



October 2022





# Market Trends

# Employment outlook

## Confidence in making hiring and investment decisions continues to drop

Employers' confidence in making hiring and investment decisions also fell by 5% to net: -17. In July alone, sentiment was at net: -24, further falling into negative territory.

## Perm recruitment intentions remains buoyant

In May-July 2022, employers' intentions to hire permanent staff in the short-term fell by 3% but remained buoyant at net: +20. Hiring intentions continued to remain stable across the UK.

In this rolling quarter, medium-term hiring intentions for permanent staff also declined by 3% to net: +22.

## Contingent employment demand spikes

In the three months to July, employers' intentions to hire temporary agency workers in the short-term rose by 2% to net: +14. Most regions in the UK recorded increasing in sentiment.

Medium-term hiring intentions for temporary agency workers fell by 2% to net: +12 in this rolling quarter.

Source: Recruitment and Employment Confederation





# ONS - job vacancies fell on the quarter

**-2.6%**

Quarterly growth fell for the 13th consecutive period, down to **-2.6%** in June to August 2022.

**1.0**

In May to July 2022, despite the fall in vacancies, the number of unemployed people per vacancy remains at an historical low of **1.0** for the sixth consecutive period.

1,266,000

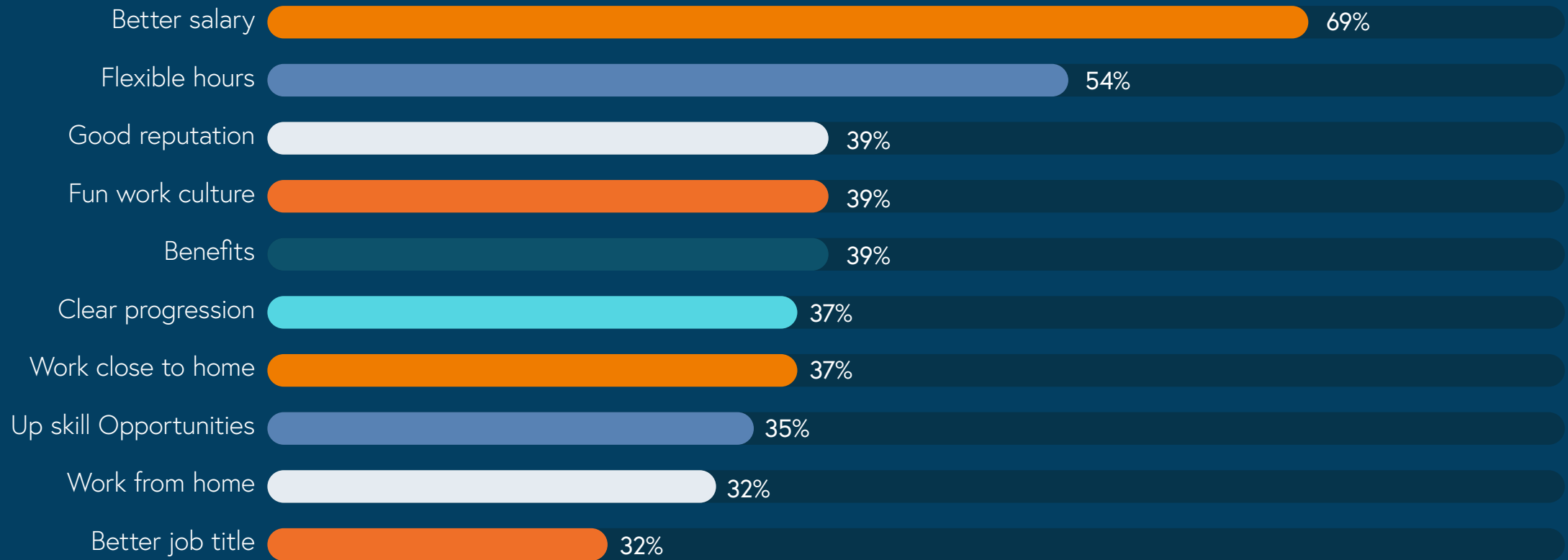
A decrease of 34,000 from the previous quarter and the largest quarterly fall since June to August 2020.

Jun

Aug



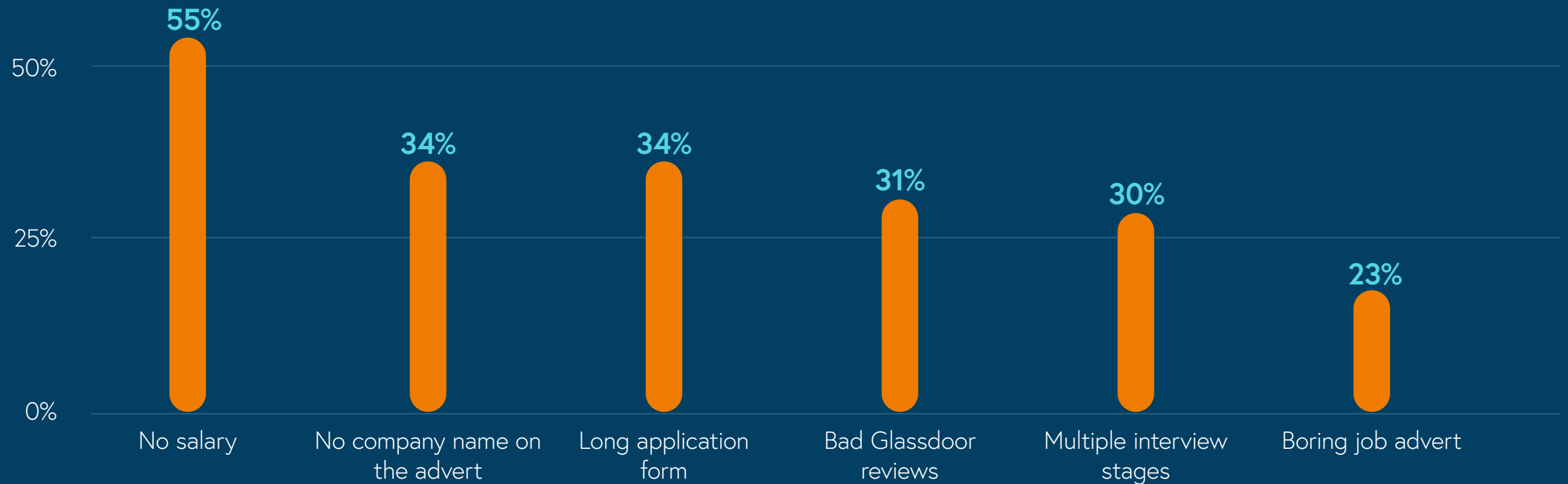
# Top 10 priorities for candidates when looking for a new job



Source: Talos360 Work & Recruitment Survey Report



# Top things that put candidates off applying for roles



Source: Talos360 Work & Recruitment Survey Report

# Short attention spans...



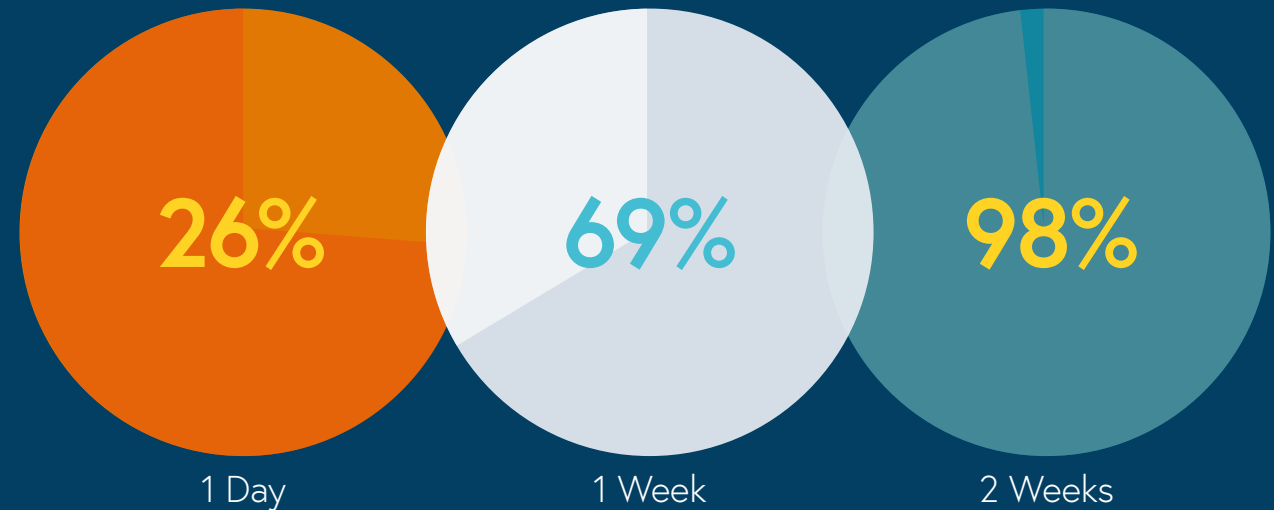
Hiring managers need to make sure that they respond to candidates in a timely manner as attention spans are short.

"Most people are looking at three to four other roles at the same time and with there being a real shortage in certain industries, it is so important that businesses are doing everything they can to engage candidates at every level of the process."

Janette Martin, CEO at Talos360



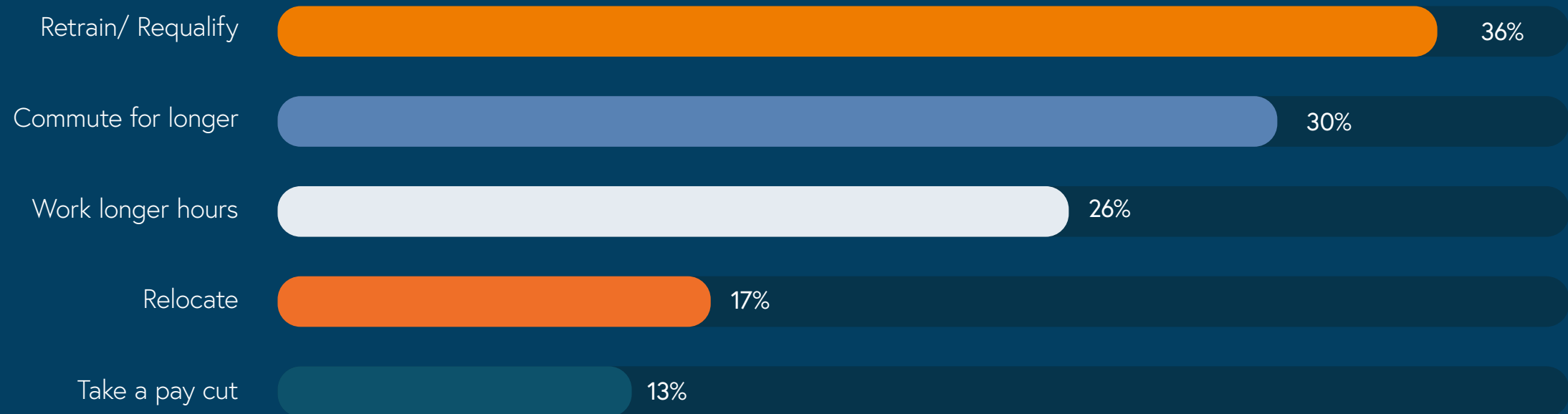
Candidates surveyed will lose interest after the following amounts of time...



# Dream job compromises



The top 5 things that people would consider doing to get their dream job were:







# Four-day working week backed by 86% of trial companies

9/10

At the halfway stage, almost 9 in 10 companies taking part in a trial have said they are likely to extend the policy beyond the six-month test period.

78%

On a scale of one to five indicating how smooth the shift had been, with a grade of one representing "extremely smooth", 78% of respondents rated the move to a shorter week either one or two.

46%

46% of businesses surveyed said productivity had been maintained at "around the same level"; 34% reported a "slight" improvement and 15% a "significant" one.



43.28%

## Indeed UK job postings **remain buoyant**

Job postings remain elevated at 43.28% above the pre-pandemic baseline, a slight decrease compared to August's numbers. Some sectors fair better than others.

Labour market still very tight

Tough competition for hires

Near a turning point?

Market conditions could begin to change

Source: Indeed UK



# Mini-Budget & Economy

# Mini-budget measures scrapped



Source: BBC research \*This was cancelled by the government on 3rd October  
– Changes to income tax do not apply in Scotland.



Corporation tax

**Cancelling rise from 19% to 25%**

Income tax

**Removal of 45% top rate for high earners**

Income tax

**Cutting basic rate by 1p to 19p**

Alcohol Duty

**Freezing rates**

VAT

**Tax-free shopping for non-UK visitors**

IR35 rules

**Repeal IR35 tax reforms**

Energy support package

**Energy price guarantee for two years**  
(only until April 2023)

# Mini-budget measures retained



National Insurance  
**Reversing 1.25% rise**

Stamp Duty  
**No duty on first £250,000 of property's value**

First-time buyers  
**No duty on first £425,000 of property's value**

Bankers' bonuses  
**No bonus cap for bankers**

Benefits  
**Tightened rules around universal credit**

Source: BBC research - Changes to stamp duty apply in England and Northern Ireland only.

# GBP/USD hits new all-time low with parity strongly on the cards



On Monday 26th September the British pound crashed to a **record low** against the US dollar on growing fears about the stability of UK government finances.

The plunge of nearly 5% to just above **\$1.03**. It recovered slightly as European traders came online, rising back to **\$1.07**.

The Bank of England has said it will **"not hesitate"** to hike interest rates to curb inflation after the pound fell to a record low against the US dollar.

The Bank said it was "monitoring developments closely" and would make a decision on any action in November.



# How UK businesses can benefit from a weak pound

Shorting the Sterling is the most popular trade right now, where there's instability there's opportunity.

**British exports are now cheaper** and therefore much more enticing to other countries. To harness this appeal, British businesses can take an export-oriented approach. UK businesses that already International can double down marketing efforts in Europe.

If a UK business deals frequently in foreign currency and imports, they could use **forward contracts** in order to hedge the possibility of an even greater downturn in the value of the pound.

# "Once in a lifetime opportunity" for foreign investors

**Foreign investors** could make the most of the current climate of uncertainty in the UK.

With the pound falling, this means investing in foreign currencies will get you **more for your money** compared to in the past.



This period will not last forever as the instability will calm down over time, returning the pound to values similar to the beginning of the year.





# UK inflation eases to 9.9% but remains close to 40-year high

Inflation in the UK eased slightly in August, falling to an annual rate of **9.9% from 10.1% in July**. While petrol and diesel prices fell, food and clothing became more expensive.

Food and non-alcoholic beverages made the largest upward contribution to the monthly rates in August 2022, while falling prices for motor fuels resulted in a large offsetting downward contribution.



# UK may already be in recession, says Bank of England

The Bank of England has raised interest rates from **1.75% to 2.25% - the highest level for 14 years** - and warned the UK may already be in a recession.

The latest interest rate rise is unlikely to be the last one this year.

The Bank of England's rate-setting committee is due to meet twice more before the end of 2022 - on 3 November and 15 December.

Source: Bank of England



Interest rates rise to  
**2.25%**

# Which prices are increasing fastest



**87%** of adults in Great Britain reported an increase in their cost of living in August-September 2022.

**Children's clothes** are among the shop-bought goods that have had the highest price rises. They have gone up by 16.5% on average. More extreme increases are Boys' jeans up +50%, from £18.33 to £28.77. A girl's jacket will also cost about £10 more than it did this time last year, rising from £22.51 to £32.70.

**Low-income households** spend a larger proportion than average on energy and food, so are **more affected by price increases**.

Where are prices increasing fastest?  
Average % change in price, Aug 2021 to Aug 2022



Source: ONS, SKY NEWS • Goods includes items like clothing, furniture and homeware. Services includes things like takeaways, exercise classes and window cleaning

# What about energy prices?

It is estimated the UK has seen **electricity** prices increase by **129.1%** and **gas** prices increase by **209.1%** compared to last year.

Typical household energy bills are being capped by the government at **£2,500** a year from 1 October, in an effort to limit soaring energy costs.

The amount you actually pay depends on the amount of energy you use.

These examples are illustrative with prices based on energy price guarantee rates and customers with 2019 median usage, paying for dual fuel by direct debit.

Purpose built flat

**£1750**



Mid-terraced house

**£2350**



Semi-detached house

**£2650**



Detached house

**£3300**





# Millions of UK workers take second jobs to cope with soaring cost of living

More than **5m** workers in the UK are turning to a second or even third job to beat the cost of living crisis. Another **10m** are considering it if costs keep rising.

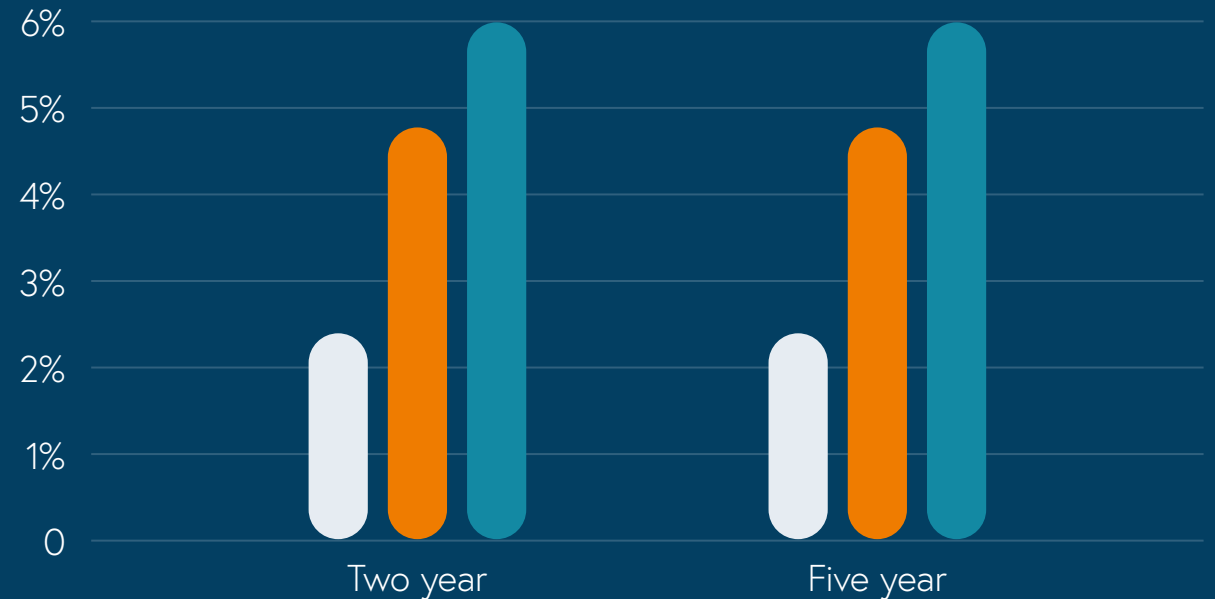
**46%** of UK workers have stopped saving and paying into pension due to short-term money problems.

While **31%** are having to borrow or use their bank overdraft to cover bills and other costs.

## Mortgage rates are still rising as big lenders revise deals.

Average interest charged on two and five-year fixed deals

● 01/12/2021 ● 23/09/2021 ● 04/10/2021





# Digital & Tech Trends

# Indeed UK job postings in digital & tech sectors



Information Design job postings increased by **20.40%** in the latest two weeks to 09 September 2022.

Project Management job postings fell by **-2.51%** in the same period.

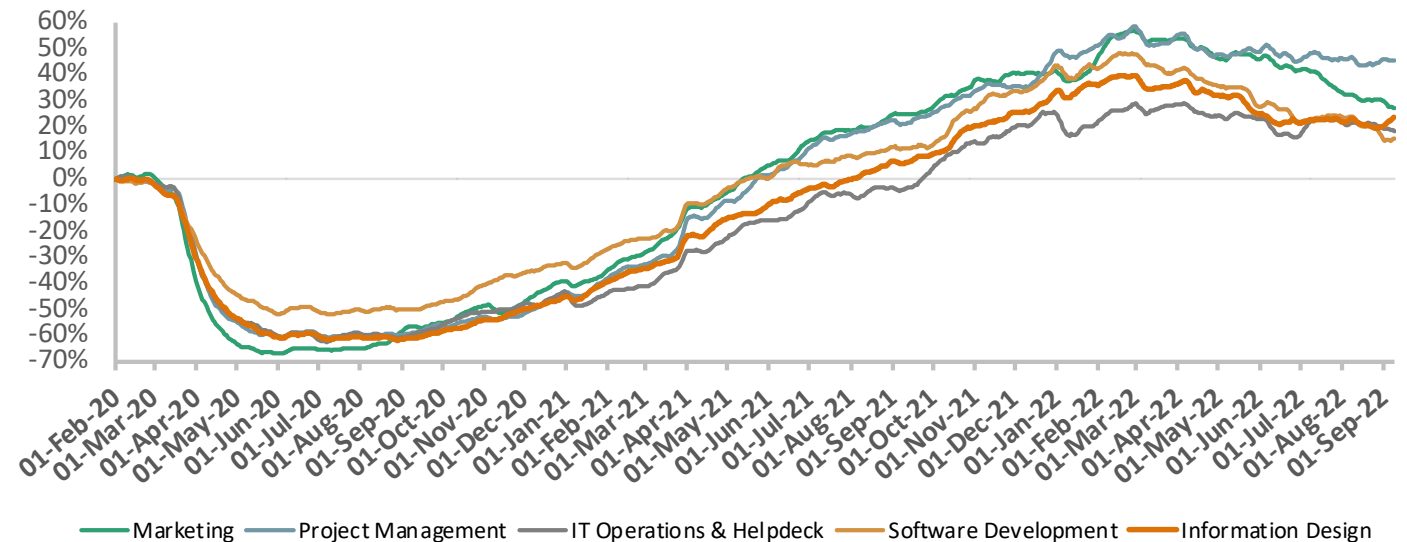
Marketing job postings had a **-10.43%** decrease. IT Operations and Helpdesk job postings saw a decrease of **-12.78%**.

Software Development job postings saw a drop of **-22.08%**.

Source: Indeed UK

## Job postings by sector on Indeed UK

% change in job postings since 01 Feb 2020, seasonally adjusted, to 09 September 2022



# Tech jobs and skills demand



**870,000** tech and digital job vacancies available Jan-May 2022, the highest ever recorded.

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**64%** of people in UK tech said that having tech skills was essential for job security.

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**26%** believe that upskilling themselves in new digital or tech skills will allow them to earn more in the future.

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There are nearly **5 million** people working in UK tech startups and scaleups.

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For every "no experience" tech role advertised, there are **eight** senior roles advertised.

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Data has now become the number one skill in UK tech, with a **1006%** increase in demand since 2019.

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Tech roles now make up **14%** of all job opportunities in the UK, up from 11% in 2019.

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The North West has more tech opportunities than any other region in the UK outside of London, **+50%** since last year.

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The top 3 skills employers wish to hire for are **Web Development, DevOps, and AI/ML**.

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In 2022, **JavaScript, Java and Python** will be the top 3 programming languages employers will look for.

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The 3 most sought after programming frameworks in 2022 are **React, Node.js and .NETCore**.

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London continues to have the highest average advertised salary in digital and tech at **£75,223**.

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# Programming languages: JavaScript leads demand for UK tech jobs

More than 750 new job postings for software developers go live every day in the UK.

JavaScript continued its reign as the most in-demand programming language, with 33% of software job postings requiring proficiency in the language.

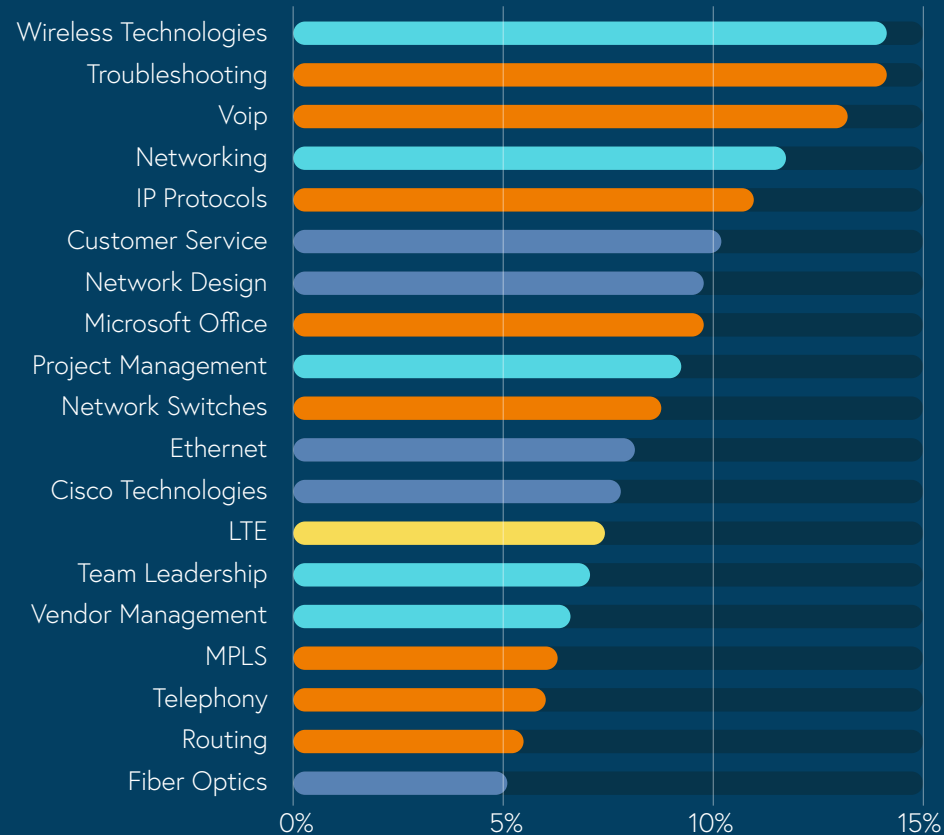
A new tech job is advertised every two minutes in the UK.

Over half of tech job postings commanding salaries of at least **£50,000** and one in five (20%) promising **£70,000** and above.

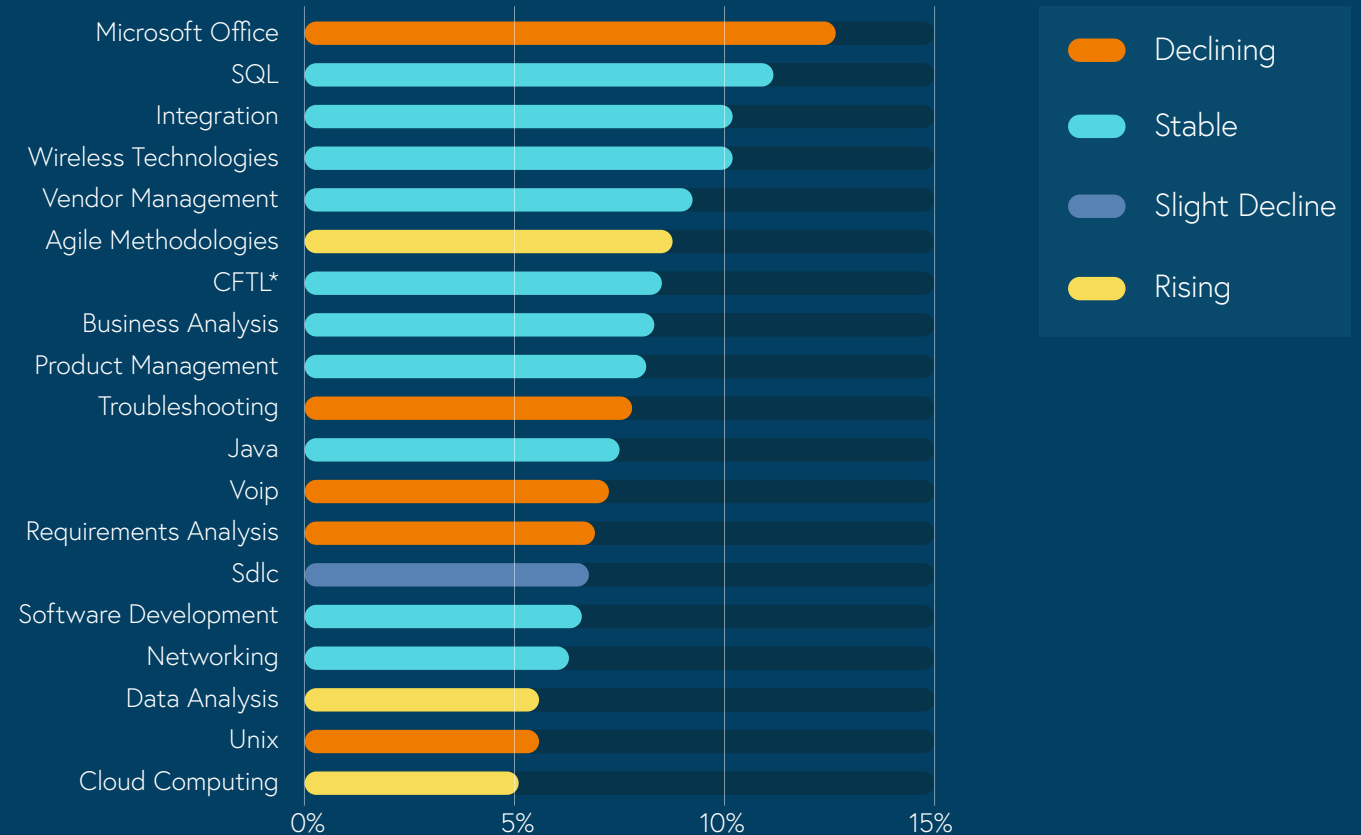


# The top penetrated skills in the telecom industry are either stable or declining

## Network Engineering & Operations skill



## Technology & Analytics skills



Source: Eightfold.ai



# Moreover, innovation trends are increasing the need for new skills and capabilities

## 5G and IoT

- Network slicing
- Massive MIMO
- NFV2
- Node.js
- Near field communication
- Small cells

## Cloud and Edge Computing

- Cloud computing
- Virtualization
- AWS
- Vmware
- Edge computing
- Fog computing

## Big Data and AI

- Python
- TensorFlow
- Data mining
- Hadoop
- Machine learning
- Deep learning
- NLP

## SDN and SASE

- SD-WAN
- Network virtualization
- Network automation
- Kubernetes
- DevOps
- Cyber security
- DevSecOps

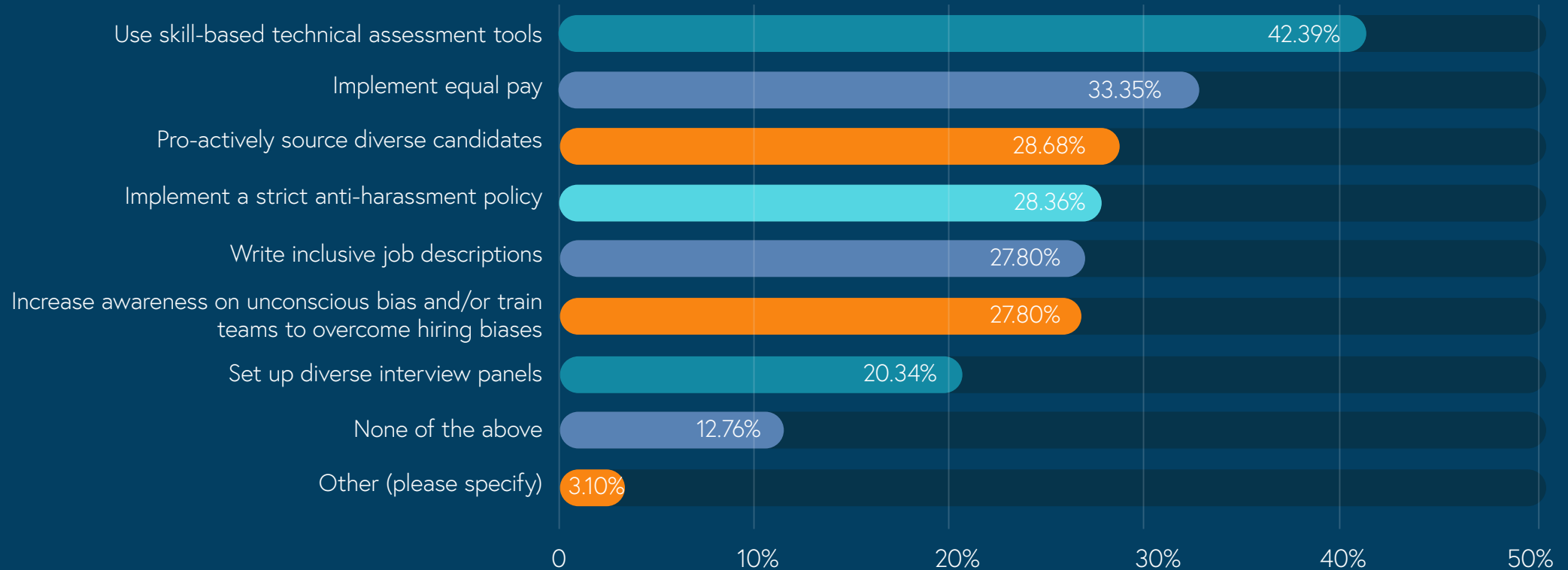
## Open RAN

- C-RAN
- CI/CD practices
- vRAN
- Interoperability
- OpenStack

# Skill-based hiring is #1 measure to improve diversity



## What does your company do to improve diversity in its tech recruitment?



# 55% of organisations are facing a shortage of digital skills

**55%** of employees say that their organisation is suffering from a digital skills shortage.

**83%** of these professionals are worried about the impact this could have, adding to other challenges organisations and employees alike face amidst the cost-of-living crisis.

**32%**

highlighted not being able to recruit staff with the necessary competencies at all.

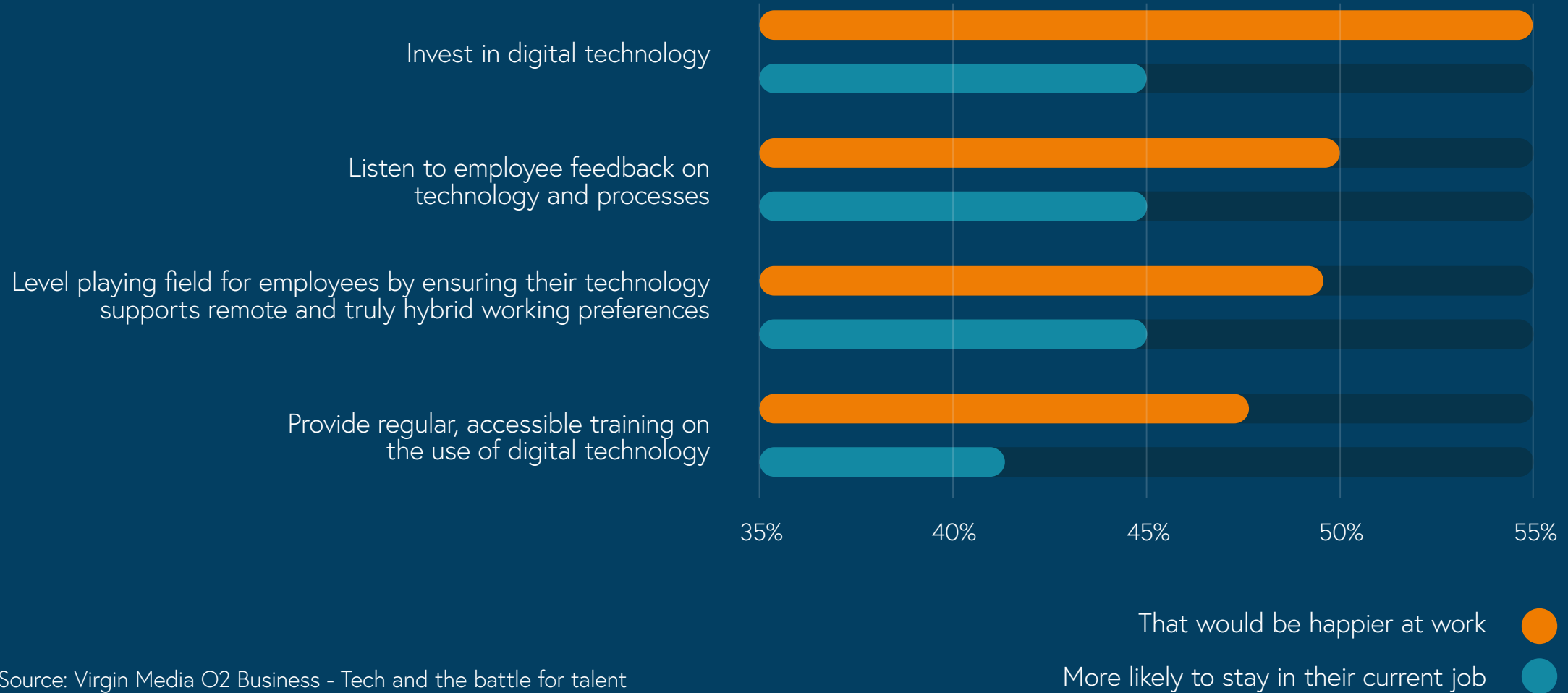
**35%**

of workers report that skilled colleagues have left and that their replacements lack the right digital expertise.

**36%**

say that their organisation rarely provides digital training.

# What steps can you take?



Source: Virgin Media O2 Business - Tech and the battle for talent

# Day-rates for most in-demand tech skills



The day rate of **30%** the most in demand digital, data and tech contract skills increased in the last **3 months**.

The day rates among the most in demand specialist skills **remain stable** among economic uncertainty.

| Skill / Job Role | Median Daily Rate | Day Rate Change |
|------------------|-------------------|-----------------|
| .NET             | £550              | -               |
| AWS              | £600              | -               |
| Azure            | £550              | +£15            |
| DevOps           | £600              | +£10            |
| Java             | £600              | -               |
| JavaScript       | £550              | -               |
| Node.js          | £565              | +£5             |
| Python           | £600              | -               |
| React.js         | £600              | -               |
| SQL              | £550              | -               |

Source: ITJobsWatch (3 Months to October 2022)

# Salaries for most in-demand tech roles



The salaries of **80%** of the most in demand digital, data and tech roles increased YoY.

| Skill / Job Role | Median Salary | Salary Change YoY |
|------------------|---------------|-------------------|
| .NET             | £60,000       | +9.09%            |
| AWS              | £75,000       | +7.14%            |
| Azure            | £65,000       | +8.33%            |
| DevOps           | £70,000       | +7.69%            |
| Java             | £70,000       | -                 |
| JavaScript       | £62,500       | +13.63%           |
| Node.js          | £70,000       | +6.06%            |
| Python           | £70,000       | -                 |
| React.js         | £70,000       | +12.00%           |
| SQL              | £60,000       | +9.09%            |

Source: ITJobsWatch (3 Months to October 2022)





# Financial Services trends

# Financial services Indeed UK job



**Banking & Finance** job postings fell by **-5.71%** in the latest two weeks to 09 September 2022.

Source: Indeed UK



**Insurance** job postings increased by **3.99%** during the same period.

# More than half of UK finance leaders fear a lack of new hires

**57%** of UK finance leaders said they are worried about a potential lack of new hires as businesses continue to struggle with recruiting talent.

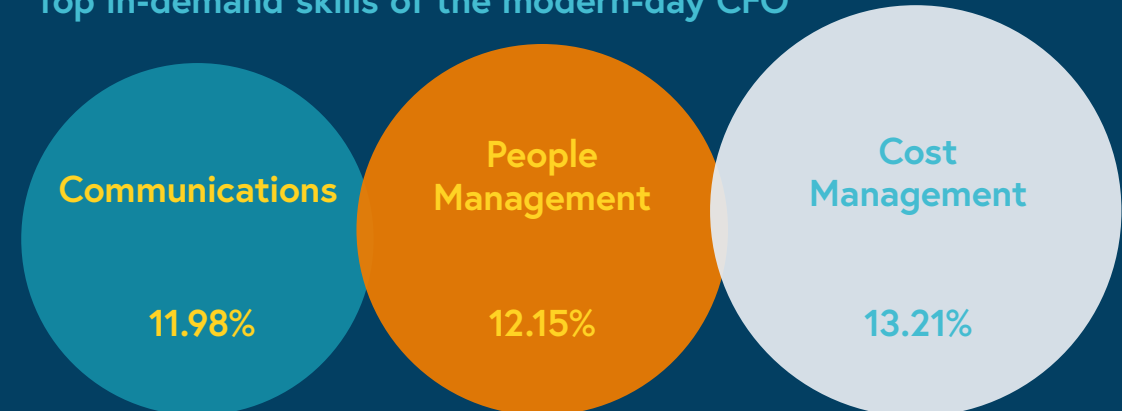
"Businesses need to make themselves more attractive," said Laurent Charpentier, CEO at Yooz.

"This includes better benefits/perks, remote/hybrid working, graduate programmes, and the technology that can help decrease the amount of time they spend on painstakingly manual and time-consuming tasks."

## Biggest Concerns



## Top in-demand skills of the modern-day CFO



# Financial services skills gap



**64%** of FS employees said colleagues without advanced digital and data skills were at risk of redundancy in the future.

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**39%** thought they would leave the sector within the next 5 years.

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**83%** thought FS roles would be affected by digital transformation.

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**47%** thought new technologies were the main cause of the skills gap.

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Additionally, results from senior leaders polled, included:



# Financial services recruitment challenges



The top skills required to do a financial services job are different in 2022 compared to 2015.



Vacancies in the financial services sector hit 55,000 in the second quarter of 2022.



Two in five HR professionals (43%) said it has become harder to recruit graduates in recent years.



42% of FS employees reported that candidates had more rigid demands about job location, flexibility, and benefits.



39% said that increased competition from other sectors like tech was having a big impact.

# Addressing the challenges in financial services

1.

To retain staff, financial services businesses should invest in retraining and upskilling programmes.

2.

Businesses in financial services need to align their talent strategy with their skills strategy.

3.

Entry-level training programmes at financial services firms should be targeted at areas with the greatest skills gaps.

4.

Financial services firms should look for innovative solutions to diversify their workforce.

5.

Firms across the financial services industry should use their unspent Apprenticeship Levy on broader training opportunities to reskill staff.



Challenges hiring specialist technology roles?  
Or noticing a market shortage of talent?

We can help.

# evolve

**A fully flexible, cost-effective approach to manage recruitment and engage talent.**

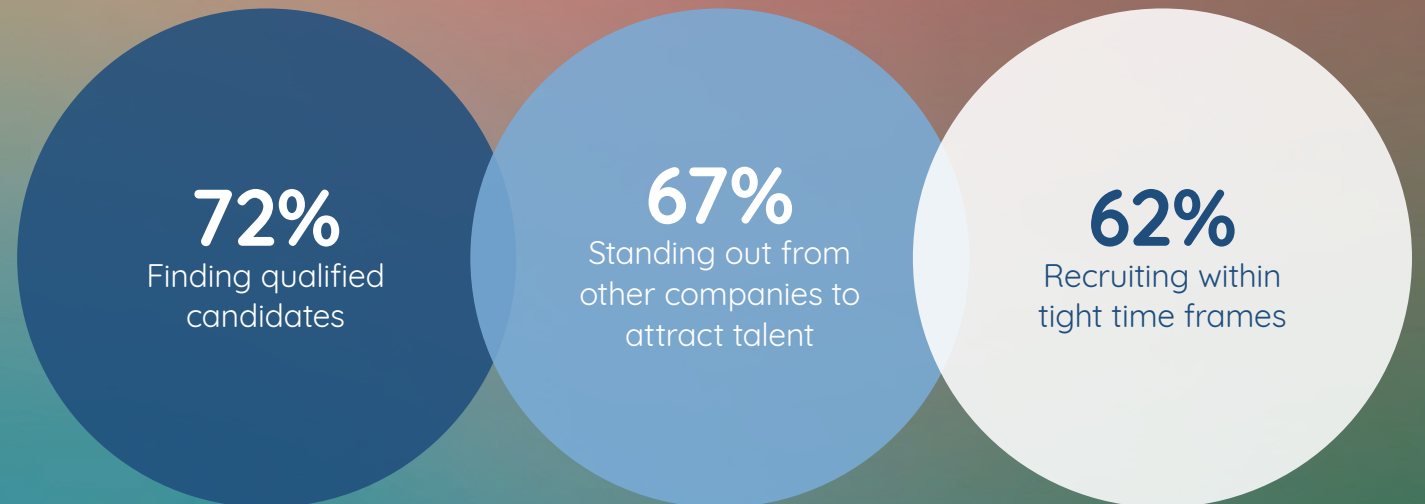
Specifically developed for start-ups, scale-ups and SMEs, our range of modular services reimagine the way you access the best candidates in the market.



**84%** of hiring managers say the tech labour market has changed since the Covid-19 pandemic.

**66%** of those surveyed say it is now more challenging to hire for specialist technology roles.

The following challenges were cited:



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**IQUAD GIVES BUSINESSES  
ACCESS TO A FLEXIBLE  
PIPELINE OF DIVERSE TALENT,  
EMPOWERING ORGANISATIONS  
TO TRANSFORM TECHNOLOGY  
SKILL DEVELOPMENT  
AND INCLUSIVITY.**

Through our training programme and partners, we help widen the talent pool by supporting returners, retraining professionals and displaced employees giving new careers within technology developing those individuals' capabilities within some of the highest demand tech skill areas

Traditional career models are failing to close the digital skills gap. The challenges are often simply due to a lack of training resources available for diverse candidates not currently being identified by traditional candidate attraction methods. Furthermore, managers are without the capacity to manage the training needs of these professionals.

**66%**

Jobs for grads  
were down on  
pre-Covid levels

**30%**

Tech Sector job  
postings are up on  
pre covid levels

**76%**

of firms think a lack of  
digital skills would hit  
their profitability

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# About us



## Our brands



**261**  
Members of staff

**700**  
Website users every day

**201,164**  
Social followers

**60mins**  
One of our candidates starts  
a new role every hour

## Our Locations

### Overseas locations

- New York
- Amsterdam

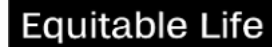
- Harrogate
- Manchester

- Berkhamsted
- Tunbridge Wells
- London

## Awards and Accreditations



# Our Customers



# Our Customers





Questions?

