

Recruitment - UK - August 2019

Report Price: £995.00 | \$1343.55 | €1119.77

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.



“The recruitment industry has been set back by Brexit uncertainty and a weakening global economy. These factors have reduced the rate of growth, but also increased demand for flexible temporary labour. Combined with the ubiquity of computing and the internet, a continuing influx of new SMEs are driving competition and fostering the growth of innovative platforms.”
– Francesco Salau, B2B Analyst

This report looks at the following areas:

- **No-deal Brexit will amplify existing skills shortages**
- **Brexit uncertainty is both a boost and a hindrance**

The recruitment market saw a reduction in its rate of growth in 2019. This has been the result of economic uncertainty due to Brexit, in addition to rising trade tensions that have started to affect the global economy.

This uncertainty has also had a positive effect on some areas of the market, with a shift towards flexible working increasing demand for temporary employees, as businesses avoid substantial investment and hiring. The flexibility of temporary hiring allows businesses to expand and contract their labour costs in line with uncertain demand, and without the expenses associated with permanent employment.

Meanwhile issues such as the NHS and social care staff shortages and increasing political awareness of issues such as climate change are creating opportunities for existing recruiters to leverage their experience to fill these high-demand roles.

On the assumption of a managed exit from the EU, growth is forecast to return to a pace similar to that seen prior to the referendum as pressures on the market are lifted.

**BUY THIS
REPORT NOW**

VISIT:
store.mintel.com

CALL:
EMEA
+44 (0) 20 7606 4533

Brazil
0800 095 9094

Americas
+1 (312) 943 5250

China
+86 (21) 6032 7300

APAC
+61 (0) 2 8284 8100

EMAIL:
reports@mintel.com

DID YOU KNOW?

This report is part of a series of reports, produced to provide you with a more holistic view of this market

Recruitment - UK - August 2019

Report Price: £995.00 | \$1343.55 | €1119.77

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

Table of Contents

Overview

What you need to know

Executive Summary

The market

Economic uncertainty drags on recruitment market growth in 2019

Figure 1: UK recruitment market value and forecast, £ billion, 2015-24

Flexibility of temporary recruitment props up market value

Figure 2: UK recruitment market value, by type, £ billion, 2014-19

Public sector employment increases for the first time since 2010

Figure 3: UK public sector employment, '000, seasonally adjusted, 2010-19

Figure 4: UK private sector employment, '000, seasonally adjusted, 2010-19

Companies and brands

What we think

Issues and Insights

No-deal Brexit will amplify existing skills shortages

The facts

The implications

Brexit uncertainty is both a boost and a hindrance

The facts

The implications

The Market – What You Need to Know

Recruitment sector growth slowed by uncertainty

Benefits of flexibility offered by temporary employment sustain demand for it

Market value forecast to grow robustly if Brexit is resolved

Market Size

Market value growth slows from 2018

Figure 5: UK recruitment market value, £ billion, 2014-19

Economic uncertainty has damaged employer confidence

Figure 6: REC JobsOutlook index, employers' economic outlook and investment hiring confidence, May-July 2018-Mar-May 2019

Public sector sees growth for the first time in almost a decade

Figure 7: UK public sector employment, '000, seasonally adjusted, 2010-19

Composition of public sector employment

Figure 8: Public sector employment in central and local government, '000, seasonally adjusted, 2010-19

Private sector employment growth continues despite Brexit uncertainty

Figure 9: UK private sector employment, '000, seasonally adjusted, 2010-19

Market Segmentation

BUY THIS
REPORT NOW

VISIT: store.mintel.com

CALL: EMEA +44 (0) 20 7606 4533 | Brazil 0800 095 9094

Americas +1 (312) 943 5250 | China +86 (21) 6032 7300

APAC +61 (0) 2 8284 8100 |

EMAIL: reports@mintel.com

Recruitment - UK - August 2019

Report Price: £995.00 | \$1343.55 | €1119.77

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

Flexibility of temporary recruitment props up market value

Figure 10: UK recruitment market value, by type, £ billion, 2014-19

Popularity of temporary recruitment reinforces its stability

Figure 11: Segmentation of temporary and contract employment through recruitment, % volume, 2017 and 2018

Temporary recruitment demand is being shaped by Brexit

Figure 12: Segmentation of temporary and contract employment through recruitment, % volume, 2018

Permanent recruitment growth slowed by political uncertainty

Figure 13: Segmentation of permanent employment through recruitment, % volume, 2017 and 2018

Drivers, education and healthcare sectors continue to bolster permanent recruitment demand

Figure 14: Segmentation of permanent employment through recruitment, % volume, 2018

Market Forecast

Forecast growth remains strong but faces short-term risk

Figure 15: UK recruitment market value forecast, £ billion, 2019-24

Future sources of recruitment demand

Information technology

Energy, oil & gas and construction

Health and social care

Impact of the Economy

Economic uncertainty presents a growing obstacle to investment

Figure 16: UK GDP, year-on-year, chained volume measures, seasonally adjusted, £ million, 2012-18

Business confidence and investment

Figure 17: ICAEW UK National Business Confidence™ index, Q3 2013-Q2 2019

Figure 18: UK business investment, £ million, Q1 2015-Q1 2019

Market Trends

Labour market structure and conditions

Figure 19: UK employment rate, % of working age population, 2010-19

Figure 20: UK unemployment rate, % of those aged 16+, 2010-19

Figure 21: UK average weekly earnings growth, 2001-19

Population growth and migration

Migration

Figure 22: UK migration, thousands, December 2010-18

UK post-Brexit immigration regime

Figure 23: UK net migration, by citizenship, December 2010-18

Vacancies

Figure 24: UK job vacancies, 000s, 2010-19

Figure 25: UK job vacancies by industry, April-June 2018 and April-June 2019

Regional labour markets

Figure 26: UK employment rates, by region, % of those aged 16-64, Mar-May 2018 and Mar-May 2019

**BUY THIS
REPORT NOW**

VISIT: store.mintel.com

CALL: EMEA +44 (0) 20 7606 4533 | Brazil 0800 095 9094

Americas +1 (312) 943 5250 | China +86 (21) 6032 7300

APAC +61 (0) 2 8284 8100 |

EMAIL: reports@mintel.com

Recruitment - UK - August 2019

Report Price: £995.00 | \$1343.55 | €1119.77

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

Figure 27: UK regional employment, by industrial sector, %, March 2019

Market Drivers

Skills shortages in the UK

Figure 28: Number of apprenticeship starts, 2015/16-2018/19

Increasing prevalence of flexible working

Figure 29: Self-employment in selected industries indexed to 2010 values, 2010-19

Introduction of IR35 tax legislation

Companies and Brands – What You Need to Know

Influx of new businesses drives competition in an uncertain economic climate

Industry Structure

Changes in industry structure

Figure 30: Analysis of the changes in the structure of the recruitment industry, number of outlets and businesses, 2013-18

Structure by employment

Figure 31: Analysis of the employment structure of the recruitment industry, 2017 and 2018

Structure by turnover

Figure 32: Analysis of the financial structure of businesses in the recruitment industry, £'000, 2017 and 2018

Company Profiles

Adecco UK

Recent company activity

Financial information

Figure 33: Financial analysis of Adecco UK, £ million, 2014-18

Hays Plc

Recent company activity

Financial information

Figure 34: Financial analysis of Hays plc, £ million, 2014-18

Impellam Group Plc

Recent company activity

Financial information

Figure 35: Financial analysis of Impellam Group Plc, £ million, 2014-18

Page Group

Recent company activity

Financial information

Figure 36: Financial analysis of Page Group, £ million, 2014-18

Reed

Reed in Partnership

Figure 37: Financial analysis of Reed in Partnership, £ million, 2014-18

Reed Online

Figure 38: Financial analysis of Reed Online, £ million, 2014-18

**BUY THIS
REPORT NOW**

VISIT: store.mintel.com

CALL: EMEA +44 (0) 20 7606 4533 | Brazil 0800 095 9094

Americas +1 (312) 943 5250 | China +86 (21) 6032 7300

APAC +61 (0) 2 8284 8100 |

EMAIL: reports@mintel.com

Recruitment - UK - August 2019

Report Price: £995.00 | \$1343.55 | €1119.77

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

Reed Specialist Recruitment

Recent company activity

Financial information

Figure 39: Financial analysis of Reed Specialist Recruitment, £ million, 2014-18

Robert Walters

Recent company activity

Financial information

Figure 40: Financial analysis of Robert Walters, £ million, 2014-18

SThree

Recent company activity

Financial information

Figure 41: Financial analysis of SThree, £ million, 2014-18

Appendix – Data Sources, Abbreviations and Supporting Information

Abbreviations

Methodology

Further Sources and Contacts

Trade associations

Chartered Institute of Personnel and Development

Recruitment and Employment Confederation

Association of Professional Staffing Companies

Recruitment Society

Trade magazines

Human Resources

Online Recruitment Magazine

People Management

Personnel Today

Recruiter

Recruitment International

Trade events

Recruitment Agency Expo

Recruitment Agency Expo

**BUY THIS
REPORT NOW**

VISIT: store.mintel.com

CALL: EMEA +44 (0) 20 7606 4533 | Brazil 0800 095 9094

Americas +1 (312) 943 5250 | China +86 (21) 6032 7300

APAC +61 (0) 2 8284 8100 |

EMAIL: reports@mintel.com