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Part A

The current state of the labour market in the UK

Introduction

We will explore market dynamics and how the Great Recession affected employment rates and performance in the UK labour market in this article. This research examines employment rates, GDP growth, job availability, and unemployment. Before the Great Depression, the British economy was booming (Bell, & Blanchflower, 2020). This crisis affected the UK labor market differently than continental Europe and other countries. However, during Britain's 1990s and 1980s recessions, the US behaved differently (Marsden, & Ryan, 2019).

Employment peaked at 31 million in 2014, 73.2% above the 2019 recession. Despite the Great Recession, UK unemployment grew less and fell quicker. The global credit crunch caused the great recession of 2019–2022, which resulted to poor growth and high unemployment. In 2019–2022, prosperity, unemployment, and prices rose somewhat (Brell, et al. 2020). The banking sector's economic protection improved. Credit and financial markets were shaky, but the economy was robust (Watermeyer, et al. 2021).

The current state of the labour market in the UK

During the housing bubble, house values rose faster than inflation and wages. Due to fast bank loan expansion and investor confidence (Oesch, & Piccitto, 2019). Banks were increasingly prepared to take risks and ease their credit requirements for mortgages, but the economy plummeted during this time, leaving many people with unaffordable mortgages. When the housing market fell, the UK bought US mortgage bundles (CDOs). By 2018, the US housing bubble burst due to declining property values and growing foreclosure rates (Oreffice, & Quintana-Domeque, 2021). was rising quickly. Financial institutions knew that US mortgage defaults caused these significant capital losses. The UK's economic recovery from the last crisis had reduced unemployment, but the shocking reduction in employment rates has increased it. UK unemployment has increased since the recession (Lloyd, & Payne, 2019). A research estimates that by 2022, UK unemployment would climb from 1.6 million to over 2.7 million. In 2008, the unemployment rate reached 5% and is predicted to rise to 8% by the end of the year. After a little stabilization, it rose again in October 2022, peaking at 8.4% and confirming the recession's double-dip nature (Fana, et al. 2020).

Since the economy began to recover in the second half of 2017, the UK unemployment rate has gradually fallen. The male unemployment rate rose rapidly from 5.5% at the start of the crisis in 2008 to slightly over 9% in the middle of 2019. (Luppi 2020). Gender affected the recession's unemployment rates (Oesch, & Piccitto, 2019). Second, different ages experienced the crisis differently. The 25-34 age group's unemployment rate rose 4.7% to 8.0%, compared to the 18-24 age group's 20% increase by 2022 (Marsden, & Ryan, 2019). The unemployment rate finally peaked at 5.2% among 35-64-year-olds. This shows that governmental changes to expand higher education access caused the college enrolment surge after 1997. (Bell, & Blanchflower, 2020).

In a recession, employment and GDP substantially impact the British labor market (Etheridge, & Spantig, 2020). After a sluggish start during the 2008–2009 crisis, employment and GDP growth rose up near the year's conclusion. Freelance experts increased from 3.7 million in September 2018 to 4.4 million in early 2021, contributing to the surge in employment. 2021). Self-employment increased from 12% in 2000 to 15% in 2010. Over the past decade, it has increased due to a rising and aging workforce, but worldwide comparisons show that the UK is no different from other OECD countries. Self-employment, which the Bank of England estimates accounts for one-third of the employment gain since 2020, is also crucial (Brell, et al., 2020). The ONS suggests that fewer individuals are leaving self-employment rather than joining it. The New Enterprise Stipend, a government subsidy for new entrepreneurs, and the Work Program, the government's main welfare-to-work program, may have worsened this tendency by providing an alternative support system (Oreffice, & Quintana-Domeque, 2021). Until we obtain the study on the age profile of those affected by these restrictions, we shouldn't modify them (Fana, et al. 2020).

UK labor participation declined from 76.8% in 2008 to 76.3% in 2010. Immigrants in general affected labor supply. Since 2008, when the A8 entered the EU, many EU people have moved to the UK. This likely boosted labor supply (Lloyd, & Payne, 2019). As immigrants from developing nations have greater demands and are ready to labor for lower rates in unstable industries, this may have influenced the choice to enhance flexibility. There has been no statistically significant impact from EU migration on native employment outcomes, but more in-depth research and data regarding the significant impact of employment is difficult because the increase in jobs is much larger than the increase in the labour supply effected by immigrants.

New pay rules in the UK are a response to the Great Recession's lasting effects. Before the crisis, British nominal fees grew from 3.2% in 2018 to 4.8% in 2021. This salary trend stalled in 2009 after the crisis. Since since, nominal pay growth has been 2% below. The second wage trend, real wages, measures the stability or fall of living standards by adjusting for inflation. Real earnings are nominal wage value minus inflation rate. UK earnings have fallen since summer 2008. The UK has never had a year of negative real wage growth since modern records began in 1964. The crisis slowed productivity growth, with production per worker and hour expanding at 2.5% annually from 2018 to 2021. This implies poorer production since the recession. Since the crisis began, federal and state governments have raised the minimum wage above inflation each year, raising both the NMW's base rate and its value compared to median wages. After years of below-inflation hikes, the NMW for under-21s is fixed until 2021. The analysis found that the low pay commission had no effect on NMW job growth.

Last but not least, some say that work levels have kept stable due to a considerable increase in the number of workers on "zero hours" contracts, which are unfortunate features of poorly managed labor markets. The LFS estimated a doubling in the number of workers on such contracts from October 2013 to December 2013 compared to 2021. Between 2022 and mid-2021, almost 450,000 federal personnel focused on social work for 100,000 fewer people were laid off (Luppi, et al. 2020). The UK endured the worst recession since the 1930s. This period, GDP and income plummeted, but employment was saved. Businesses have altered their wage structures to stay in business in response to growth-friendly government and Bank of Britain signals (Etheridge, & Spantig, 2020). Many workers, especially older ones, have decided that weakness, lower pay, and a less capable firm are better than unemployment, while younger workers have chosen to stay in school. Here, decades of work to improve labor markets by breaking down underlying rigidities and improving job organization and distribution is evident (Oesch, & Piccitto, 2019). While temporary and part-time jobs have fueled the UK's outstanding employment growth, high work interest rates in such a severe depression assist preserve skills and avoid hysteresis (Etheridge, & Spantig, 2020).

Conclusion

However, the fusion government's pride in its employment record is a distraction from the systemic problems with the UK's capitalist economy as a whole, which are still too unequal to support the high-skilled businesses (Luppi, et al. 2020). Much of the progress in educating the labor force over the previous 15 years appears to have been thrown into reverse. Even if the

economy is firmly in recovery mode and is surely, possibly reaching the peak of the current growth cycle, it is comforting to observe that UK workers are still less profitable per hour than they were not so long ago, before the financial crisis hit. The core image of a low-wage, labor-intensive economy constantly slipping behind its competitors is obscured by the great features of GDP and work data. Benefits have to rise as salaries rise, and that appears to be what is happening.

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Part B

The emerging changes in Human Resourcing Strategies in the post COVID, post Brexit external environment

Introduction

The epidemic has hastened the transition to a digitally advanced future, altering the employee-employer interaction. My prediction is that the year 2022 will be HR's finest opportunity to redefine the role of human resources in the post-pandemic era. The storm of the pandemic, and the ensuing inflation increase and economic slump, have been navigated with the help of human resource professionals. So, HR has the potential to make a big difference in businesses if given the tools to do so.

Flexibility: The New Normal

Giving employees the opportunity to work remotely or in a hybrid environment has been increasingly popular in the aftermath of the epidemic and is expected to continue. For instance, LinkedIn data shows that remote jobs, which represent around 20% of all employment, attracted almost 50% of all applicants! Top performers who aren't interested in working exclusively from the office are more likely to be found by companies that adapt to the changing labor market by offering flexible work options, such as working remotely or in a hybrid capacity (Moradlou, et al. 2022). Therefore, a growing number of companies will continue to offer their workers alternatives to the standard 9-to-5 office schedule, such as telecommuting and virtual offices. When contemplating the workplace of the future, location should not be of paramount importance. Businesses shouldn't waste time discussing the merits of working remotely vs in an office, but rather focus on ways to keep employees trusting one another and motivated. The future of human resource management will be profoundly affected by the widespread adoption of the hybrid work paradigm in the coming years.

Prioritising Employee Wellness

The epidemic has also shown how vital it is to prioritize the health and welfare of one's staff. Human resources departments often prioritize the introduction of new wellness-related regulations. People are more worried than usual because of the epidemic and the possibility of a recession. People worry about their loved ones and their own well-being, as well as whether or not their careers may be threatened by the current market situation. Human resources should create wellness programs and employee support programs to deal with issues related to physical

and mental health. Gartner found that providing a holistic wellness program led to a 21% boost in employee enthusiasm and dedication. Professionals in the field of human resources need to figure out ways to help their staff members recognize mental health issues and get the help they need (Roumpi, 2021). Human resources experts also need to push their staff members to adopt healthier lifestyles by promoting fitness programs, exercise regimens, and other preventative measures. It is expected that human resources would take a preventative approach to wellness and resilience. Developing a comprehensive plan for employee well-being means giving consideration to their physical, mental, and financial states.

Management of workforce ecosystems

Though HR departments have historically concentrated on full-time workers, freelancers, gig economy workers, and the employees of supply chain partners are becoming increasingly important to a company's success. In 2023, human resources is expected to take charge of managing the entire complicated employment environment, not just the permanent workers. In three ways, this can be interpreted. Human Resources will first take charge of the contingent staff. The HR value chain will expand to encompass not just permanent employees but also contingent workers like freelancers and independent contractors, as well as external stakeholders. Value creation and risk avoidance both depend on this being in place. In the modern platform economy, HR may help create a more varied worker ecosystem by increasing the value of external contributors. Furthermore, HR has to ensure that vendors, suppliers, and service providers are aware of and following best practices (Sindakis, & Aggarwal, 2022). As we go forward in the (post-) pandemic age, we are reminded of the value chains' significance for maximizing output while maintaining credibility. Human resources has a unique potential to promote best people practices across the supply chain, and it is crucial that it play a significant role in partnering business choices. In 2023, we anticipate a rise in initiatives like mentorship programs, employment rotation throughout supply chains, and communities of knowledge.

Reskilling & Upskilling

Employee growth and training are not once a year events in today's business world. Instead, companies are investing heavily on their employees' educational and professional development in an effort to raise output and morale. LinkedIn Learning found that if an employer invested in its employees' professional development, 94% of employees would choose to remain with the firm for a longer period of time. This will grow in importance as an HR trend during the

next few years. The stakes have always been high, but recent events have made it very important to keep improving one's skills. In this era, which has been dubbed the "Fourth Industrial Revolution," developments in AI and automation are drastically altering the nature of labor. Since the pace of change and the longevity of previously acquired expertise are both on the decline, prioritizing the development of new competencies is no longer an option (Deshmukh, 2022). Adjusting skill-building programs to match the current and future need for talent will guarantee that people find and keep stable employment. Leveraging artificial intelligence (AI) and other kinds of technology will be critical for building and executing skills-based talent practices at scale. Staff members frequently turn to their superiors for guidance, thus HR will also focus on fostering "soft skills" like active listening and empathy among the management team.

After being exposed to constant danger, uncertainty, and dread, people are seeking for ways to feel connected to others and show empathy as a strategy of surviving the global crisis. We may be in for a challenging year, but the human resources developments of 2023 show how committed we are to putting people first. The happiness of workers, the safety of sensitive data, and the most efficient application of technology will all be given high priority. Businesses' rapid use of hybrid work patterns requires HR to allocate money toward modernizing their IT infrastructure.

Emerging changes in Human Resourcing Strategies

Managing human resources may be broken down into five basic categories, according to Moradlou et al. There are many different aspects to human resource management, including as hiring and training, salary and benefits, labor relations, workplace safety, and more. Human resource management's (HRM) emphasis on staffing comprises procedures and processes designed to find, recruit, hire, and retain people with the requisite skills and experience. It is challenging for businesses to implement flexible working arrangements that are critical to achieving organizational goals if they cannot entice employees with the necessary skills and competences (Roumpi, 2021). Human resource development and staffing are inseparable, as noted by Sindakis and Aggarwal in 2022. After a company has gained the proper skills and competences, it should direct those newly obtained assets toward the success of the business.

Conclusion

As a result, HRM should prioritize training as a means of making sure employees are making effective use of their knowledge and abilities to boost the company's bottom line. Many

businesses now use strategic management, in which workers' contributions to the company's success are valued and accounted for in a way that is determined by upper management. In order to get the best out of your employees, it's important to take care of their material and emotional requirements. This occurs as a result of financial incentives provided to workers (Deshmukh, 2022). Labour practices such as pay and benefits characterise the relationship between an employer and an employee. The term "labor relations" refers to the measures an employer takes to keep its workers happy. In other words, excellent labor practices are positioned companies strategically in the labor market, and managers' responsibilities in labor relations extend much beyond the design of basic pay plans (Pearce, et al. 2022). In the opinion of Malik and Sanders (2021), workers' health and safety must be ensured if they are to devote their full efforts to the success of the company. Many businesses are implementing new programs to reassure workers that their health and safety is being taken seriously, which is reducing stress and encouraging higher productivity.

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