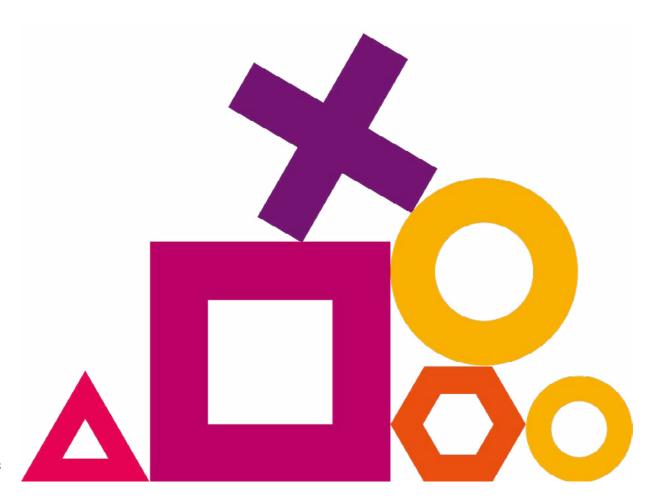


Oxfordshire Temporary Recruitment Market Report

On the role temps play in supporting growth in Oxfordshire



allen-associates.co.uk hello@allen-associates.co.uk 01865 335600



Introduction

This report has been compiled by one of Oxfordshire's leading recruitment agencies, Allen Associates, based on UKwide data and expert commentary as well as the findings of their own survey and day-to-day experiences of dealing with temporary staff and employers.

Allen Associates' survey was completed by 140 HR decisionmakers, in-house recruiters and employers based in Oxfordshire, providing a unique insights into the benefits and challenges of using temporary workers within the county and the role they play in supporting businesses' ambitions for growth.

In today's volatile world where caution and uncertainty are threads running through most business sectors, temporary workers and contract staff are an increasingly appealing option. This report explores the reasons why.



Setting the scene

Recent national reports paint a UK-wide picture of staff shortages and ongoing demand for skilled workers in spite of a decrease in the number of job vacancies overall.

In <u>a survey carried out by the ONS</u> in late January 2024, 1 in 5 businesses (19%) employing 10 or more people said they had experienced worker shortages, in line with previous months.

Of those businesses, almost half (49%) said their employees were working more hours and over one-quarter (27%) said they had taken on temporary workers as a result of staff shortages.

According to the Recruitment & Employment

Confederation (REC) Jobs Outlook for January 2024, seven in 10 UK employers are experiencing a candidate shortage and struggling to fill their permanent roles. Smaller employers (with less than 50 staff) appear to be worst affected with 81.5% reporting candidate shortages.

These shortages do not appear to have been alleviated by the UK-wide fall in job vacancies, as the <u>REC Report on</u>

Jobs reveals a further drop in hiring activity at the start of 2024, particularly for permanent workers, as the market returns to pre-pandemic levels.

This may be due to the ongoing shortage of skilled employees in some sectors and unskilled labour in others together with aggravating factors such as the 'missing million' who left the workforce during the Covid years; competition for the best people; and increasingly discerning jobseekers.

By contrast, demand for temporary workers has only dipped slightly in recent months and temporary wage growth reached a five-month high in January 2024, albeit lower than the historical trend.

Overall, the strongest increase in employment demand seen by the REC was for short-term workers in the private sector. Hotels and Catering and Blue Collar sectors saw the steepest rates of temporary job vacancy growth while Retail saw the fastest drop.



Oxfordshire and the South East

The ONS Labour Market Overview published in February 2024 shows the South East continues to have the highest rate of employment at 78% and the lowest rate of economic inactivity at 18.8%.

This is reflected in recruitment activity in Oxfordshire where demand for high quality, skilled employees at all levels often outstrips supply.

The ongoing shortage of the right mix of candidates remains one of the major challenges to growth in Oxfordshire and employers are increasingly turning to temporary workers to provide interim solutions and help them fulfil their ambitions.

The role of temps in supporting growth in Oxfordshire

The majority of HR decision-makers, hiring managers and employers who took part in Allen Associates' survey said their organisations were going for growth in 2024.

Nearly half the respondents said they thought temporary workers would have an important role to play in supporting this growth while one-third were undecided.



are going for growth in 2024

Hannah Bush, who heads up the Temps Division at Allen Associates, said:



say temps will play an important role in supporting growth

Hannah Bush, Allen Associates Divisional Manager

The temporary recruitment market in Oxfordshire is varied and challenging, with excellent opportunities for both candidates and employers.

"These are uncertain times and employers are treading carefully in spite of their growth ambitions. The market for strong permanent candidates remains challenging in Oxfordshire which is translating into new demand for skilled and experienced temporary workers to help plug the gaps. "The good news for employers is that skilled and experienced candidates at all levels are more open to temporary and contract roles in 2024. Reasons for this are often personal but we are finding that candidates and employers are behaving cautiously, with both parties wanting to minimise their risks and ensure they make the right choices.

"There are currently really good options for employers looking for temporary support at all levels but the key is to act quickly as the temp market is competitive."

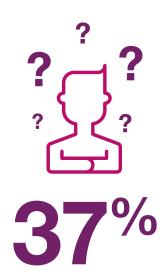


Temporary workers are a low risk option in uncertain times

When times are tough, one-third of survey respondents said they relied on temps more than usual to meet their resourcing needs.

Around 37% said they sometimes take on temps rather than permanent staff when they feel uncertain about the future – and almost two-thirds (64%) said they sometimes recruit temps when they can't fill a permanent vacancy.

Those employers that are not turning to temporary or contract workers during challenging times, may be missing a trick, as these workers provide immediate support without the risks and longer-term commitment.



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say sometimes they recruit temps when they can't fill a permanent vacancy

Eleanor Bromage, Managing Director at Allen Associates, would like to see more employers seize the current market opportunities and open their doors to temporary workers who have the skills and experience to make a demonstrable difference to their organisations.



Eleanor Bromage, Allen Associates Managing Director

Eleanor said: We regularly meet quality candidates with significant experience who are looking for temporary roles while they wait for their ideal job opportunity. They know what they want and aren't willing to compromise on their next permanent move but they are flexible and happy to put their skills to good use in any number of temporary roles in the meantime. They are often keen to try new sectors and different roles where they can bring their experience to bear in different ways.

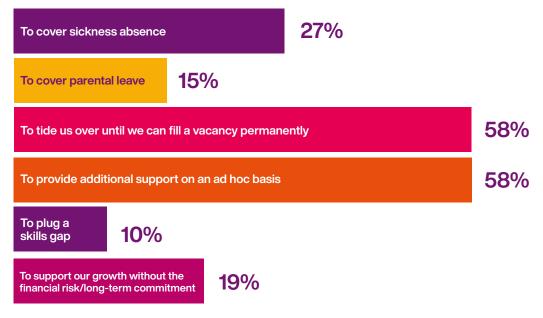
"We would love to see more employers taking advantage of the skills, experience and personal qualities that many of our temps have to offer – particularly if they are struggling to fill a permanent role and need someone who can hit the ground running."



Reasons for using temps

The main reasons businesses said they take on temps are to tide them over until they can find the right person to fill their vacancies, to provide additional support on an ad hoc basis and to cover sickness absence.

What are the main reasons you use temps for support roles?



Benefits

Temps bring numerous benefits to teams and the wider business. Flexible support, immediate availability and no long-term commitment were the top three.

What do you see as the main benefits of using temps in support roles?



Allen Associates

Qualities

More than half of those surveyed said proven skills, knowledge and experience was most important to them when choosing a temp.

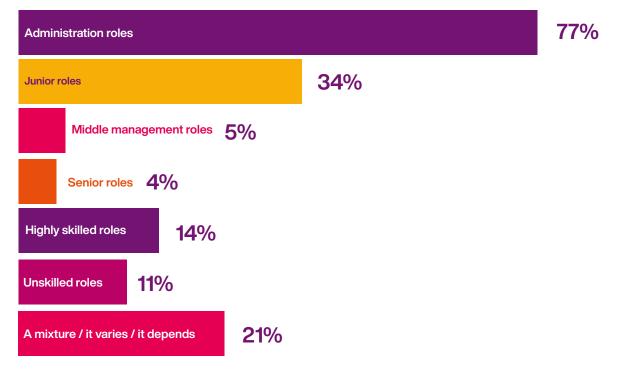
Which of the following is the MOST important to you when choosing a temp?



Levels of support

Temps are mostly taken on to cover administrative or junior roles. With more senior-level candidates available for temporary assignments in 2024, there may be an untapped opportunity for employers to capitalise on top talent rarely available.

At what level do you mostly look for temp support

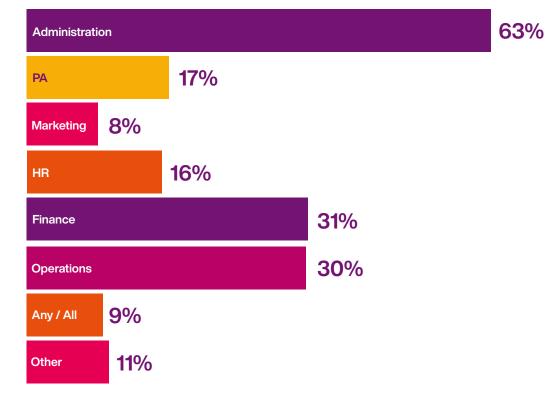




Roles

When it comes to business services roles, temps are most likely to be taken on to support Administration, Finance and Operations teams.

In which support functions are you most likely to recruit temps?



Barriers

The chief barriers were cost and concerns over the time it might take to successfully onboard temporary workers.

Survey respondents have already indicated that proven skills, knowledge and experience are most important to them when selecting temps so it wasn't surprising to see that a lack of them would be an issue.

What are the barriers to taking on temp support roles within your business?



Allen Associates

Temporary workers often bring permanent solutions

Bringing temporary staff into an overworked team often

turns out better than businesses anticipate with onequarter of all Allen Associates' temps being offered permanent jobs.

Almost 40% of our survey respondents said they end up offering their temps a permanent role which suggests they are a good match but may have been overlooked, had employers not considered both temporary and permanent recruitment options.



Kate Allen, Allen Associates Executive Chair and Marketing Director

Kate Allen, Executive Chair and Marketing Director at Allen Associates, commented:

"It is increasingly common for our temps to be offered permanent roles. This reflects the quality of their work and the value they bring, initially in the short-term and then as a long-term solution.

"Temping allows candidates and clients to try each other out for size and work out whether they are right for one another, before making a long-term commitment. This is a low risk, low hassle approach which works well for many of our clients.

"This is part of the reason why we take the same rigorous approach to recruitment and interview every candidate we register, regardless of whether they are looking for temporary or permanent roles. The right blend of skills, experience, personal attributes and team fit are so important, whatever the level or nature of the role. "It is surprising then, that in spite of the many benefits that temporary workers bring to the organisations they work for and the role they play in supporting growth, temps are often seen as a last resort by almost half the employers surveyed.

"The remaining 39% said temps were their go-to solution when short-staffed and 13% said temporary workers formed part of their hiring strategy.

"Temporary workers add huge value to almost every area of business – and particularly the business support roles that we recruit for. These include positions at all levels within Administration, Marketing, HR and Finance."



Neil Carberry, Chief Executive, Recruitment & Employment Confederation (REC)

"Allen Associates operates in one of the most vibrant regions of our economy – but even here in Oxfordshire, economic uncertainty and skills shortages can slow a firm's ability to grow. That's why temporary and contract work matters so much – it helps businesses to navigate less predictable times and get vital support in a tight market."

"As this report shows, Oxfordshire businesses are turning to more flexible staffing options to deliver on their ambitious growth goals. A temporary role is often a great route to a fabulous career as over 9 in 10 firms told Allen Associates they would hire a temp who did great work permanently if a job was available. "Temporary and contract work is a UK success story – one million temps go to work every day. Whatever happens, preserving that flexibility will support millions of families and the growth of businesses for years to come."



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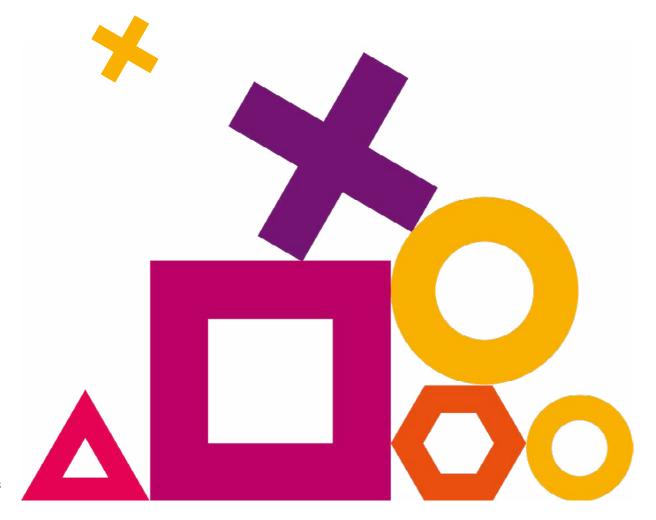
Trust Allen Associates to look after your recruitment needs

Established in Oxford in 1998, <u>Allen Associates</u> is one of the leading, independent recruitment consultancies in Oxfordshire and has been run by the same senior management team for over 20 years.

Allen Associates specialises in permanent and temporary roles at all levels within PA and Administration, HR, Marketing, Finance and other business support functions.

<u>Contact us</u> for help finding the right temporary staff for your organisation or for support with your next permanent vacancy.

Survey conducted in February 2024; report published in March 2024.



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