Investing in people

The 2021 CBI/Pertemps Employment Trends Survey results and what they mean for business

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People and Skills

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About the sponsor

Pertemps Network Group (PNG) is the UK's largest privately-owned recruitment agency. In 2021, it celebrated 60 years of serving UK businesses with staffing solutions for both temporary and permanent roles. Comprising a diverse range of specialist recruitment teams, PNG has won multiple awards for outstanding client service across both the public and private sectors.

It is made up of:

Pertemps Ltd – established in 1961 with over 200 branches, operating across a multitude of sectors and supplying diverse roles. The company also specialises in business process outsourcing delivered using a wide range of solutions such as Master Vendor, Neutral Vendor and Recruitment Process Outsourcing.

Network Group – offering expertise across specialist recruitment sectors including IT, legal, finance, healthcare, education, medical, construction, manufacturing and engineering.

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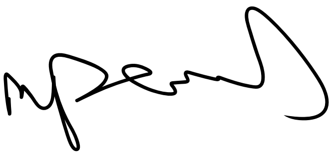
Following the biggest economic and health crisis in a century, businesses were looking ahead to building back better. Now though, labour shortages and wider supply chain disruptions are tipping mindsets back into crisis management. The new immigration system and the impact of the pandemic on EU workers leaving the country and UK workers exiting the labour market have left companies much more confident about creating jobs than finding the workers to do them. Businesses across all sectors are being held back by labour shortages that many are predicting will last for years, not months.

Government's challenge to companies is to increase business investment and improve productivity. It's right that the UK economy needs transforming and that this requires much greater investment. The CBI's economic vision Seize the Moment draws the same conclusion and this survey shows businesses taking long-term decisions. Companies are adopting new hybrid ways of working and greater flexible working. And investing in training, pay and the role of line managers to boost employee engagement and make jobs more attractive.

Businesses need to take the long-term actions that put the economy on a path to higher productivity and higher real wages. In return, they need pragmatism from government on temporary immigration to create the time for these strategies to have impact and to minimise the extent to which higher wages leads to higher prices. There are no quick fixes to shortages of the scale businesses in the UK are currently facing, so a partnership between business and government is badly needed.



Matthew Percival
Programme Director, Changing Workforce, CBI

Foreword Pertemps

There is no doubt that we are ending 2021 very differently to how we started it. It is encouraging to see that many businesses have bounced back healthily despite the adversity of the past couple of years.

There remains significant optimism in industry looking forward, as some of the results in our survey reflect, with 57% expecting to grow their workforce in the coming year. In addition, 87% are planning to recruit permanent roles.

It has been widely publicised that hospitality, driving roles and butchers, among others, have seen huge shortages, into the hundreds of thousands. What is less clear is that in almost all spheres of recruitment, there has been a shortage of skills in the last 12 months. This comes through strongly in the responses. Many firms are looking to improve their employee value proposition to attract more skilled talent, including investing in training and development for 72% of respondents, 52% looking to increase basic pay and 38% investing in bonuses.

It is heartening that diversity and inclusion continue to be a priority for UK companies. It is certainly something we remain focused on at Pertemps.

There is a lot to be positive about. There is also a lot to do. It has never been more important for recruitment organisations like us to be proactive, innovative, and strategic in our client partnerships. With continued collaboration we can move forward effectively, help the economy recover, and offer a sustainable future for a diverse range of talent.

Carmen A. Watson, FREC

Chair of Pertemps Network Group

Survey results at a glance

The employment trends survey 2021

- The survey was conducted between 16th and 31st August 2021.
- 422 businesses, of all sizes and sectors across the UK, responded in total.

Businesses expect to create more jobs

- Over half of respondents (57%) expect to grow their workforce in the next 12 months, a significantly higher number than last year (35%).
- Meanwhile, 7% of respondents anticipate that their workforce will be smaller next year – giving a balance of +50%.
- 87% of businesses are planning to recruit permanent roles in the next 12 months with nearly half of firms (46%) expecting higher levels of recruitment and only 9% expecting lower levels of recruitment for such roles compared to the past year. This compares to 26% and 26% in 2020 respectively.
- When looking at temporary recruitment, 16% of firms expect higher levels of recruitment and 12% expect lower levels, compared to 15% and 18% in 2020 respectively. For entry level jobs, 28% of businesses expect higher levels of recruitment and 9% expect lower levels, compared to 17% and 17% in 2020 respectively.

Firms are taking a cautious approach to pay as they recover from the crisis

- Nearly one in four businesses (24%) expected to increase pay above inflation. 44% of firms planned to increase pay in line with inflation, up from 29% in 2020.
- One in eight businesses (13%) expected to target pay increases for some staff only, while just 8% planned to freeze pay, down from 33% in 2020.
- Of those impacted by the National Living Wage, more than half of respondents (56%) believed that the Low Pay Commission should take a cautious approach to increasing the National Living Wage in 2022. This is similar across SME's and non-SME's (55% and 60% respectively). Over one in ten businesses (12%) called for a freeze, down from 27% last year.[1]

- 42% of businesses believe it's too soon to know the impact of the pandemic on the viability of the government's 2024 target to increase the National Living Wage to 2/3 of median earnings, while 26% think the target should be delayed and 17% believe the target does not need to be changed because of the impact of the pandemic.[2]

Businesses are more concerned than ever about the impact of labour shortages on labour market competitiveness

- Over half of firms (58%) say that the UK labour market has become either a slightly less attractive or a much less attractive place to invest and do business over the past five years, a slight decrease from last year (63%).**
- Four in ten respondents (40%) believe that the UK labour market will become either a slightly less attractive or a much less attractive place to invest and do business in the next 5 years, with nearly three in ten (29%) expecting it to become either slightly more attractive or much more attractive.**
- The main current threats to the UK's labour market competitiveness are believed to be access to skills (77%), access to labour (76%), and the ability to move their UK workforce across the EU (69%).**
- These threats are expected to be similar in the years ahead with access to skills (69%), access to labour (58%), and ability to move UK workforce across the EU (59%) identified as the key threats to competitiveness over the next five years.**
- When asked what factors are important to labour market competitiveness, businesses identified having enough people with the right skills (89%), an engaged workforce (57%) and a flexible labour market (47%) as key.
- In the last year, only 8% of businesses have used the new immigration system. For those who haven't used the system, 49% don't expect to use it in the future, while 25% do expect to. Reasons why businesses have not used the new immigration system include sufficient supply of domestic labour to fill vacancies (17%), job roles not meeting the skills threshold (15%) or the salary threshold (11%).

*** means that 'don't know' responses were excluded from the data analysis*

Investing in the workforce is a priority for business in the post-pandemic labour market

- Effective line management (51%) and having the right skills and resources to do the job (32%) are cited as the top drivers of employee engagement. Shared company-wide values (30%) are also considered important.
- Firms' top priorities for investing in the workforce to improve their employee value proposition include investing in training and development (72%), investing in basic pay (52%) and investing in bonuses (38%).
- Looking to the year ahead, businesses expect their top three priorities to be retaining talent (48%), improving leadership and management skills (46%) and achieving high levels of employee engagement (46%).

The pandemic has put health and wellbeing at the forefront of the inclusion agenda

- Firms have a range of D&I priorities for the next few years, including supporting the health and wellbeing of staff (67%), improving inclusivity and culture of belonging (44%), supporting a multi-generational workforce (37%), and improving gender (33%) and ethnic (30%) equality.
- Nearly half of respondents (46%) have taken steps to address the experiences of ethnic minority employees in the workplace. The most common steps are to increase engagement with external networks to share and implement good practice (15%), start an internal process to assess recruitment, retaining, and progressing ethnic minority employees (14%), and organising internal activities to raise awareness (14%).

Businesses are committed to adopting new working patterns following the pandemic

- Businesses are expecting their working patterns to change compared to before the pandemic. 76% expect hybrid working patterns to increase, 40% expect full-time remote working to increase, and 58% expect the use of informal flexibility to increase.
- For those transitioning to new working patterns, 65% have developed new communication strategies to keep in touch with employees, 60% have invested in new technology to facilitate new working patterns, and 55% have changed the layout of office space to accommodate a hybrid or flexible workforce.
- Firms are taking a number of steps to support a confident return to offices, including retaining health and safety measures (59%), offering flexible working arrangements (36%) and offering flexible start and finish times so people can choose when they travel to and from the workplace (31%).

The Employment Outlook

The UK is on track for a strong recovery, but high vacancies reflect shortages in the labour market

Key findings

- Employment continues to rise across most age groups, with those aged 16-24 seeing the largest increase.
- Unemployment continues to decrease while redundancies fall to a lower rate than pre-pandemic levels.
- In a further sign of recovering labour demand, the number of vacancies continues to increase, hitting a new record high.
- Pay growth remains high, but underlying pay growth is likely lower than it appears.

Employment rises as the labour market shows strong signs of recovery

The Covid-19 pandemic had a severe impact on the labour market. While the introduction and extension of the Coronavirus Job Retention Scheme was crucial to protecting jobs and cushioning the overall impact of the pandemic on the labour market, unemployment and redundancies rose sharply. But 18 months on from the start of the pandemic, the figures show continued signs of recovery in the labour market, with employment increasing and unemployment decreasing. Employment increased by 153,000 in the three months to September 2021, compared with the previous quarter **(Exhibit 1.1)**, while unemployment decreased by 151,000 to stand at 1.41 million. Young people, who were particularly affected by the pandemic, saw a continued increase in the employment rate and decrease in the unemployment rate.

Redundancies remained at a similar level compared to the previous quarter (+5000) but still remain up by 213,000 on the year. This means that the redundancy rate stands at 3.7 per thousand employees, a lower rate than pre-pandemic levels. This compares to a peak in the redundancy rate of 12.5% towards the end of 2020 **(Exhibit 1.2)**. Looking at the number of HR1 forms received – which give advanced notifications of redundancies – the number of potential redundancies increased slightly in September to 13,836, an increase of 1,149. This is significantly lower than September 2020 when the number stood at 81,670 **(Exhibit 1.3)**.

Exhibit 1.1 Employment rate (% 2006 to 2021)[3]

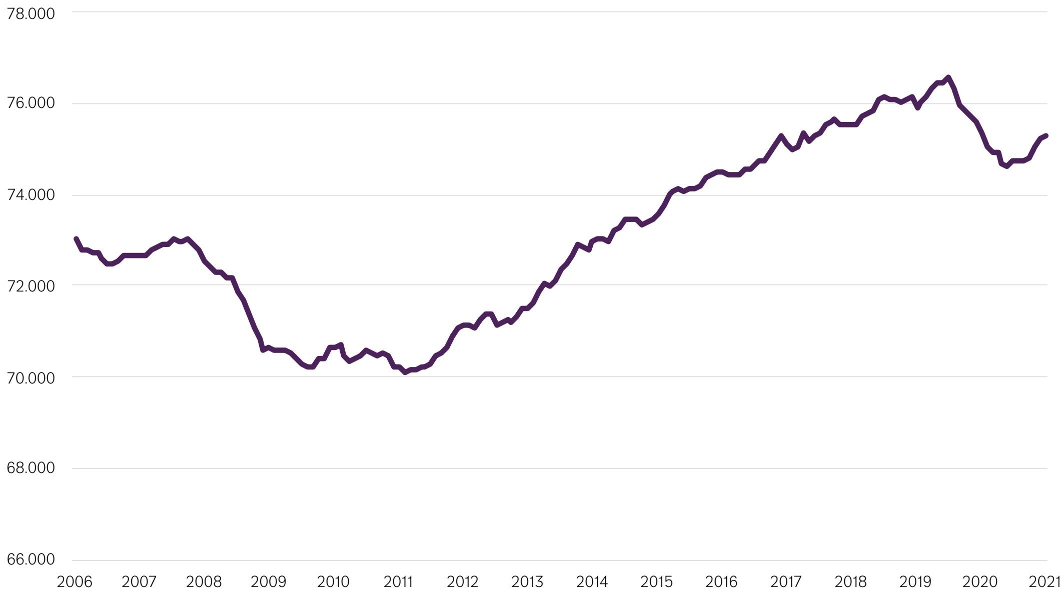


Exhibit 1.2 Redundancies rate (January 2006 to August 2021)[4]

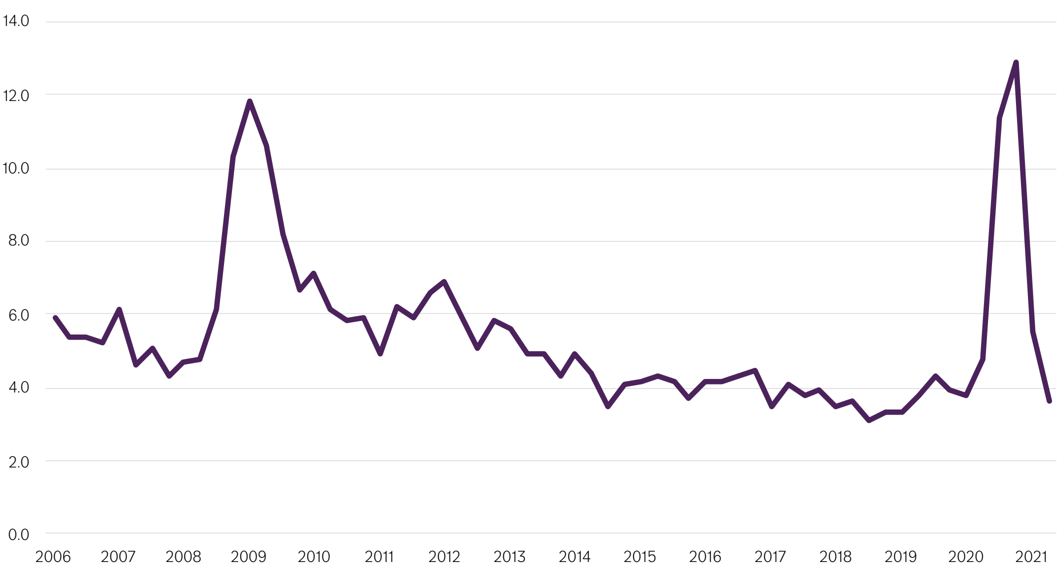


Exhibit 1.3 Total number of potential redundancies (January 2020 – September 2021)[5]

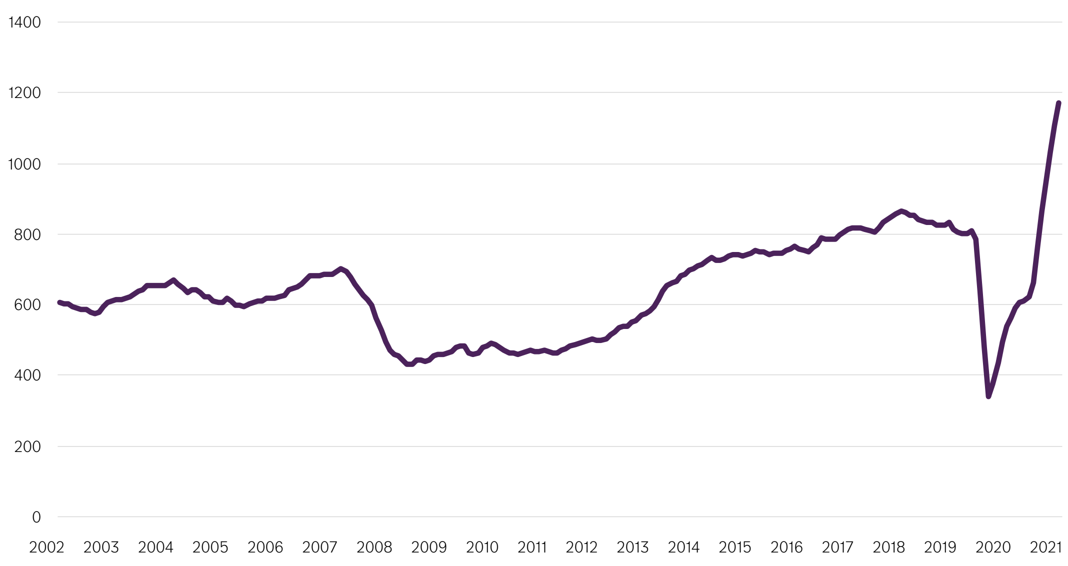
Pay growth remains high compared to last year, but underlying growth is likely to be lower

Annual employee pay growth increased in September. Nominal regular pay growth - excluding bonuses and before adjusting for inflation - stood at 4.9% on the year in the three months to September 2021, down by 1.1% points from August 2021. However, these figures partly reflect the compositional effect of a disproportionate fall in the number of lower-paid employee jobs, and base effects from factors that depressed pay growth last year. As a result, underlying pay growth is likely to be much lower.

But continued high levels of vacancies amidst labour shortages risks impeding the economic recovery

In a further sign of recovering demand, there was an estimated 1,172,000 vacancies in August to October, a quarterly increase of 222,000 and a new record high **(Exhibit 1.4)**. This is the third consecutive month that the three-month vacancy average has stood over one million, reflecting firms' on-going struggle to find labour. The true extent of the labour market slack remains uncertain. HMRC data shows that there were still 1.3 million employees furloughed as of the end of August, a little over half of which were fully furloughed. The closure of the scheme at the end of September is likely to push up the unemployment rate, but the potential for mismatches between the skills and availability of furloughed workers on the one hand, and the recruitment needs of businesses on the other hand, points to a risk that labour shortages could prove persistent, which along with wider supply chain disruption, risks impeding the economic recovery.

Exhibit 1.4 Vacancies (2002 – 2021, 000s)[6]



Businesses expect to create more jobs

After a challenging 18 months, the jobs outlook is strengthening. The pandemic hit and impacted our lives, jobs and livelihoods in an unprecedented way, but as the Job Retention Scheme (JRS) softened the overall effect of the pandemic on the labour market and businesses took every step to protect jobs, the outlook is now looking more positive. As demand returns and the country learns to live with the virus with the absence of restrictions, both large and small businesses are looking to grow their workforce – with plans to make job roles permanent and invest in entry level roles. But with labour shortages rampant across the economy, businesses aren't confident their hiring expectations will become reality.

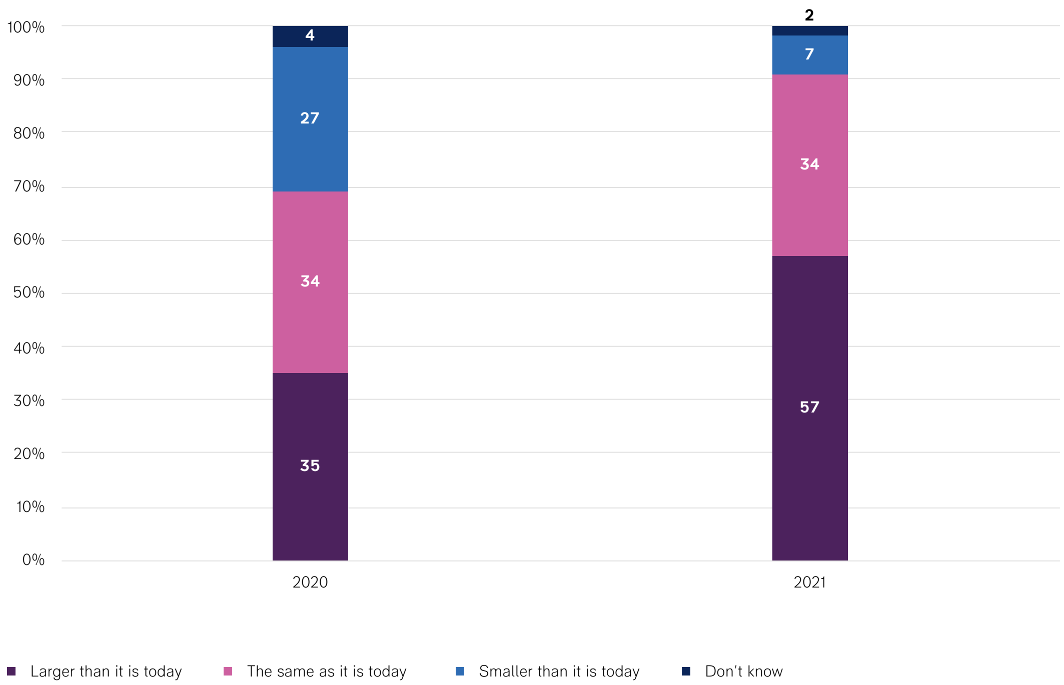
Key findings

- Over half of respondents (57%) expect to grow their workforce in the next 12 months, a significantly higher number than last year (35%).
- Meanwhile, 7% of respondents anticipate that their workforce will be smaller next year – giving a balance of +50%.[7]
- 87% of businesses are planning to recruit permanent roles in the next 12 months, with nearly half of firms (46%) expecting higher levels of recruitment and only 9% expecting lower levels of recruitment for such roles compared to the past year. This compares to 26% and 26% in 2020 respectively.
- When looking at temporary recruitment, 16% of firms expect higher levels of recruitment and 12% expect lower levels, compared to 15% and 18% in 2020 respectively. For entry level jobs, 28% of businesses expect higher levels of recruitment and 9% expect lower levels, compared to 17% and 17% in 2020 respectively.

Half of firms expect to grow their workforce as the UK jobs outlook strengthens…

Over half of respondents (57%) expect to create additional jobs over the next 12 months **(Exhibit 2.1)**. This compares to 35% of firms in 2020, showing positive signs of recovery in the UK labour market after the biggest economic and health crisis in a century. In contrast, fewer than one in ten firms (7%) expects their workforce to be smaller, while a third of businesses (34%) think that it will stay the same.

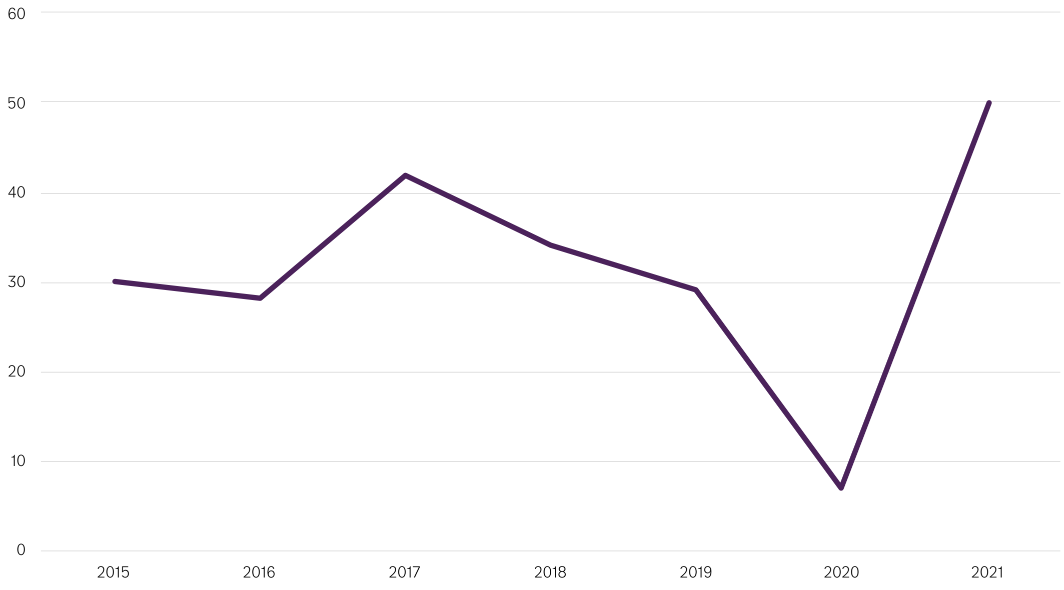
Exhibit 2.1 Expected size of workforce in 12 months' time (% of respondents)



…with optimism reflecting rising demand across the economy

The balance of firms expecting their workforce to grow compared with those that expect it to shrink was reported at +50%.[8] This is significantly stronger than 2020 (+7%) when businesses were focused on protecting existing jobs due to the severe impact of the pandemic on the economy and the labour market **(Exhibit 2.2)**. The optimism in businesses' hiring decisions for next year reflects the success of the vaccine rollout and rising demand across the economy, but with labour shortages rampant in every, sector businesses aren't confident they'll be able to fill these roles.

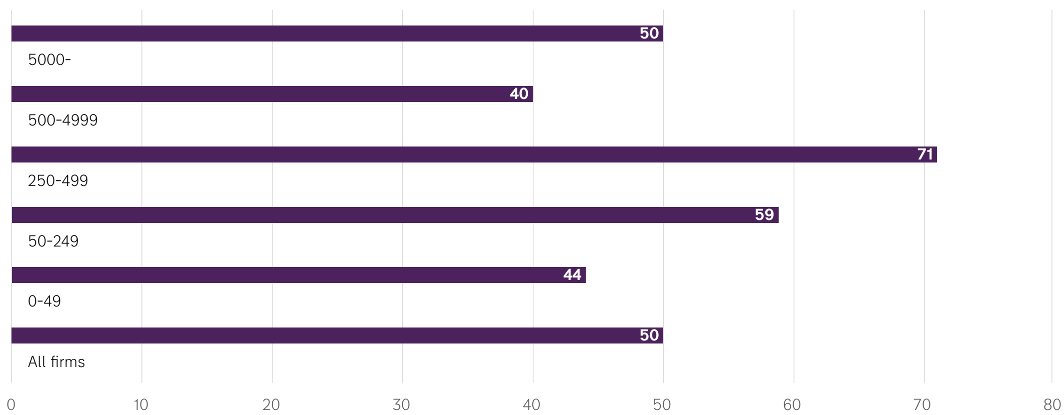
Exhibit 2.2 Positive balance of firms expecting workforce growth 2015 – 2021 (% of respondents)



Both large and small firms are feeling positive about job creation

While large firms were more optimistic about job growth compared to smaller firms during the pandemic, this year both large and small firms are feeling positive about growing their workforce. Among SME's, a balance of 50% expect to take on more employees in the coming 12 months, compared to a balance of 48% for large firms, showing the recovery is being felt across the economy **(Exhibit 2.3)**. Optimism is highest, however, amongst businesses employing between 250 and 499 employees, standing at 71%.

Exhibit 2.3 Positive balance of firms expecting workforce growth (% by size)



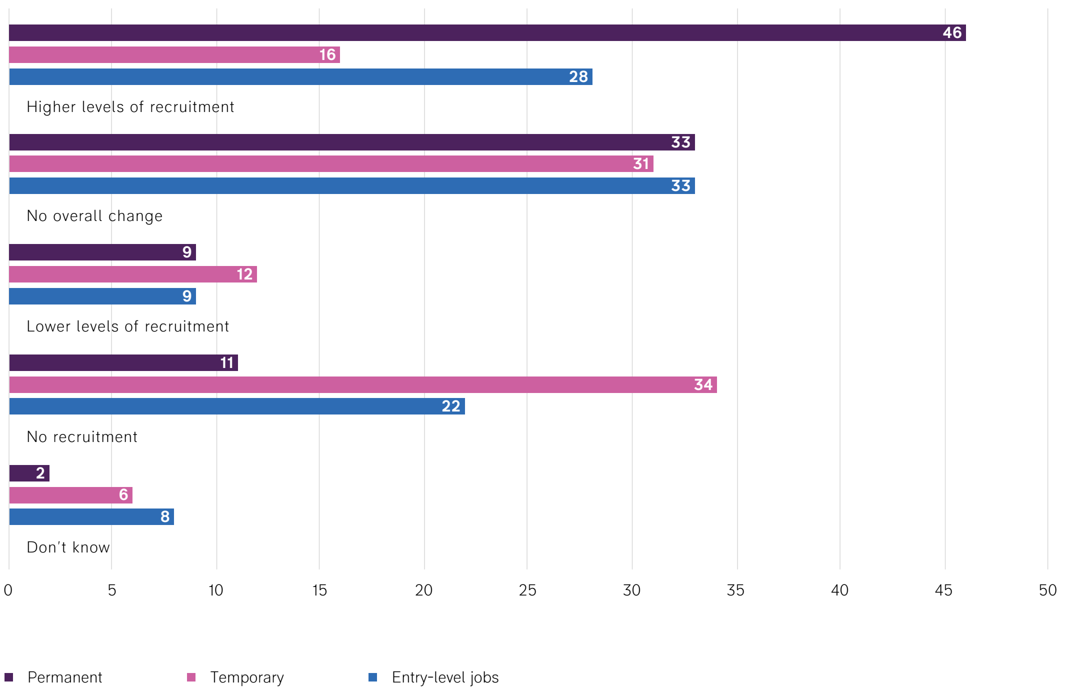
Permanent job expectations rise following the reopening of the economy…

We asked firms to indicate their hiring expectations for permanent, temporary, and entry-level positions for the year ahead. The vast majority of firms (87%) expect to recruit permanent roles in the next 12 months. Over half of respondents (46%) expect higher levels of recruitment and just under one in ten expect the rate of recruitment to be lower **(Exhibit 2.4)**. This compared to 26% and 26% in 2020 respectively. After an economic shock or crisis, it's common to see a rise in temporary roles compared to permanent ones as businesses look to take a cautious approach. However, the rise in expectations for permanent roles indicates firms' confidence in their recovery.

…and businesses expect to increase the number of entry level roles

The pandemic has had a big impact on younger workers, with figures showing that young people accounted for nearly two-thirds of job losses in the year following the start of the pandemic.[9] Economic shocks can have long-term impacts on the employment prospects of those new to the labour market but fears about the impact on young people have not materialised, with youth unemployment levels falling below pre-pandemic levels.[10] This is borne out by this years' survey results which found strong entry level hiring intentions. When asked about their approach to recruitment for entry level jobs, over a quarter of businesses (28%) expect higher levels of recruitment and just under one in ten (9%) expect the rate of recruitment to be lower **(Exhibit 2.4)**. This compares to 17% and 17% in 2020 respectively.

Exhibit 2.4 Plans for recruitment over the next 12 months (% of respondents)



Firms are taking a cautious approach to pay as they recover from the crisis

As businesses begin to recover from the impact of the pandemic, pay intentions are rising across the board. Where this is made possible by rising productivity it is welcome, but many firms remain cautious about the potential for real terms pay rises without passing costs on to consumers with higher prices. This is especially true for businesses that remained shut during lockdowns and need to recoup losses and pay off covid debts, or smaller firms who had to make tough decisions over the course of the pandemic. Key is to ensure that pay rises and any other rising employment costs are underpinned by genuine productivity improvements. Since the survey was in the field, forecasted inflation has increased to around 5%[11] and the Chancellor has announced the 2022 rates for both the National Living Wage and the National Minimum Wage – accepting all the recommendations made by the Low Pay Commission and continuing the path towards the 2024 target. When businesses completed the survey both inflation and inflation forecasts were lower, with forecasted inflation expected to fall to 2.8% next year.[12] Labour shortages have also become more entrenched since then, with pay rising rapidly in some shortage roles across the economy as firms bid to recruit and retain staff.

Key findings

- Nearly one in four businesses (24%) expected to increase pay above inflation. 44% of firms planned to increase pay in line with inflation, up from 29% in 2020.
- One in eight businesses (13%) expected to target pay increases for some staff only, while just 8% planned to freeze pay, down from 33% in 2020.
- Of those impacted by the National Living Wage, more than half of respondents (56%) believed that the Low Pay Commission should take a cautious approach to increasing the National Living Wage in 2022. This is similar across SME's and non-SME's (55% and 60% respectively). Over one in ten businesses (12%) called for a freeze, down from 27% last year.[13]
- 42% of businesses believe it's too soon to know the impact of the pandemic on the viability of the government's 2024 target to increase the National Living Wage to 2/3 of median earnings, while 26% think the target should be delayed and 17% believe the target does not need to be changed because of the impact of the pandemic.[14]

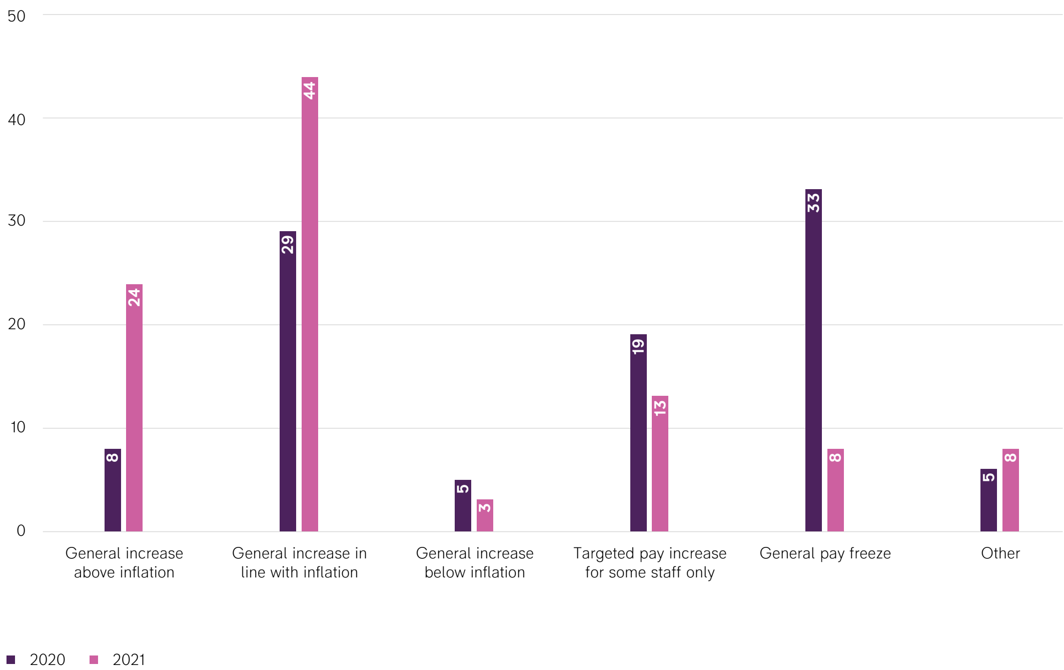
Businesses intended to match or exceed inflation at their next pay review…

This year's survey reveals that nearly 44% of firms planned to increase pay in line with inflation at their next pay review, up from 29% in 2020. Nearly one in four businesses (24%) expected to increase pay above inflation, and fewer than one in ten businesses (8%) planned to freeze pay, down from 33% in 2020 **(Exhibit 3.1)**.

…including targeted increases for some roles…

While most businesses have been looking to raise pay in line with inflation, one in eight businesses (13%) expected to adopt a targeted pay increase for some staff **(Exhibit 3.1)**. This suggests that a number of firms had been thinking strategically about where they can afford to offer pay rises while recovering from the pandemic. As shortages are more entrenched across the economy since firms responded to this survey, many more firms are likely to be using targeted wage increases to help attract and retain talent where they're facing labour and skills shortages – with more recent CBI surveys suggesting 42% are raising pay for specific shortage roles.[15]

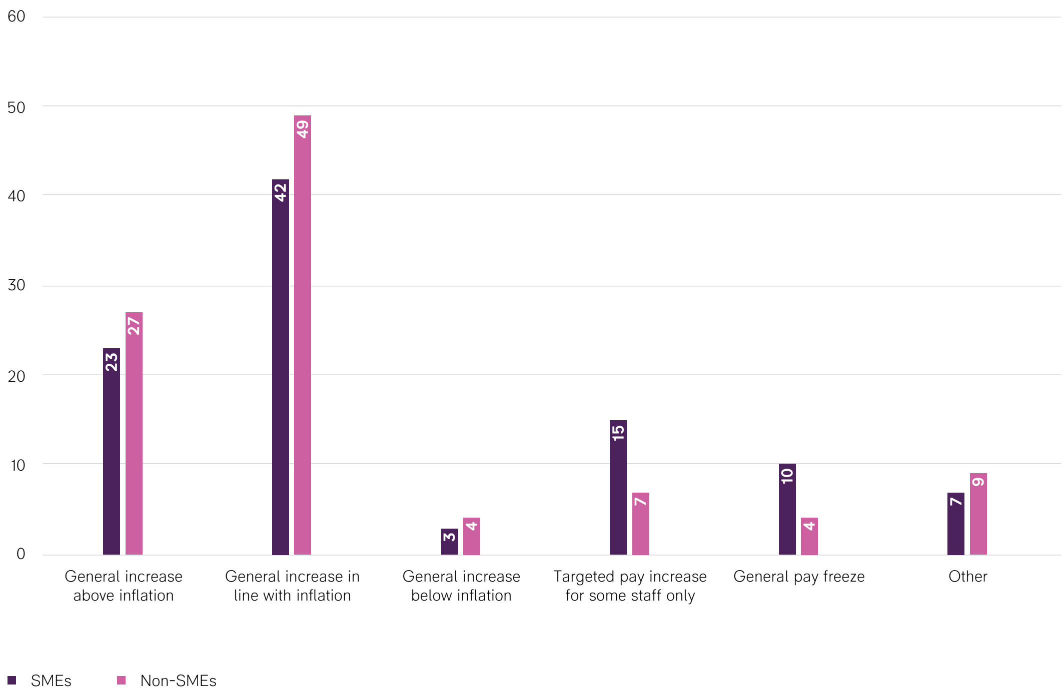
Exhibit 3.1 Firms' approach to their next pay review (% of respondents)



...although smaller companies expected to take a slightly more cautious approach

When looking at company size, one in ten (10%) small and medium sized firms expected to freeze pay compared to 4% of larger firms, and more than one in seven (15%) expected to adopt targeted pay increases compared to 7% of larger firms **(Exhibit 3.2)**. As SMEs tend to have smaller margins and cash buffers, they often favour a cautious approach to pay in order to protect existing jobs.

Exhibit 3.2 Firms' approach to their next pay review (% of respondents, by size)



While the economy recovers, firms urged the Low Pay Commission to take a cautious approach for the 2022 rate...

When asked about the approach that the LPC should take towards the different minimum wage rates, over half of respondents affected by the policy (56%) believed the LPC should have taken a cautious approach to increasing the National Living Wage (NLW) in 2022 and just over one in nine (12%) called for a freeze. This compares to only 32% who believed the LPC should have increased the NLW rate as planned **(Exhibit 3.3)**. When breaking down by size, both large and small firms are feeling cautious about the NLW, as 55% of SME's called for a cautious increase compared to 60% of larger firms.[16] As the economy is only just starting to recover, and prospects are still uncertain for many firms, businesses believed the Government should have increased the 2022 NLW rate in line with inflation. A cautious increase would have protected the real wages of the lowest paid while allowing businesses to keep as many jobs as possible.

…with this message coming through strongest from small and medium sized firms

When breaking down the survey's data by size of employer, SMEs are more likely to have called for a freeze to increases compared to larger firms. For the NLW rate, over one in seven (15%) SMEs called for a freeze, compared to just 3% for larger firms **(Exhibit 3.4)**. This is consistent across the other rates too, with one in six (17%) calling for a freeze to the 21–22-year-old rate and over one in six (18%) calling for a freeze to the 18–20-year-old rate. This compares to 1% and 1% of larger firms respectively. As well as smaller margins leading SMEs to take a more cautious approach to pay, they also tend to use minimum wage rates more than larger firms, which may help to explain their increased caution.

Exhibit 3.3 Business' views on the LPC's approach to the national minimum/living wage (% of respondents)

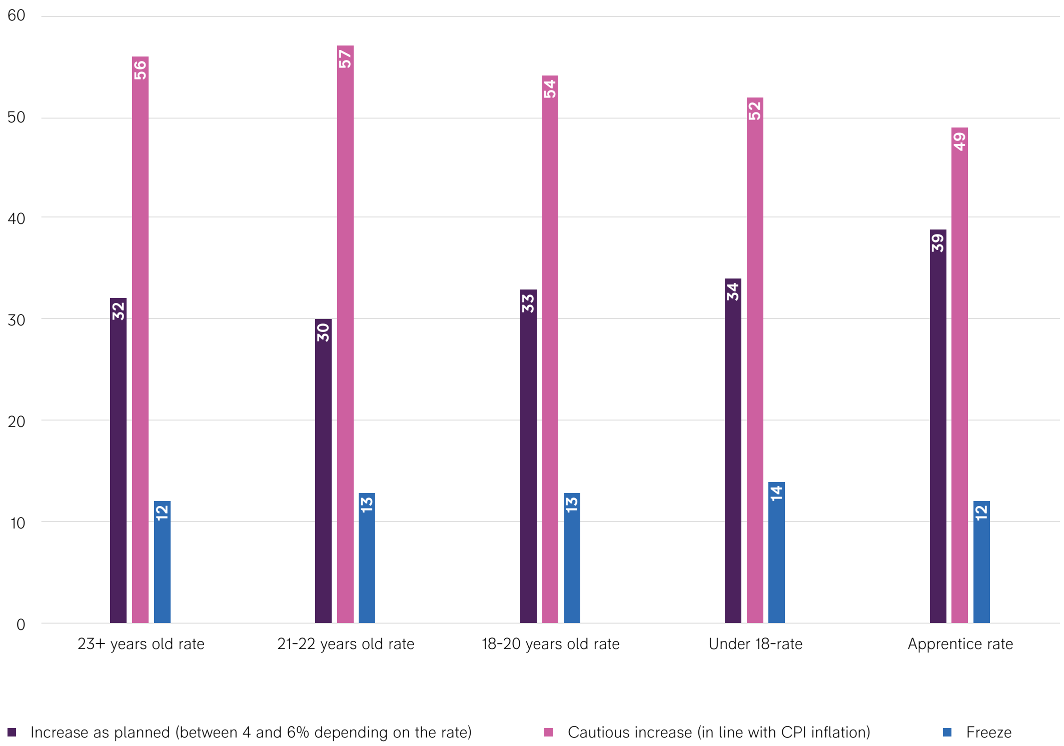
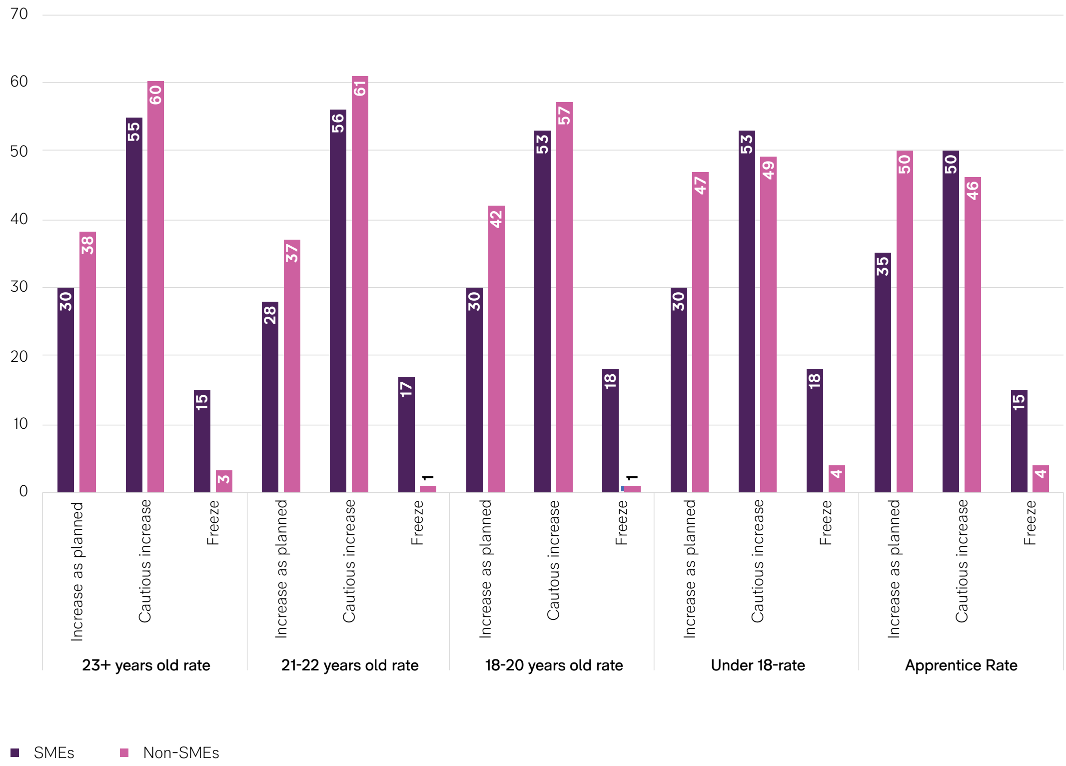


Exhibit 3.4 Business' views on the LPC's approach to the minimum wage (% of respondents, by size)

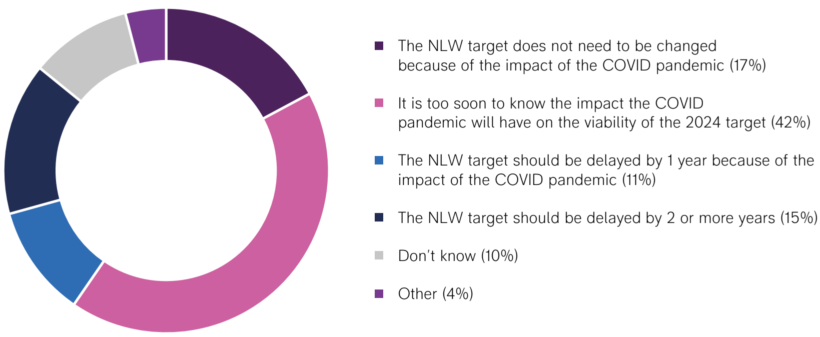


Firms believe it's too soon to know the impact of the pandemic on the viability of the NLW target

A few weeks before the pandemic hit in 2020, the Chancellor announced the government's ambition of ending low pay by setting a new target for the NLW to reach two-thirds of median earnings by 2024.[17] The target – like the previous one – is subject to sustained economic growth, which the Government's fiscal rules define as an increase of GDP of above 1%.

When asked about the impact of the pandemic on the viability of the NLW target, over two in five businesses (42%) reported that it is too soon to know the impact of the pandemic on the viability of the target **(Exhibit 3.5)**. Over a quarter of firms (26%) believe the target should be delayed, and only 17% believe the target does not need to be changed because of the impact of the pandemic.[18] As the medium-term impact of the pandemic on the labour market isn't yet known given the uncertainty about impacts on median pay and unemployment, businesses believe the assessment of the target would be better taken once the pandemic is over and more reliable data on the impact that it has had on jobs and pay becomes available.

Exhibit 3.5 Business' views on the viability of the NLW target (% of respondents)



Businesses are more concerned than ever about the impact of labour shortages on labour market competitiveness

While the UK's labour market has long been a source of competitive advantage that contributes to making the UK a great place to create jobs, the majority of firms believe the UK labour market has become less attractive. This continues a sustained trend of decline. Businesses last felt that the UK's labour market had becomes more competitive in 2015. Firms have long cited access to people and skills as a threat to UK labour market competitiveness but following the pandemic and the UK's exit from the European Union concerns about access to labour are higher than ever before. Access to skills and the ability to move UK workforce across the EU are also weighing on business confidence. As the UK transitions to a new type of economy following Brexit and the Covid-19 pandemic, it's an opportunity for government and business to work together to navigate the big changes facing the country. This includes taking a pragmatic approach to ensure the transition is as smooth as possible while minimising any potential disruption, including immediately adopting the changes to the Shortage Occupations List recommended by the MAC in September 2020 and starting a post-pandemic review now rather than waiting until April 2022.

Key findings

- Over half of firms (58%) say that the UK labour market has become either a slightly less attractive or a much less attractive place to invest and do business over the past five years, a slight decrease from last year (63%).**
- Four in ten respondents (40%) believe that the UK labour market will become either a slightly less attractive or a much less attractive place to invest and do business in the next 5 years, with nearly three in ten (29%) expecting it to become either slightly more attractive or much more attractive.**
- The main current threats to the UK's labour market competitiveness are believed to be access to skills (77%), access to labour (76%), and the ability to move their UK workforce across the EU (69%).**

*** means that 'don't know' responses were excluded from the data analysis*

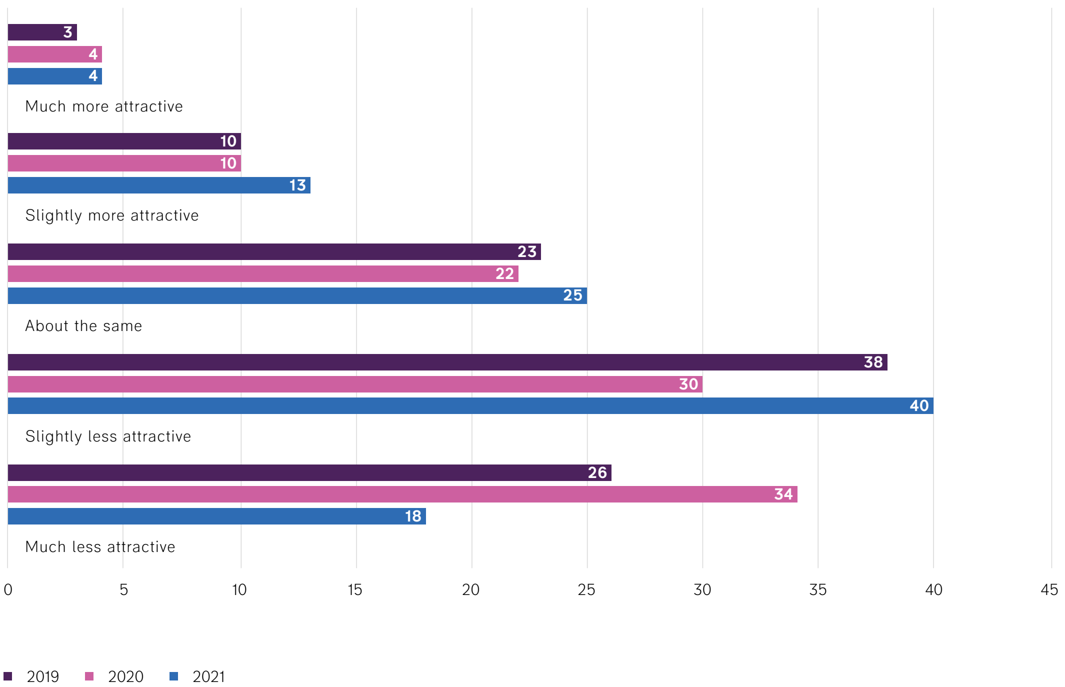
- These threats are expected to be similar in the years ahead with access to skills (69%), access to labour (58%), and ability to move UK workforce across the EU (59%) identified as the key threats to competitiveness over the next five years.**
- When asked what factors are important to labour market competitiveness, businesses identified having enough people with the right skills (89%), an engaged workforce (57%) and a flexible labour market (47%) as key.
- In the last year, only 8% of businesses have used the new immigration system. For those who haven't used the system, 49% don't expect to use it in the future, while 25% do expect to. Reasons why businesses have not used the new immigration system include sufficient supply of domestic labour to fill vacancies (17%), job roles not meeting the skills threshold (15%) or the salary threshold (11%).

Over half of firms believe the UK labour market has become a less attractive place to invest and do business...

Consistent with previous years, this year's survey reveals that over half of firms (58%) believe the UK has become less attractive in the past five years – a small improvement compared to previous years (63% in 2020). Fewer companies think the UK has become much less attractive – over one in six (18%) this year compared to a third (34%) in 2020, but more companies believe the UK has become slightly less attractive – two in five (40%) this year compared to three in ten (30%) in 2020. Only one in six (17%) believe it has become more attractive. This suggests slightly less pessimism compared to previous years but continued overarching concern about the attractiveness of the UK labour market as a place to invest and do business, pointing to a level of uncertainty about the post-Brexit and post-pandemic landscape **(Exhibit 4.1)**.

*** means that 'don't know' responses were excluded from the data analysis*

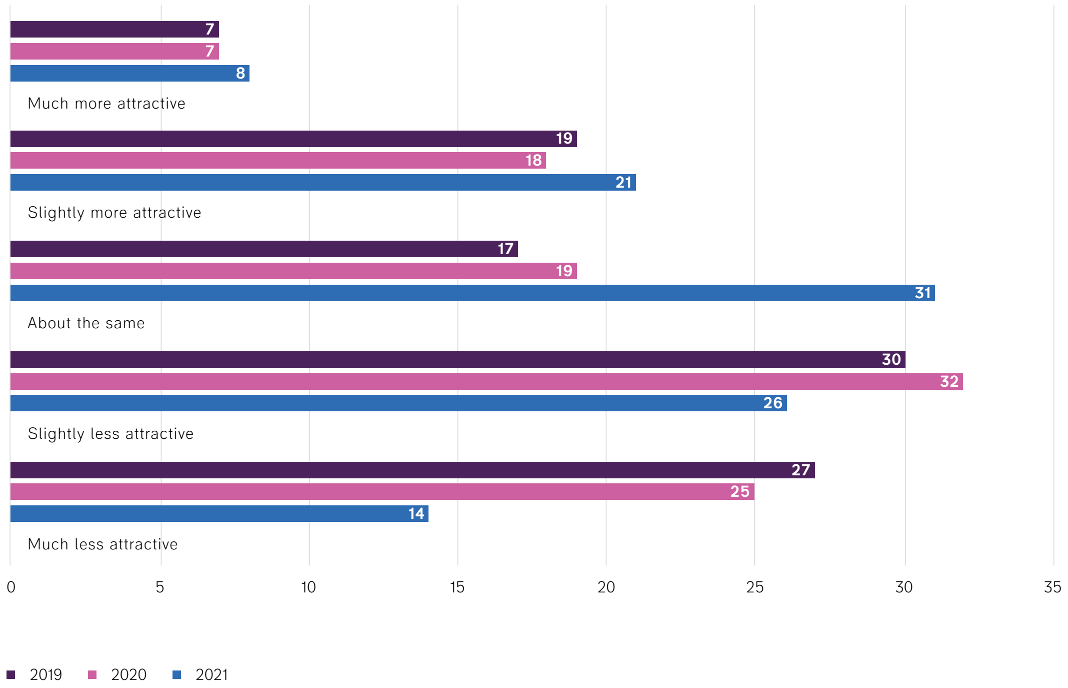
Exhibit 4.1 The UK as a place to invest/do business over the past five years (% of respondents)



…and firms remain uncertain about the UK's labour market attractiveness in the future…

When looking towards the next five-year period, businesses are uncertain about the attractiveness of the UK labour market **(Exhibit 4.2)**. Nearly one in three respondent firms (29%) think that it will become more attractive but nearly two in five (40%) still feel it will become less attractive over the next five years. 40% compares to nearly three in five (57%) in 2020. But this reduction doesn't translate to optimism, instead, the number of businesses expecting the UK's labour market attractiveness to stay the same has increased to 31% compared to 19% in 2020. As the UK aims to build a high skilled, high wage economy following the pandemic, it is an opportunity to work in partnership with business to rebuild and restore confidence in the strengths of the labour market.

Exhibit 4.2 The UK as a place to invest/do business in 5 years time (
% of respondents)



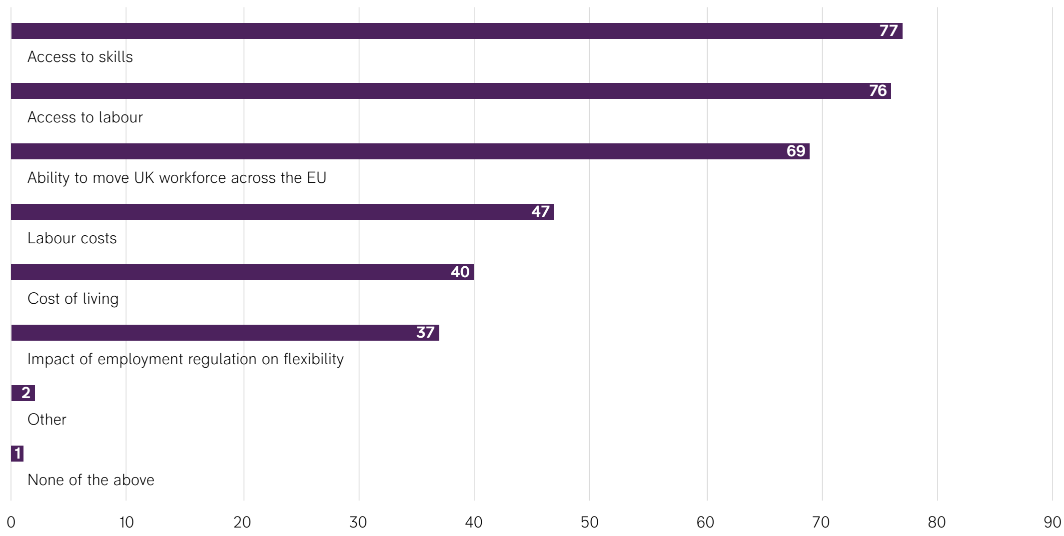
Access to people and skills continues to be a key concern for UK firms...

For the eighth successive year access to skills is the key concern for UK firms, with over three quarters of firms (77%) telling us that it currently threatens the UK's labour market competitiveness **(Exhibit 4.3)**. This has increased since last year (54%) but is broadly consistent with results from 2019, before the pandemic hit (72%). This accords with the CBI's **Learning for Life** report which highlights reskilling as one of the biggest challenges facing the UK,[19] and the CBI's recent Education and Skills Survey which found that employer demand for people with skills at all levels is expected to increase over the years ahead.[20]

Access to labour closely follows skills as a key threat to the UK's labour market competitiveness, with over three quarters of firms (76%) citing it as a concern – the highest number since the question was first asked in 2016 **(Exhibit 4.3)**. This is up from 36% in 2020 and 55% in 2019. These results accord with anecdotal evidence from businesses across the economy who have been facing labour shortages over the last six months. Implementing the post-Brexit immigration system was a significant change for the labour market. The final details of the system were announced after firms had diverted their focus to surviving the pandemic, which limited their ability to prepare for this change. Some firms have also reported that the pandemic led to EU workers with Settled Status permanently leaving the UK, increasing their need to quickly hire new workers. While many firms were already taking steps to adjust, the economy is in a transitional phase, and co-ordinated action between business and government will help to make the transition as smooth as possible while minimising disruption caused by labour shortages. This includes taking a pragmatic approach to temporary immigration and working together to help firms invest in automation and training.

Beyond access to skills and labour, nearly seven in ten (69%) firms cite the ability to move UK workers across the EU as a key threat to competitiveness – up from 53% in 2020 and 48% in 2019. Nearly half of firms (47%) point to labour costs as a threat.

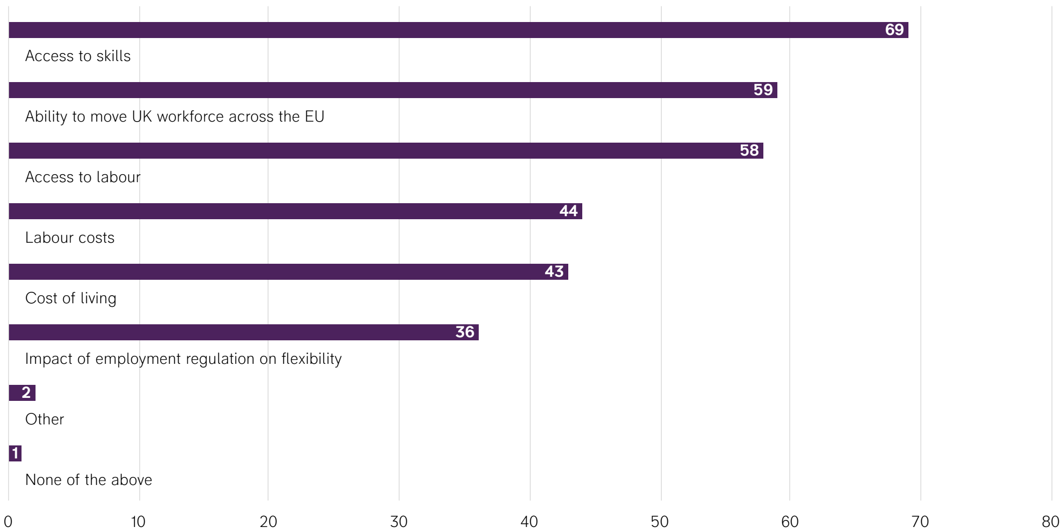
Exhibit 4.3 Current threats to UK labour market competitiveness (% of respondents)



… with co-ordinated action required to ease concerns about the future…

The same set of concerns are front of business minds when we asked them to consider threats to competitiveness in the next five years **(Exhibit 4.4)**. Access to skills (69%), ability to move UK workforce across the EU (59%) access to labour (58%), and labour costs (44%) represent the most frequently reported threats. The aftermath of the pandemic is an opportunity for business and government to work together to achieve the shared vision of a high skilled, high wage economy. Labour costs have been a consistent feature on firms' list of threats to competitiveness over the last few years as the cost of employment has continued to rise, driven by a range of policy decisions and structural factors. It is vital to keep the cost of employment affordable as businesses transition to a new economy where business investment will be crucial to improving skills, pay and conditions, and adopting new technology. Key is for this to be underpinned with action to tackle the UK's historically sluggish productivity growth.

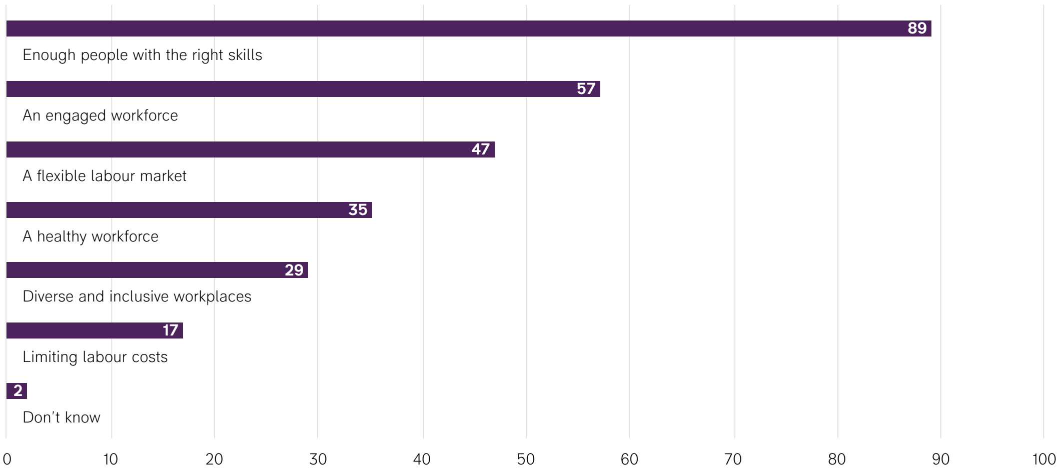
Exhibit 4.4 Future threats to UK labour market competitiveness (% of respondents)



.... as firms identify having enough people with the right skills as key to labour market competitiveness

This year we asked firms what they consider to be important to the UK's labour market competitiveness. Nearly nine in ten (89%) businesses identified having enough people with the right skills as key, with firms also pointing to having an engaged workforce (57%) and a flexible labour market (47%) **(Exhibit 4.5)**. It's not surprising that the vast majority of respondents identified skills as important – many skills have been highly prized around the globe even before the pandemic, and as technology rapidly changes work, the demand for new and higher skills increases. The CBI's **Learning for Life** research found that upskilling and retraining people to give them the skills they will need to succeed will cost an additional £130 billion by 2030. Solving the puzzle of adult learning presents a huge opportunity, not only does getting it right give the UK an exceptional competitive advantage as the global economy recovers, but it would also help to increase living standards and level-up opportunity across the country.

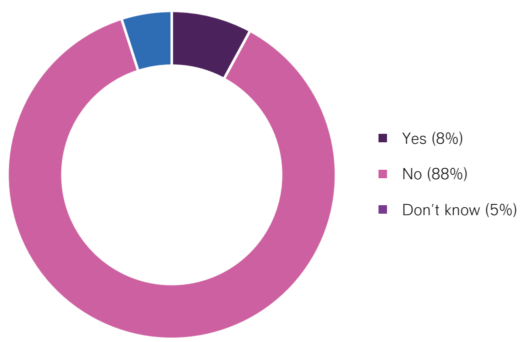
Exhibit 4.5 Factors important to UK labour market competitiveness (% of respondents)



The vast majority of firms haven't used the new immigration system given on-going travel restrictions during the pandemic...

On 1st January 2021, the UK's new points-based immigration system came into effect – officially replacing free movement. When asked whether they had used the new immigration system, fewer than one in ten respondents (8%) reported that they have, while nearly nine in ten (88%) have not **(Exhibit 4.6)**. This is perhaps not surprising as when the new system came into place, demand for labour was subdued as a result of the pandemic, and travel restrictions were in place across the globe. However more firms anticipate needing to hire workers from overseas in the future. For those who have not used the new immigration system, almost a quarter of firms (25%) expect to use it in the future, while almost half of respondents (49%) do not expect to use it in the future **(Exhibit 4.7)**. Breaking this down reveals that firms' expectations differ depending on size, with 41% of larger firms expecting to use the system in the future compared to only 21% of SMEs.

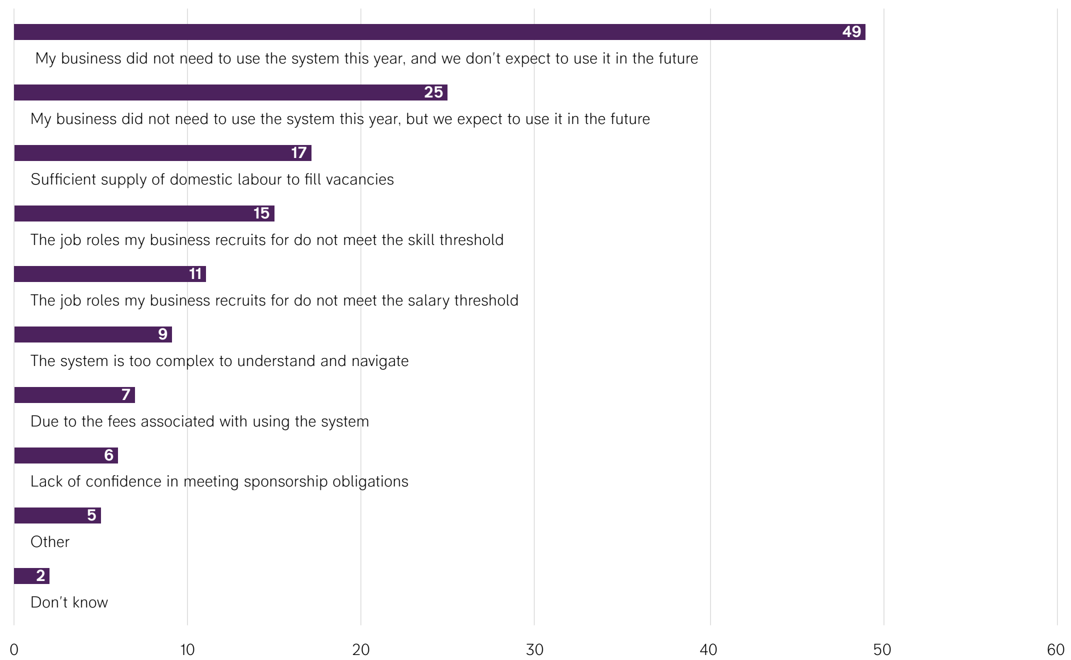
Exhibit 4.6 Businesses who have used the immigration system (% of respondents)



… but it's important that it works as a tool to support the UK's labour and skills needs in the future

Beyond expectations for the future, firms point to a variety of reasons why they have not used the system. While 17% reported that there was sufficient supply of domestic labour to fill vacancies, others point to barriers preventing them from using the system. 15% report that the job roles they recruit for do not meet the skills threshold and 11% report the roles do not meet the salary threshold. 9% believe the fees associated with using the system are an inhibiting factor **(Exhibit 4.7)**. To effectively work as a tool that supports the UK's labour and skills needs, it's important that the points-based system is flexible and responsive to the evolving needs of the economy. Equally vital is ensuring the process of becoming a sponsor is as simple and affordable as possible, especially for SMEs.

Exhibit 4.7 Factors stopping businesses using the new system (% of respondents)



Investing in the workforce is a priority for business in the post-pandemic labour market

The pandemic has changed the way businesses interact with their employees – from onboarding new employees online to hosting virtual social events to build company culture. In the event of continuing labour shortages and high levels of vacancies, businesses are considering what new strategies will be needed to drive employee engagement and help them be an employer of choice in an increasingly competitive labour market. From new training and development opportunities to amending pay structures – businesses are investing in their workforce to improve their employee value proposition.

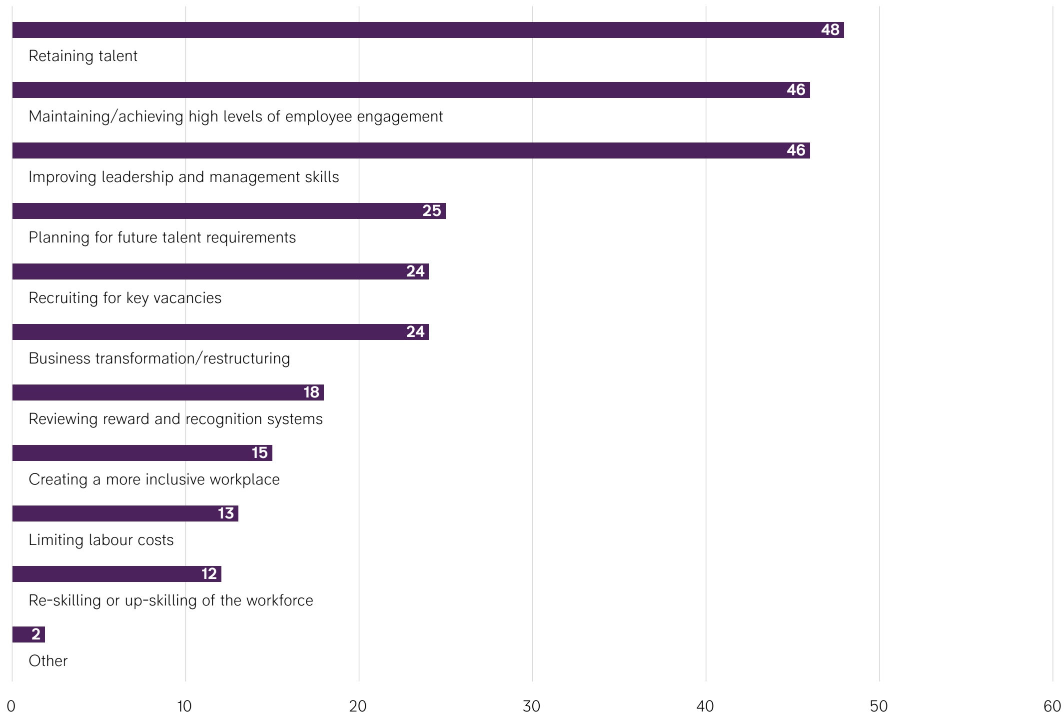
Key findings

- Effective line management (51%) and having the right skills and resources to do the job (32%) are cited as the top drivers of employee engagement. Shared company-wide values (30%) are also considered important.
- Firms' top priorities for investing in the workforce to improve their employee value proposition include investing in training and development (72%), investing in basic pay (52%) and investing in bonuses (38%).
- Looking to the year ahead, businesses expect their top three priorities to be retaining talent (48%), improving leadership and management skills (46%) and achieving high levels of employee engagement (46%).

Retaining talent and improving management skills will be firms' top workforce priorities for the next 12 months

We asked businesses to indicate their top three workforce priorities for the year ahead **(Exhibit 5.1)**. This year, retaining talent is the top-cited priority with nearly half of respondent firms (48%) saying that it will be a key focus for the next 12 months, an increase from 40% in 2020. Consistent with previous years, achieving or maintaining high levels of employee engagement is also a top priority (46%) as well as improving leadership and management skills (46%). As labour shortages continue to bite across the economy and firms compete for people, businesses need to think about what additional measures they can put in place to help retain existing talent. Investing in training and improving diversity and inclusion are crucial steps that firms have been taking to help adapt to the post-Brexit and post-pandemic labour market.

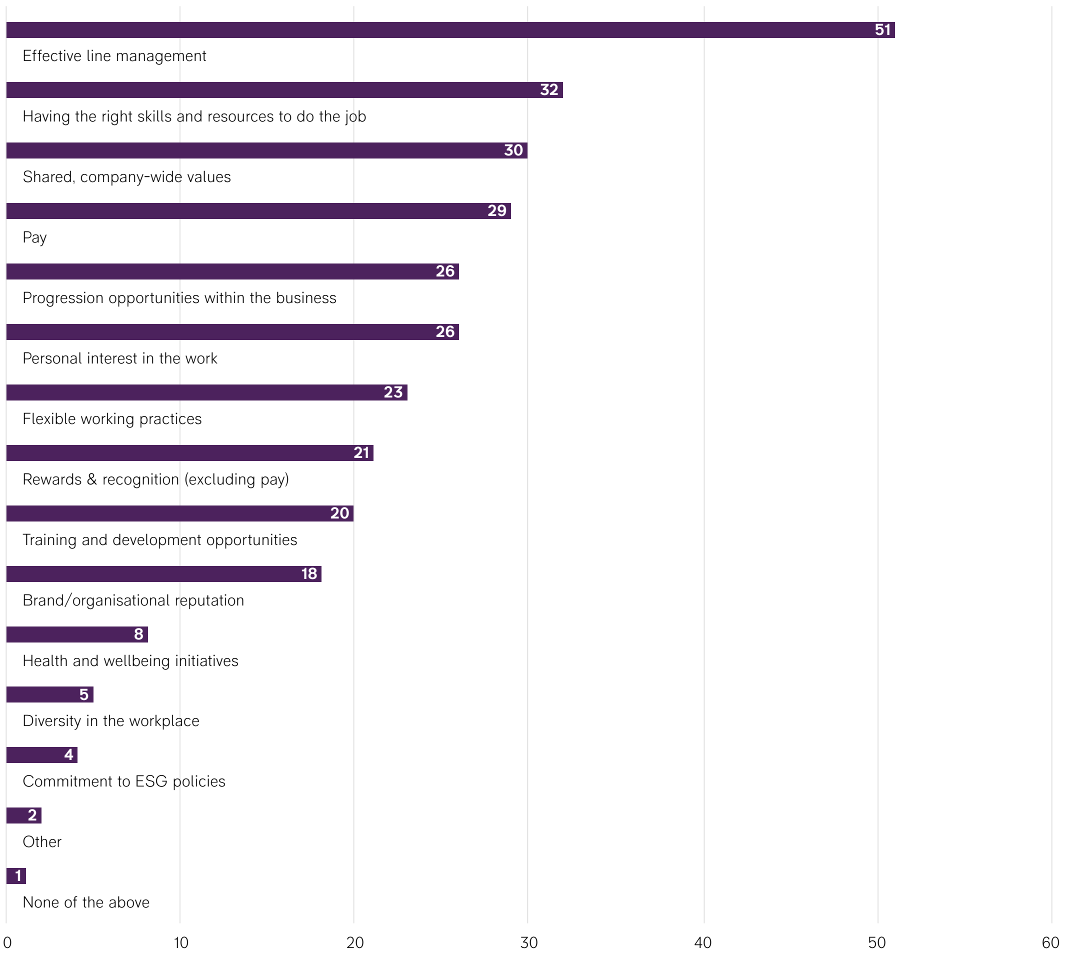
Exhibit 5.1 Workforce priorities in the coming year (% of respondents)



While effective line management continues to be the key driver of employee engagement…

We asked businesses to identify the three key drivers of employee engagement in their organisation and more than half of respondent firms (51%) identified effective line management as the top driver for the fifth year in a row **(Exhibit 5.2)**. Businesses understand that improving management skills and general people practices benefits company performance and employee engagement, and as many companies begin to adopt hybrid working models, it's important for firms to ensure managers are equipped with the skills required to lead and engage hybrid teams. The CBI recently published **Developing Skills for Hybrid Working** to support firms making the transition by helping them understand the skills needed to successfully adapt to hybrid working.[21] Having the right skills and resources to do the job jumped from 22% in 2020 to 32% this year, while shared company-wide values is seen as the third top driver to keep staff engaged according to a third of respondents (30%). In the battle to attract and retain talent, identifying and understanding the factors driving employee engagement will help firms succeed.

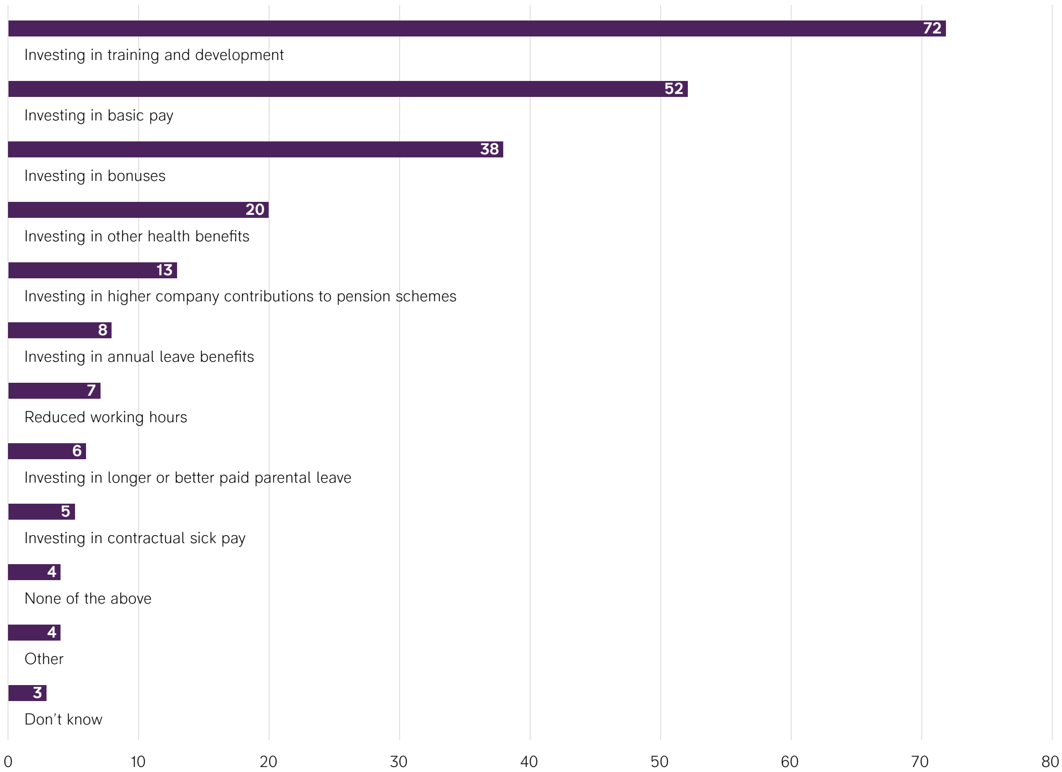
Exhibit 5.2 Drivers of engaged employees (% of respondents)



…firms are also investing in training and development to improve their employee value proposition

When asked what firms' top priorities are for investing in the workforce to improve their employee value proposition, nearly three quarters (72%) of respondents reported investing in training and development **(Exhibit 5.3)**. Having strong opportunities for development is increasingly core to people's expectations of work – with 30% of people citing that a lack of career progression is among the top three reasons that employees are unhappy in their jobs.[22] Good development practices are therefore an increasingly effective way for businesses to retain staff. 52% of firms reported that investing in basic pay is a top priority for improving their employee value proposition, and 38% plan to invest in bonuses. It's common practice for firms to focus on pay and financial incentives as a means to engage, attract, and retain staff and it's been a popular strategy amongst firms struggling to recruit as a result of shortages this year. Beyond this, businesses are considering how they evolve their employee value proposition to help them be an employer of choice in a competitive labour market, from providing new opportunities to work flexibly, implementing new recruitment strategies to tap into more diverse talent pools, and considering what changes can be made to their terms and conditions to be as attractive an employer as possible.

Exhibit 5.3 Firms top priorities for investing in the workforce to improve EVP (% of respondents)



The pandemic has put health and wellbeing at the forefront of the inclusion agenda

Throughout the pandemic businesses doubled down on their focus on diversity and inclusion, and the impact of the last 18 months has put a renewed focus on the importance of physical and mental health. As a result, firms are making the health and wellbeing of their staff a top priority over the next few years. This reflects a wider trend in this year's survey: firms' D&I priorities are broadening. While businesses are committed to improving gender and ethnic equality, many firms are increasingly their focus on other aspects, such as building a culture of belonging and supporting a multi-generational workforce. But companies are still at different stages of their D&I journey and there's more to be done to improve the experiences of ethnic minority employees in the workplace. As the country continues to build back better and adopt new working patterns, it's essential that we seek to build diverse workforces and inclusive workplaces with fair and equal opportunity for all.

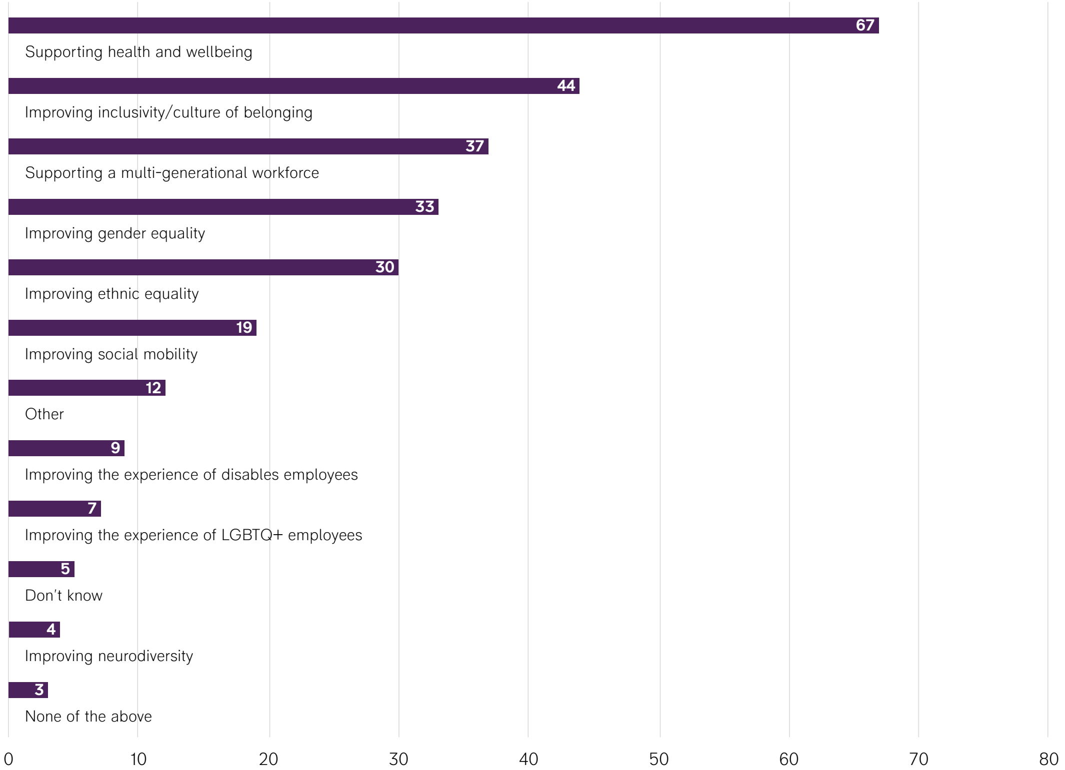
Key findings

- Firms have a range of D&I priorities for the next few years, including supporting the health and wellbeing of staff (67%), improving inclusivity and culture of belonging (44%), supporting a multi-generational workforce (37%), and improving gender (33%) and ethnic (30%) equality.
- Nearly half of respondents (46%) have taken steps to address the experiences of ethnic minority employees in the workplace. The most common steps are to increase engagement with external networks to share and implement good practice (15%), start an internal process to assess recruitment, retaining, and progressing ethnic minority employees (14%), and organising internal activities to raise awareness (14%).

Firms have a broad range of priorities for the next few years

At a time of a global health and economic crisis, D&I could have been pushed to the side, but last year's survey revealed that more firms were increasing their focus on diversity and inclusion despite the crisis. And as firms have reopened and entered the recovery phase, inclusive workplaces and diverse workforces have proven to aid business' recovery. Over the past five years the drive to increase diversity and inclusion has gathered momentum – with the Hampton Alexander and Parker reviews, amongst other business and government-led initiatives, acting as a catalyst to act on D&I. But businesses remain on different stages on their journey towards increasing D&I, and despite progress in gender and ethnic representation there is still a long way to go. That's why this year we asked about firm's top D&I priorities for the next 2-5 years. At the top of their priority list is supporting health and wellbeing, with two thirds of firms (67%) listing it as a priority **(Exhibit 6.1)**. This is perhaps unsurprising as the pandemic put health and wellbeing at the forefront of the agenda, with firms stepping up and supporting employees throughout the biggest health crisis in a century. Businesses also included improving inclusivity and creating a culture of belonging (44%) and supporting a multi-generational workforce (37%) as top priorities for the next few years, showing that while firms are still working towards increasing representation of women and ethnic minorities in the workplace, the scope of their D&I strategies are also broadening.

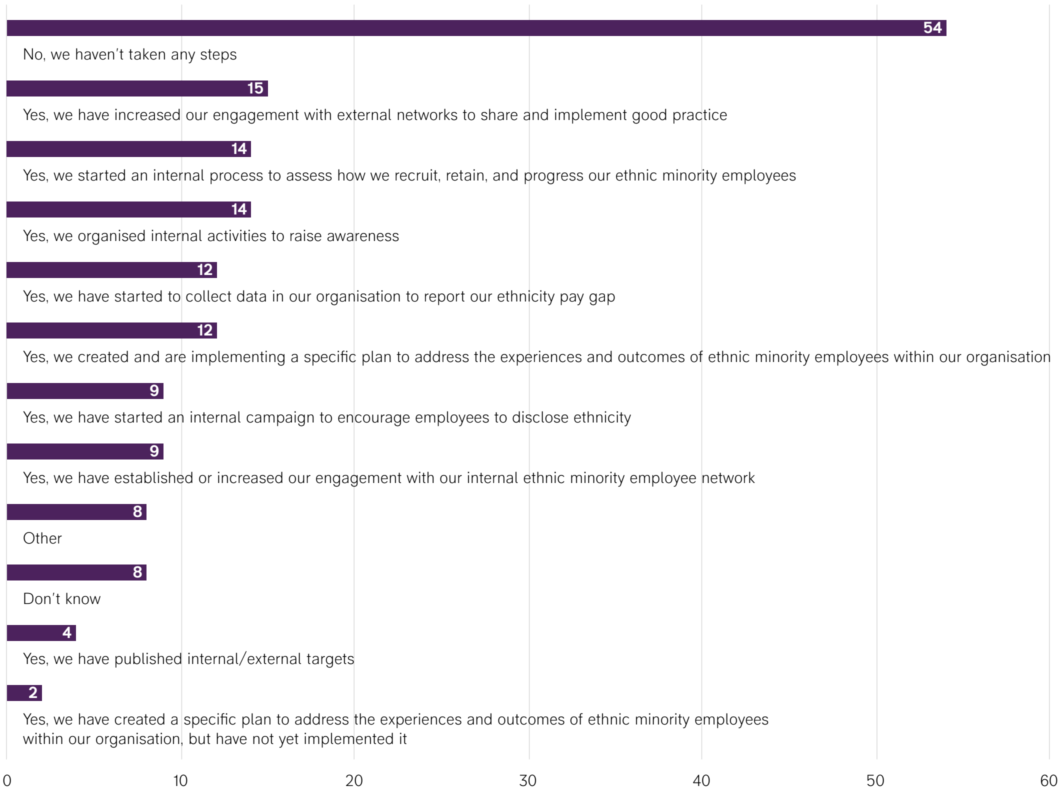
Exhibit 6.1 Firms top D&I priorities for the next 2-5 years (% of respondents)



Businesses continue to take steps to support the experience of ethnic minority colleagues in the workplace...

The global Black Lives Matter protests have shone a harsh light on the prevalence of racism and racial injustices across the world and in the UK. Businesses have an essential role to play in helping to make society fairer and overcome inequalities by stamping out existing biases and racism in the workplace. When asked what steps they have taken to address the experience and outcomes of ethnic minority employees, more than one in seven firms (15%) have increased engagement with external networks to share and implement good practice, compared to 12% in 2020 **(Exhibit 6.2)**. These networks can be a helpful way for companies to understand how ethnic minority colleagues experience life at work. One in seven firms (14%) have started an internal process to assess how they recruit, retain, and progress ethnic minority employees, while 14% of companies organised internal activities to raise awareness of the experience of ethnic minority colleagues inside and outside the workplace. More than one in ten firms (12%) have started to collect data to report on their ethnicity pay gap, and similarly one in ten firms (12%) have created and are implementing a specific plan to address the experiences and outcomes of ethnic minority employees in their organisation, compared to 8% in 2020. Progress has been made, and more businesses have concrete plans in place outlining how they plan to overcome inequalities in the workplace, but progress is slow and more needs to be done to build an inclusive economy where work enables all talent to progress.

Exhibit 6.2 Steps taken to address experience and outcome of ethnic minority employees (% of respondents)



...however, progress is slower amongst smaller firms who may find it harder to invest time and resource

When breaking down the data by company size, larger firms have had greater capacity to take steps to address the experience and outcomes of ethnic minority employees with just over a quarter of larger firms (27%) having not taken any steps, compared to three in five SMEs (63%) **(Exhibit 6.3)**. While most SMEs are committed to improving D&I in their organisations, smaller firms are often less able to invest time or resources in building their diversity and inclusion agenda. While larger businesses have often hired somebody specifically to work on diversity and inclusion issues, the vast majority of small businesses don't have full-time Human Resources support. Nevertheless, progress has been even slower amongst SMEs and steps should be taken to help smaller businesses overcome the unique barriers they face that prevent progress.

Exhibit 6.3 Steps taken to address experience and outcome of ethnic minority employees (% of respondents, by size)

Businesses are committed to adopting new working patterns following the pandemic

Businesses have learned a lot about the advantages and disadvantages of flexible and remote working after nearly two years of working differently during the pandemic. Now committed to new working patterns, firms want to make sure they get this change right and are investing in strategies to help them effectively transition – from new technology to developing new mental health and communication strategies. Firms are trying to play their part in boosting public confidence in living with the virus too by taking steps to support a confident return to offices.

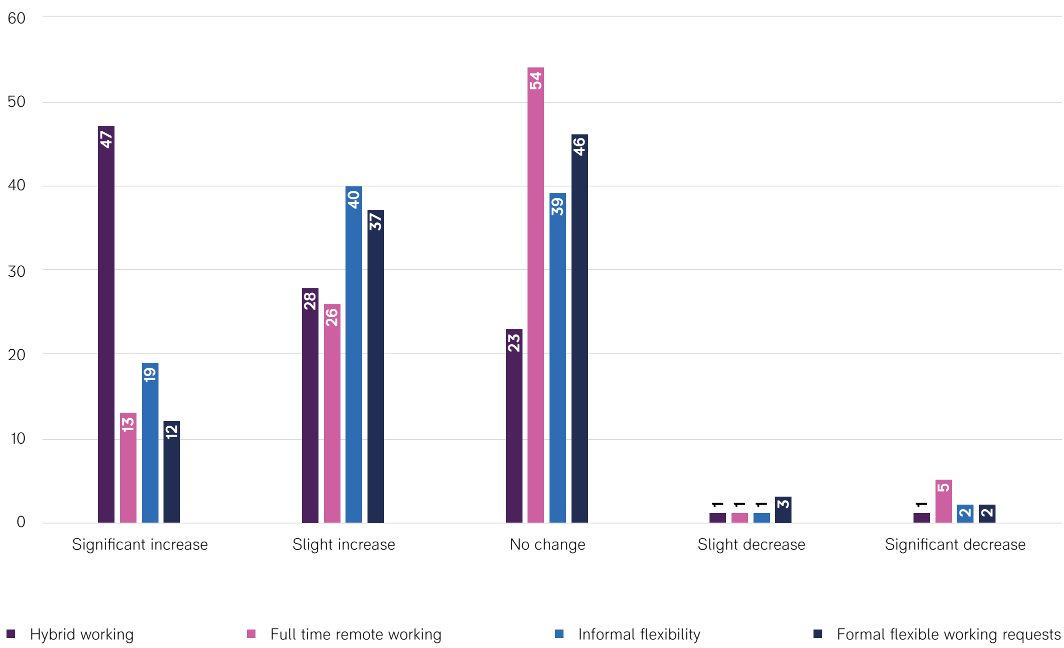
Key findings

- Businesses are expecting their working patterns to change compared to before the pandemic. 76% expect hybrid working patterns to increase, 40% expect full-time remote working to increase, and 58% expect the use of informal flexibility to increase.[23]
- For those transitioning to new working patterns, 65% have developed new communication strategies to keep in touch with employees, 60% have invested in new technology to facilitate new working patterns, and 55% have changed the layout of the office space to accommodate a hybrid or flexible workforce.[24]
- Firms are taking a number of steps to support a confident return to offices, including retaining health and safety measures (59%), offering flexible working arrangements (36%) and offering flexible start and finish times so people can choose when they travel to and from the workplace (31%).

The majority of firms are planning to adopt hybrid working arrangements...

Businesses have adapted to the crisis in different ways, including a shift to remote and flexible working. As the country recovers from the pandemic, it appears unlikely that most companies will revert to pre-pandemic ways of working as 76% of firms expect hybrid working to increase compared to pre-pandemic **(Exhibit 7.1)**. Hybrid working has been popular amongst firms as a way to retain the benefits of working remotely while recognising the positive impact that physical offices and workspaces offer for collaboration and culture. With many firms starting their return to office in September this year, the majority of businesses are experimenting with hybrid working models to see how they can strike the right balance between home and the workplace. Firms are looking at other working patterns too, with two in five respondents (40%) expecting full-time remote working to increase compared to pre-pandemic and nearly three in five (58%) firms expecting informal flexibility to increase. Many businesses had previously embraced flexible working in their organisation, recognising the benefits it has for helping employees balance commitments in and outside of the workplace. Just 2% of firms expect the level of informal flexibility to decrease compared to pre-pandemic.[25]

Exhibit 7.1 Changing work patterns compared to pre-pandemic (% of respondents)



... and are taking steps to help them effectively transition

The move to hybrid working won't happen overnight and requires a lot of planning to ensure firms get this right – from mental health and wellbeing support to developing new skills for the workforce. When asked what steps businesses have taken to help them effectively transition to hybrid working, nearly two thirds of firms (65%) reported that they are developing new communication strategies to keep in touch with employees regardless of working time and location **(Exhibit 7.2)**. 60% of businesses are investing in new technology to facilitate new working patterns, and 55% are changing the layout of their office space to accommodate a hybrid or flexible workforce. Other popular steps, with over half of respondents, include investing in digital skills for the workforce (52%) and developing tailored strategies for mental health and wellbeing to accommodate all workers (52%).[26] The way that people communicate in a hybrid work environment is markedly different from a wholly in-office environment – requiring firms to think about what technology will help boost collaboration and communication, and what skills employees and managers will need to develop to communicate and operate effectively. Hybrid working brings with it some unique challenges too - including employee mental health and wellbeing. Employees have experienced unprecedented changes since the start of the pandemic, and future disruption cannot be ruled out. The focus on developing tailored mental health and wellbeing strategies is essential to help employees work confidently in a rapidly changing working environment. Key will be identifying where hybrid skill gaps are, and equipping managers with the tools and resources to support employees.

The steps businesses are considering taking in the future are similar, but with a bigger focus on building the social side of work, with 44% of firms considering organising social events to build whole organisation culture. Other popular steps that firms are considering include tailored strategies for mental health and wellbeing (37%) and changing the layout of the office space to accommodate a hybrid or flexible workforce (32%) **(Exhibit 7.3)**.[27]

Exhibit 7.2 Steps taken to transition to hybrid working (% of respondents)

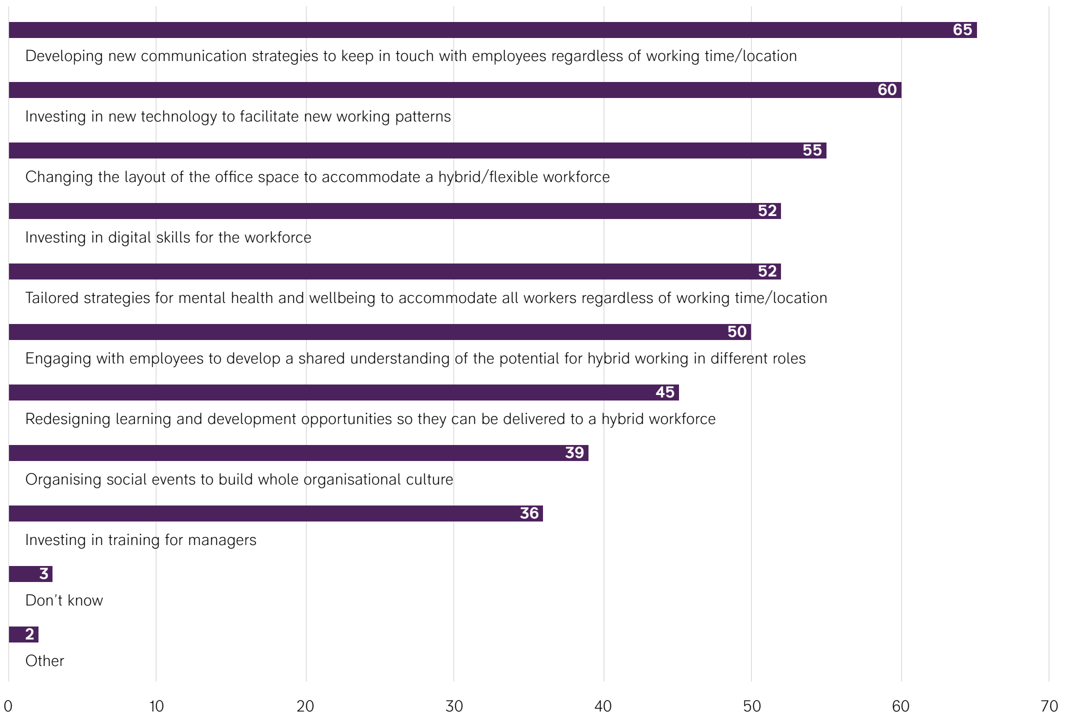
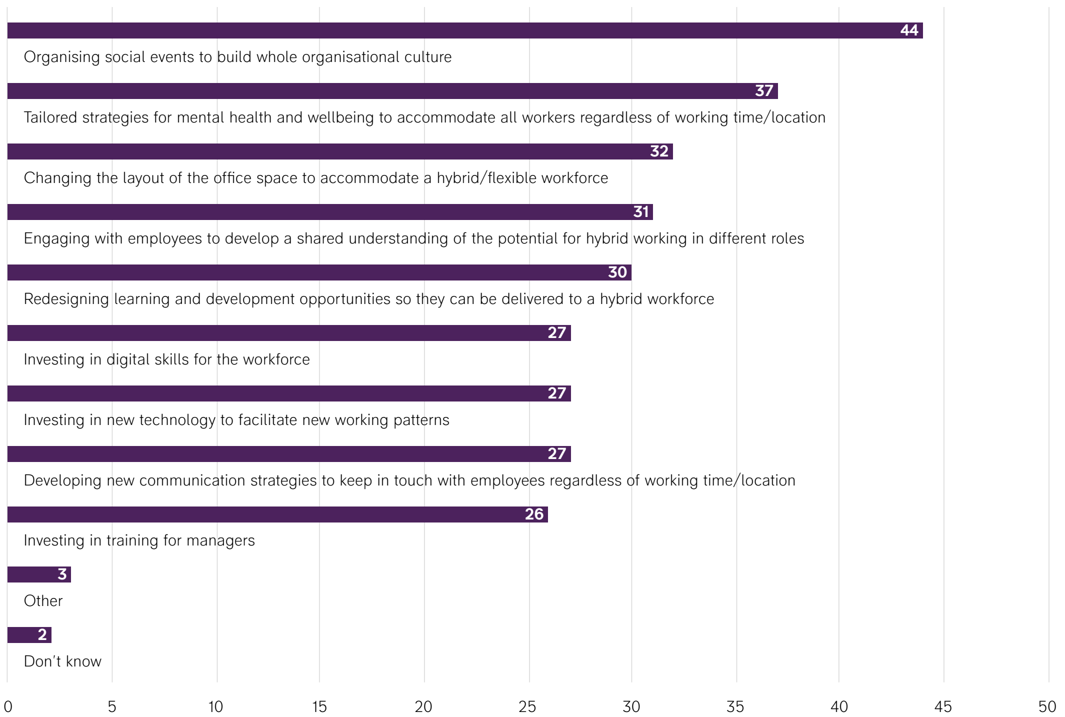


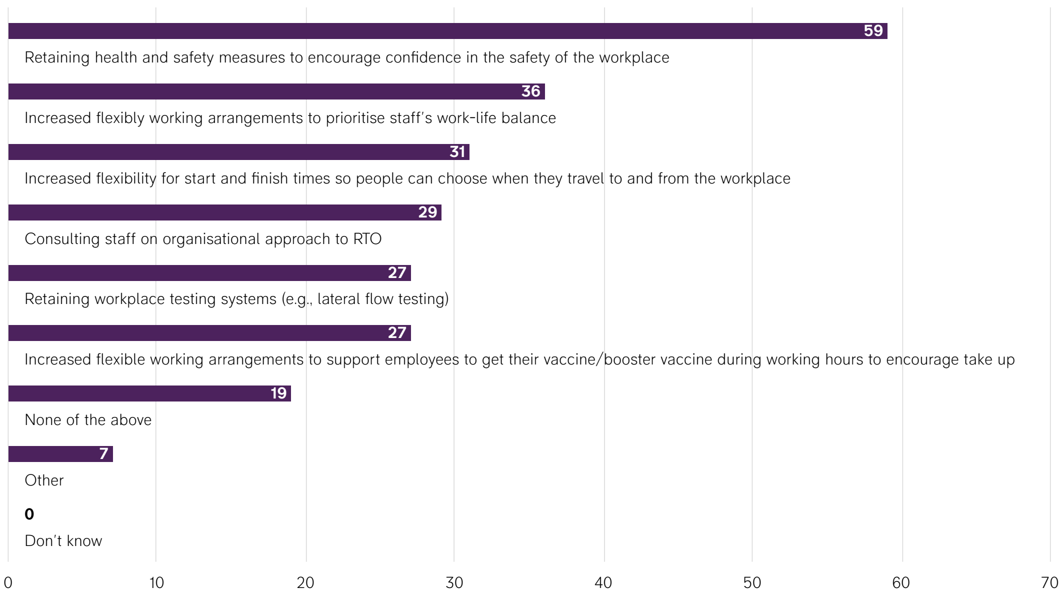
Exhibit 7.3 Steps being considered to transition to hybrid working (% of respondents)



Businesses are playing their part to support a confident return to office

After a successful vaccine rollout this year with 79% of those in the UK over the age of 12 having received two doses,[28] the country has entered a new phase: living with the virus. To support this transition and boost public confidence in living with the virus, firms are taking a number of steps to support a confident return to offices, with nearly three in five businesses (59%) retaining health and safety measures to encourage confidence in the safety of the workplace **(Exhibit 7.4)**. Over a third of firms (36%) are increasing flexible working arrangements to prioritise staff's work-life balance and three in ten respondents (31%) have increased flexibility for start and finish times so people can choose when they travel to and from the workplace and avoid busy commuting times. The office plays a vital role for collaboration, culture, and facilitating learning opportunities for new joiners so businesses are eager to take steps to support confidence wherever possible.

Exhibit 7.4 Steps taken to facilitate the return to office (% of respondents)



Overview

This year's survey was carried out in the period 16th August to 31st August 2021. There were 422 respondent businesses in total.

Sectoral analysis

Respondents were drawn from all parts of the private sector **(Exhibit 8.1)**. Manufacturing companies made up the largest single grouping (29%), followed by other service activities (16%), and wholesale and retail trade, repair of motor vehicles and motorcycles (10%).

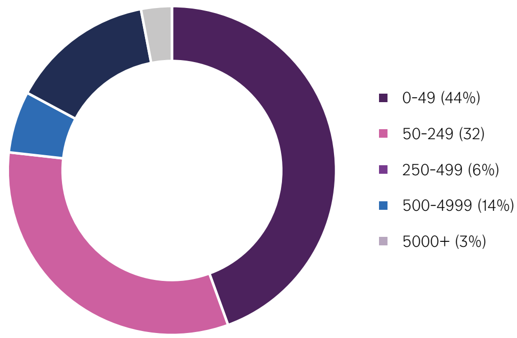
Exhibit 8.1 Respondents by economic sector (%)

Sector	%
Accommodation and food service activity	3
Administrative and support service activities	1
Agriculture, forestry and fishing	1
Arts, entertainment and recreation	2
Construction	8
Education	4
Electricity, gas, steam and air conditioning supply	1
Financial and insurance activities	8
Human health and social work activities	1
Information and communication	3
Manufacturing	29
Mining and quarrying	1
Professional, scientific and technical activities	6
Real estate activities	3
Transportation and storage	3
Water supply; sewage, waste management and remediation activities	1
Wholesale and retail trade, repair of motor vehicles and motorcycles	10
Other service activities	16

Respondents by company size

This year's survey had 77% of responses from SMEs (less than 250 employees) and 23% of large firms (250 or more employees) **(Exhibit 8.2)**. Looking at the different ends of the spectrum, small businesses made up 44% of responses, while 3% were a very large company with over 5,000 employees.

Exhibit 8.2 Respondents by number of employees (%)



Respondents by region

Many respondents had employees based in several regions of the UK **(Exhibit 8.3)**. Just over one in six (18%) of respondent companies had employees based in London, with the same number (18%) based in the South East. Just over one in seven (15%) of respondent companies had employees based in the East Midlands, South West, and Yorkshire and Humberside, respectively.

Exhibit 8.3 Respondents with employees in a given UK region (%)

References

1. These figures exclude those that cited ‘Doesn’t affect my business’
2. These figures exclude those that cited ‘We are not affected by the National Live Wage’
3. Employment in the UK: October 2021, Office For National Statistics
4. Redundancies, Office For National Statistics, 2021
5. Management Information on Advanced Notification of Redundancy Scheme, October 2021, GOV.UK
6. Vacancies and jobs in the UK, November 2021, Office For National Statistics
7. A ‘balance’ is the difference in percentage points between the percentage of firms answering “up” and the percentage answering “down” (for example, if 30% of firms say that they expect their workforce to be large, 60% unchanged, and 10% that it will be smaller, the balance statistic is +20%)
8. A ‘balance’ is the difference in percentage points between the percentage of firms answering “up” and the percentage answering “down” (for example, if 30% of firms say that they expect their workforce to be large, 60% unchanged, and 10% that it will be smaller, the balance statistic is +20%)
9. Labour Market Overview, UK: March 2021, ONS
10. Youth Unemployment Statistics, House of Commons Library, October 2021
11. Bank of England Monetary Policy Report, November 2021
12. FocusEconomics, United Kingdom Inflation August 2021
13. These figures exclude those that cited ‘Doesn’t affect my business’
14. These figures exclude those that cited ‘We are not affected by the National Live Wage’
15. CBI September 2021 Business Surveys
16. These figures exclude those that cited ‘Doesn’t affect my business’
17. At the time of the announcement, two-thirds of median wages represented £10,69 per hour.
18. These figures exclude those that cited ‘We are not affected by the National Live Wage’
19. Learning for Life: funding a world-class adult education system, CBI, 2020
20. Skills for an inclusive economy, CBI/Birkbeck Education and Skills Survey 2021
21. Developing Skills for Hybrid Working, CBI, November 2021
22. Investors in People, Job Exodus Trends, 2018
23. The figure excludes those that cited ‘Not Applicable’
24. These figures exclude those that cited ‘We are not transitioning to new working patterns’
25. These figures exclude those that cited ‘Not Applicable’
26. These figures exclude those that cited ‘We are not transitioning to new working patterns’
27. These figures exclude those that cited ‘We are not transitioning to new working patterns’
28. Vaccinations in United Kingdom, GOV.UK, 2021


85.00%

About the CBI

Founded by Royal Charter in 1965, the CBI is a non-profit business organisation that speaks on behalf of 190,000 UK businesses of all sizes and from across all sectors, employing nearly 7 million people between them. That's about one third of the private workforce. This number is made up of both direct members and our trade association members. We do this because we are a confederation and both classes of membership are equally important to us.

The CBI's mission is to promote the conditions in which businesses of all sizes and sectors in the UK can compete and prosper for the benefit of all. With offices around the UK (including in Scotland, Wales and Northern Ireland) and representation in Brussels, Washington, Beijing and Delhi, the CBI communicates the British business voice around the world.

Our mandate comes from our members who have a direct say in what we do and how we do it

The CBI receives its formal mandate from 9 Regional Councils, 3 National Councils from Scotland, Wales and Northern Ireland plus 16 sector based Standing Committees. These bodies are made up of members in that region, nation or sector who serve a term of office. The chair of each Standing Committee and Regional and National Council sit on the CBI's Chairs' Committee which is ultimately responsible for setting and steering CBI policy positions.

Each quarter this formal engagement process across the CBI Council reaches over 1,000 senior business leaders across 700 of our members who have a direct say in what the CBI do and how they do it, from refreshing their workplan to discussing the key business issues of the day and re-calibrating its influence. Over 80% of the businesses represented on the CBI Council are outside of the FTSE350 as the CBI represents a wide range of sizes and sectors from the UK business community. This formal governance process is supported by a wide range of working groups, roundtables, member meeting and events that makes the CBI unparalleled at listening to and representing British business.

CBI Council in numbers

1000+

Committee and Council representatives

28+

Regional and National Council and sector based Standing Committees

50%

Representatives of the CBI Council at C-Suite level

80%

Of the CBI Council from non-FTSE 350 businesses

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