

Welcome to our 2016 HR Update

It's been a typically turbulent 2016 for the UK economy. Business growth remained constant throughout the first half of the year and factors such as low mortgage rates and rising salaries certainly had an impact on consumer confidence, which reached above average levels. However, due to a period of uncertainty following Brexit, the UK's growth projection for 2016 will undoubtedly be lower than expected at the end of the year.

By diversifying its economy, the North East has remained competitive, excelling in a number of key industry areas and enjoying an abundance of national success stories. It remains the UK's biggest exporter and the only region with a positive balance of trade. During the first half of the year vacancies increased significantly and moving forward, local companies continue to show a willingness to invest in their long-term future. The North East therefore remains a rich area of opportunity for a recruitment business, with a broad range of organisations continuing to recruit key staff across all disciplines.

As ever, it has been another challenging year for HR professionals. Demographic, technological and societal shifts mean that HR leaders need to constantly analyse and understand the changing nature of work and the needs and the expectations of the workforce to fully prepare organisations for the future. Some of the key themes in HR that have, and will continue to dominate the HR agenda include engaging and developing leaders, changes to employment law, the introduction of a national living wage, pay differentials, inequality and changes in how maternity and paternity leave is shared. We have also seen an increase in demand for candidates with strong Industrial Relations experience,

Furthermore, there has been an increase in the number of HR leaders proactively working as part of the executive leadership team to drive productivity and efficiencies in the workplace as well as tackle

employee engagement and promote a health and well-being agenda. These will undoubtedly continue to be on the list of priorities, and some of the excellent initiatives in these critical areas that we have seen within North East companies over the last twelve months have recently been showcased at this year's CIPD North East Branch Awards Dinner.

With all of this activity taking place it is no surprise that we're reporting a decline in the number of HR CVs being registered on our database. HR professionals across all sectors are sufficiently challenged in their roles and are finally enjoying greater credibility through influencing change at the heart of their organisations. As notoriety increases, however, the competition for the best talent will intensify. Many organisations have introduced pay rises during the last year in an effort to keep hold of their best people and finding other creative ways to incentivise employees will be a key differentiator for organisations moving forward.

Many of these issues and trends are discussed in this year's HR update which includes articles by Home Group Director of HR and Development, Susan Coulson; PwC's Susan Blair and experienced executive director Dianne Sharp, as well as the results from our 2016 HR salary survey. Thank you for your continued support and as ever, we welcome any feedback on any of the content.

