

Briefing Notes

The board's role in tackling the labour and skills shortages in the housing sector

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Introduction

Nicola Rush and Ruth Young from The Adecco Group, who specialise in recruitment and retention in the social housing sector, led a discussion on the board's role in tackling labour and skills shortages in the housing sector. They have identified major challenges affecting recruitment and retention in the workforce and applied that specifically to the social housing sector for this session. Nicola and Ruth then explained the board's role in identifying, analysing and addressing these challenges.

The five megatrends affecting labour and skills shortages

1. Economic and political volatility

The current economic and political landscape has been categorised as a 'permacrisis' whereby one unprecedented event occurs after another: Brexit, the Covid-19 pandemic, three prime ministers in 2022, unemployment expected to rise significantly and the cost-of-living crisis. The current low 3.5% unemployment rate is expected to peak at 5% next year with Bank of England base rate peaking at 4% in Feb 2023. Employers should use up-to-date market insight to inform their talent strategy.

2. Talent scarcity

There are shortages across all levels of roles, particularly with green and tech skills and also all qualified applicants. There is less activity in the candidate market due to 630,000 more economically inactive people, 2.5m people long term sick, 692,000 more NEETs and 240,000 fewer EU workers. Employers should be looking to reskill workers, enhance their value proposition, plan for skill s transfer from leavers and tailor approaches to reach underrepresented talent.

3. Workforce for the future

Employees are placing a greater importance on work-life balance. Flexible working, driven by working from home during the pandemic, is at the top of employees' agenda when looking at new roles whilst they also want autonomy and variety. There has been a shift from individuals seeking long-term careers to individuals recognising a career as a series of 'gigs' and therefore being open to changing career paths. Employers should ensure their business model enables them to hire the talent needed, recognise employee needs alongside strategic objectives, prioritise agility in a

changing economy and have a fluid structure that enables having the right skills on demand.

4. Digital transformation

Technological advancement is occurring in every sector. This requires a transformation of skills in the workforce to be equipped to maximise and drive technological change. New industries will be born and others fundamentally transformed but such digital skills are in short supply. With many organisations trying to reduce their impact on climate change and efforts to achieve carbon neutrality, 'greener' skills will be in high demand. 5m workers could be acutely under-skilled in basic digital skills by 2030 and up to 2 in 3 of the workforce face some level of under-skilling.

Employers should engage with a talent partner to invest in digital skills to upskill staff.

5. Purpose

70% of people define their purpose through their work and this has a great impact on the working lives of employees. Employees are increasingly looking for the corporate purpose of where they work to align with their own personal beliefs. Social and environmental purpose seem to be equally valued by employees. It is key that organisations are clearly communicating their purpose to attract external candidates and employ new talent. It is equally important to communicate the meaningful impact of purpose internally to encourage retention of existing talent. Employers should embrace purpose as a central part of strategy, act on social, environmental and cultural imperatives and prioritise what matters to employees to ensure retention and engagement.

Social Housing Observations

The Adecco Group worked with social housing providers across the UK to gain insight into the reasons they find it hard to retain talent. Themes that arose included the laborious hiring process (including speed of the process and online application systems), employee benefits and the flexibility of packages available. How can these challenges be overcome?

Phase 1: Understanding the current landscape

An organisation needs to be able to identify their current workforce's skills, where there are currently gaps and where there may be future gaps in talent. The three questions below are vital in understanding the organisation's landscape.

1. Do you have the right visibility of the existing workforce within the organisation?
2. What processes and strategies are in place for the short-term, medium-term and long-term to identify what skills are needed to achieve corporate goals?
3. How do future requirements align with current strategies?

Phase 2: Reinventing workforce solutions for a resilient economy

It is important to have many different approaches to respond to unexpected events such as training, upskilling and reskilling the existing workforce as well as outsourcing. Engaging with colleagues across the social housing sector may facilitate reinventing workforce solutions in understanding lessons they have learnt from using different approaches.

This may be achieved by, for example, training managers on how to supervise a remote workforce to maximise productivity because, as mentioned above, many employees are looking for flexible working. Furthermore, upskilling and reskilling the existing workforce will reduce reliance on bringing in new talent

and may also satisfy employees who are less interested in having one career path and are more interested in having different 'gigs'.

Discussion points

Repairs and maintenance are key to the social housing sector and are often outsourced. Outsourcing is advantageous because it is easily scaled up and greater efficiency can be achieved relatively quickly. However, having employees directly employed who deal with repairs and maintenance is beneficial because the organisation's purpose and values can be reflected at every interaction. A hybrid model may be useful for some organisations whereby the skills exist within the organisation and can then be outsourced where necessary. There is therefore no right or wrong model for repairs and maintenance but it is important to make informed decisions, based on understanding the full picture.

Regarding talent scarcity, an attendee explained that a rural housing association struggled to recruit because potential employees did not necessarily want to relocate to the area. They have focussed on recruiting from the local college which was successful because they were already a ready-made local workforce.

Leaders in social housing should look for opportunities for greater collaboration because no single organisation can ever have all the answers, therefore working together could be a productive way forward. The Adecco Group is developing a platform to share talent across the sector and will share this with the NED Network once it launches.

We look forward to seeing you again for our first session on
Monday 16 January 2023 - speaker to be announced.

Wishing you all a very Merry Christmas and Happy New Year!

A special thanks to our partners

