



September 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

## -1.5%

With quarterly growth having slowed for 11 consecutive periods, it turned negative in May to July 2022, contracting by **-1.5%**.

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## 4.2

In May to July 2022, the ratio of vacancies for every 100 employee jobs fell to **4.2** the first fall since April to June 2020.

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Source: Office for National Statistics



# 1,274,000

Vacancies fell on the quarter to 1,294,000 in May – July 2022.



May



Jul

# One in five employees expect to change jobs this year

**18%**

said they were "very or extremely likely" to switch to a new employer within the next 12 months.

**32%**

Some **32%** also said they were moderately or slightly likely to switch and **16%** were planning to leave the workforce temporarily or permanently

**3.5m**

An increase in pay was the main motivator for changing jobs (**72%**), followed by wanting a more fulfilling job (**68%**) and to "truly be themselves at work" (**63%**)

# UK real wages post their biggest drop in two decades

British households are facing an intense squeeze on living standards as earnings growth fails to keep pace with soaring energy bills and the rising cost of a weekly shop.

17%

of workers have resorted to taking a second job to boost their income – rising to one fifth of essential workers.

Source: ONS | Bloomberg



**UK living standards are falling at the fastest rate in two decades.**

# Cost of living crisis – the salary squeeze



1/2

Nearly half of workers have limited disposable income and are living payslip to payslip.

**37%** of employers are concerned about employee quality of life due to rising living costs

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**84%** of employers are already taking action to support their staff, but 96% would like to see initiatives from the government.

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Less than **one in 20** employees offered pay rise to cope with cost of living. **68%** have considered asking for a pay rise, only **25%** have done so.

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Those aged between 35 and 44 were the most likely to receive a pay rise, with **31%** having received a pay rise on request.

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The technology sector was most likely to proactively offer employees a pay rise, with **8%** of workers in this field reporting this.

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Workers in London were the most likely to have received a pay rise of **13%** or more.

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# UK inflation could top 22% next year, warns Goldman Sachs



UK inflation could top **22%** next year if natural gas prices remain elevated in the coming months.

Even if energy costs moderate, the peak inflation rate will be **14.8%** in January, the economists said. That's still enough to push the UK into recession.

New policies to tackle the nation's energy crisis could come when the new prime minister is in place.



**Inflation forecast to peak at 22% in the next year.**



# UK and global economic outlook has 'deteriorated materially'

The Bank of England released The Financial Stability Report on 5th July 2022, in summary:

1.

Global economic conditions have **worsened**. This puts pressure on the finances of households and businesses.

3.

Despite market volatility, businesses can still access market funding. But improving **market resilience is crucial**.

2.

The outlook for the economy is **very uncertain**. A number of risks could affect UK financial stability.

4.

UK banks **remain strong** and are able to support households and businesses.

# British businesses face an acute skills shortage

68%

of small to medium-sized enterprises (SMEs) are facing skills shortages, with the figure rising to **86%** for large organisations.

72%

of organisations say that the workload for staff has increased as a result, compared to the **56%** of companies feeling this way in 2021.

78%

of firms have seen reduced output, profitability, or growth, while **28%** of businesses have had to turn down work as a result of staffing woes.

52%

of larger businesses and **47%** of SMEs have said they will increase investment in staff training over the next year.

# Retention topping the priority list for 2022



**85%** of UK businesses said that they have been affected by the Great Resignation.

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**32%** said they'd struggled to attract new talent as a direct result of the Great Resignation, and **31%** had trouble retaining their staff.

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**32%** said they'd seen negative impacts on employee wellbeing as a result.

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**59%** of UK businesses attribute employee dissatisfaction with the organisation's flexible or hybrid working policy as one of the main reasons for resignations over the last year.

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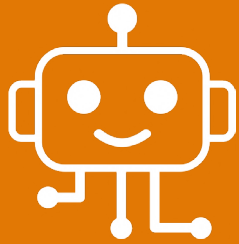
**31%** had seen team burnout, and **20%** said it had led to unreasonable employee workloads.

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To combat this, almost **9 in 10** employees support the introduction of "stay interviews" as part of a retention strategy.

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# Investment in automation also a priority among staff shortages



**33%** of businesses are planning to focus capital expenditure on automation.



**40%** of companies are feeling negatively about their staffing levels and availability.



HSBC said the push towards automation to offset skills shortages will see firms adapt to survive.

# Staff dig in to keep working from home



UK workers are now going into the office less than **1½ days** per week.



The average office attendance in the UK was just **29%**, or less than 1.5 days per week.



The EU had an even lower office attendance at **1.35** days a week.



In North America it was lower still, at just over **1** day per week.

Less than half of UK employees travel to work every day.

But the cost of living crisis may yet be the catalyst that brings them back.

# Cost of living impact on office attendance



## Cost of commuting

The cost of commuting eats into the diminishing pay packets of employees. But in countries where journeys are cheaper, more people are returning to their offices.

## Draining energy

In winter, Britons may flood back to offices to be in a warm workplace, where they're not responsible for the energy bills.

## Productivity

There is still disagreement over whether workers are as productive at home as they are in the office.

60% of employees think they get more done.

64% of bosses said that their employees were either less or no more productive working from home.

## Adapting industries

Staff in some industries have flocked back to offices more readily than others. In banking, average workplace attendance among employees is up to 47% — about 2½ days a week.

## Overheads

In the six months to April, 7.6% more UK businesses moved entirely to home working. Almost half said that reduced overheads were a key reason.

## Wellbeing

78% of employees said that remote working had provided an improved work-life balance, with fewer distractions (53%), and that they completed their work quicker (52%).

Most firms making the move to home working cited improved staff wellbeing as their main reason for doing so, rather than productivity.





# 45.02%

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

Job postings remain elevated at **45.02%** above the pre-pandemic baseline, a slight increase compared to June's numbers. Although some categories have seen a correction.

Labour market still very tight, with tough competition for hires. Are we near a turning point? Market conditions could begin to change.

Source: Indeed UK



# Digital & Tech Trends



# UK tech overtakes China to achieve record-breaking VC investment

VC investment into UK startups saw the biggest annual opening on record, with **\$11.3bn** raised in Q1 of 2022 **+43%** increase from last year's figure.

More than 1,000 UK tech startups have raised investment in 2022 so far, with fintech accounting for half of all funding raised – **\$7.8bn** across 172 rounds.

The UK has raised double the funding of any other European market so far in 2022.

## VC investment in 2022 by country





# UK ecommerce market projected grow by nearly 26% through 2025 to £260bn

## ecommerce Payment trends:

Digital wallets (32.3%) had the largest share of UK ecommerce transaction value in 2021.

Digital wallets are projected to stay as the most popular online payment method at 34.5% of ecommerce transaction value by 2025.

BNPL is projected to exceed £16bn of UK ecommerce spend in 2022.

BNPL is also the UK's fastest growing online payment method and is projected to double in value by 2025 to account for 12.1% (nearly £32bn) of UK e-commerce spend.

## POS trends:

The UK's POS market is projected to increase by 23.3% between 2021-2025 to £1.2tn in transaction value.

Mobile wallets and BNPL are the fastest growing payment methods at POS in the UK and are projected to account for 14.7% and 5.3% of in-store transaction value respectively by 2025.

# Indeed UK job postings in digital & tech sectors



Software Development job postings rose by **+1.91%** in the latest two weeks to 29 July 2022.

Information Design job postings decreased slightly by **-0.66%** in the same period.

IT Operations and Helpdesk job postings saw a decrease of **-2.47%**.

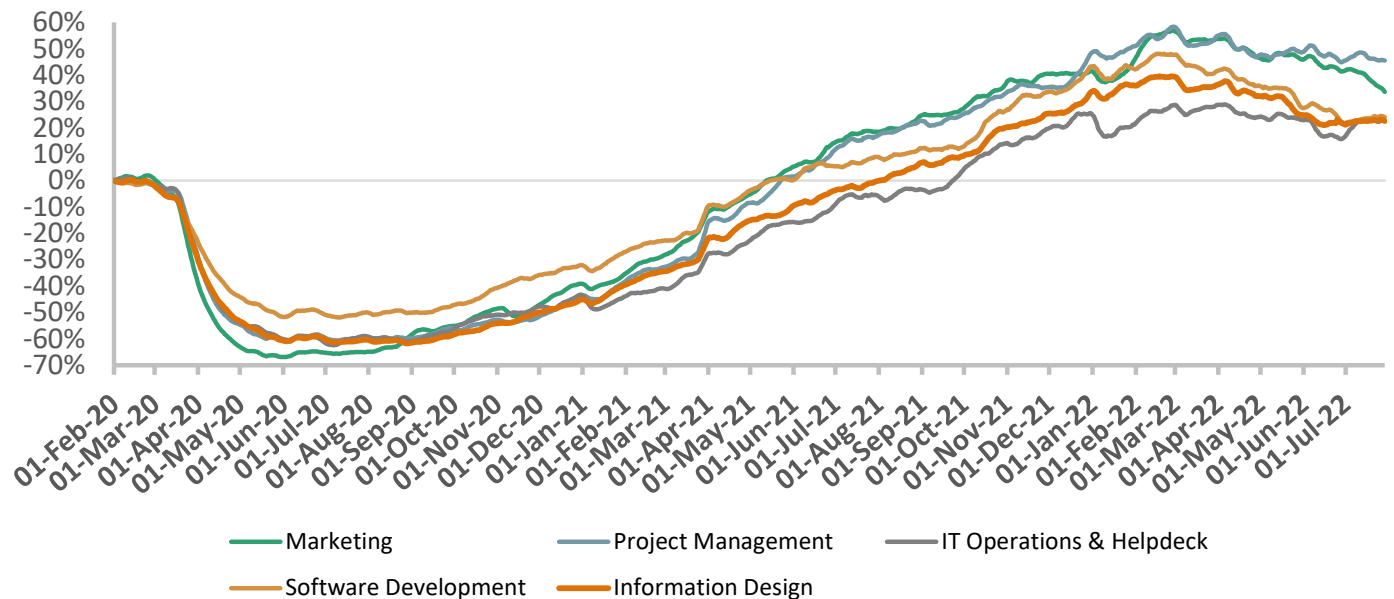
Project Management job postings fell by **-5.11%**.

Marketing job postings had a **-16.32%** decrease.

Source: Indeed UK

## Job postings by sector on Indeed UK

% change in job postings since 01 Feb 2020, seasonally adjusted, to 29 July 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**.

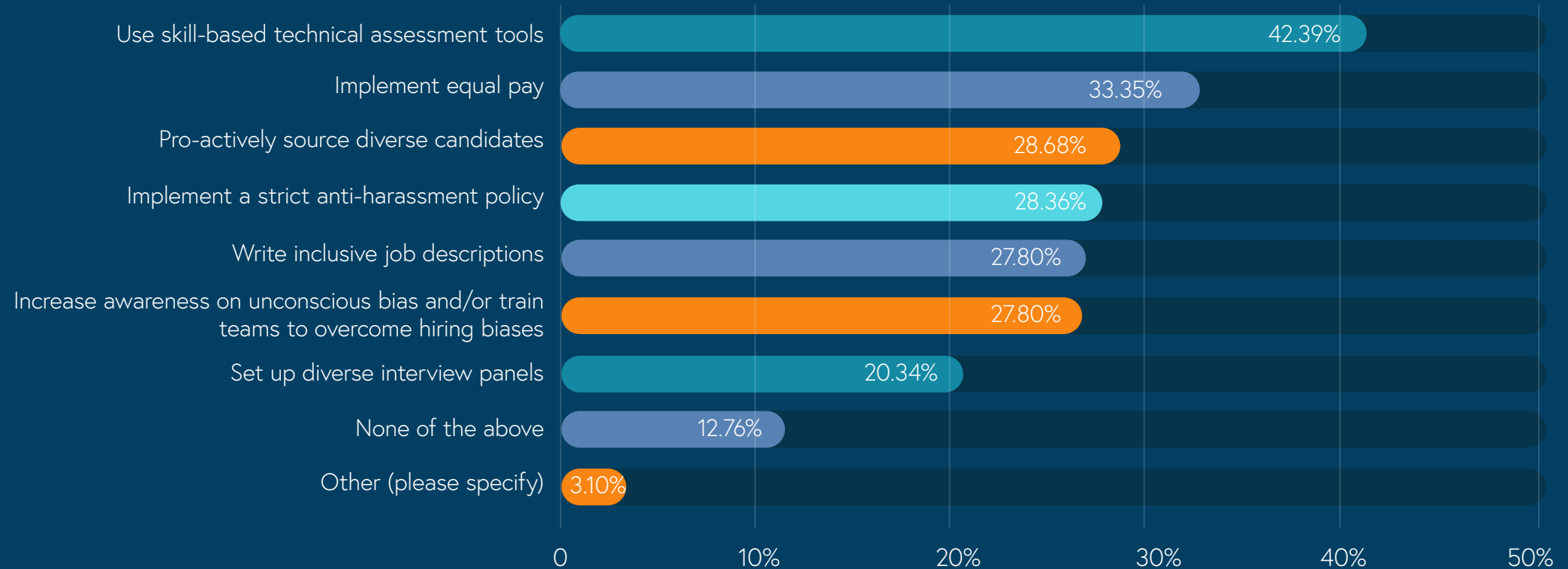
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# Skill-based hiring is #1 measure to improve diversity



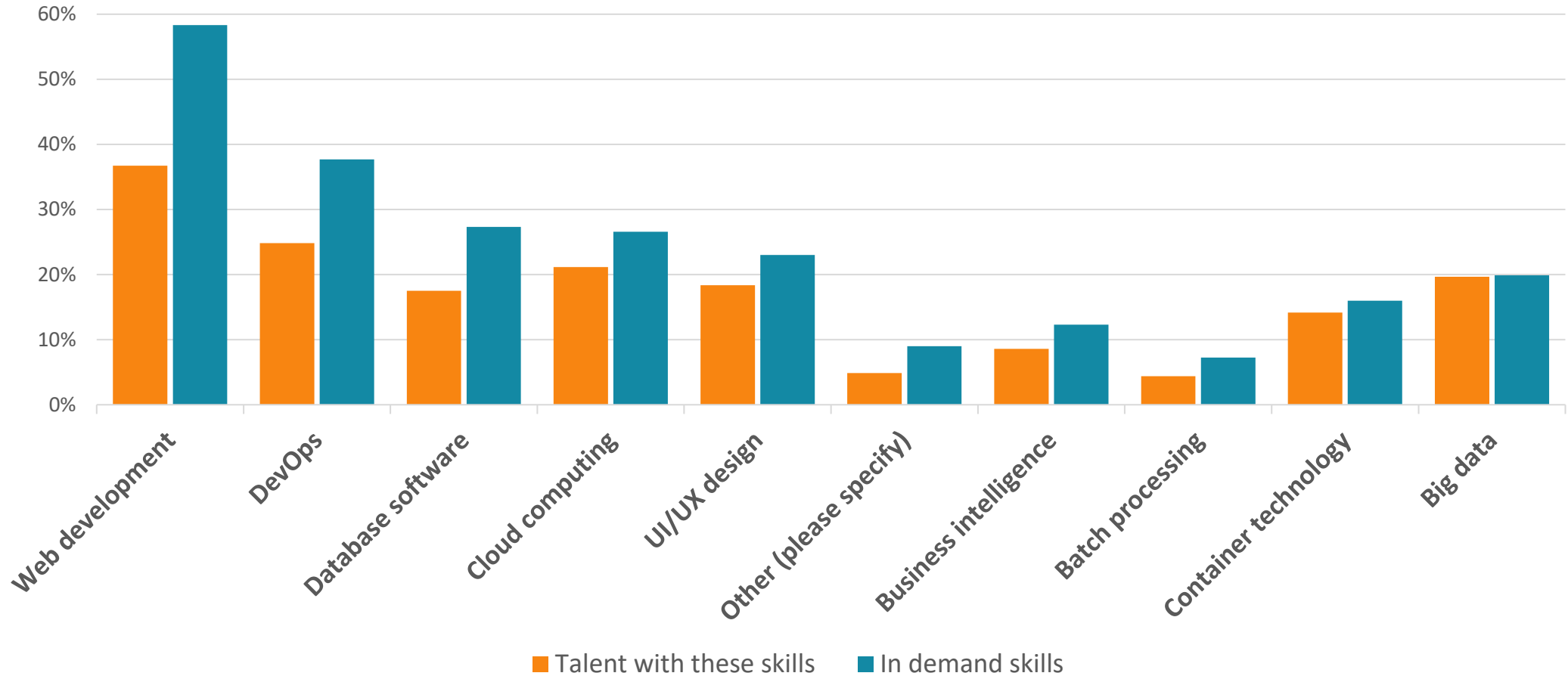
## What does your company do to improve diversity in its tech recruitment?



# Demand outstrips supply in most areas



In demand skills vs talent with these skills

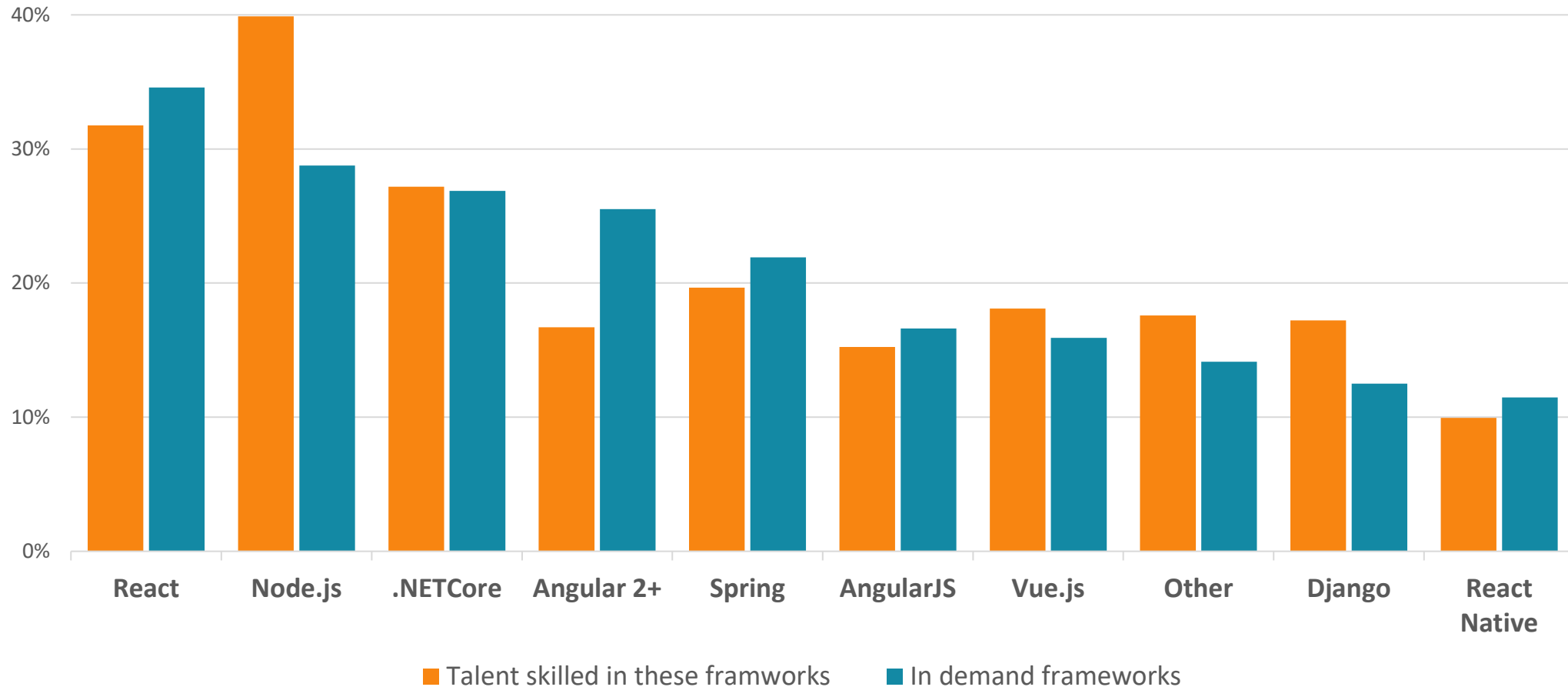


Source: CodinGame | CoderPad

# Angular 2+ offers job opportunities for talent



Top 10 in demand programming frameworks vs talent skilled in the framework



Source: CodinGame | CoderPad

# Money isn't everything, but it helps.



## What makes developers happy and unhappy at work?

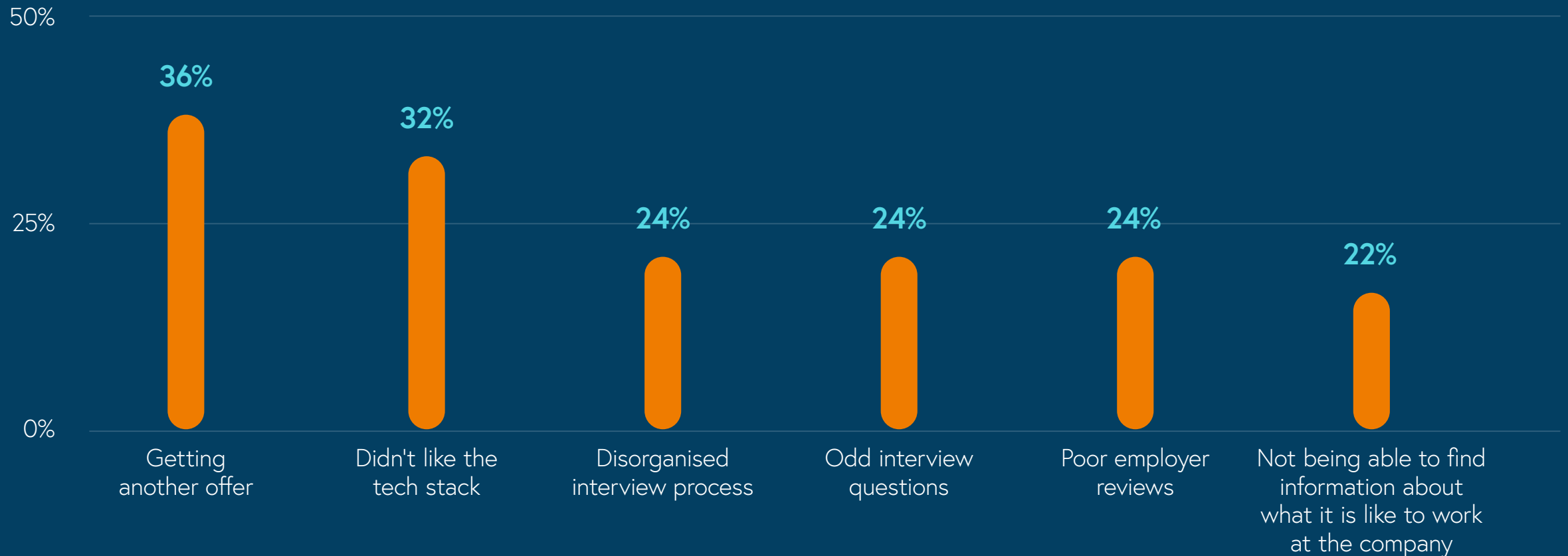


Source: Stack Overflow

# The power of the tech stack



## Why developers pull out of an interview process



Source: Stack Overflow

# Average developer salaries map



In the top 5 countries offering the highest salaries, you'll find:

1. USA
2. Switzerland
3. UK

USA  
£73,109

Spain  
£30,088

France  
£36,309

UK  
£52,357

Belgium  
£41,636

Netherlands  
£44,491

Germany  
£46,811

Switzerland  
£68,979

Italy  
£27,942

Sweden  
£50,898

Poland  
£27,793

Hungary  
£21,907

Romania  
£29,385

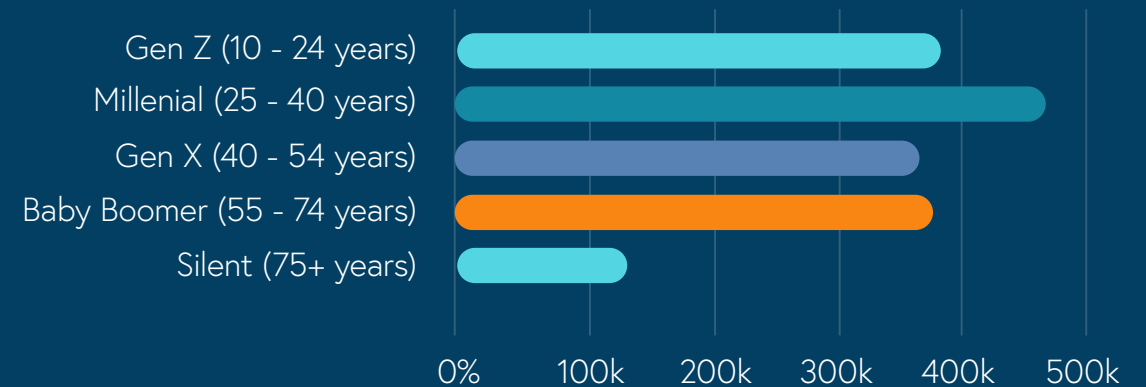
Ukraine  
£19,835



# Manchester is the leading tech city in the UK outside of London

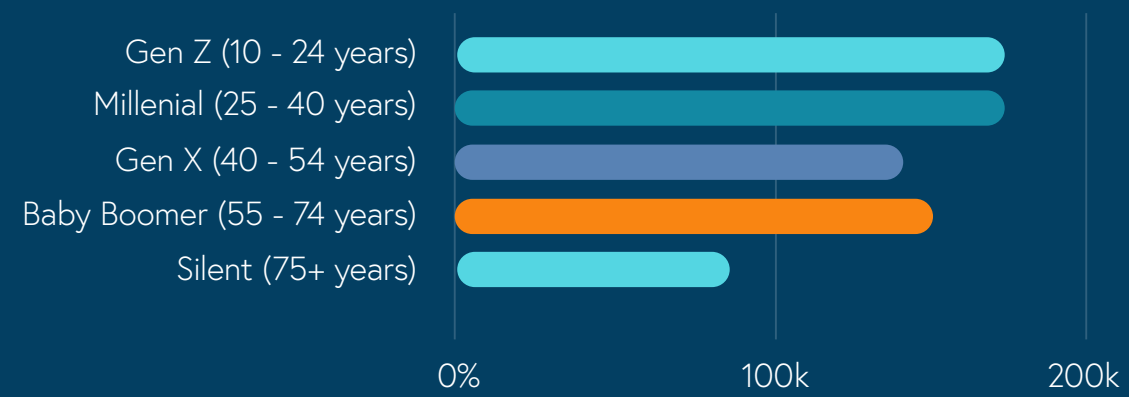
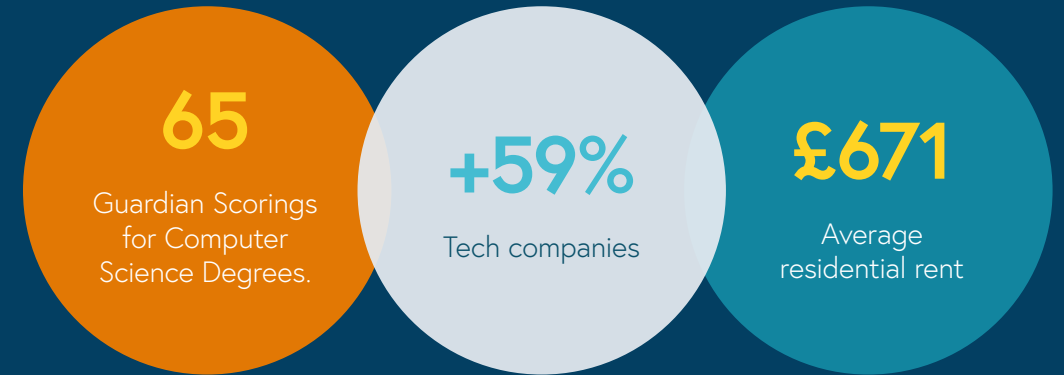
## #1 Manchester

- #2 Birmingham
- #3 Glasgow
- #4 Reading
- #5 Edinburgh
- #6 Bristol
- #7 Newcastle
- #8 Leeds
- #9 Oxford
- #10 Sheffield
- #11 Nottingham
- #12 Liverpool
- #13 Cambridge
- #14 Brighton
- #15 Portsmouth



# Leeds placed #8 leading tech city in the UK outside of London

- #1 Manchester
- #2 Birmingham
- #3 Glasgow
- #4 Reading
- #5 Edinburgh
- #6 Bristol
- #7 Newcastle
- #8 Leeds**
- #9 Oxford
- #10 Sheffield
- #11 Nottingham
- #12 Liverpool
- #13 Cambridge
- #14 Brighton
- #15 Portsmouth



Source: CBRE Tech Cities Report 2022

# 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	-
DevOps	£600	+£10
Java	£600	-
JavaScript	£550	-
Node.js	£565	+£15
Python	£600	-
React.js	£600	+£12
SQL	£550	-

Source: ITJobsWatch (3 Months to August 2022)



# Financial Services trends



# The best sectors for financial services jobs now - and the worst

Real estate tops the chart while hedge fund jobs were down compared to 2021.

Consultancy jobs also grew in Q2, as did risk, compliance and finance (control) jobs.

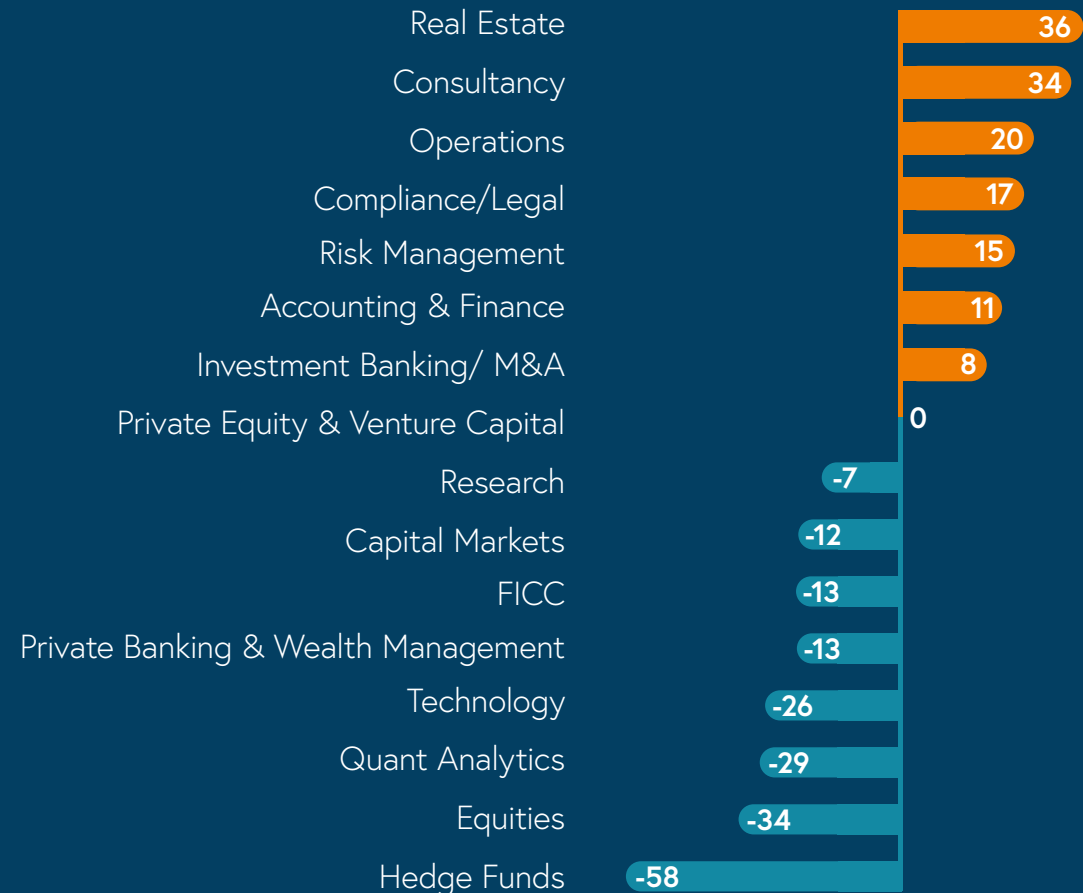
M&A hiring has also been comparatively stable.

All other areas of the front office, however, experienced double-digit declines in jobs advertised.

The technology hiring boom elevated last year also appears to be over.

Source: eFinancialCareers

Change in jobs listed by sector on eFinancialCareers, Q2 2021 vs. Q2 2022



# Financial services Indeed UK job



**Banking & Finance** job postings increased by **5.10%** in the latest two weeks to 29 July 2022.

Source: Indeed UK



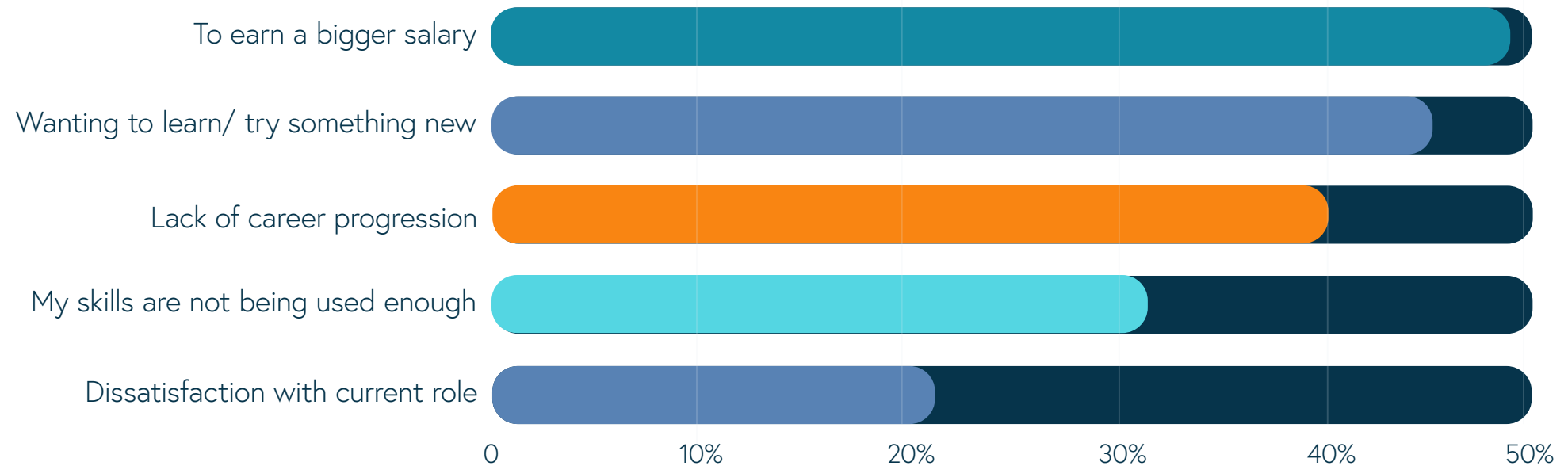
**Insurance** postings remained stable with only a **-0.13%** decrease during the same period.



# Strategies to hire technologists in financial services postings



Top five trigger points for technologists to find a new job (% selecting)



Source: eFinancialCareers professional research

# Top tips for tech pay negotiation in financial services

1.

**Research current pay-rise percentages:**

Salary surveys quickly become outdated in tech.

2.

**Inform hiring managers about pay inflation:**

Don't assume they know how rapidly pay is rising.

3.

**Publish salary information on JDs:**

This limits applications from people with unrealistic demand.

4.

**Discover candidate pay expectations early:**

Avoid technologists upping the stakes at the last minute.

5.

**Answer pay questions quickly:**

Time is of the essence in tech hiring.

6.

**Prepare for counter offers:**

Sell the role's long-term appeal to ward off counters.

7.

**Create a compensation and benefits package:**

Highlight non-salary benefits that stand out.

# How to improve the tech hiring process in financial services

1. Give good candidates better feedback

2. Speed up your tech hiring

36%

Dealing with algorithms rather than people

39%

Competing against internal hiring rules

43%

Lack of salary information for advertised roles

45%

Slow employer hiring processes

68%

Lack of feedback

# Key advice for quicker tech hiring in financial services

1.

## **Hackathons:**

Mass technical testing on a single day.

2.

## **Interviews straight after technical tests:**

Reduce pre-interview wait times.

3.

## **Interview panels:**

Stack more people on each interview to reduce number of rounds.

4.

## **Candidate matching:**

Candidates interview across teams, then matched to the best fit.

5.

## **Super days:**

Firms interview scores of technologists on one day.

6.

## **TA specialisation:**

Internal recruiters focus on specific tech job functions, reducing workloads.

7.

## **Trim signoff layers:**

Shortening post-interview approval times for offers is critical.

# Other innovative ways to attract tech talent in financial services

Highlight end-user impact

Be flexible on degree requirements

Sell benefits of working in the finance sector

Commit to hybrid working over long term

Showcase your agile company culture

# New EU regulations to "put order in the Wild West of crypto assets"

The EU has agreed on new landmark rules making it the most comprehensive regulatory framework for crypto in the world.

Two new deals struck:

Markets in Crypto-Assets (MiCA)

A bill on transparency of crypto assets transfers

These will put new requirements on exchanges and issuers of stablecoins and will force crypto asset service providers to gather information about the transfers they operate to prevent money laundering.

## Who will be affected?

- Issuers of stablecoins
- Crypto exchanges
- Crypto trading platforms
- All crypto firms

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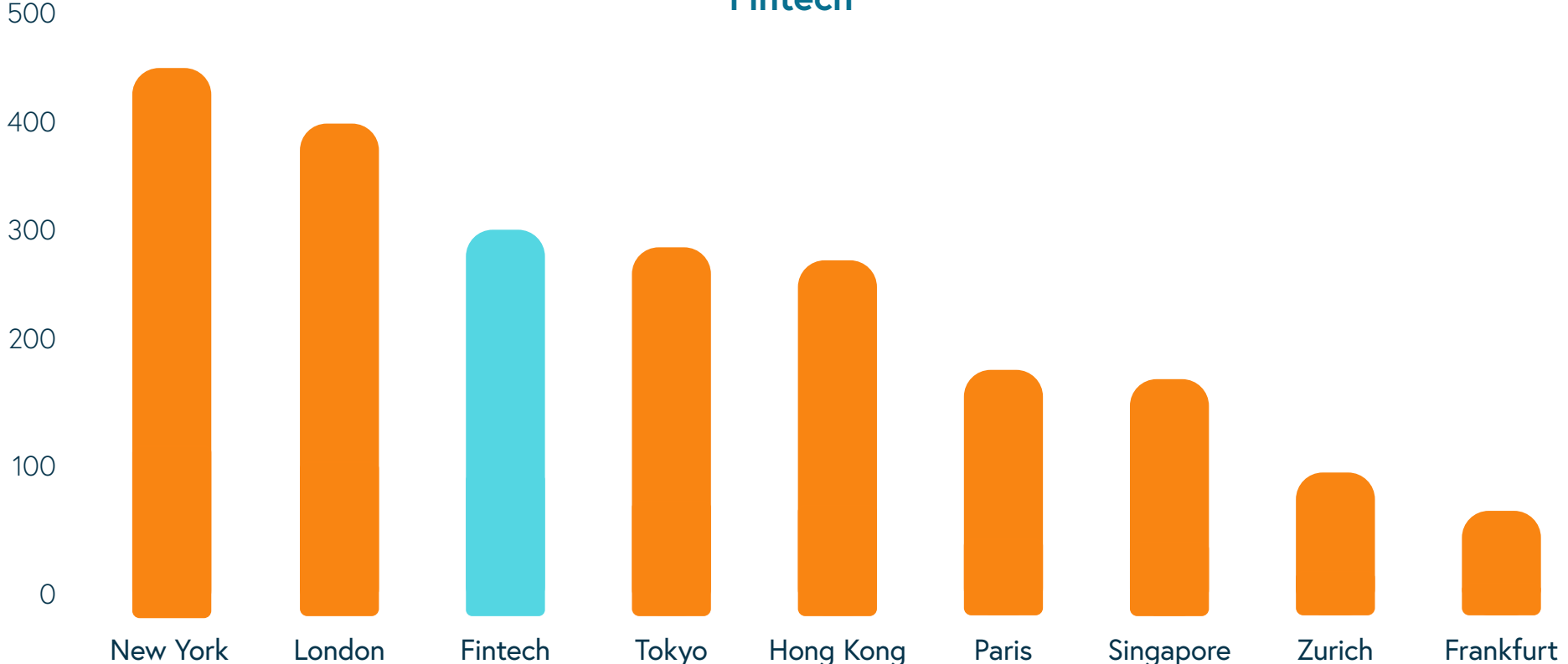
## But not NFTs... for now

The EU Commission is assessing whether non-fungible tokens (NFTs) require a separate regulatory framework and will decide within 18 months.

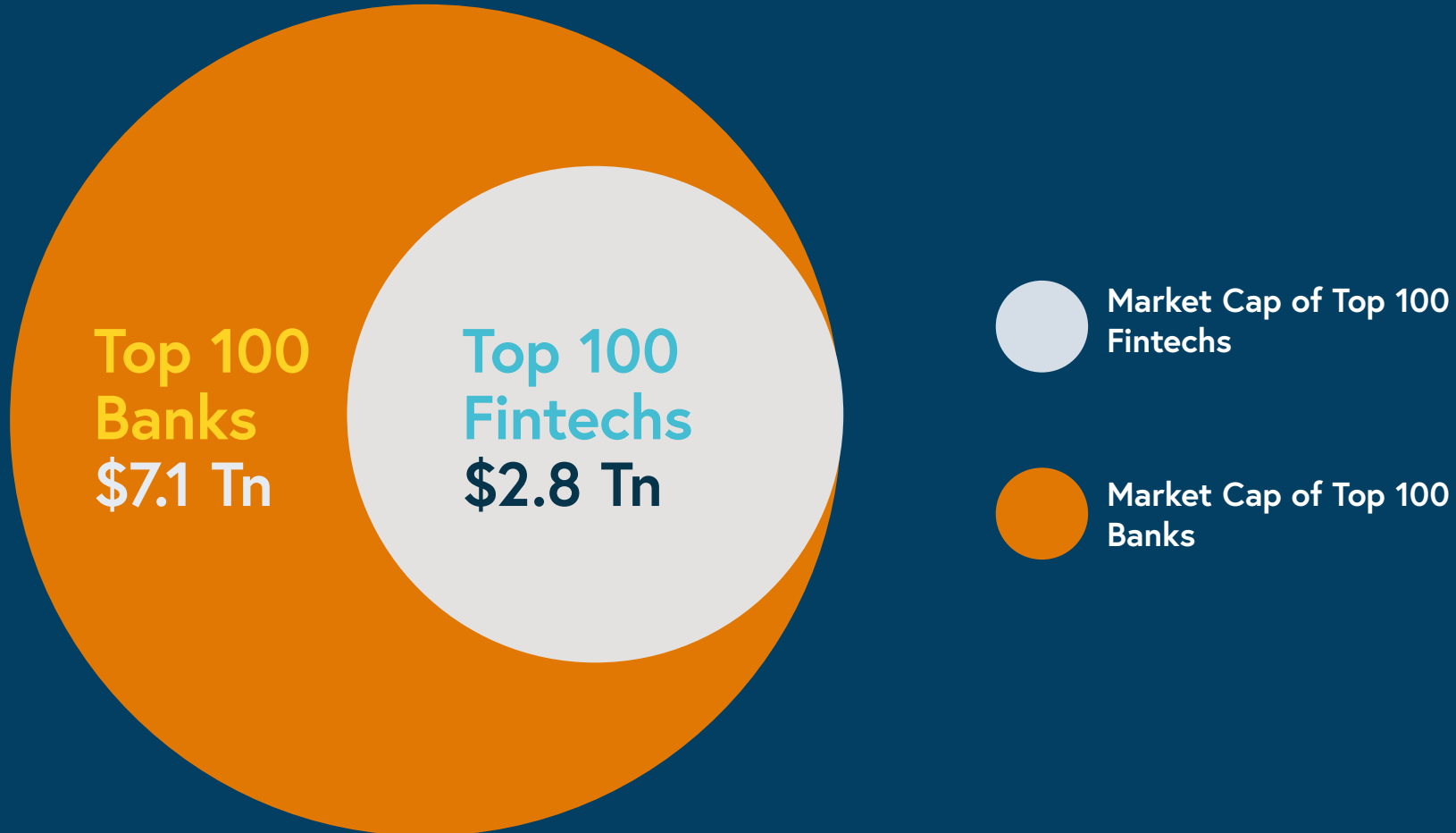
# Fintech employs more people than many financial centres



Ranking of cities on those employed in Financial Services vs Fintech



# The Fintech industry is now 38% Banks vs 3% in 2010







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.**

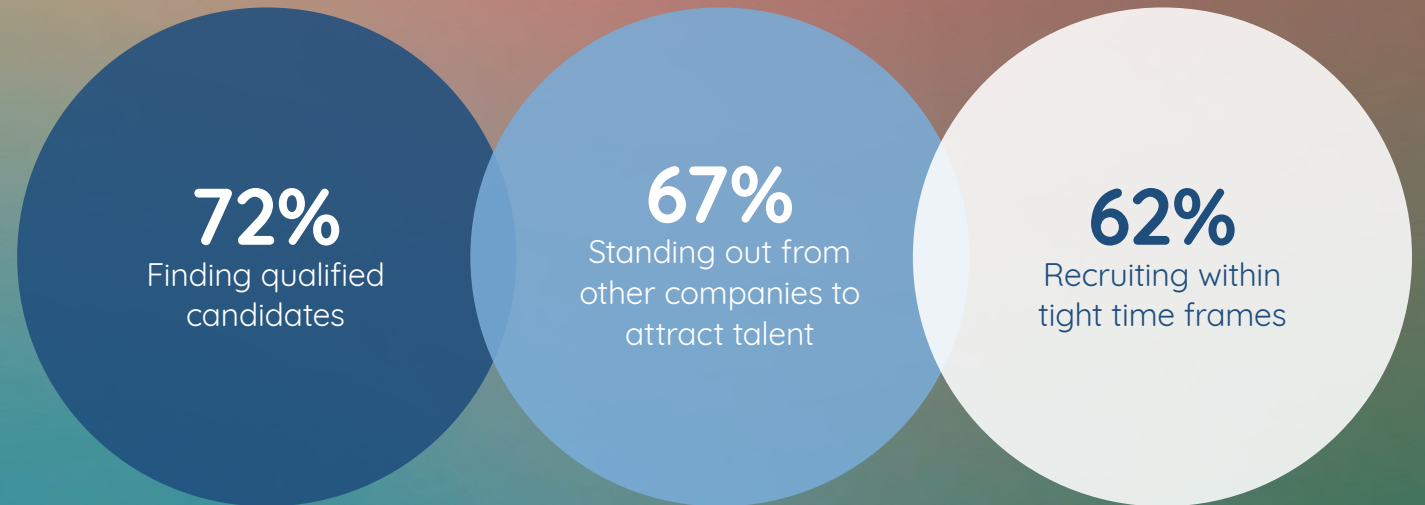
Specifically developed for start-ups, scale-ups and SMEs, our range of modular services reimagine the way you access the best candidates in the market.



**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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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

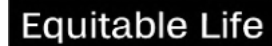
- Harrogate
- Manchester

- Berkhamsted
- Tunbridge Wells
- London

## Awards and Accreditations



# Our Customers





# Our Customers





Questions?

