



Technical Selection

### In this issue:

SMEs lose out on £57bn a year | Augmented reality solving engineering problems | New finance options for SMEs | Where the biggest tech hubs are in the UK

## Supply-and-demand : the laws are changing

The spotlight is on SMEs this month: with recent research revealing that £57 billion is being lost per year due to productivity issues. On a positive note, a banking giant has started financing business loans to SMEs for the first time, bringing huge opportunities for ambitious companies. Although our jobs market is buoyant, many are waking up to the fact that the old-fashioned supply-and-demand model of the labor market is dead. The landscape is changing, that is for sure...

*Warm regards from the team at ETS*

### The biggest tech hubs in the UK

The UK technology sector is speeding ahead of other areas of the country's economy, but where are these expanding tech hubs? The UK – by in large – represents a tech hub that is increasingly attractive internationally (investment deals from Silicon Valley into UK tech companies have increased by 252% since 2011!). In addition, despite concerns surrounding the controversial Brexit, a recent report found that there had been a 62% increase in foreign investment into UK firms in 2017. [Read more](#)

### Survey: Average Salaries

June 2018

Sales Engineer

£37,500

» no change over last month

↓ 2% over last month

Project Engineer

£41,570

IT Helpdesk  
£17,000

↓ 26% over last month

↑ 12% over last month

Graduate Engineer

£32,500

Design Engineer

£42,500

» no change over last month

source: totaljobs

## Do UK.gov works understand sci-tech skills gap?

In a withering report, the influential Public Accounts Committee criticised the government's poor understanding of science, technology, engineering and maths (STEM) skills in the UK and a "lack of urgency" in addressing shortages.

[Find out more](#)

## One of the biggest banks in the world is lending to UK SMEs

Banking giant BNP Paribas has started financing business loans to SMEs in the UK for the first time. The company, which advises on assets worth around €568 billion, will invest in direct loans to finance 'ambitious projects' in the UK.

[Read more](#)

## Could augmented reality make solving engineering problems faster and cheaper?

Researchers at BT Labs are exploring the use of augmented reality to support engineers in the field. Engineers often stumble across new problems and need the advice of specialists for further guidance and augmented reality could hold the key to enabling them to share their challenges with others remotely.

[Find out more](#)

UK employment up 146,000 to 32.39 million people in work  
June 2018 release ('000s, ONS)



indeed

## UK Employment Figures

Britain's buoyant jobs market has managed to defy economic gravity once again – and is successfully floating above the sputtering economy. Despite the latest round of weak economic news, the labour market numbers released by the ONS surprised on the upside with strong employment gains, low unemployment, and rising wages.

The ONS reported that the number of people in work increased another 146,000 between November 2017 to January 2018 and February to April 2018. [Read more](#)

## UK SMEs lose out on £57bn a year due to productivity gap

NatWest recently unveiled research which reveals UK SMEs could add up to £57 billion a year – more than the cost of Brexit – to the UK economy if they were as productive as SMEs in Germany. The research shows UK SME employees, on average, generate £147k worth of output per year – less than half that of their German counterparts. Despite this productivity gap, NatWest's research found UK SMEs are uncertain about the actions they need to take to boost business productivity. [Read more](#)

## The 'supply-and-demand model of labor markets is broken'

Many are waking up to the fact that the old-fashioned supply-and-demand model of the labor market is dead. The old model was simple. It stated that the price of labor was set by supply and demand. If the supply of workers was restricted, wages would inevitably rise as workers switch jobs for better-paid positions or negotiate pay raises for staying. Yet right now we are living through the most

supply-restricted wage market since the 1970s. [Read more](#)

## News In Brief

It's time to rethink the entry requirements for engineering degrees.

[Read more](#)

34% of UK engineers have founded their own business, compared to 27% in the US.

[Read more](#)

## Book Corner

**Elon Musk: Tesla, SpaceX, and the Quest for a Fantastic Future:** In this lively, investigative account, veteran technology journalist Ashlee Vance offers an unprecedented look into the remarkable life and times of Silicon Valley's most audacious businessman.



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