

# CBI Employment Trends Survey 2008



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Henry VIII  
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 Cullen  
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Human Resource and  
Management Consultants

# Overview

The 1<sup>st</sup> Employment Trends Survey  
was published by the CBI  
10 years ago  
in the 1<sup>st</sup> year of a  
Labour Government

# Overview

## Covers

- 513 respondents
- Wide spread of responses across sectors
- Majority of responses from service sector
- Largest response from manufacturing
- 12% responses from public sector

# Overview

## Respondents by company size

- 17% - Less than 50 people
- 25% - 50 to 99 people
- 20% - 200 to 499 people
- 32% - 500 to 4,999 people
- 7% - 5,000 plus people

# Key Findings 2007

- People management is central to business performance
- Employers are concerned about the change in Labour leadership
- Labour market flexibility is a key business priority
- Low confidence in the employment tribunal system

# Key Findings 2007

- Employers are committed to diversity in the workplace
- Young people must leave education with basic and employability skills
- Employers see training as a priority, with an increased need for higher skills

# Overview

## Key Messages

- People factors are crucial to business success
- Labour market flexibility at risk
- Flexible working benefits all
- ETs are dogged by weak claims
- Firms are committed to Diversity
- Employability AND functional skills
- Training staff helps firms maintain competitiveness

# 2007

- People management central to performance
- Labour market flexibility is a key business concern
- Commitment to diversity
- Employability Skills
- Training a priority increased need for higher skills
- Low confidence in the Employment Tribunal system

# 2008

- People matters are crucial to business success
- Labour market flexibility threatened by regulation
- Commitment to diversity
- Employability Skills
- Training recognised as helping to retain a competitive edge
- Employment Tribunals dogged by weak claims

# Effective people management

As in 1998 this and skilled staff are the major factors determining their competitiveness: good management skills are employers' number one driver.

Skill needs dominate firms' thinking. The global market for talent means firms will continue to look abroad for higher skills where necessary.

# Effective people management

- More than 25% say that finding people with the right skills and managing people effectively are key to success. Skills remain top of the agenda.
- More than 50% see management skills as the major HR factor in their success.
- Firms will continue to look abroad for higher skills

# Flexibility v Regulation

Labour market flexibility has been the bedrock of UK competitiveness for more than twenty years. This has given high employment and good economic growth.

50% employers now feel that the UK is a less attractive place to invest and do business than 5 years ago.

# Flexibility v Regulation

- 64% of firms feel that current employment regulation has become a serious burden, threatening labour market performance. A 50% increase on 2003.
- EU legislation - recent agreements on agency and working time seen to be far from ideal
- Rise in NMW - 32% will pass on costs in higher prices

# Flexible working

- Nearly 93% employers offer at least one form of flexible working
- 57% offer at least three forms
- Nine in ten offer part time working
- 46% offer teleworking
- 31% employees who reached retirement age requested postponement and 81% of those requests were granted

# Flexible working

Types of flexible working in %

Part time working

Job Sharing

Teleworking

Flexitime

	2004	2005	2006	2007	2008
Part time working	84	85	88	91	89
Job Sharing	38	34	48	55	54
Teleworking	11	14	14	46	46
Flexitime	31	39	44	45	43

# Flexible working

Types of flexible working in %

Career breaks / sabbaticals

Term time working

Annualised hours

Compressed hours

	2004	2005	2006	2007	2008
Career breaks / sabbaticals	20	19	29	37	35
Term time working	11	11	21	27	29
Annualised hours	11	13	17	19	26
Compressed hours	8	8	13	18	21

# Employers back Diversity

The voluntary approach is delivering, proving that the one size fits all duties to act would be neither necessary nor helpful.

- 82% taking action on diversity
- Lack of applicants still the major issue
- 32% of employers have conducted an equal pay audit

# Education and Employability

Employers are clear - literacy and numeracy must remain the top priority for the government.

- 50% of employers not happy with school leavers basic skills
- 20% of employers not happy with graduates' literacy and numeracy skills
- IT skills are excellent

# Training = Competitiveness

- 98% have provided staff with training in the last year
- Current priority is training employees to do their job
- Leadership and management is the future priority
- 71% reporting an increased need for graduate level skills in the future

# Training = Competitiveness

- Employers continue to report problems in recruiting suitably qualified staff
- 38% reporting skill shortages
- Majority of firms aware of government initiatives for skill development
- Investors in People is particularly strong
- More to be done to reach out to business particularly smaller employers

# Weak Employment claims

Employers welcome the changes to the dispute resolution system which will take effect in 2009, with the repeal of the statutory procedures and their replacement with a new Acas code of practice.

# Weak Employment claims

- Employers settle more than a quarter - 26% of employment claims when they are likely to win at a tribunal
- Nearly half employers believe that weak and vexatious claims have gone up over the last year
- Perceptions that TU are becoming less co-operative, membership is declining due to TU resistance to change

# What do you think?



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