



Jobs *transform* lives

# RECRUITMENT 2025

The future of jobs – what this  
means for recruitment



Recruitment &  
Employment  
Confederation

## THE FUTURE OF JOBS – WHAT THIS MEANS FOR RECRUITMENT

The REC's Future of jobs commission brought together a coalition of employers, think tanks, policymakers and labour market experts to articulate a clear vision for a future UK jobs market. Since the launch of the commission's report<sup>1</sup> we have used the findings to engage with recruiters, employers and external experts on the following key question: what does the future of jobs mean for the UK recruitment sector?

This white paper is based on this feedback and insight from recruiters and employers, as well as on recent data and research. The aim is to provide practical tips and to prompt further reflection on how the UK recruitment industry can maintain and enhance its role within a fast-changing world of work. These are the four characteristics already being displayed by many recruitment businesses, and which the industry can build on to thrive in a fast-changing employment landscape:

- **Looking ahead** – nurturing a future-focused mindset
- **Looking out** – delivering new services and forging a new identity
- **Looking in** - building future skills and leadership to take the industry forward
- **Looking to make a difference** – becoming future of jobs ambassadors





The question is no longer 'Is recruitment changing?' The big question is simply 'Are YOU evolving fast enough to stay relevant?'

GREG SAVAGE



**70 per cent**  
of recruiters said that AI and other technological developments should be harnessed, rather than feared.

## 1. LOOKING AHEAD – NURTURING A FUTURE-FOCUSED MINDSET

Although recruitment is very much about the here and now, there is increasing recognition amongst recruiters of the need to be aware of the changing shape of the UK's jobs market – including automation, demographics, changing candidate expectations, and evolving business needs. These will impact on the future skills needs as well as on hiring procedures; recruitment professionals need to be ahead of the game so that they can advise their clients and candidates, and can continue to thrive in a fast-changing world of work.

### Pre-empting jobs market changes

The World Economic Forum has estimated that 65 per cent of children entering primary school today will end up working in new job types that don't yet exist.<sup>2</sup> This underlines the huge opportunity for future-focused recruiters to work with clients to plan ahead and develop recruitment strategies that reflect this changing landscape. A big onus will be placed on recruitment professionals to help define the skills and competencies needed to succeed in these shiny new job roles and to build a swathe of new job descriptions.

Industry leaders we have spoken to are already taking a number of practical steps to ensure a strong focus on the mid- and long-term future – these include: establishing internal project teams to scope potential developments; hosting 'future of jobs' events for clients; tapping into the work of trade associations and business organisations to pre-empt developments in specific sectors; attending relevant external events; and reviewing regional industrial strategy plans to pre-empt where future jobs are most likely to be created.

The urgency and need for change was captured by recruitment industry 'talisman' Greg Savage, who has presented to hundreds of REC members over recent years: *'In agency recruitment, our clients are our competitors now, and increasingly our suppliers, like Job Boards and LinkedIn, are too. The question is no longer 'Is recruitment changing?' The big question is simply 'Are YOU evolving fast enough to stay relevant?'*





We need to look at HR and recruitment in a different way.<sup>3</sup>

LUCY ADAMS, CEO, DISRUPTIVE HR



## 65 per cent

of primary school children will work in jobs that don't yet exist. There are huge opportunities for future-focused recruiters to pre-empt this changing landscape.

## Driving innovation

Common characteristics of successful recruitment leaders and entrepreneurs include the ability to innovate, take risks and overcome change in turbulent times. These will become increasingly important assets as the industry rises to the challenge of seismic changes to business models and to the way we work. The economist and author David McWilliams recently underlined the need to '*reward unconventional thinkers in our society*'. Innovation will become increasingly key in recruitment as well as other sectors. Let's give ourselves permission to think unconventionally!

Speaking at the Talent, Recruitment & Employment Conference (TREC) 2018, Lucy Adams, CEO of Disruptive HR and former HR Director at the BBC, made the point that '*things are changing; we need to look at HR and recruitment in a different way*'. The speed of change will multiply opportunities for innovative, game-changing recruiters and forward-thinking recruiters will need to find new solutions to emerging challenges. Will the recruitment sector become an industry of 'highfalutin' futurologists? Probably not – there is too much day-to-day pressure to leave the present for very long. However, the response to the Future of jobs commission's findings confirmed a growing recognition within the sector that innovation and a future-focused mindset will drive future growth.

### Future-focused – practical steps recruiters are taking

1. Building internal project teams to scope potential developments
2. Hosting 'future of jobs' events for clients
3. Tapping into the work of trade associations to pre-empt developments in specific sectors
4. Attending external events and reviewing latest research
5. Analysing trends and developments in other countries (for example North America)
6. Reviewing regional industrial strategy plans to pre-empt where future jobs are most likely to be created
7. Ramping up longer-term business planning activities

## Harnessing new technology

How will artificial intelligence (AI) and automation impact on the jobs market and on the recruitment industry? PwC have estimated that up to 30 per cent of UK jobs could potentially be at risk of loss by the early 2030s,<sup>4</sup> and we are already seeing recruiters automate key back-office functions. Harnessing new technology to provide world-class – but cost-effective – services to both candidates and clients is one of the key priorities for future-focused recruiters.

Investing in infrastructure at the right time is one of the other characteristics of successful recruitment leaders. In addition to key building blocks such as





Recruitment businesses can play a key role in harnessing the latest technology and in sharing best practices on what really works in key areas like inclusion.<sup>6</sup>

PAUL WOLFE, SVP OF HR, INDEED



If you are not aware of how talent acquisition will be augmented by technology and AI solutions, you risk being left behind.

KEVIN BLAIR, VP OF GLOBAL TALENT ACQUISITION, IBM



leading-edge customer relationship management (CRM) systems and analytics, this involves making use of new sifting tools, as well as harnessing the benefits of the gig economy (for example outsourcing specific tasks to freelancers and independent professionals).

In the words of Staffing Industry Analysts President Barry Asin,<sup>5</sup> *'We are seeing a great convergence of traditional recruitment businesses with the pure online marketplace as well as hybrid models.'* The Fourth Industrial Revolution is already upon us and is affecting most sectors, including recruitment. The REC's involvement in the All Party Parliamentary Group (APPG) on AI has underlined the extent of the potential change and disruption facing recruitment and the wider services sector.

Despite the speed of technological change, the final report of the Future of jobs commission was upbeat about the outlook for recruitment providers and for the ongoing need for a 'human element' within the hiring process. This was echoed by other experts and commentators speaking at the REC Education panel on new technology with Daniel Cave, managing editor of *Executive Grapevine*, arguing that *'it is not a given that all candidates will be happy to go through a technology-driven hiring process'*.

In a recent REC poll, 70 per cent of recruiters said that AI and other technological developments should be harnessed, with a further 28 per cent saying they should be actively monitoring and only 2 per cent saying they should be feared or ignored. Only 12 per cent of REC members see automation, apps and online platforms as the greatest threat for the sector over the next five to seven years, well behind candidate shortages, legislative changes and political uncertainty.

The latest feedback from recruiters on this has been emphatic: the way forward is to walk towards this brave new world, to understand, pre-empt and harness technological developments as much as possible. In the same way that job boards and social media were seen as existential threats to the recruitment sector, the key is to be confident – though certainly not complacent – about the sector's ability to compete with recruitment apps and new online talent platforms.





**Harnessing external expertise and support will be key for employers needing to ensure that workforce strategies are in line with a fast changing world of work.<sup>7</sup>**

JEN SAUNDERS, PRINCIPAL  
CONSULTANT, PEOPLE AND DIGITAL,  
MERCER



**Sectors like agriculture are undergoing huge change with automation, hydroponics and vertical farming all having an impact. We can play a pioneering role in helping clients and candidates adapt.**

JAMES TRETT, DIRECTOR, JP TRETT



## 2. LOOKING OUT – FORGING A NEW IDENTITY

As the jobs market continues to evolve at pace, and as candidate shortages intensify across a range of sectors, there are real opportunities for recruiters to expand the types of service they offer and to radically enhance the way the industry is perceived. This has been the consistent feedback from REC sector groups and regional forums since the publication of the Future of jobs report. Importantly, this view is also shared by a number of leading employers involved in the commission's work and in the REC's ongoing Good Recruitment Campaign.

### Taking a lead on strategic workforce planning

Speaking at TREC 2018, Johnny Campbell, the CEO and founder of Social Talent, argued that *'in the future, talent will form part of nearly every business decision'*. Establishing the extent of the resourcing challenge is a crucial first step and involves asking some hard questions around current and future skills gaps, succession plans, pay levels and labour market trends. One of the conclusions of our Future of jobs commission is that organisations will need help in addressing these questions.

A key message from the 2018 World Employment Conference was that intensifying workforce challenges will mean a more strategic future for the worldwide recruitment and employment industry. Changes are already afoot. Ninety-three per cent of businesses plan to make job design changes over the coming years, with 41 per cent planning to move support functions to shared services and 31 per cent looking to eliminate specific roles and departments.<sup>8</sup>

Taking a view on mid- and longer-term challenges is a priority, but the majority of UK businesses are not geared up to pre-empt the major challenges ahead. The interim report from the Migration Advisory Committee concluded that *'many businesses are ill-prepared for a changing labour market'*, which is why the demand on the services of recruitment agencies is continuing to increase. With people issues now recognised as one of the major challenges, there are huge opportunities for the industry to help clients re-imagine current hiring procedures. Facilitating this review process is the core aim of the REC's Good Recruitment Campaign.

Leading brands are undergoing fundamental changes: banks are morphing into digital businesses; energy providers are seeing themselves as retailers. Structural and cultural changes will place a huge onus on HR and recruitment teams as employers drive transformation programmes and look to attract different skillsets to their organisations. Effective future workforce planning is not only about capturing accurate data; the quality of the analysis is equally crucial and will enable employers to make the right decisions. Intermediaries such as recruitment agencies can play an important consultative role when it comes to pre-empting practical implications for hiring and people strategies.

Flexible staffing models will become increasingly important and are increasingly driven by the need for expert talent and agility rather than cost. According to Deloitte's 2018 Global Human Capital Trends report,<sup>9</sup> only 42 per cent of executives say that their organisation is primarily made up of salaried





**Recruiters need to think about new services they can offer to clients that reflect the changing world of work.**

MANDY BROOK, MANAGING DIRECTOR, RSE GROUP



**Using a proactive executive search approach will become increasingly important for filling a variety of roles and will underline the value that recruiters provide.**

KATIE MELLOR, DIRECTOR, CJUK



employees. Looking ahead, 37 per cent expect growth in use of contractors, 33 per cent expect growth in use of freelancers, and 28 per cent expect growth in use of gig workers. Providing strategic advice on flexible workforce arrangements will provide the recruitment sector with an ongoing source of value-add.

### Future workforce planning – asking the right questions

Better workforce planning is not an option; in a future jobs market it will be a given. These are just some of the questions that employers will need to be asking themselves:

1. What is the current profile of our workforce? Do we hold the right data?
2. What succession plans are in place?
3. What are our current employee skillsets and where are the gaps?
4. Are there any regulatory changes that we need to factor in?
5. What technological changes might have an impact?
6. What are our current pay levels? How do they compare with the market?
7. How can we best prepare for different post-Brexit scenarios?

### Building new client relationships

Over half of all firms fear that there will not be enough people available with the skills needed to fill their high-skilled jobs, and candidate availability has declined month-on-month since June 2013 according to *Report on Jobs*.<sup>10</sup> Latest data shows that many sectors, particularly healthcare, social care, construction and finance, continue to struggle to find the right candidates for roles, both in permanent and temporary positions. This is the backdrop against which recruiters can build different working relationships with clients.

In addition to playing a role on strategic workforce planning, recruiters will increasingly be called to provide genuine consultative advice to clients on a range of practical challenges. For example, four in ten employers admit that the interviewing and assessment skills of their staff should be improved.<sup>11</sup> Fifty per cent of HR leaders indicated that they intend to change their job evaluation methodology,<sup>12</sup> and an increasing number of employers are looking at talent analytics as a means of enhancing the candidate experience and driving better hiring decisions.<sup>13</sup> However, companies are making relatively slow progress on this with very few able to translate data into predictive insights.<sup>14</sup>

As the jobs market evolves, opportunities for other new services will emerge. For example, speaking at TREC 2018, Julie Welch, Group HR Director at Bunzl underlined the need *'to look at ways of supporting candidates to move to where jobs are, and of promoting global mobility'*. Some recruiters are already working with clients to promote not just the job but also the potential benefits of relocating to





Areas where recruitment firms can add value in the future include specific tasks like the initial research for hard-to-fill roles.<sup>15</sup>

JENNIFER CANDEE, GLOBAL HEAD OF TALENT ACQUISITION, MONDALÉZ INTERNATIONAL



### 81 per cent

of employers are already satisfied or very satisfied with the agencies they use.



The business case for driving the disability agenda has never been clearer.

RICHARD ELIOT, HR MANAGER, MANPOWER



a new city or country. This will become increasingly important as the UK is now competing with other countries for top talent.

Other significant changes should include flexible hiring becoming the norm, with employers ensuring that flexible working is considered for all appropriate jobs. Job roles and job descriptions will need to be regularly reviewed so that they reflect the fast-changing needs of businesses, but also create a clear and compelling 'pitch' to prospective candidates. In an increasingly competitive labour market for staff and skills, UK employers will need to innovate and review existing recruitment channels. This is where recruiters can make a genuine step-change in the added value they provide for clients.

Recruiters are already stepping up and helping clients to address increasing candidate shortages. According to *JobsOutlook*,<sup>16</sup> eight in ten (80 per cent) employers said that they were satisfied with the candidates presented by their agencies – up from 75 per cent in the previous rolling quarter. This is a phenomenal outcome considering the tightening availability of talent; and is an opportunity for future-focused recruiters to not only address immediate hiring challenges but also to work with clients to develop new approaches and recruitment methodologies.

### The industry is making change happen on inclusion

As the labour market continues to tighten, we need to boost participation rates of under-represented and inactive groups. As well as being a priority for employers looking to fill shortage occupations, this is also a priority for government; recognition for the role that the recruitment sector can play in this area is a core element of the formal partnership agreement between the REC and the Department for Work and Pensions.

The drivers of change are increasingly clear. Nearly half (49 per cent) of employers surveyed for LinkedIn's Global Recruiting Trends 2018<sup>17</sup> said they focus on diversity to better represent their customers. Other key reasons cited include 'to improve company culture' (78 per cent) and 'to improve company performance' (62 per cent). Diversity and inclusion was a big theme at the 2018 World Employment Conference, with Helen Tynan, Head of People Operations at Google, arguing that 'a diverse mix of voices leads to better discussions, decisions and outcomes for everyone'. This was echoed at TREC 2018 by Kevin Blair, VP of Global Talent Acquisition at IBM, who made the point that 'the most commonly overlooked area of diversity is diversity of thinking'.

Progress is being made on the inclusion agenda, but a lot more needs to be done. The industry's role in making change happen is increasingly recognised through our involvement in high-profile initiatives like Disability Confident and the Inclusive Economy Partnership. The future belongs to recruiters with the drive, expertise and network to help clients make tangible progress in this area.







**A diverse mix of voices leads to better discussions, decisions and outcomes for everyone.<sup>18</sup>**

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HELEN TYNAN, HEAD OF PEOPLE OPERATIONS, GOOGLE



**Culture eats strategy for breakfast – particularly with regards to diversity and inclusion.<sup>19</sup>**

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JULIE HUTCHINSON, MANAGING DIRECTOR, LONDON WORKS



## Leading the way on customer service excellence

As the expectations of both clients and candidates continue to evolve, and external challenges such as candidate shortages in key sectors continue to intensify, the way forward for recruiters is to focus on one thing: being one of the best sectors in the UK for customer service.

Recruitment businesses already measure their customer service credentials through Net Promoter Scores (NPS). Regular benchmarking and measurement will be increasingly important as recruitment businesses seek to differentiate themselves on the quality of their service offering and the quality of their staff. The industry is starting from a strong base; the REC JobsOutlook<sup>20</sup> shows that 81 per cent of employers are already satisfied or very satisfied with the agencies they use. The fact that those ticking the 'very satisfied' box increased by 6 per cent over the last rolling quarter bears testimony to our industry's contribution at a time of political uncertainty and intensifying candidate shortages.

Improvements in customer experience can boost employee discretionary effort as well as financial performance. However, more can be done to seek feedback from clients; only half of HR decision-makers (47 per cent) who have used a recruitment agency have been asked to provide feedback on the services offered.<sup>21</sup> A renewed focus on customer service excellence will include a more systematic approach to seeking and acting on client feedback. Specialist recruiters in sectors ranging from life sciences and creative industries to financial services have also underlined the importance of managing client expectations – especially in a tight market for candidates – and of taking a long-term approach to building client relationships. This involves developing a genuine understanding of a client's needs and culture, and in being up front if there is little prospect in being able to fulfil a specific brief.



### 3. LOOKING IN – BUILDING FUTURE SKILLS AND LEADERSHIP TO TAKE THE INDUSTRY FORWARD

An evolving business and employment landscape is already impacting on the type of skills, competencies and leadership within the recruitment industry itself. The feedback from recruiters is that these internal changes will need to accelerate as we reflect and pre-empt seismic changes to the world of work and business needs over the coming years.

#### New leadership and management requirements

What does the future of work mean for future leadership in recruitment, and across the wider business community? The author and leadership expert Fons Trompenaars has underlined the increasing need '*to develop agile and genuine multi-cultural leadership*'<sup>22</sup> for businesses to thrive. When giving evidence to the Future of jobs commission, the Chartered Management Institute identified specific behaviours that future leaders will need to demonstrate, including the ability to share their thinking, admit mistakes, encourage people to raise issues, and uphold company values. A fast-moving future world of work will require inspirational, high-visibility leaders.

The REC has previously analysed<sup>23</sup> the specific characteristics of successful recruitment managers. These 'seven secrets' include recruitment skills, financial performance, process efficiency, people skills, learning and teaching, strategic vision and self-awareness. The latest feedback from REC members is that these characteristics will remain key in the future, although the way that these attributes are demonstrated will evolve.

#### Five behaviours of future leaders

1. **Open** – good at sharing their thinking
2. **Honest** – admitting mistakes and learning from them
3. **Approachable** – encouraging people to raise issues
4. **Role model** – being visible, inspirational and modelling behaviour
5. **Genuine** – personal values mirroring the organisation's

The feedback from the REC's Association of Executive Recruiters, as well as from the Future of jobs commission, is that a future UK jobs market and business landscape must be one where tangible progress has been made with regards to diversity in senior positions. The initial focus of gender equality has led to a broader debate on how representative UK boards and management populations are. The recruitment industry can lead the way in this area, both internally as well as through its work with client organisations.



**Successful recruitment businesses need to nurture the skills needed in a changing business environment and to develop a generation of future industry leaders.**

FALLON GILHOOLEY, GLOBAL CLIENT PARTNER, HEALTHCARE & LIFE SCIENCES, ARMSTRONG CRAVEN



**Businesses are recognising that more needs to be done to plan for the future and to review hiring procedures.**

CHRIS MOORE, REC CHAIR



**Building a 'life-long learning' mindset is one of the biggest priorities in the 21st century.**

ANDREAS SCHLEICHER, DIRECTOR OF EDUCATION AND SKILLS, OECD



## Review the changing role of recruiters

Over 100,000 people currently work within the UK recruitment sector. The feedback from REC members confirms that the make-up of this workforce is evolving, with an increasing number of specialist roles coming to the fore. For example, feedback from the REC's Managed Services Forum underlined the specific skills and competencies needed for those working with or supplying via managed services models. Members have also flagged specific demand for compliance and marketing roles. With regards to front-line recruitment consultants, sector-specific expertise and the ability to build long-term relationships have been cited across REC sector groups as diverse as life sciences, education, healthcare, technology, and office professionals.

Much has been said about the end of the '360-degree recruiter'. Some of the core attributes of a successful recruitment professional will remain constant, but the need for greater awareness of external factors (such as labour market trends and regulatory developments) as well as a deep understanding of evolving client needs have been flagged by industry leaders as key attributes in the future. Changing dynamics and the increasing variety of roles within the recruitment sector are a great opportunity for ramping up the way that we promote recruitment as a career. This will remain a major priority for the REC and is at the heart of the work of our Institute of Recruitment Professionals.

## Investing in future skills

Attracting new people into the industry is one thing; providing development opportunities so that people remain within it is another. Apprenticeships in recruitment, and the subsequent 'career route-way', are just two of the mechanisms in place to ensure that we can build a vibrant workforce within the recruitment sector. Businesses across all sectors are investing in skills (more than £45 billion a year), with well over half of all employees (63 per cent) receiving some training during the course of a year.<sup>24</sup> However, one of the commission's conclusions was that more needs to be done to provide development and progression opportunities for all, and to build a new generation of leaders with the awareness and skills to thrive in a changing world of work. This is as true of recruitment as it is for other sectors.

Recruitment businesses we spoke to are already regularly reviewing attraction strategy, performance management, pay levels, commission structures and development programmes. Management development is a further priority for our industry as well as for other sectors. Poor management costs UK employers around £84 billion a year; according to the OECD, this is one of the biggest factors in our competitive weakness and poor productivity levels. The Chartered Management Institute predicts that the UK will need 1.9 million new managers by 2024.<sup>25</sup> More investment in management training and mentoring will be key across all sectors, including recruitment.

REC members have consistently flagged the increasing challenge of attracting and retaining new people into their business. The aspiration is to create a new wave of UK recruiters and a new generation of future industry leaders. The outlook for



recruitment and for the wider professional services sector will depend on the quality of the people working within the industry.

What makes a successful recruiter and how is this likely to evolve over the coming years? The REC's previous analysis of high-billing recruiters has included the following key characteristics: the capacity to see things through and close deals; the ability to maintain high standards and bounce back from setbacks; an instinct for business; empathy; and a focus on continuous improvement to stay ahead of the game. The latest feedback indicates that many of these traits remain valid, although other factors – such as sectoral expertise and the ability to nurture long-term relationships – will become increasingly key over the coming years.

### Characteristics of future-facing recruiters

Based on the insight and feedback from REC members and our Future of jobs commission, these are some of the key characteristics of successful recruiters in the future:

1. **In it for the long haul** – able to build and nurture long-term relationships with clients and candidates
2. **Constantly improving** – looking to increase knowledge and regularly refresh skills
3. **Clear focus** – adept at managing time, avoiding distractions and understanding what activities add the most value
4. **Confidence** – able to play a genuine consultative role, confident to say no and have difficult conversations with clients
5. **Expertise and knowledge** – clear understanding of the sector, of client needs and of the specific projects they are working on
6. **Seeing the bigger picture** – an understanding of external political, regulatory and labour market developments that will impact on clients and hiring activities
7. **Purpose** – a genuine passion for the industry and for meeting the needs of clients and candidates



It is in all our interests to ensure that future generations feel prepared and confident.

LOUISE HEWETT, FOUNDER OF HEWETT RECRUITMENT



**38 per cent**

of recruiters see legislative changes as the greatest threat for the sector over the next five to seven years.



A key ask to government is to ensure that the school curriculum reflects the changing world of work.<sup>28</sup>

JACQUELINE FIELD, GLOBAL HEAD OF RESOURCING, VODAFONE UK



## 4. LOOKING TO MAKE A DIFFERENCE – BECOMING FUTURE OF JOBS AMBASSADORS

Discussions with REC members on the recommendations of our Future of jobs commission have underlined a huge appetite within the industry for playing an active role in building a successful future UK jobs market and in addressing some of the major challenges. Building a better bridge between education and the world of work is one of these; we also need to ensure a strong collective voice in order to influence future labour market policies and regulations, and to spread the good recruitment message.

### Building the bridge between education and work

The business community must drive the local skills agenda and take a proactive stance in approaching schools, colleges, and universities to provide work experience placements, jobs, advice, and coaching. We all have a stake in building better bridges into the world of work. The opportunities for recruiters across all sectors to play a proactive role as 'future of jobs ambassadors' was a key recommendation of our Future of jobs commission.

Four out of five (81 per cent) businesses currently have at least some links with schools and/or colleges<sup>26</sup> and 75 per cent of businesses are willing to play a greater role in delivering careers advice in the future.<sup>27</sup> This drive to boost 'visibility' of the different jobs and career paths on offer will become an increasing priority across a range of sectors.

Business engagement must be scaled up in the future. The commission also heard from employers already actively engaged with Local Enterprise Partnerships, who argued that despite the positive intentions, businesses find it hard to commit in practice. Practical actions to galvanise more businesses include large employers 'spreading the word' through their supply chains and representative bodies galvanising their membership base on both a regional and sectoral level. Recruitment leaders can play a key role in providing work experience, advice, and coaching to pupils and in influencing the local skills agenda.

### Being a voice for change

Recruiters have a key voice on all employment-related issues, whether it be skills, diversity, flexible working patterns, productivity, leadership, immigration or personal taxation. As well as collating and taking forward the industry's voice, the REC's aim is increasingly to facilitate direct engagement between members, key government department and ministers. The feedback from these meetings is that recruitment professionals can provide an unrivalled practical insight into what is really happening in the labour market and are adept at identifying pragmatic solutions.

A poll of REC members showed that legislative changes were seen as the greatest threat for the sector over the next five to seven years. Thirty-eight per cent of recruiters placed this ahead of political uncertainty (16 per cent) candidate shortages (23 per cent), automation and AI (12 per cent) and in-house recruitment (10 per cent). Ensuring that recruiters can influence the regulatory agenda through a strong collective voice will





The recruitment industry has a key role to play in ensuring that key topics like inclusion remain at the forefront of the agenda and in raising awareness of the latest evidence base.<sup>29</sup>

TIINA LIKKI, BEHAVIOURAL INSIGHTS TEAM



We want to change the way employers approach recruitment.

BEN CHALCROFT, MANAGING DIRECTOR, VERCIDA



There is a proliferation of new, technology-driven solutions, but nothing is falling from the stack. Recruiters can help identify what works in this increasingly crowded communication ecosystem.

SIMON CONINGTON, CEO, BPS WORLD



become increasingly important over the coming years as policymakers try to keep up with major societal and technology-driven changes.

As well as feeding into the national-level agenda, we are increasingly feeding into regional debates on employment and skills through the work of Local Enterprise Partnerships (LEPs) and regional Employment and Skills Boards. The Future of jobs commission heard evidence from one REC member driving activity through the Worcestershire LEP, and we have since spoken to REC members active across the breadth of the UK, most recently in Lancashire, Wales and Suffolk. A future UK jobs market must be one where the knowledge, expertise and energy of recruitment professionals is driving the regional skills agenda. The REC's aim is to continue ramping up our network of regional directors to help lead the way. A future jobs market is one where the voice of recruiters is helping to inform the skills agenda on both a national and regional level.

### Promoting the good recruitment message

As well as driving innovation in the use of AI and analytics as part of the selection process, a future jobs market must be one where the majority of UK employers are getting the basics right, including clear job descriptions, an effective and timely process, and understanding how their brand is really perceived by candidates. The regular feedback from workers means that recruiters are uniquely placed to understand what makes people leave jobs and turn down new opportunities; using this intelligence is key to driving improvement. A core finding of the commission was that employers will need to re-imagine current hiring strategies; recruiters have a key role to play here by actively promoting the good recruitment message.

UK businesses are currently failing to hire the right person for two out of five roles, despite the significant financial costs of making mistakes. A poor hire at mid-manager level with a salary of £42,000 can cost a business more than £132,000, and the hidden costs involved in bad recruitment include money wasted on training, lost productivity, and increased staff turnover. Overall, 85 per cent of HR decision-makers admit their organisation has made a bad hire.<sup>30</sup>

UK employers are underestimating the impact of getting recruitment wrong, and are not learning how to improve. This needs to change. Regular reviews and benchmarking of recruitment practices with peers will become increasingly important; existing initiatives such as the Good Recruitment Campaign must be scaled up to ensure that more employers future-proof their hiring strategies. Boosting recognition and respect for recruitment as a discipline will boost recognition and respect for recruitment as an industry and a profession. It is in all our interests to spread the good recruitment message.





## 85 per cent

of HR decision-makers admit their organisation has made a bad hire. Recruiters must drive the good recruitment agenda.



The employment sector has a responsibility to simplify the complexity and to support workers and companies through these transformations.

ANNEMARIE MUNTZ, PRESIDENT OF THE WORLD EMPLOYMENT CONFEDERATION (WEC)



Recruiters are uniquely placed to understand what makes people leave jobs and turn down new opportunities. We need to work with clients to make jobs better so that we can attract and retain people in high demand sectors.

CIARA PRYCE, GROUP SERVICES DIRECTOR, VGC GROUP



## WHAT'S NEXT? – LET'S OWN THE FUTURE OF JOBS!

The UK recruitment industry places over 1 million people into new permanent roles each year and ensures that over 1.3 million temporary and contract workers are on assignment in any given week.<sup>31</sup> On a global level, the recruitment and employment sector helps 56 million people around the world into work and enables 5 million companies to access the staff and skills they need.<sup>32</sup> That's worth shouting about and provides a strong basis for looking at the future with optimism and resolve. This is certainly the vibe from the hundreds of recruiters and industry leaders we have engaged with on the back of the Future of jobs commission's initial findings.

Changing skills needs, evolving candidate expectations and intensifying staff shortages mean that recruitment will get harder. The vast majority of employers we spoke to came to the same conclusion: the only solution is to get better at it. Will this involve making more use of external expertise? The opportunity is there for the recruitment sector to create a real step change in the services we deliver, the relationships we build and the perception we create. As the pace of change accelerates, organisations and individuals will need help to navigate the complexity and make sense of a constantly evolving landscape. This is our time – let's own the future of jobs!

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