THE IMPACT OF COVID-19

A NEW OUTLOOK FOR UK BUSINESSES

The global pandemic has forced organisations globally to re-evaluate their strategic initiatives for 2020 and beyond. To better understand how our customers' businesses have been impacted by COVID-19, TEKsystems recently surveyed over 350 senior-level decision-makers from across 23 industry sectors in the United Kingdom. Respondents included executives, vice presidents, directors, HR professionals as well as mid-level IT managers. This is what they told us:

COVID-19 impact on UK businesses

72%

of respondents said that COVID-19 had a moderate to severe impact on their business.

28%

of respondents said that COVID-19 had little to no impact on their business.

The majority of respondents believe the impact of COVID-19 on their business has been moderate to severe, with staff reductions and furloughs having had the biggest impact, followed by budgetary challenges and the suspension of projects. A small number of respondents acknowledged some positive impacts, including an upturn in team productivity as a result of working from home.

> *"Working from home has led to increased productivity and better processes. Huge office spaces may be a thing of the past..."*
>
> *— IT Leader*

Expectations on returning to the office in 2020

Employers expect that, on average, **43%** of their workforce will return in 2020 with only **34%** expecting employees to return in the next 1-3 months. In the main, employers plan to implement a phased return to work and reduce workforce practices to assist the return to work transition.

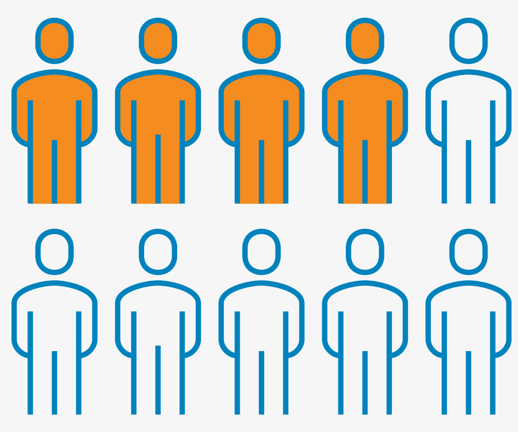
40% **of respondents said that they expect employees to return to the office in the next 3-6 months.**

34% **of respondents said that they expect employees to return to the office in the next 1-3 months.**

26% **of respondents said that they expect employees to return in 2021.**

4 out of 10

employees are expected to return to the office by the end of the year.



Reconsidering priorities for the second half of 2020

The pandemic has forced companies to re-evaluate and reprioritise their technology roadmaps. Our respondents told us that their top priorities for the remainder of the year are:

Improving efficiencies

Focusing on the customer

Delivering operational results

Navigating spending and budgets

The overarching economic uncertainty and regulatory pressures that underpin business decisions, have resulted in mixed views on the impact to hiring budgets.

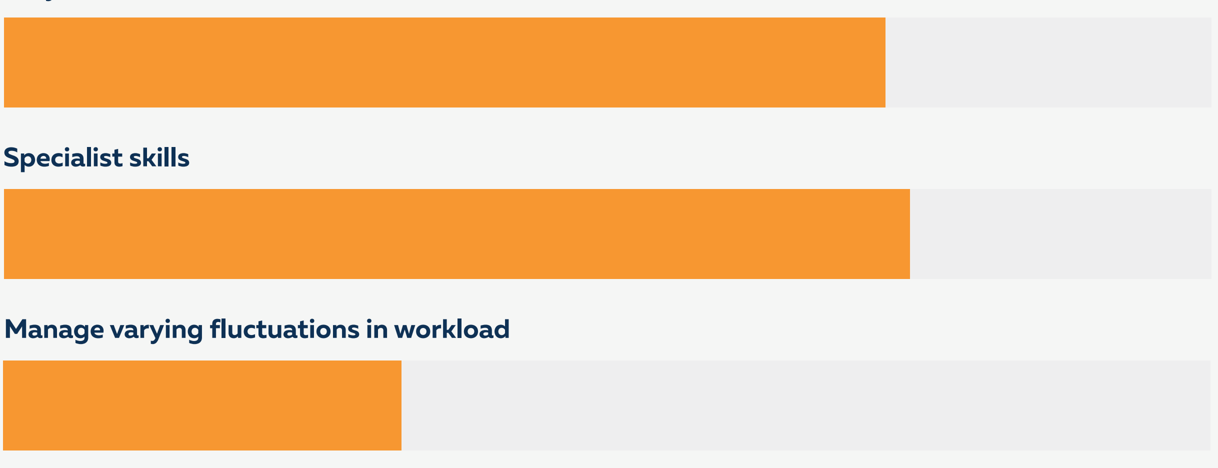
49% **of respondents expect budgets to stay the same.**

26% **of respondents expect budgets to decrease.**

25% **of respondents expect budgets to increase.**

The outlook for contingent resource demand

Where spending is possible, respondents told us that these would be their primary reasons for procuring contingent resources:



Adding value as a supplier

With continued pressure to deliver projects, meet regulatory demands and deliver efficiencies our stakeholders place value on partnering with a supplier that can effectively deliver speed, cost and quality.

Speed

Cost

Quality

A post pandemic outlook

COVID-19 has become a catalyst for change, creating a workplace revolution that will fundamentally change the world of work as we know it. Amongst our customers, there is a sense of positivity and a level of confidence in their ability to deliver to revised business objectives for the second half of 2020.

Returning to work will be phased with business priorities focused on internal improvements, efficiencies and cost cutting while maintaining a high level of customer focus. As companies look to reduce real estate costs, working from home will continue and on-boarding, along with other recruitment activities, will remain virtual. Budgetary constraints are likely to mean streamlining priorities for the remainder of the year, and where there is a demand for contingent resource, they are looking to partner with a supplier who can balance cost, speed and quality.

ABOUT THE RESEARCH

TEKsystems conducted a survey in June 2020 with 353 business decision-makers. Respondents included members of the C-suite, company executives, vice presidents, directors and managers who have final decision-making authority and/or influence on their organisation's technology, hiring and business strategic efforts. The sample includes a balance of decision-makers across technology and other business functions and across a broad spectrum of industries.

ABOUT TEKSYSTEMS

We're partners in transformation. Our people help clients activate ideas and solutions to take advantage of a new world of opportunity. We are a team of 80,000 strong, working for 80% of the global 1000 with over 6,000 client sites across North America, Europe and Asia. As an industry leader in strategy, implementation and talent, we work with progressive leaders who drive change. That's the power of true partnership. TEKsystems is an Allegis Group company. For more information visit TEKsystems.com.