they value most is local market intelligence.

We hope that our report will help them to put their own experiences into context and enable us all to better support each other.

Kate Allen, Managing Director, Allen Associates

This report is based on two surveys conducted by Allen Associates in May and June 2020 to find out how Oxfordshire-based individuals and businesses are responding to the challenges brought about by coronavirus Covid-19 and to identify the issues they are facing.

The Oxfordshire Business Perspective

Our employer-focussed survey was completed by 170 Oxfordshire-based HR professionals, directors and senior managers in June, just as the coronavirus lockdown restrictions were beginning to ease and decision-makers were starting to consider the implications of returning to the workplace.

HR Priorities



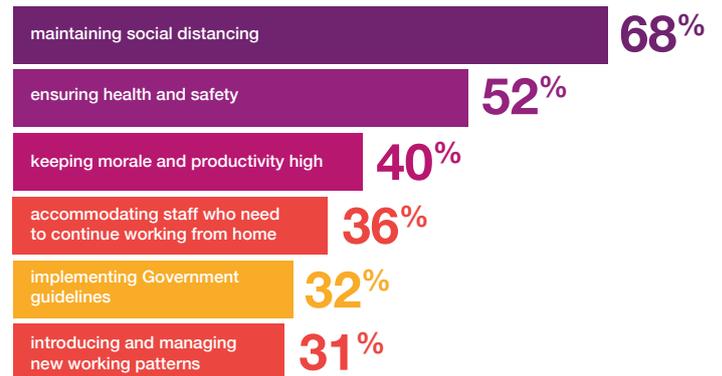
Preparing for a return to the workplace

HR decision-makers expressed significant concerns about their ability to meet their employees' needs after they return to their business premises.

61%

said that planning for a return to the workplace was the biggest drain on their HR resources

Major concerns about returning to the workplace



This is clearly a stressful time for employers and their overstretched HR departments as they try to ensure that they can welcome staff back to their premises in a way that is safe and compliant while continuing to meet the needs of the business.

Some respondents commented that it would be impossible to introduce appropriate spacing between desks while others said that dealing effectively with staff health and wellbeing was a major concern. In particular, they were considering how best to deal with anxiety and requests for PPE, protective screens and specific cleaning regimes which they may not be able to meet.

Others were busy 'helping people to make sense of the Government's mixed messages' which one respondent described as 'continually changing and erratic.'

It's evident that many HRs believe that employees with caring responsibilities will not be able to return to the workplace as quickly as businesses may like. As a result, they are having to review working practices in the best interests of the business while being fair and flexible to staff.

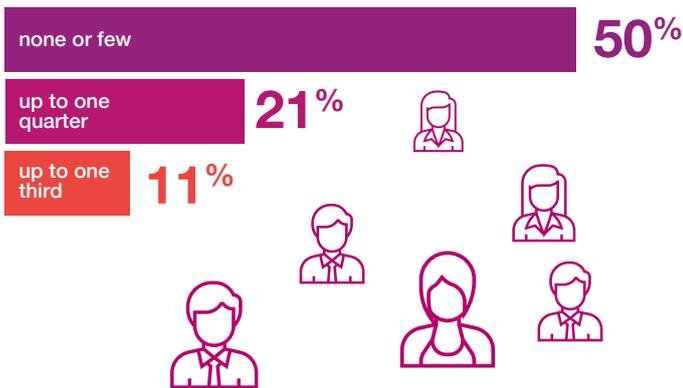
As ever, the devil is in the detail and with so much still under review, it is unsurprising that many employers said they thought a return to the workplace was unlikely for many employees until after the schools go back in September.

Whatever the future holds, most respondents believe more people will work flexibly, adopting different working hours and shift patterns which incorporate a mix of home and office working.

Furloughing staff

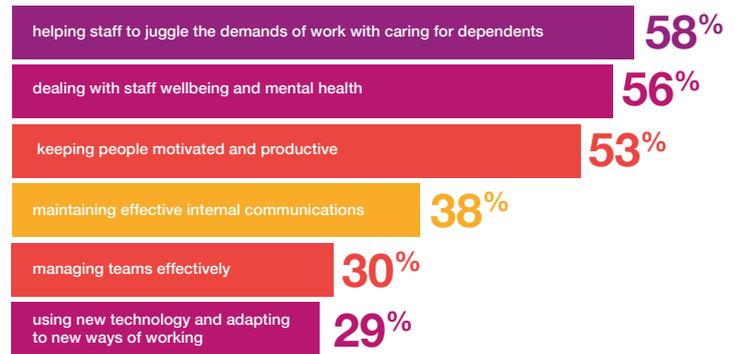
Furloughing staff has been a major focus for almost half the businesses surveyed with significant proportions of the Oxfordshire workforce affected. However, it has been a story of two halves with the other 50% either not having had to furlough staff at all – or only a few.

Proportion of furloughed staff



Over half (52%) of our survey respondents thought that working from home would become the ‘new normal’ for their business while a further 27% were still on the fence. Yet it is evident that home working comes with its own set of challenges which have been keeping HR teams busy.

Homeworking issues



Working from home

35%

said their HR resources were focussed on dealing with homeworking issues

Unsurprisingly, wellbeing and mental health issues are taking up significantly more HR time than before, with most workers experiencing anxiety which in turn gives rise to many of the other HR issues that employers are grappling with. These include putting new flexible working practices in place to accommodate childcare challenges; keeping staff motivated and productive despite decreasing workloads; depleted teams and absent colleagues; and helping people adapt to new technology and different ways of working.

Maintaining effective internal communications was cited as an ongoing challenge. For those managing a remote workforce, upholding values and culture will become increasingly challenging and businesses are likely to need more guidance in this area. This is particularly true for those businesses that are currently having to make tough decisions about remuneration and redundancy.

Reassuringly, many of the businesses we surveyed seem to recognise the importance of strong leadership underpinned by clear communications at all levels within their business. We are expecting to see more demand for PR and communications’ specialists within our Marketing recruitment division over the coming months.

The people perspective

Our job-seeker survey attracted responses from 380 employees, furloughed staff and unemployed people.

Current challenges



Isolation was the biggest issue highlighted by our candidate survey, with one quarter of respondents saying that they felt isolated from their colleagues and missed their usual work routines.

A further 22% said that dealing with a decreasing workload was their main challenge, giving rise to concerns about their role, their value within the business and worries about the future.

When looking for a new role, almost two-thirds said they turned to a recruitment agency for help.

The Outlook for Oxfordshire

Oxfordshire has always been a resilient county with innovation at its heart. It is home to world class establishments and thriving SMEs, and before coronavirus struck, unemployment was very low. While many businesses have been hit hard by lockdown and are still reeling from the impact, there is a real sense of underlying optimism and a determination to find a way through this.



Despite the challenges identified in our survey, many Oxfordshire businesses appear to be bullish about the future.

Employers' outlook

- 19%** optimistic
- 58%** cautiously optimistic
- 21%** concerned
- 2%** pessimistic

However, unlike the 77% of employers who said they were optimistic or cautiously optimistic about their business's ability to survive and even prosper over the next six months, 46% of the Oxfordshire-based job seekers we surveyed said they were concerned about their existing and future employers' financial performance as they transition

from lockdown to the next phase of working life. They made it clear that they are worried about their employer's stability and their own job security.

Employees' outlook

- 43%** negative
- 31%** neutral
- 16%** positive

Employees may be right to feel concerned with more than one-third of businesses surveyed planning to defer annual promotions, pay rises and bonuses this year.

Annual promotions, pay rises and bonuses

- 36%** to be deferred
- 31%** undecided
- 19%** will be affected
- 15%** will go ahead as usual

There are also strong indications that redundancies, pay freezes and pay cuts may be on the way.

The road ahead

- 65%** anticipating redundancies
- 58%** considering pay freezes
- 16%** looking at pay cuts

Overall, the level of confidence among Oxfordshire decision-makers is reassuring although it seems that their survival will come at a price, with redundancies on the cards for almost two-thirds of the employers surveyed. While one-third of businesses are hoping to avoid these measures, employees and job-seekers are undoubtedly bracing themselves for a bumpy ride ahead.

Whatever the shape of business to come, HR professionals will be focussed on building resilience in individuals and teams and equipping their managers with the skills they need to support their workforce's physical and mental health as they adjust to the 'new normal'. This will need to be supported by effective and transparent communication from the top down and the bottom up, which communicates the organisation's vision, builds trust and upholds its values and culture.

“Our survey shows that businesses are doing the best they can to plan for the second half of the year and beyond, but with so much still up in the air and the true, long-term effects of Covid-19 still to play out, the future is far from certain.

However, having steered Allen Associates through two recessions, I know that having a positive attitude, continually striving to add value to those you do business with, and always trying to do the best for your people, will stand you in good stead.

Thank you to everyone who took the trouble to complete our survey. By gaining an insight into your challenges, we are better able to gear our online HR Hubs, blogs and newsletters towards the topics that will benefit you the most. If you would like to discuss any of the issues raised in our surveys or if we can help you in any way, please get in touch.”

Kate Allen, Managing Director, Allen Associates

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