

FINDINGS

BUILDING A SUSTAINABLE QUALITY PART-TIME RECRUITMENT MARKET

This study explores what triggers employers to generate quality part-time vacancies, and what can help grow this market. It also highlights the potential business benefits of creating part-time and flexible jobs, and the quality of the part-time candidate pool.

Key points

- The part-time recruitment market is skewed strongly in favour of vacancies with salaries below £20,000 Full-Time Equivalent earnings (£20k FTE) – 20% of the market, compared with 3% at £20k+ FTE. This is in sharp contrast to the full-time market, where the majority of vacancies pay over £20k. The flexible recruitment market appears to be under-developed for skilled jobs where it could be of greatest benefit to the economy.
- Part-time working (at £20k+ FTE) is primarily used as a retention tool. This restricts employment mobility for skilled candidates who need to work part time: they may be able to reduce their hours with existing employers but will have difficulty switching to new jobs or returning to work if they leave employment temporarily.
- Some 27% of employers claimed that they always advertise full-time roles with the option to work flexibly. Of these, 45% reported that they 'sometimes or frequently' filled £20k+ full-time vacancies with part-time candidates – indicating that the pool of part-time applicants is of high quality.
- Resistance to part-time recruitment was related to workplace culture, with most resistance amongst employers who had not previously recruited part-time staff at £20k+ FTE. Concerns reduced with experience – those who had recruited at this level cited many benefits and few disadvantages.
- To stimulate the market, the debate around part-time working needs to move away from new regulation and towards the business benefits of flexibility. Employers need to be convinced of the quality of part-time candidates and to see hard evidence that it can work for their business.

The research

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BACKGROUND

Flexible and part-time working is heralded as a solution to a number of social problems, and there has been much policy debate about how to stimulate demand from employers. However, much of this debate is focused on legislative change.

This study investigated the recruitment market for 'quality part-time vacancies', setting a defining salary threshold at a minimum of £20,000 FTE. It aimed to provide evidence to move the debate away from legislation enforcing obligations around flexible working, and on to the business benefits of part-time job creation and the quality of the part-time candidate pool. It sets out how recruiting staff in 'quality' part-time jobs can help rather than hinder business growth.

About 8 million people work part-time in the UK, and the number is growing. Part-time working can help more women back into the workforce after having children, to balance their work and home lives; let older people continue to work longer; and allow more people to share the diminished amount of available work, thereby reducing unemployment levels. The Government is keen to stimulate the part-time and flexible labour market, which (in addition to the social benefits) is often suggested as being a competitive advantage for the UK (*Flexible, effective, fair: promoting economic growth through a strong and efficient labour market*, BIS October 2011) Consequently, there has been much policy debate about growing the part-time market through potential legislative change. However, many employers voice very strong concerns about this.

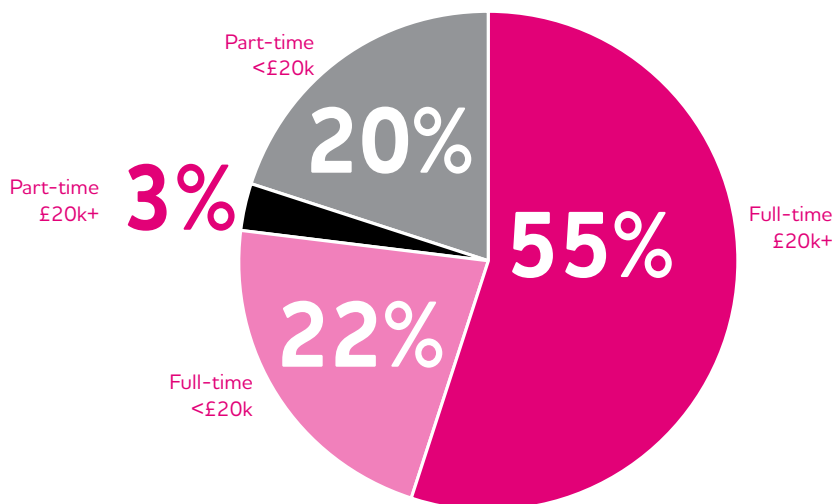
Less formal consideration has been given to the business benefits of part-time working as a tool for recruitment. Yet, recruiting skilled part-time staff can help growing businesses to:

- acquire experienced talent at an affordable cost;
- recruit for hard to fill/niche roles; and
- realise cost efficiencies by more precisely matching tasks to appropriate skills/salary levels.

All of the above is set against a background of incomplete knowledge. For example:

- The market tends to be viewed as a homogenous whole, regardless of salary and skill levels, glossing over the distinction between the employment and recruitment markets.
- While the part-time employment market is well documented, the part-time recruitment market is not as well understood: the Office for National Statistics does not collect data on part-time vacancies outside of Jobcentre Plus.

Figure 1 Share of job vacancies



Skill-levels divide in the supply of part-time vacancies

A snapshot of employers' current vacancies found that about one-quarter (23%) were part-time roles. However, there was a large discrepancy in the supply of part-time jobs above and below £20k FTE. As Figure 1 shows, only 3% of vacancies were for part-time roles paying £20k+ FTE, compared with 20% for part-time roles at lower salaries. This pattern differs considerably from full-time job vacancies, where the substantial majority were paying £20k+ per year.

The implications for people seeking part-time work are considerable. A low-skilled or inexperienced candidate would find a comparable supply of part-time and full-time vacancies paying below £20k FTE. Intermediate and higher skilled candidates, however, would face an acute shortage of quality part-time opportunities: there is only one part-time vacancy paying £20k FTE for every 18 full-time vacancies at this level. The shortage of quality part-time vacancies means that many skilled and experienced candidates who need or want to work part-time face a difficult choice: taking a role below their skill level (and so being paid less) or not working at all. Lower skilled candidates can be crowded out of the part-time labour market due to increased competition against those with higher skills. This also has considerable implications for businesses and for the overall economy: through loss of skills in the UK workforce, lost earning potential and the cost of welfare provision. Significant wider benefits from increasing part-time quality vacancies include having a flexible workforce and increasing opportunities for more qualified or experienced candidates to get better quality part-time roles.

The role of retention and recruitment practices

One of the main reasons for the small size of the quality part-time recruitment market is that employers primarily use the offer of part-time work as a retention tool at this level. The research found that almost half (48%) of existing staff in part-time roles paying £20k+ FTE had originally worked full-time for their employer. However, when part-time employees left, only 35% of employers said that they usually replaced the role on a part-time basis. A further 29% say that they tended not to replace part-time staff (either converting the roles to full-time or passing the workload onto other employees). The remaining 36% of employers said they had no standard approach to this situation.

It is hard to imagine a similar approach being applied to full-time posts, and the evidence

suggests that it contributes to the relatively low numbers of part-time vacancies at £20k+ FTE. The implication for employees is that, while they may be able to return to an existing employer on a part-time basis, they face a considerable challenge when trying to switch jobs, or when looking for part-time work after a break from work.

Full-time vacancies advertised as 'open to flexibility'

One surprise finding of the research was that a sizeable proportion of employers (16%) reported that vacancies advertised as £20k+ and full-time were sometimes or frequently filled by candidates on a part-time basis. Just over one-quarter (27%) of employers said they adopted a policy of 'always advertising full-time roles with the option of flexibility'. Amongst these employers, 45% 'sometimes or frequently' filled full-time vacancies with part-time candidates – the implication being that part-time applicants often proved to be the best candidate for the role.

Underlying attitudes to part-time employment

Two deciding factors for the recognition/acceptance of part-time employment emerged: senior managers' mindset, and the operational needs of the business. The attitudes of directors and the official or unofficial policies set by them were reported to be the most important influence on recruitment practices. Where businesses were resistant to part-time working, some HR respondents reported a 'disconnect' between what their department advocated (e.g. flexible working practices) and their ability to implement this because of a workplace culture operating on a model of full-time employment. Unsurprisingly, resistance was greatest amongst businesses that had never actually recruited any part-time staff at £20k+ FTE. Amongst these, half (52%) said that they had an unofficial preference against it and 9% said there was an official company policy against it.

The attitude of some directors appeared to be strongly influenced by the operational needs of the organisation. Certain roles were seen as unsuited to part-time employment – particularly professional client-facing employees who needed to be on-call. There also seemed to be a general perception that part-time employment was incompatible with senior managerial responsibility, especially when a team needed to be supported every day of the week. However, other employers did not express such concerns over operational capability, as long as the individual business case was well thought through. These employers were able to cite examples where senior part-time roles worked successfully.

More generally, there was recognition that change is happening in this area, driven by changing attitudes and societal shifts such as lifestyle demands, an ageing population and new technology enabling remote working. As one employer said:

Ten years ago, I just wouldn't have seen an investment director taking a part-time role, but we now have a group tax manager on three days a week and a marketing manager on three-and-a-half days a week and it works fine.

Benefits and disadvantages of part-time jobs: a confused picture

A contradiction emerged in employers' views of the benefits and disadvantages of part-time recruitment. The three most frequently cited **benefits** (flexibility, cost efficiency and employee commitment) were also amongst the three most frequently cited disadvantages (inflexibility, cost concerns and lack of commitment). This suggests confusion over the real benefits and disadvantages of recruiting part-time staff in £20K+ FTE jobs (see Table 1). At least some of the explanation for this contradictory set of responses comes from managers' perception versus actual experience of employing part-time staff.

Table 1 Employers' views on the benefits and disadvantages of recruiting part-time employees at £20k+ FTE

Benefits		Disadvantages	
Hours worked are flexible/adaptable to business needs	62%	Inflexibility to work the hours needed	35%
Save money/cost efficiency	19%	Lack of continuity/ workload problems	21%
More loyal/motivated/ hard working staff	11%	Less committed staff	18%
Better quality/more knowledgeable staff	10%	Additional cost concerns	16%
There are benefits for the staff	5%	Additional management time/training/red tape	14%
Depends on the role/type of business/the person	3%	Doesn't work for senior/client facing roles	5%
Access a wider candidate pool	1%	Less skilled/experienced/ qualified staff	4%
NA/Don't know	0%	Depends on the role/type of business/the person	4%
Other	17%	Other	16%

Virtuous circle of part-time recruitment

The study found that concerns about part-time working reduced with actual experience of it. Employers who regularly employed and had recruited quality part-time staff were very positive about the business benefits, and cited almost no substantial disadvantages. These employers were open to recruiting again at this level. Several respondents suggested a 'tipping point' scenario, as proof of success went a long way to supporting future arguments for part-time recruitment.

The major hurdle for growing the part-time recruitment market therefore appears to be persuading more employers to try it for the first time. As staff increasingly request to work part-time, more businesses are experiencing part-time employment at senior levels. It seems likely that positive experience of these part-time working arrangements will lead to increased acceptance, and in turn to additional recruitment for quality part-time roles.

The recruitment process for part-time roles

Most respondents described the decision-making process for new job roles as the same or similar for part-time and full-time roles. The decision to create a part-time role was sometimes due to budgets, such as when funding was tight and these roles were seen as likely to contribute to cost-efficiency and flexibility. However, the recruitment process for part-time

vacancies was seen as a greater challenge than for full-time, as the full-time candidate pool was seen as larger than the part-time pool; and recruitment agencies were keen to focus on the full-time market, as fees were higher for full-time roles, for the same amount of recruitment work.

Stimulating the quality part-time recruitment market

The following factors may influence employers to consider creating new part-time jobs.

- Employers need hard evidence demonstrating:
 - how recruiting part-time can result in efficiency/revenue improvements; and
 - how part-time working can impact favourably on staff relationships and morale.
- Many (46%) employers said they would consider recruiting more quality part-time staff if presented with a greater supply of suitable part-time candidates.
- There was particular interest in using part-time posts to attract candidates in specific areas of work which suffered from a skills shortage.
- Almost one-third (30%) of employers said they had an interest in receiving free support/ advice on part-time working from an independent source.

It appears that many employers are unaware or unconvinced of the benefits of recruiting part-time staff at intermediate and senior levels, or of the quality of the potential supply of skilled candidates seeking this kind of employment.

Against this backdrop, any attempt to stimulate the part-time market through further legislation is likely to increase employers' concerns. It is certainly unlikely to help create an environment in which employers will try this type of recruitment. Instead, the evidence strongly suggests that debate in this area needs to move away from legislation and towards showing the business benefits of flexibility, of which there are many.

About the project

This study comprised two phases of primary research: a quantitative study involving telephone interviews with 1,000 employers; follow-up, in-depth interviews with a sample of ten employers who had experience of employing and recruiting part-time staff at salaries over £20,000 FTE. The research was conducted in London, where part-time work is known to be less prevalent than in other parts of the country. The defining threshold for a 'quality part-time job', set at £20,000 FTE, is in line with the definition cited by the Government Equalities Office.

FOR FURTHER INFORMATION

The full report, *Building a sustainable quality part-time recruitment market* by Emma Stewart, David Curtis, Richard Buck, Lorraine Lanceley and Paul Gallagher, is published by the Joseph Rowntree Foundation. It is available as a free PDF from www.jrf.org.uk

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