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Consultancy and Research

Expectations of returning to work after lockdown: Report for the External Advisory Group on Economic Recovery

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Contents

Introduction

Background and aims

Mark Diffley Consultancy and Research was commissioned by Scottish Government to undertake survey research among a representative sample of the economically active population in Scotland to explore their expectations of returning to work after lockdown. As the coronavirus pandemic represents a rapidly changing situation, the survey research was delivered at pace to inform work undertaken by the Scottish Government Advisory Group on Economic Recovery, during this time.

The coronavirus pandemic has affected businesses across Scotland in a number of different ways; many have ceased operating or have had to change working practices, while government interventions have allowed for the furloughing of workers in the short-term. Data on the overall economy are important indicators in this respect; GDP in Scotland is estimated to have fallen by 18.9% in real terms during April, based on statistics published by the Scottish Government[1]. The unemployment rate rose to 4.6%, which is an increase of 1.1% compared to three months before, while the number of claimants of the expanded Universal Credit scheme has also increased over this period.[2]

Within the rapidly changing context, the research provides a snapshot into the following aspects of returning to work after lockdown:

- perceptions of the labour market for those who are unemployed,
- expectations of the return to work among those who are working or furloughed,
- expectations of commute to work,
- expectations of managing childcare responsibilities,
- views on the retention of working practices developed during lockdown

Methodology

The survey was administered online through the *Scotpulse* panel of 28,000 adults (age 16+) across Scotland.

- survey invitations were sent on the 1st of June 2020, with data analysed on 5th June 2020,
- a total of 1150 completed responses were achieved,
- data was weighted to the age and gender profile of the economically active population in Scotland using the Annual Population Survey undertaken by ONS.

Quantitative data identifies the prevalence of particular views among the population group and identifies differences in opinion by key demographic variables. Throughout the report, differences between variables are commented upon only where we are sure these are statistically significant i.e. where we can be 95% certain that they have not occurred by chance.

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[1] Scottish Government 2020, GDP Monthly Estimate, Scotland: April 2020 available at https://www.gov.scot/publications/monthly-gdp-april-2020/

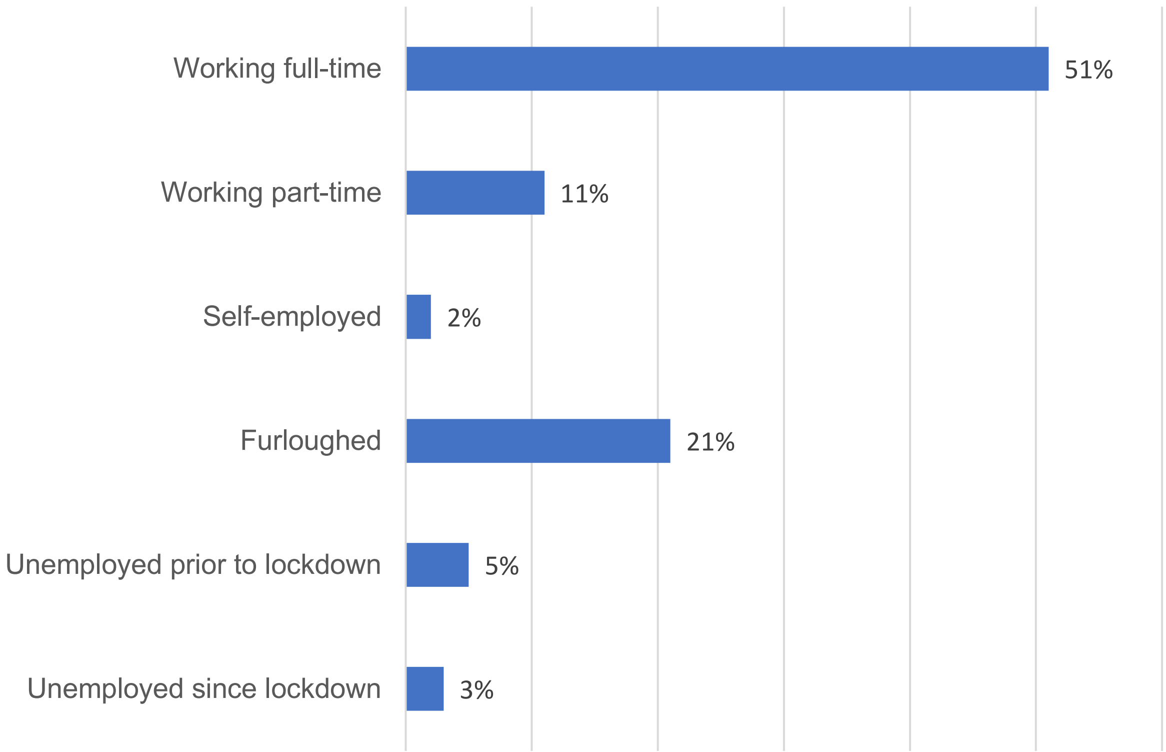
[2] Office for National Statistics June 2020: Labour Market Overview available at https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/employmentandemployeetypes/bulletins/uklabourmarket/june2020

Overall results

General observations

There are some observations that can be made about the labour market more generally from the survey data. Importantly, around a fifth of the sample (21%) reported that they had been furloughed; while a small proportion (3%) had become unemployed since lockdown began on the 23rd of March 2020.

Figure 1.1 Sample working status as of 23rd March 2020



Base: All (1,150)

Workers in smaller organisations with less than 250 staff were more likely than those working in organisations employing 250 or more staff to have been furloughed, as shown in the table below.

Table 1.1. Proportion of workers furloughed by size of organisation

	Overall %	**1-9 %**	**10-49 %**	**50-249 %**	**250 %**
Proportion Furloughed	21	41	29	30	14
Base (n)	*1150*	*158*	*170*	*150*	*623*

There were higher levels of furloughed and unemployed staff in the Hospitality and Tourism sector as well as the Wholesale and Retail sector.

Table 1.2. Working status by sector

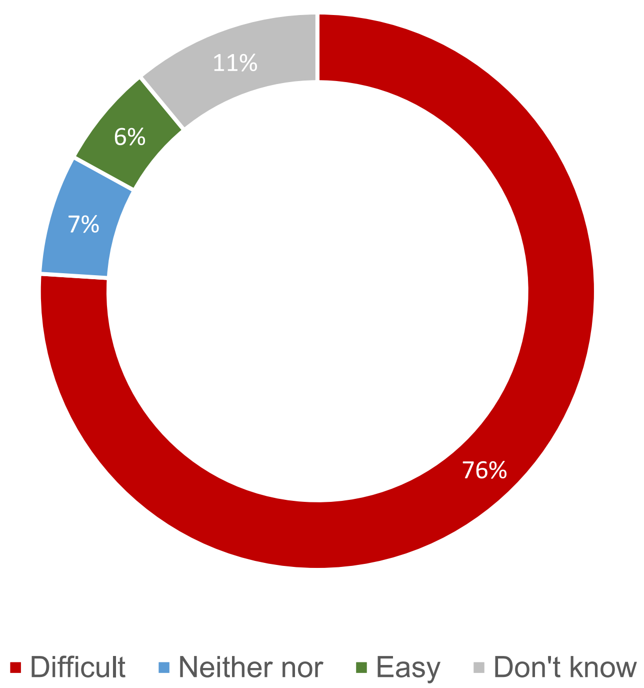
	Overall %	**Working full-time %**	**Working part-time %**	**Furloughed %**	**Unemployed %**
Hospitality/ Tourism	6	0	1	20	13
Wholesale/ Retail	12	5	25	19	26
Base (n)	*1150*	*604*	*155*	*222*	*95*

Furthermore, there is a higher proportion of workers in these sectors residing in accessible rural and remote small-town locations, which has implications for the rural economy.

Perceived ease of finding work

Three-quarters (76%) of those unemployed at the time of the research reported that it would be difficult to find a job as good as the one they previously had, after lockdown. In contrast, only 6% stated that it would be "very" or "fairly" easy to do so.

Figure 1.2. Perceived ease of finding work after lockdown

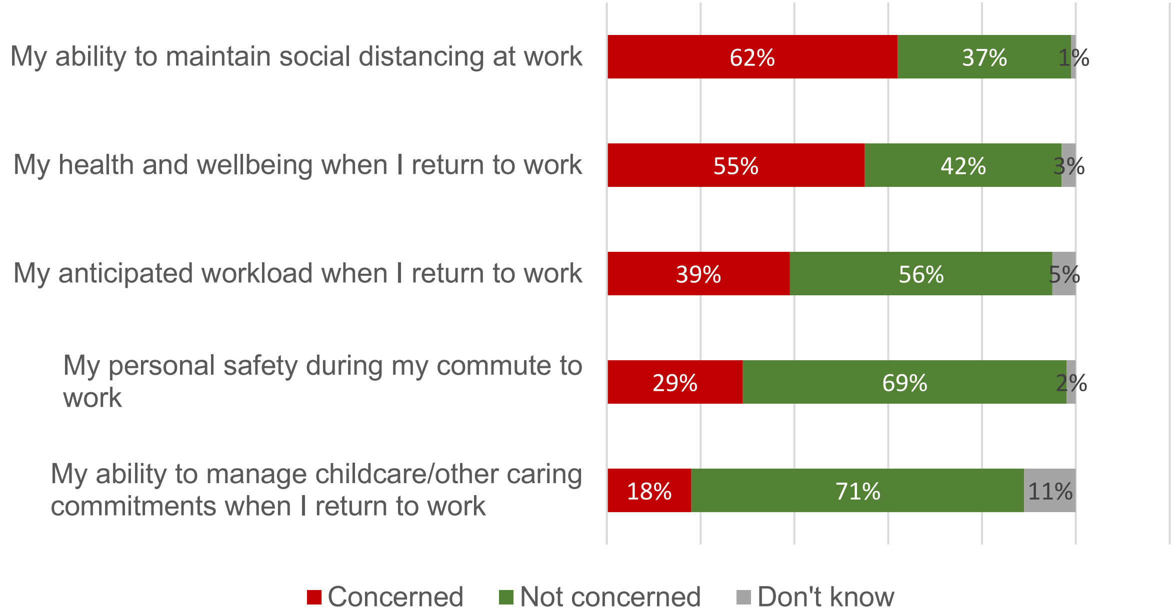


Base: All unemployed (96)

Concerns about returning to work

There were a range of concerns in relation to returning to work: higher levels of concern were expressed regarding social distancing and health and wellbeing at work – 62% and 55% reported that they were "extremely", "very" or "fairly" concerned, respectively. Fewer respondents reported concern about their anticipated workload or personal safety during their commute to work (39% and 29% respectively).

Figure 1.3. Concerns about returning to work

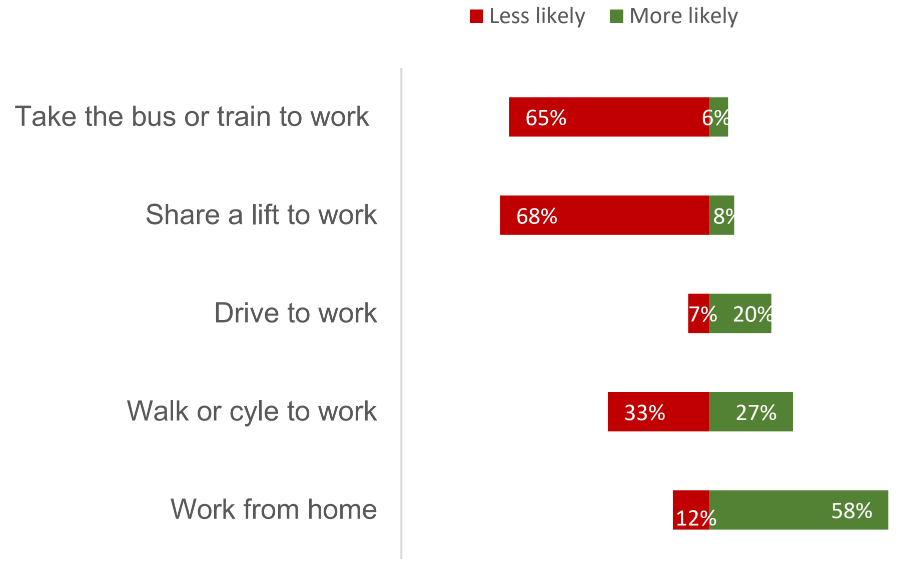


Base: All (1,150)

Travel arrangements to work

Respondents to the survey reported that they are more likely to work from home (58% more likely) after lockdown, reducing their reliance on transport to and from work. In the opposite direction, respondents reported that they were less likely to take public transport or share a lift to work (65% and 68% less likely) after lockdown.

Figure 1.4. Travel arrangements to work after lockdown



Base: All working excluding not applicable (418-766)

Anticipated changes to childcare arrangements

Around six-in-ten respondents (63%) reported that they are more likely to need flexible and home working arrangements to meet their childcare responsibilities. This data is perhaps unsurprising given the phased return to school combing school and home learning that is anticipated from August 11th.

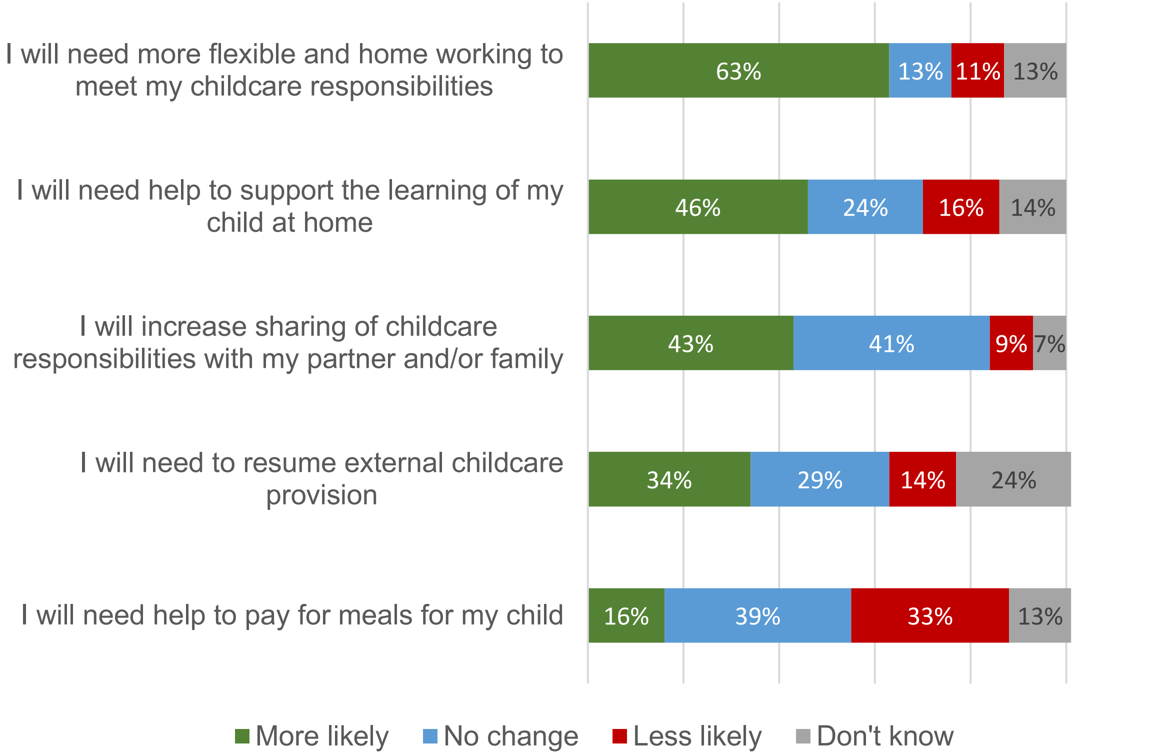
A further 46% reported that they are more likely to need help to support the learning of their child at home after lockdown.

Similar proportions reported that they were more likely to share childcare responsibilities with their partner as reported that they already do this (43% and 41% respectively). The data is illuminating considering recent analysis conducted by the Institute for Fiscal Studies which has shown that among those doing paid work at home, mothers are more likely than fathers to be spending working time simultaneously trying to care for children[3].

Sixteen percent of the sample reported that they were more likely to need help to pay for meals for their child; importantly, 39% said that they already receive this. This data is pertinent as there is an extension of free school meal provision in Scotland[4].

Figure 1.5. Childcare arrangements on returning to work after lockdown

[3] Andrew, A et. al 2020 Parents, especially mothers, paying heavy price for lockdown available at https://www.ifs.org.uk/publications/14861
[4] Scottish Government June 2020 https://www.gov.scot/news/free-school-meals-extended/



Base: All with children and excluding not applicable (117-189)

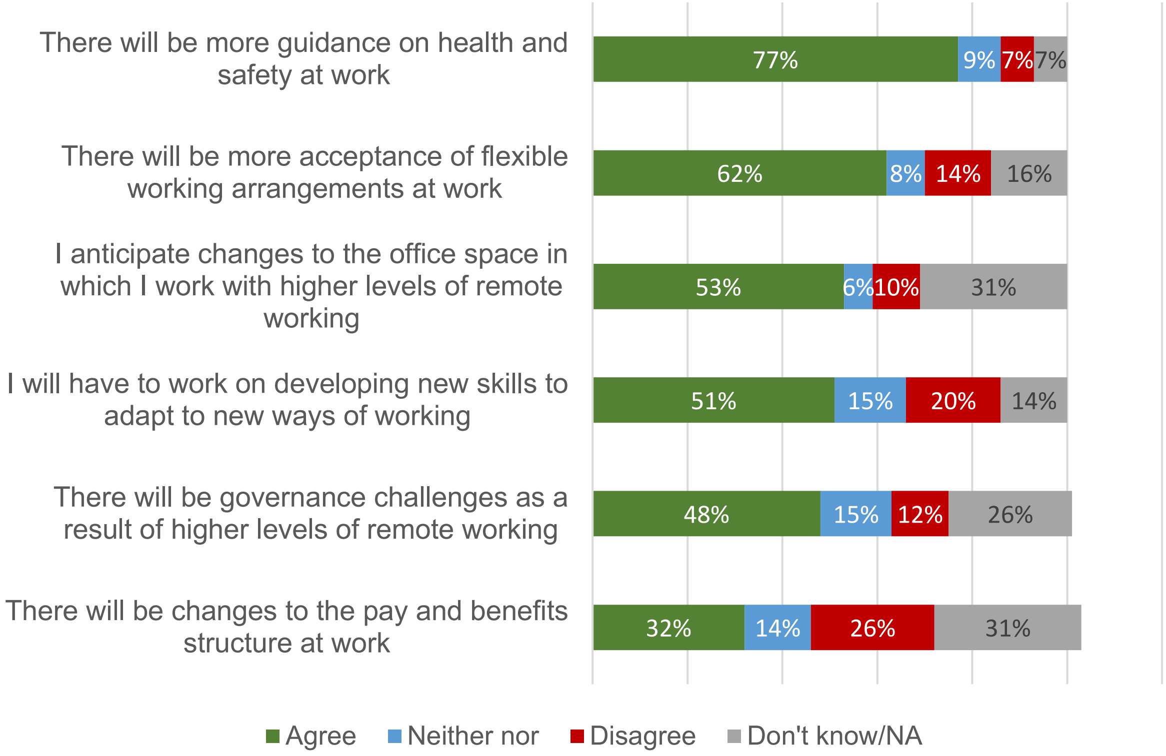
Anticipated changes to work in the next 3 years

Seventy-seven percent “strongly” or “fairly” agree that there will be more guidance on health and safety at work. Moreover, there is broad agreement (62%) that there will be more acceptance of flexible working arrangements at work in the next 3 years as a result of the lockdown introduced in March 2020 to reduce the spread of the coronavirus.

Around half of respondents agree that there will be changes to office space as a result of higher levels of remote working (53%); that they will need to develop new skills to adapt to new ways of working (51%); and that there will be governance challenges arising from higher levels of remote working (48%).

There were more mixed views in terms of anticipated changes to the pay and benefits structure at work in the next 3 years with 32% agreeing that there are likely to be changes in contrast to 26% disagreeing with this statement.

Figure 1.6. Anticipated changes to work in the next 3 years



Base: All working (979)

Practices that workers' want to retain after lockdown

Overall, there was acceptance that there needs to be more flexible and remote working practices beyond the coronavirus pandemic. There was a view that workers should have more autonomy over their hours and days worked as long as essential work is carried out and delivered on time.

"There should be an adoption of working from home for office staff who do not need to be at a particular physical location to fulfil their role."

In particular, it was felt that meetings should take place virtually where they can. Related to this view was a need for the increased adoption and use of digital technologies at work to help facilitate virtual meetings and remote working more broadly.

"*We need to have video/tele conferencing instead of travel to central belt. More efficient use of time and less carbon emissions."*

However, this view was far from unanimous as there was an acknowledgment that not all workers can work from home, particularly those providing frontline services. Moreover, there was a view that remote working should not become the default option as there should be a value placed on human interaction and relationships within the workplace which can in part be nurtured through face-to-face contact.

Furthermore, there was a view that lockdown, and particularly remote working during this time, had prompted a recognition of the importance of work life balance and employee safety and wellbeing. Workers were keen to see this emphasis on mental health and safety to continue after lockdown.

“*Kindness, Respect, Commitment to effective communication, teamwork and health & safety.”*

This emphasis on health was extended to the view that there should be more widespread provision of personal protective equipment, and sanitisers at work and more concern for hygiene within workplaces, more generally.

In addition, as there has been a range of government support provided to different sectors of the economy, it was felt that this should continue after lockdown. In particular, there was a view that there should be government support provided to workers within sectors that are worse affected by the pandemic such as the Oil and Gas sector and Tourism and Hospitality. Moreover, respondents expressed the view that there should be a continued appreciation of key and essential workers post-covid, not only in terms of congratulating these workers for their efforts in propping up communities during this time, but also in terms of pay and conditions of these workers.

Subgroup analysis

This section details variance in the data by different subgroups of the population.

Gender

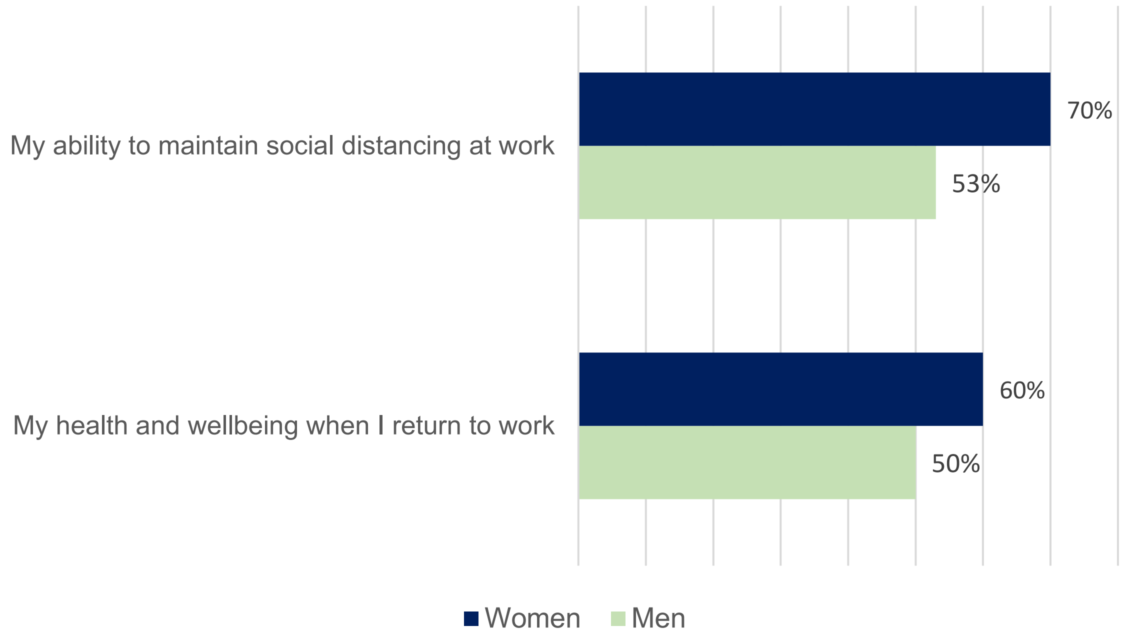
Women were more likely than men to report that they were working part-time as of the 23rd of March 2020 when lockdown was introduced (15% compared with 8% respectively). The converse is true when we consider full-time employment with men more likely than women to report that they are in full-time work (55% compared with 46% respectively).

There are notable differences in the sectors of the economy in which respondents work by gender. These sectors have been impacted differently by the coronavirus pandemic and the results may play out differently by gender.

- Women were more likely than men to report that they are working in Health and Life Sciences and Education (13% respectively compared with 6% and 8%).
- Men were more likely than women to report that they are working in Financial Services and Manufacturing (7% and 8% compared with 4% and 2% respectively).

Women expressed particular concern regarding their ability to maintain social distancing at work as well as their health and safety at work compared with men. This is perhaps unsurprising given the sectors of the economy in which women are more likely to work including service sectors which involve higher levels of face-to-face contact.

Figure 2.1 Concerns about returning to work by gender



Base: All (1,150)

There is some variance in the data regarding the sharing of childcare responsibilities after lockdown, although the results should be treated with caution as they are on the threshold of significance. Just under half of men (49%) report that they are more likely to share childcare responsibilities with their partner after lockdown compared with 36% of women. In contrast, women are more likely than men to give a don't know response to this question.

Table 2.1. Likelihood of sharing childcare responsibilities after lockdown

	Overall %	Male %	Female %
More likely	43	49	36
No change – already do this	41	39	43
Less likely	9	10	8
Don't know	7	3	13
Base (n)	*189*	*101*	*88*

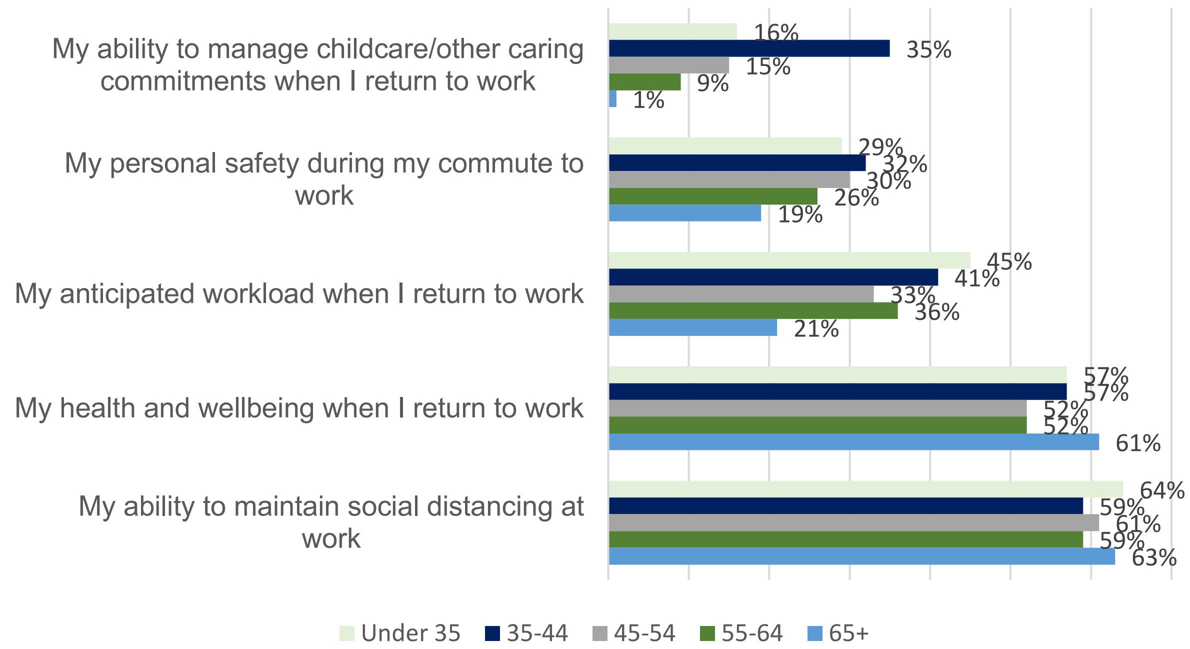
In relation to the next 3 years, women are more likely than men to strongly agree that they will need to develop new skills to adapt to new ways of working (16% versus 7% of men). Furthermore, women were more likely to express uncertainty in relation to how their pay and benefits structure might change in the next 3 years (26% of women reported don't know compared to 17% of men), and if there might be governance challenges arising from higher levels of remote working in future (20% of women reported don't know versus 10% of men).

Age

While three quarters (76%) of the sample who were unemployed at the time of the research, reported that it would be difficult to find a job after lockdown, this figure increases to 92% when we consider the data for under 35's. Therefore, there are particular concerns expressed among young people who are unemployed about their prospects for future employment in a job as least as good as the one they previously had.

Among those working or currently furloughed and expecting to return to work, under 35's were more likely than those aged 65+ to be concerned about their anticipated workload when they return to work (45% compared with 21%) and their personal safety during their commute to work (29% compared with 19%).

Figure 2.2. Concerns about returning to work by age (% concerned)



Base: All (1,150)

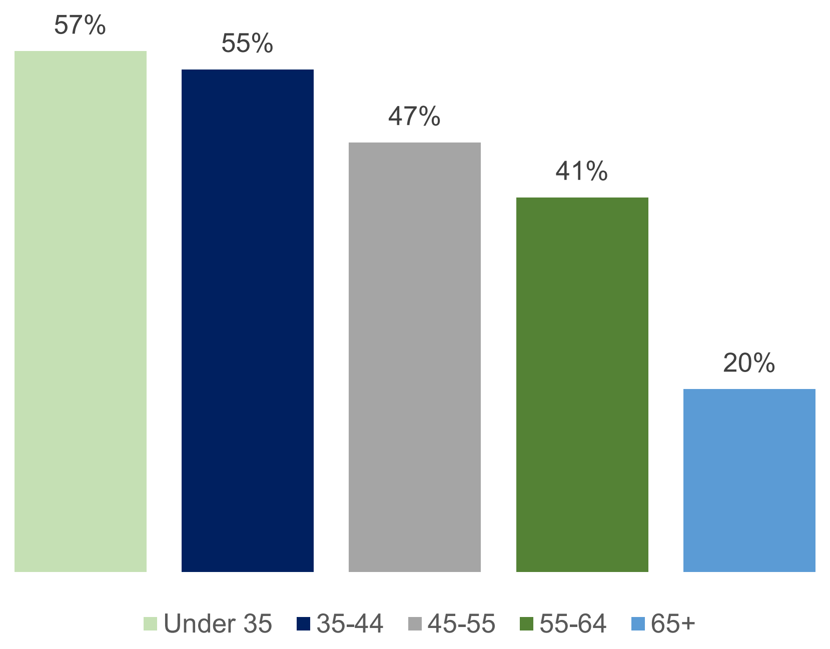
There were also notable differences by age in terms of attitudes to sharing childcare responsibilities as shown in Table 2.2. below. Results should be treated with caution because of the small sample sizes.

Table 2.2. Percentage more likely to share childcare responsibilities after lockdown by age

	Under 35%	**35-44%**	**45-54%**	**55-64%**	**65%**
I will increase sharing of childcare responsibilities with my partner and/or family – More likely	47	45	36	30	0
Base (n)	*53*	*88*	*36*	*11*	*1*

Those aged under 35 were also more likely to express agreement that they need to work on developing new skills to adapt to new ways of working, than all other age groups.

Figure 2.3. Developing new skills to adapt to new ways of working in next 3 years (% Strongly and Fairly agree)



Base: All working (979)

Social Grade

There are differences in reported working status as of the 23rd of March 2020 by social grade. ABC1s are more likely than C2DEs to report that they are working full-time (56% compared with 42%). In contrast, C2DEs are more likely than ABC1s to report that they are furloughed (26% compared with 18%) or were unemployed and were before lockdown began (8% compared with 3%).

These results may be explained by sectoral variation as C2DEs are twice as likely than ABC1s to work in the Hospitality and Tourism sector (8% compared with 4%) which has been disproportionately affected by the lockdown imposed to reduce the spread of the coronavirus.

Furthermore, ABC1s are more likely to anticipate home working arrangements comparative to their counterparts:

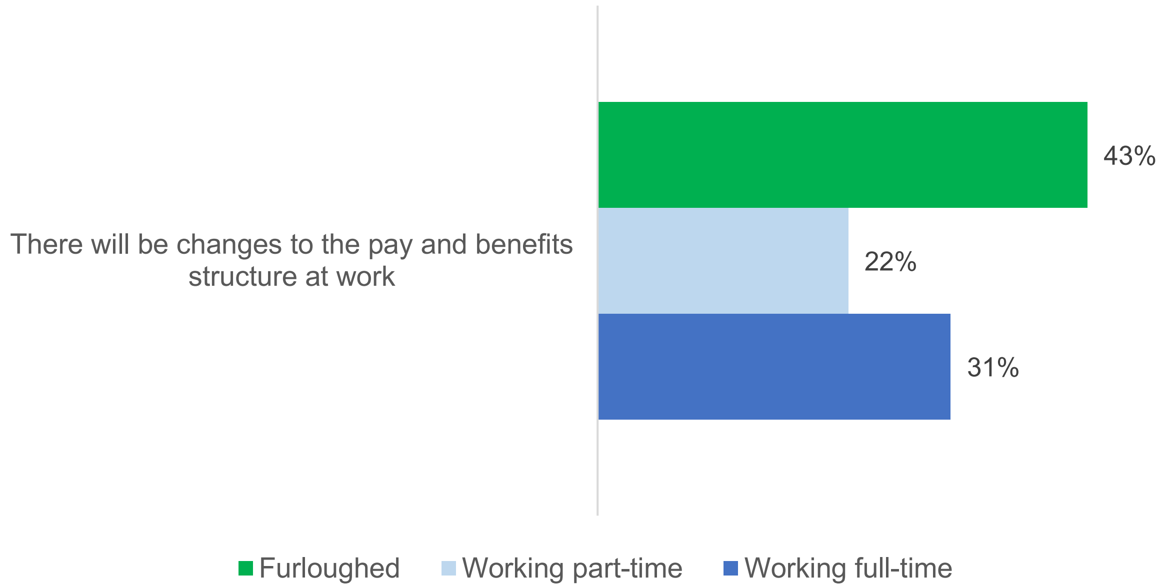
- 61% report that they are more likely to work from home after lockdown compared with 49% of C2DEs, reducing their reliance on transport to and from work,
- 71% agree that there will be more acceptance of flexible working arrangements at their work compared with 48% of C2DEs,
- and 64% agree that there will be changes to office space as a result of higher levels of remote working compared with 35% of C2DEs.

These results are important to consider when thinking about returning to work after lockdown as not all workers are able to make use of flexible and remote working arrangements.

Given these results, it is perhaps unsurprising that ABC1s are more likely than C2DEs to report that they need more flexible and home working to meet their childcare responsibilities after lockdown: 71% reported that they were more likely to need flexible working compared to 47% among C2DEs. The data also indicates that ABC1s are more than twice as likely to use external childcare provision: 37% of ABC1s report no change in using external childcare provision as they already do this compared with 15% of C2DEs.

As working status is closely aligned with social grade, it is also worth noting that those who are furloughed are more likely than those working full-time or part-time to anticipate changes to the pay and benefits structure at work in the next 3 years. These results perhaps reflect the existing 20% pay reduction furloughed workers are currently experiencing.

Figure 2.4. Anticipated changes to pay and benefits structure in the next 3 years (% agree)



Base: All working (971)

Urban/Rural

With higher rates of staff furloughed and unemployed within the Hospitality and Tourism sector, there are anticipated impacts on the rural economy which involve a higher penetration and reliance of these industries for economic growth than urban areas.

In addition to this, there are higher levels of respondents reporting that they work in small organisations in remote rural locations compared to other locations. As we know, smaller organisations are also experiencing higher rates of unemployment or furlough of staff – 28% of respondents in remote rural locations report that they work in small organisations with 1-9 staff compared with 10% in large urban areas.

Therefore, there are disproportionate impacts on the rural economy which has a higher proportion of small businesses than the rest of the economy.

In contrast, those in large urban areas are more likely than any other location within the 6-fold urban rural classification to express concern about their personal safety on their commute to work when lockdown is lifted.

Table 2.3. Concern regarding personal safety on commute to work by urban rural classification (% concerned)

	Large urban %	**Other urban %**	**Accessible small town %**	**Remote small town %**	**Accessible rural %**	**Remote rural %**
	39	26	23	20	20	14
Base (n)	*428*	*336*	*104*	*52*	*146*	*79*

Furthermore, those in large urban areas are more likely to agree that there will be changes to the office space in which they work with higher levels of remote working in the next 3 years, comparative to the other location breaks in the 6-fold urban rural classification.

Table 2.4. Anticipated changes to office space in the next 3 years (% agree)

	Large urban %	**Other urban %**	**Accessible small town %**	**Remote small town %**	**Accessible rural %**	**Remote rural %**
	59	52	55	33	50	37
Base (n)	*366*	*277*	*88*	*47*	*125*	*72*

Conclusion

The data from the survey indicates that there are shifting employment patterns resulting from the coronavirus pandemic, particularly through the introduction of the furlough scheme which incorporates a fifth (21%) of the survey sample, and a small proportion (3%) reporting that they have become unemployed since the lockdown started on the 23rd of March 2020 as the economy is impacted by the measures introduced to mitigate the spread of Covid-19.

Among those who are unemployed there is a recognition of the difficulties of the future labour market, with three-quarters (76%) of the sample reporting that it will be difficult to find a job as good as the one they previously had. There are particular concerns expressed among young people about their employment prospects after lockdown.

The results indicate that for those working, the pandemic will undoubtedly shift working patterns. In particular, there is an anticipation of higher levels of remote and flexible working arrangements post-lockdown. However, this is by far a unanimous view, as there is a higher level of expected remote working reported among those in the ABC1 social grade category compared to C2DEs across a range of measures.

These findings are important to consider, as around six-in-ten respondents (63%) reported that they are more likely to need flexible and home working arrangements to meet their childcare responsibilities, and these arrangements are not available to all workers alike.

Furthermore, workers anticipate more guidance on health and safety at work: 77% agree that more guidance will be provided.

Overall, there is an acknowledgment that the pandemic has raised the profile of health and wellbeing issues; and workers are keen to ensure that this emphasis is continued as they return to work.