



ManpowerGroup®

Talent Shortages Q4 2021

The ManpowerGroup Employment Outlook Survey

Executive Summary

The talent shortage is high as employers seek to hire.

- 69% of employers say they are having difficulty hiring workers with the right skills, and 80% of employers who plan to increase their headcount in the next quarter are struggling.
- Larger organisation's as well as those in the manufacturing and finance sectors are seeing the largest talent shortage.

In order to attract and retain skilled workers, organisation's are offering a slew of incentives.

- Training is the most common incentive (41%)
- 26% of organisation's have lowered the bar by eliminating drug screenings and/or lowering the entry requirements.
- The finance sector is the least willing to lower the bar (18%)
- Large organisation's, and sectors like finance and business services are able to offer the most incentives
- Sectors like manufacturing are less able to offer incentives like flexible locations

In South and Central America, the talent shortage is lower, while at the same time these S/C American organisation's are offering less incentives than other parts of the world.

- S/C American countries made up the 7 of the lowest 8 results.
- The exception was Mexico with 74% saying they were having difficulty hiring

Executive Summary

Training (aside from compulsory) was mostly offered for manager/leader training (58%)

- Accelerated upskilling programs for both technical and soft skills (net 69%) are employed more often than longer programs lasting over 6 weeks (net 64%)
- Only half of organisation's are offering long term (>6 weeks) training in soft-skills like time management.

organisation's across sectors and of all sizes focus on upskilling existing employees first

- Young people and recent graduates entering the workplace are also a focus of upskilling for employers
- This is especially true in Asia Pacific where younger workers are the focus of upskilling/reskilling
- In EMEA and N. America older workers are prioritized more than S/C America and Asia Pacific

North America focus on diversity and inclusion in training and which groups to upskill

- Diversity and inclusion training is among the top upskilling programs in North America (67%) but not elsewhere
- North America also focuses more on upskilling/reskilling programs for under-represented groups

Both organisation's looking to increase and decrease staff apply more upskilling programs

- It makes sense that organisation's increasing headcount will need to train and upskill those staff
- But organisation's decreasing headcount also need to retrain and upskill the remaining staff to take on additional roles

Executive Summary

The biggest single barrier to upskilling is money (22%), but 78% say other reasons are bigger

- Time (18%) and access to the right training partners (13%) are also barriers to training and upskilling
- Money is an especially big barrier in N. America (23%) and EMEA (24%) vs other regions (17%)
- In Asia Pacific a lack of knowledge or strategy on what areas to train in is the largest single obstacle (19%)
- In those decreasing their headcount, money is a much larger obstacle (28%)
- In organisation's increasing their staff size time is a bigger obstacle (19%)

Dealing with remote working has left managers feeling more positive than negative

- Feelings of positivity are seen globally, with a quarter of organisation's saying their managers feel “positive”
- Managers in South and Central America are feeling especially resilient (18% vs 11% globally)
- organisation's decreasing their staffing levels are feeling more stressed than those increasing or staying the same

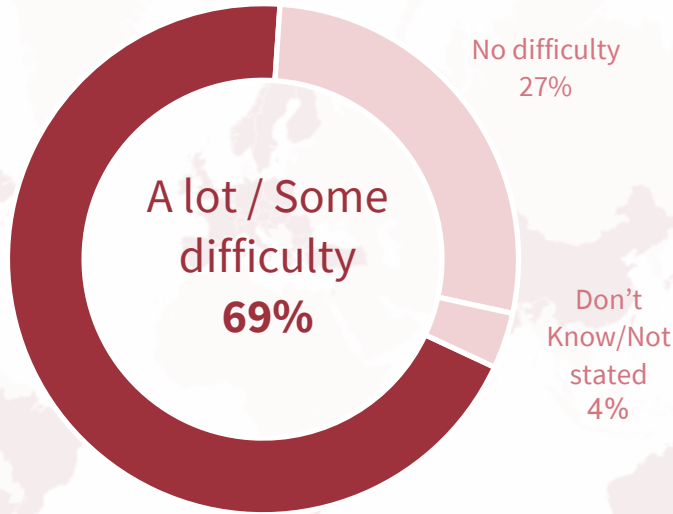
Training helps! 28% of organisation's who offer manager training say their managers feel positive

- As opposed to 21% who say their managers feel positive, but don't offer manager training

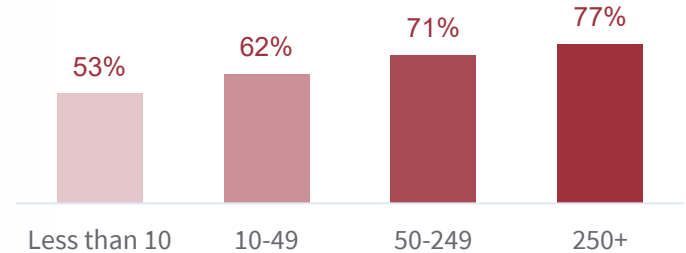
The talent shortage is high as employers seek to hire

Especially in larger organisation's, but less in South/Central America

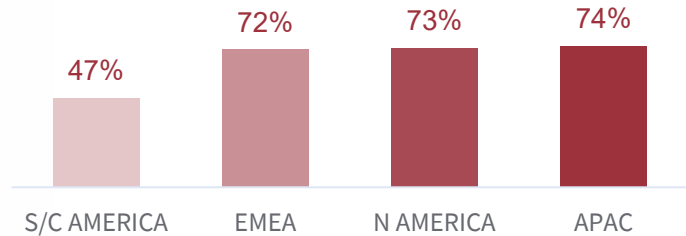
Currently, how much difficulty are you having filling jobs due to lack of skilled talent?



Experiencing at least some difficulty by employee size



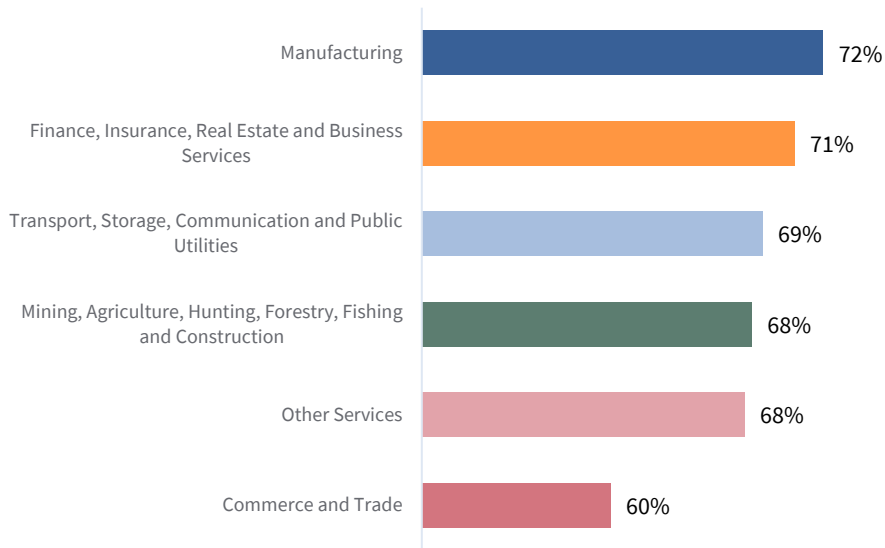
Experiencing at least some difficulty by global region



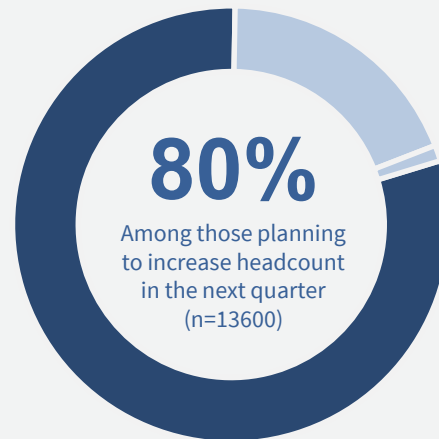
Highest shortage of talent in Manufacturing and Finance sectors

Lowest shortage in commerce and trade

Experiencing at least some difficulty by global sector



Among organisation's planning to increase headcount in the next quarter, **80%** struggle to fill jobs due to a **lack of skilled talent**.



COVID-19 is reshaping in-demand skills

Technology-related roles continue to be in high demand and logistics shows no signs of reverting to pre-crisis levels as the shift online retail is here to stay.

Demand is strengthening within manufacturing, hospitality, entertainment, and travel sectors as industries most impacted by the pandemic start to bring their workers back.



Option 1

“As vaccine roll-outs gain momentum and lockdown restrictions ease we see hiring optimism coupled with supply constraints in many markets,” said Jonas Prising, ManpowerGroup Chairman and CEO.

“This recovery is unlike any we have seen before and the pace of hiring is picking up far faster than after the last economic downturn. The competition for talent is heating up, and employers are starting to respond to what workers want – better pay, more flexibility and skills development with a commitment to sustainability. While some of these shortages will be eased as health concerns lessen, stimulus ends and schools return, digitization is here to stay and supporting people to reskill and upskill for growth roles remains one of the greatest challenges of our time.”

69% of employers globally report difficulty finding the talent they need

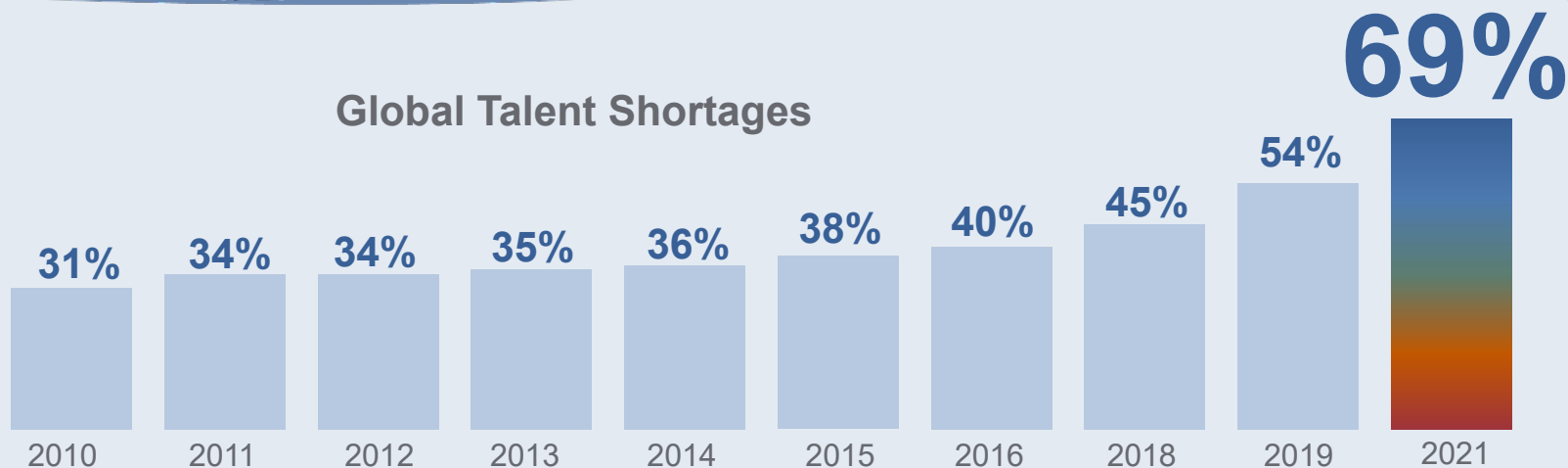
COVID-19 is reshaping in-demand skills



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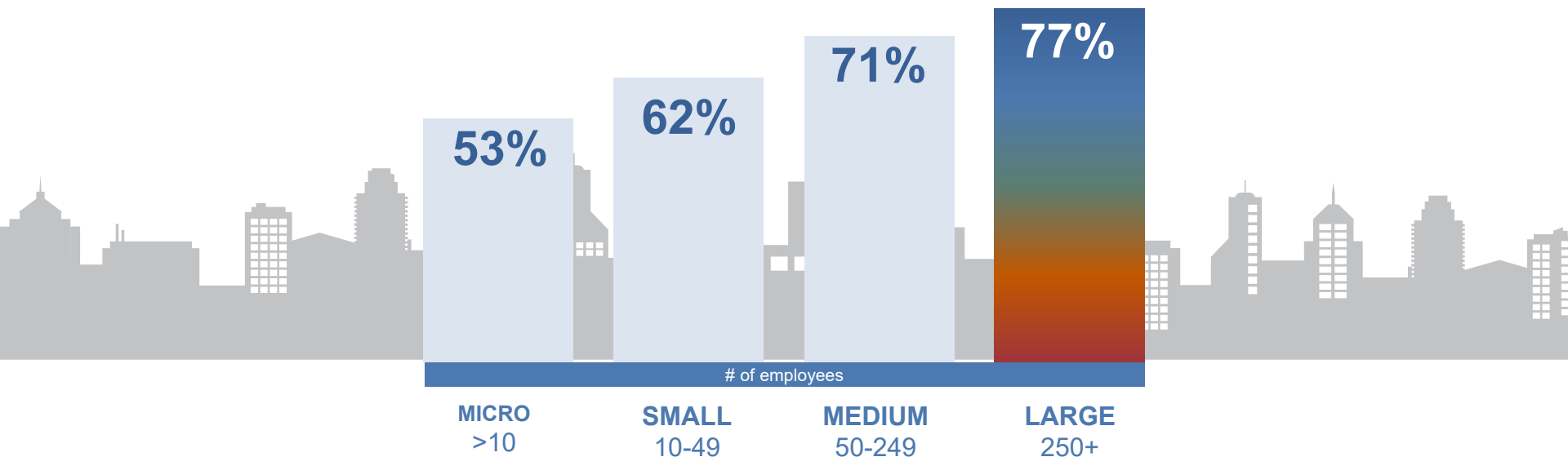
Demand is strengthening within manufacturing, hospitality, entertainment, and travel sectors as industries most impacted by the pandemic start to bring their workers back.

Global Talent Shortages



Large organisation's face the most difficulty filling roles

Difficulty Filling Roles by Company Size



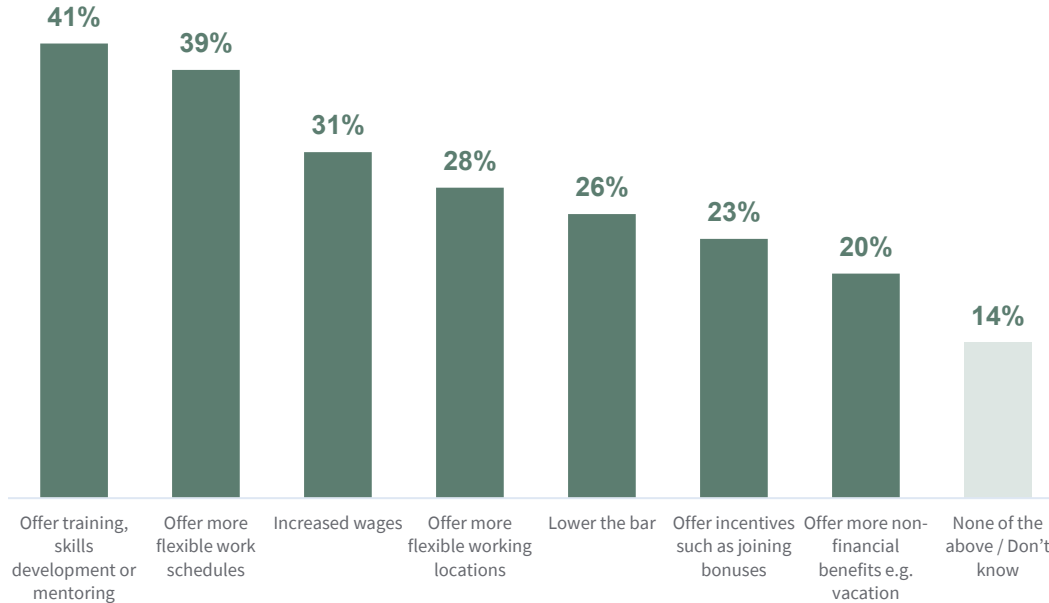


PUSH FOR INCENTIVES

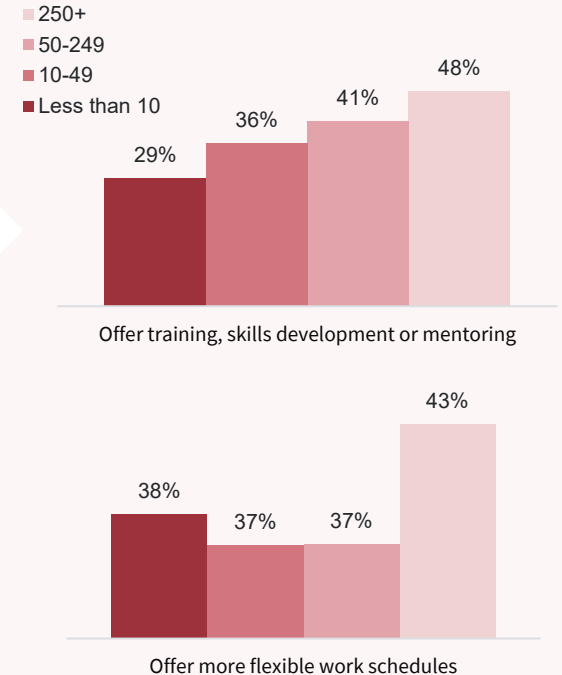
Training is the most common incentive to help fill jobs

A quarter of organisation's have lowered the bar

What incentives is your organisation offering to help fill jobs?

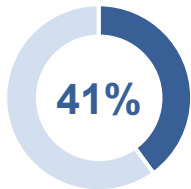


Incentives by employee size

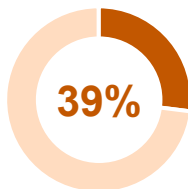


Push for Incentives

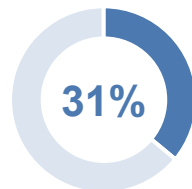
Training is the leading incentive being offered by organisation's



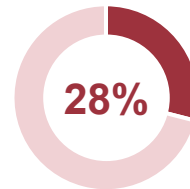
Offer training, skills development or mentoring



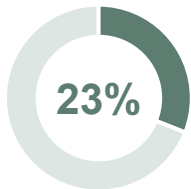
Offer more flexible work schedules



Increased wages



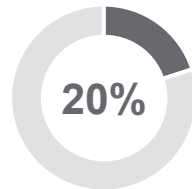
Offer more flexible working locations



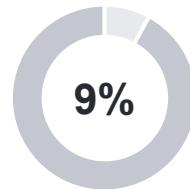
Offer incentives such as joining bonuses



Offer more non-financial benefits e.g. vacation



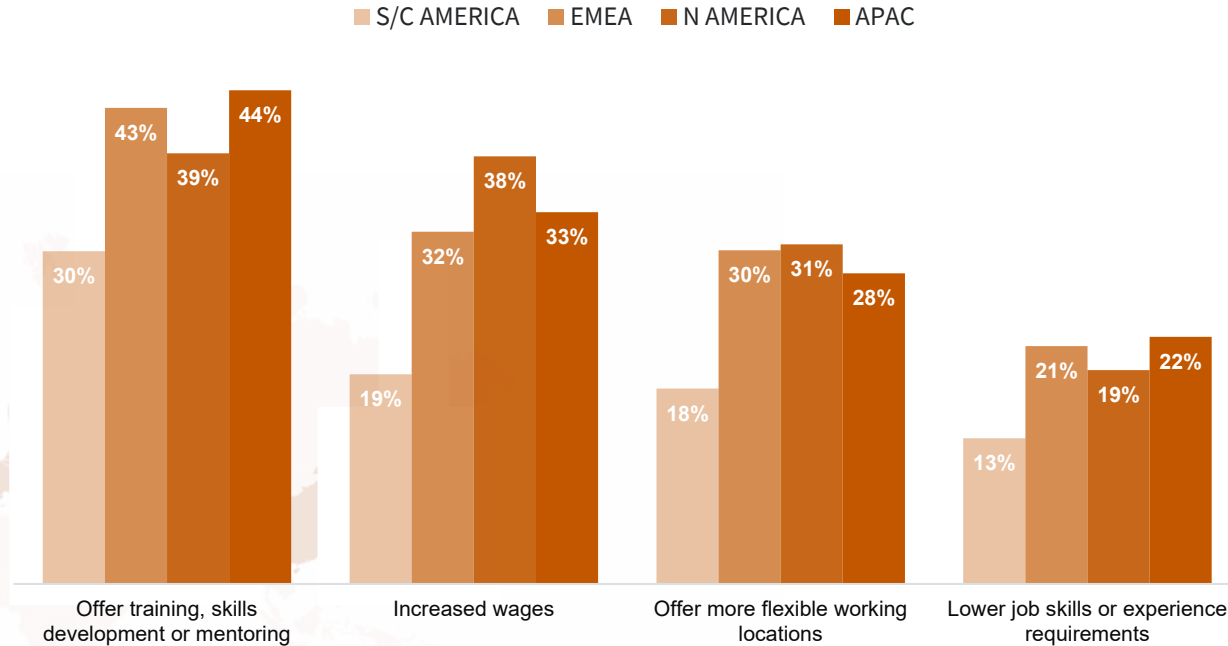
Lower job skills or experience requirements



Eliminate job screening or drug tests

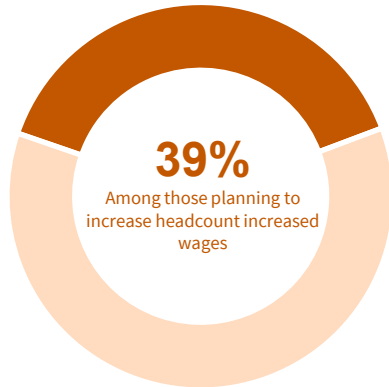
Organisation's in South and Central America offer less incentives than other regions

Incentives by global region



Among organisation's looking to increase their staff...

Increase wages



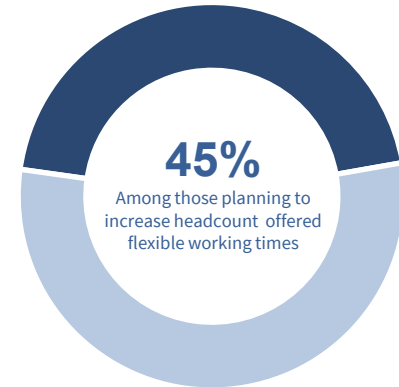
... compared to **31%**
across organisation's

Offer training, skills
development or mentoring



... compared to **41%**
across organisation's

Offer flexible working times

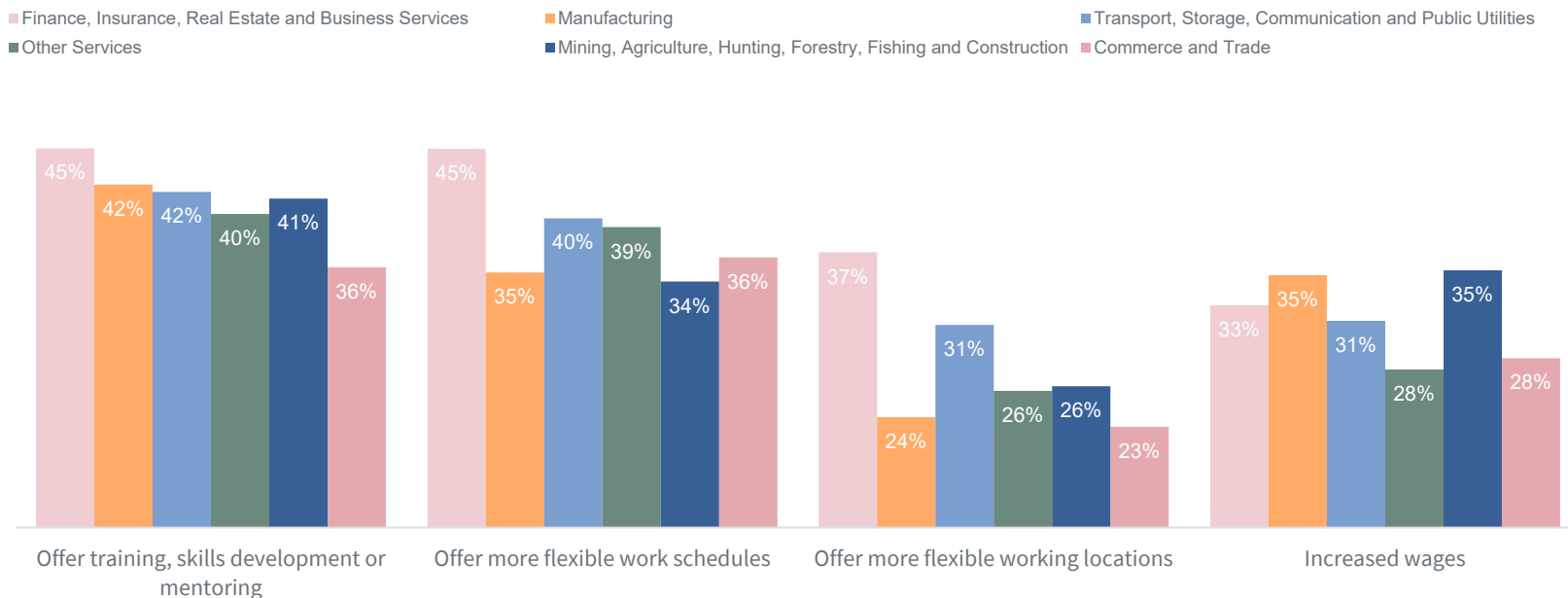


... compared to **39%**
across organisation's

Finance and business services are able to offer the most incentives

In appropriate sectors employers are offering more flexible working locations

Incentives by sector



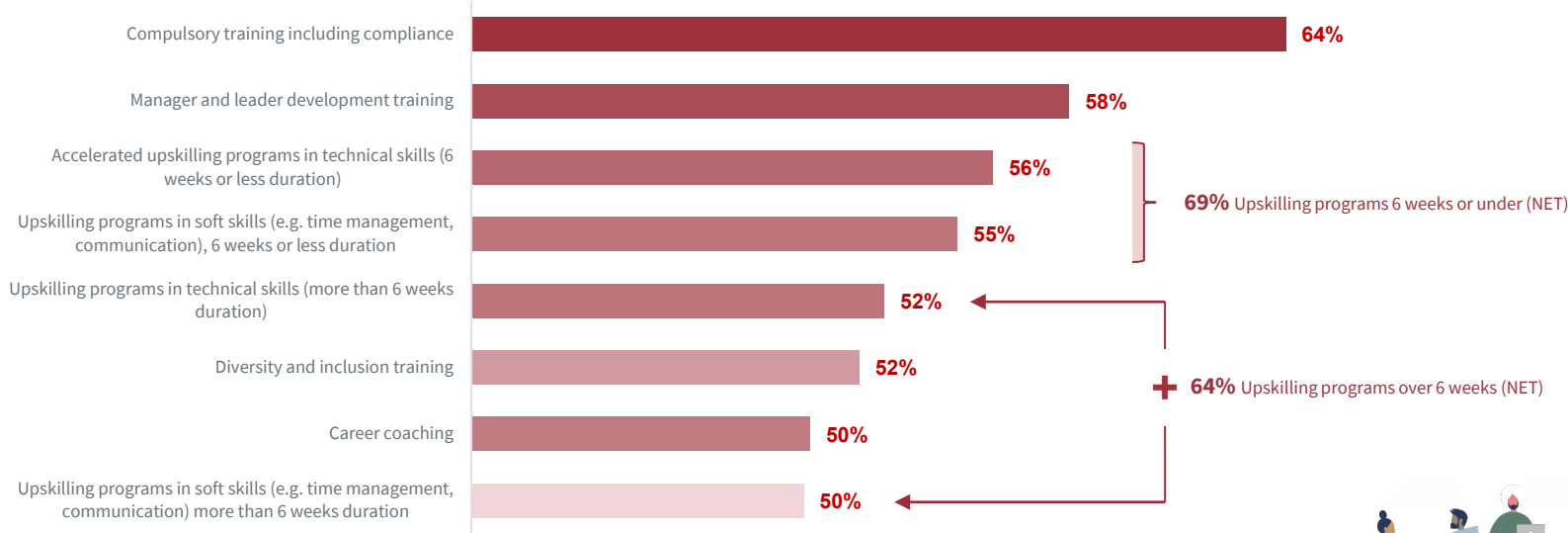


Upskilling/Reskilling Program Strategies



Accelerated upskilling programs for both technical and soft skills are employed more often than longer programs lasting over 6 weeks

3 of every 4 employers will require at least 50% of their workforce to be based in the workplace all or most of the time, due to the type of roles they are in. Yet most are working to build new kinds of flexibility into roles traditionally seen as inflexible:

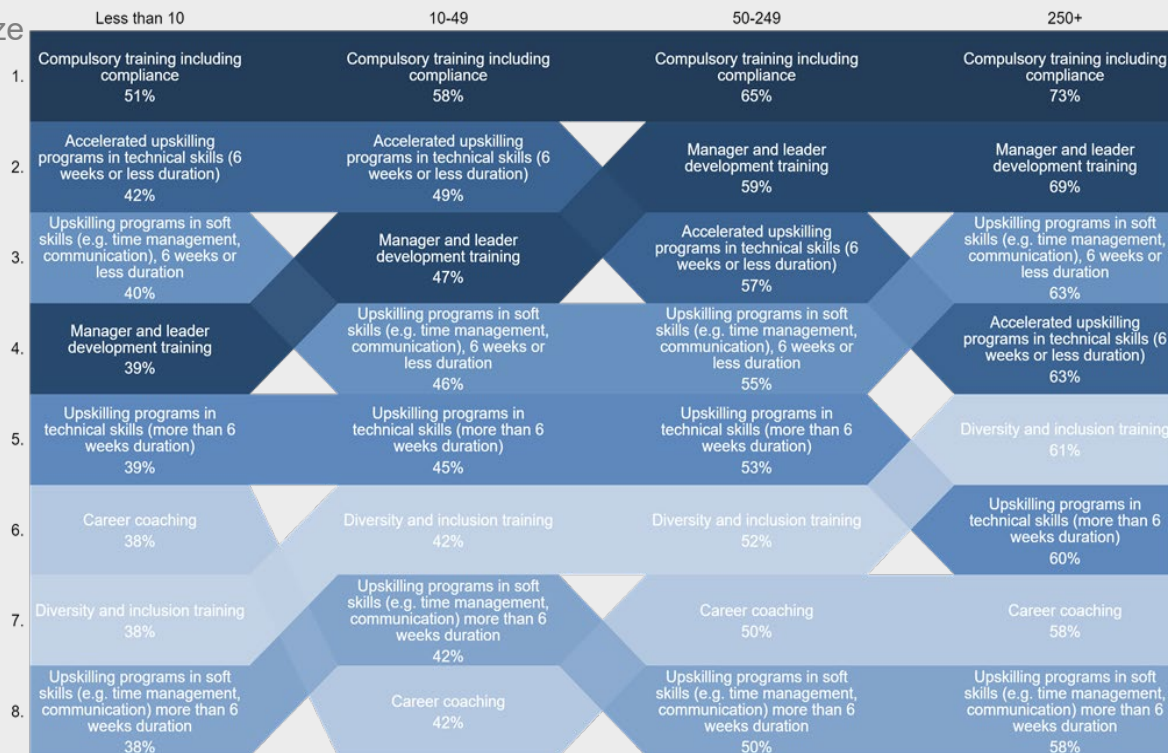


As the size of the organisation increases, management and leader training is employed more frequently.

Upskilling programs by organisation size

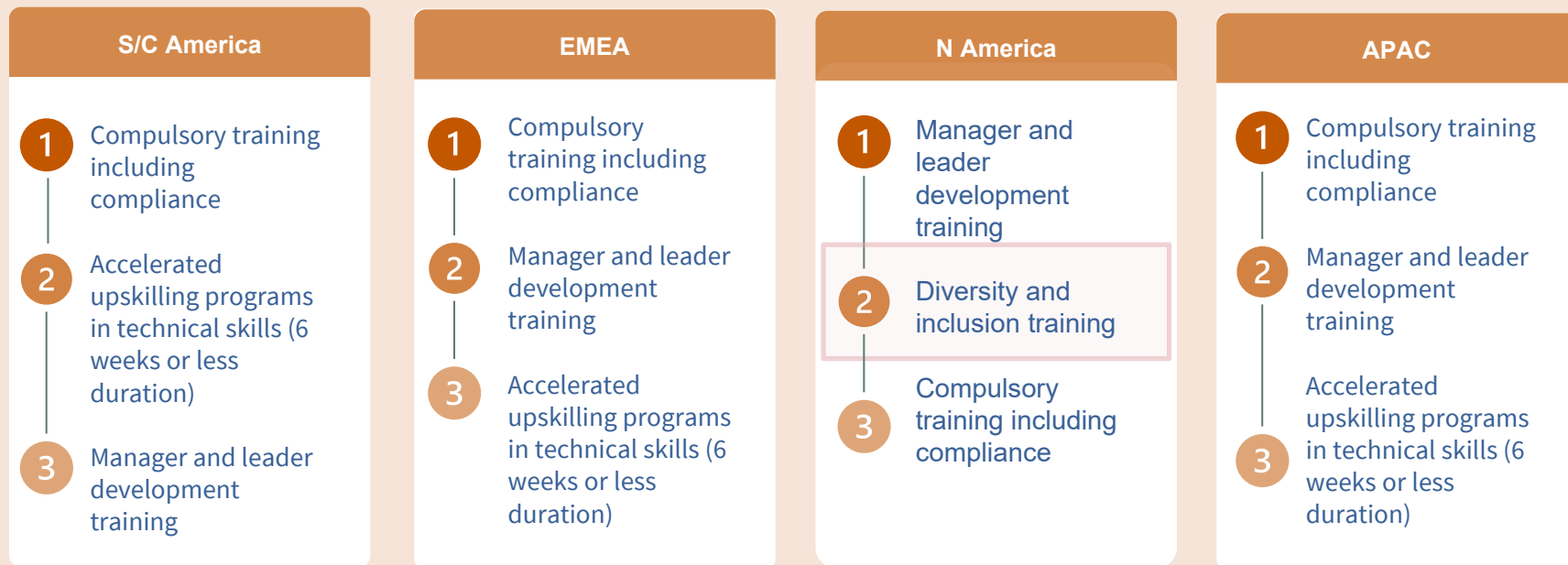


Micro organisation's prioritise **accelerated upskilling programs** more than larger organisation's.



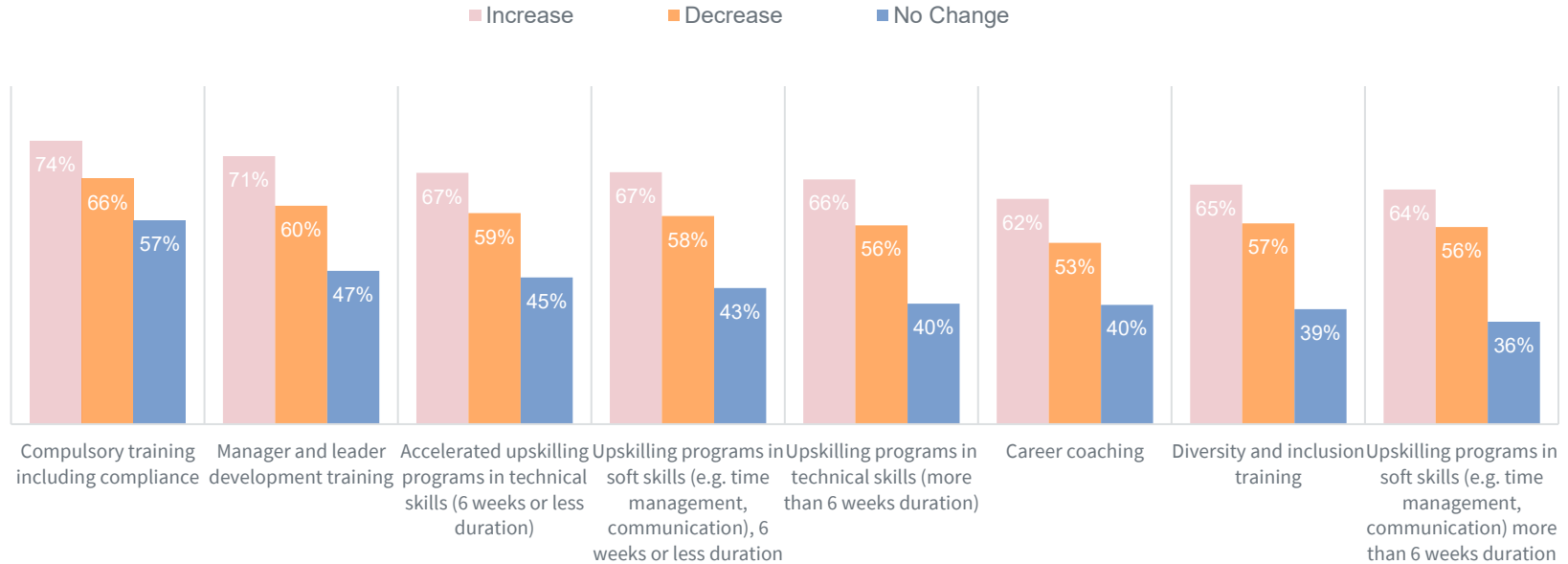
Diversity and inclusion training is among the top upskilling programs in North America but not elsewhere

Upskilling programs by global region



Organisation's increasing staff apply more upskilling programs than others, but shrinking organisation's also feel the need to train

Upskilling programs by staffing level

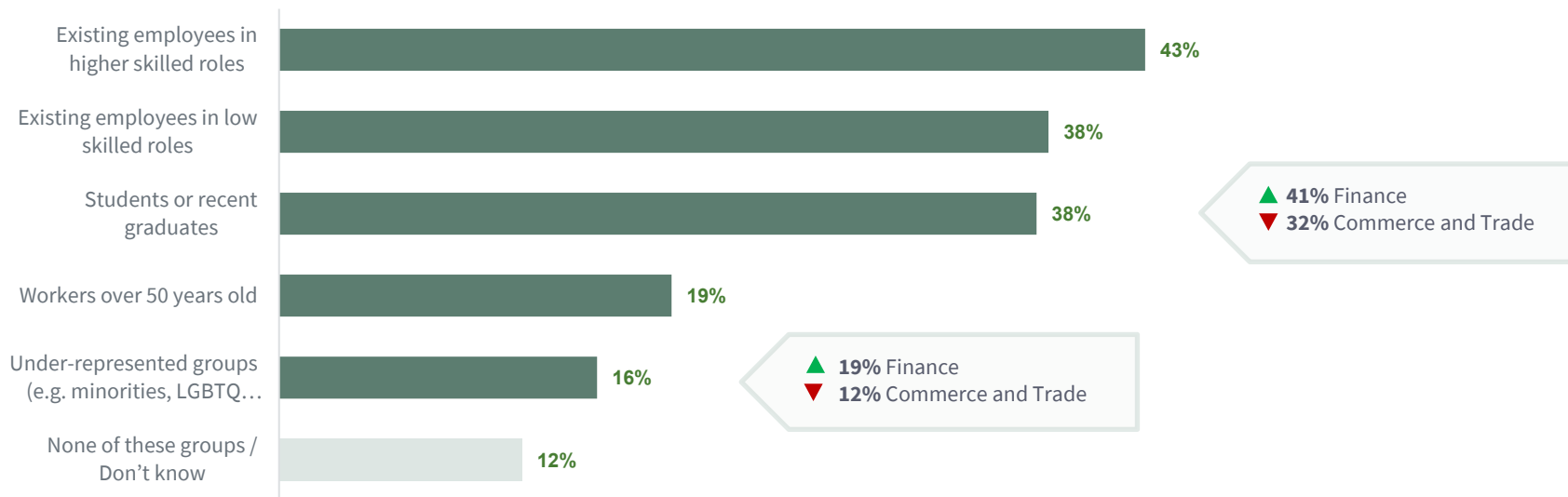


A photograph of two men in a modern office setting. The man on the left, with a beard and glasses, is wearing a dark blazer over a grey t-shirt and is holding a tablet. The man on the right is wearing a light blue button-down shirt and khaki pants. They are both looking at the tablet. The background shows office furniture, a plant, and large windows.

Upskilling/Reskilling Priorities (Talent Pools)

Organisation's are most interested in training existing employees both in high and low skilled roles

Which are the talent pools that your organisation plans to upskill/reskill the most

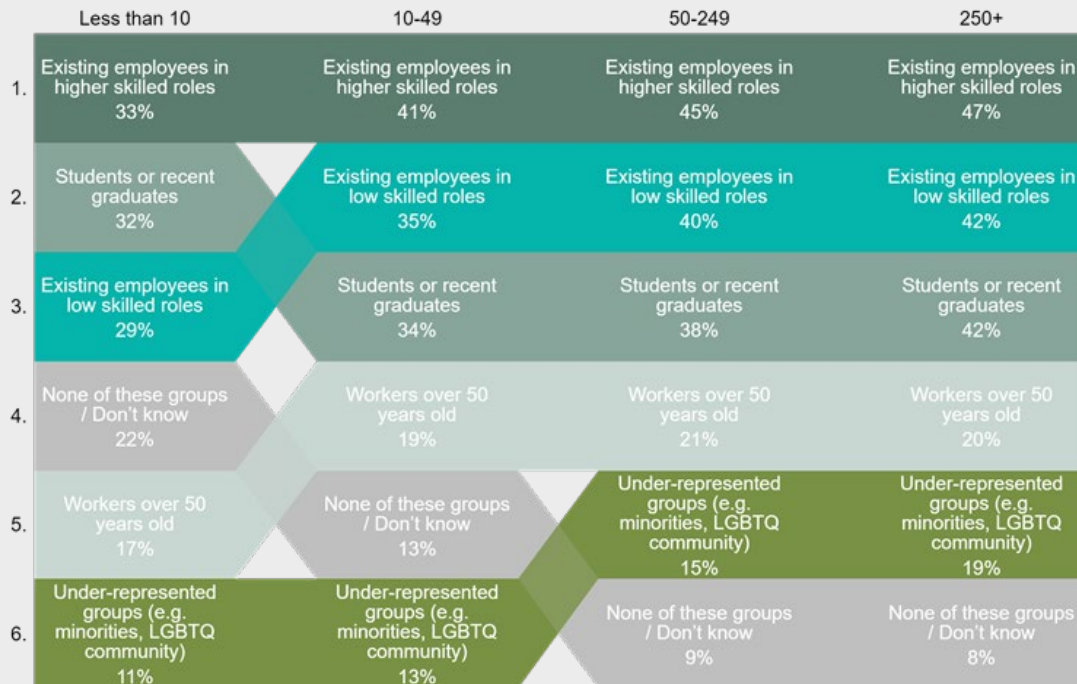


Every size of organisation focuses on upskilling existing employees, students and recent graduates

Upskilling groups by organisation size

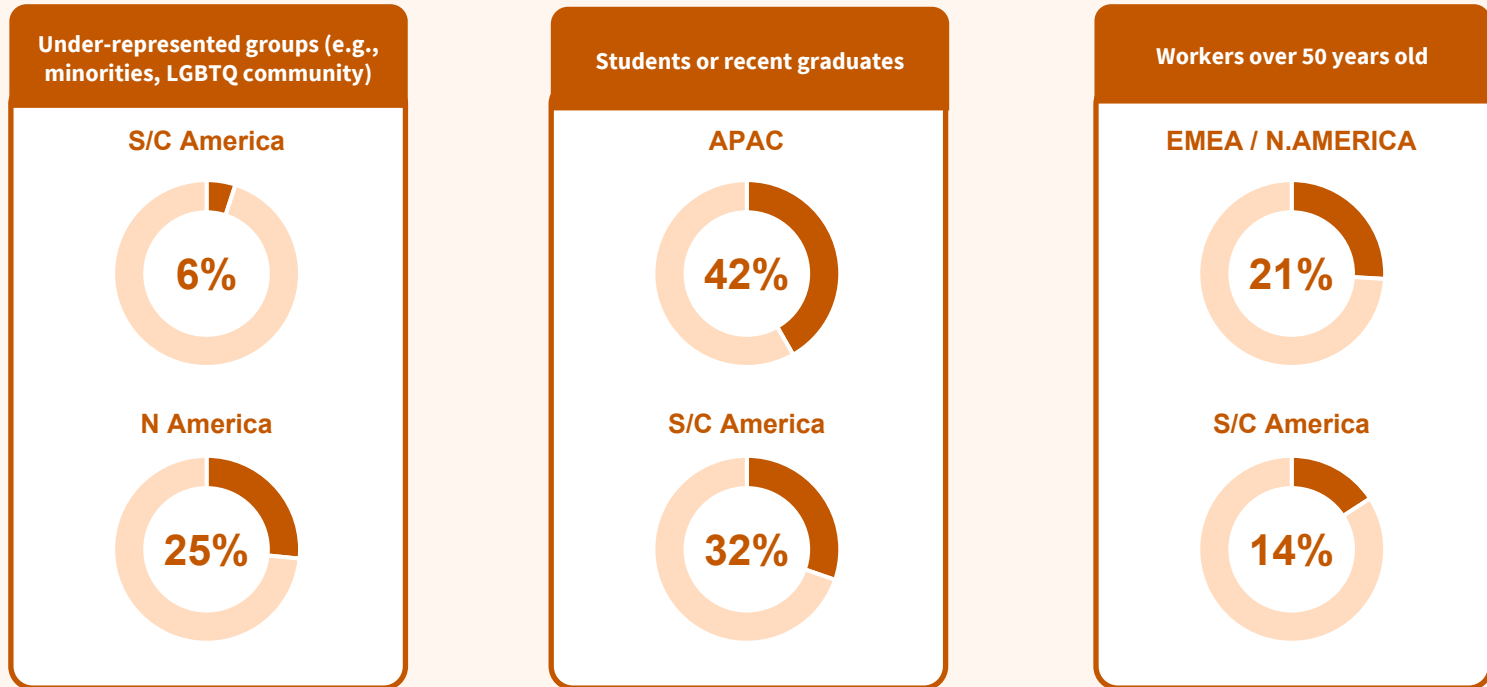


Larger organisation's give more opportunities to **under-represented groups**



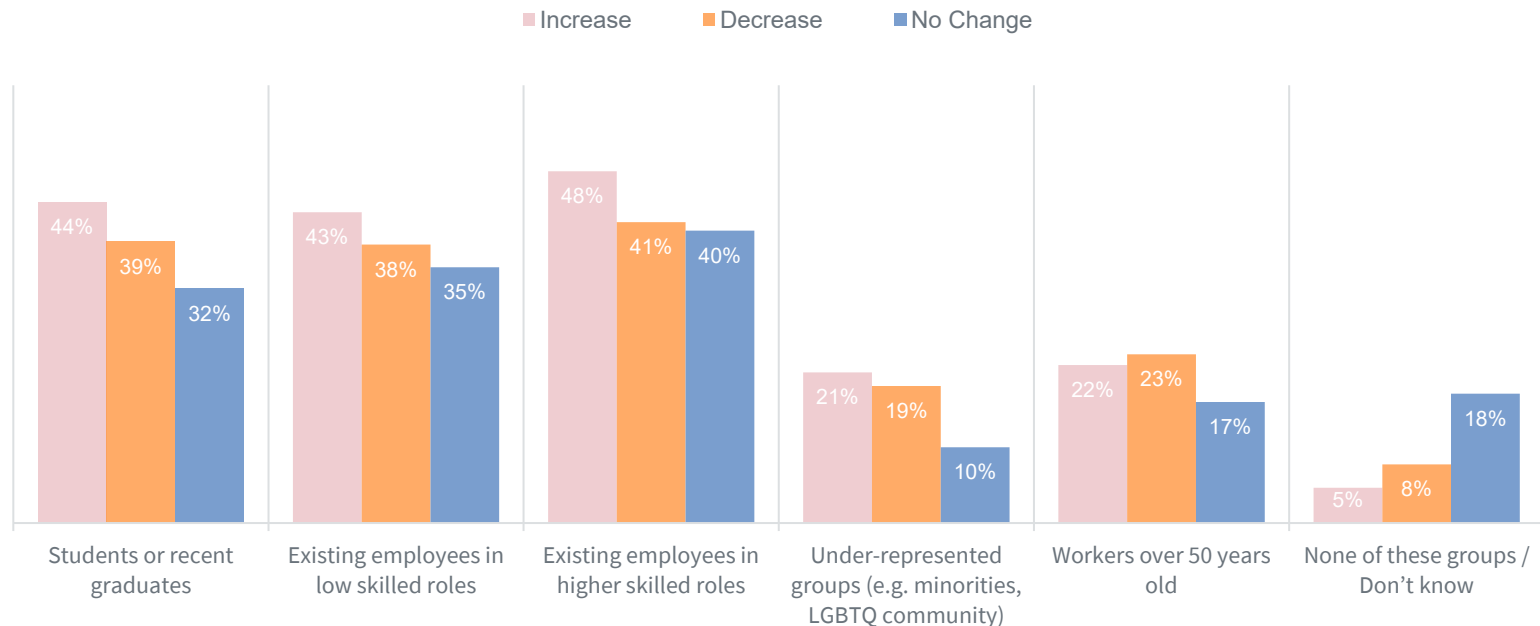
North America focuses on upskilling programs for under-represented groups. Older workers are prioritized in EMEA

Upskilling groups by global region



Organisation's planning to increase staff are upskilling more students and existing employees

Upskilling groups by staffing levels



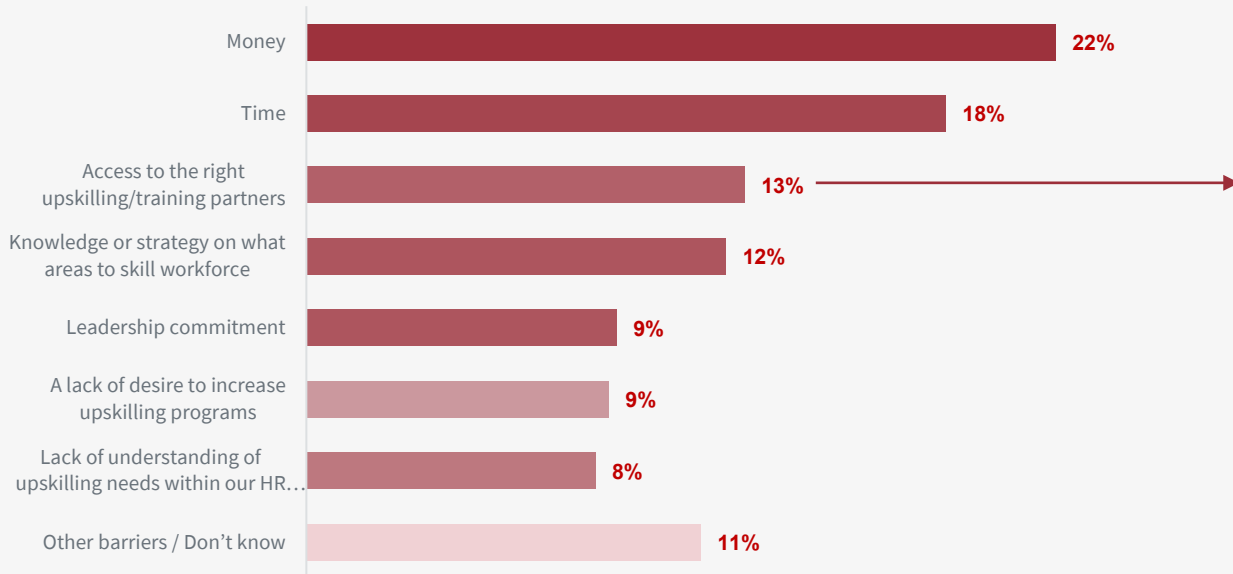


Upskilling/Reskilling Barriers



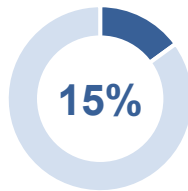
78% said something other than money was the biggest barrier increasing upskilling programs

What is the biggest barrier that your organisation faces when it comes to its ability to scale (increase) upskilling programs

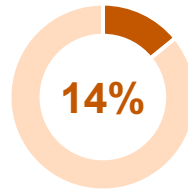


Access to the right upskilling/training partners

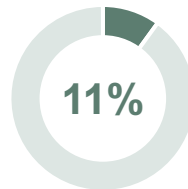
Finance



Manufacturing

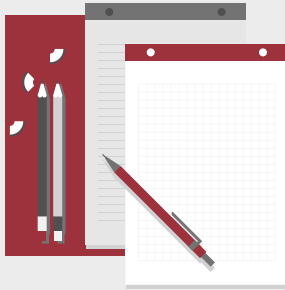


Commerce and Trade



Barriers to Upskilling Across all Business Sizes

Upskilling barriers by organisation size



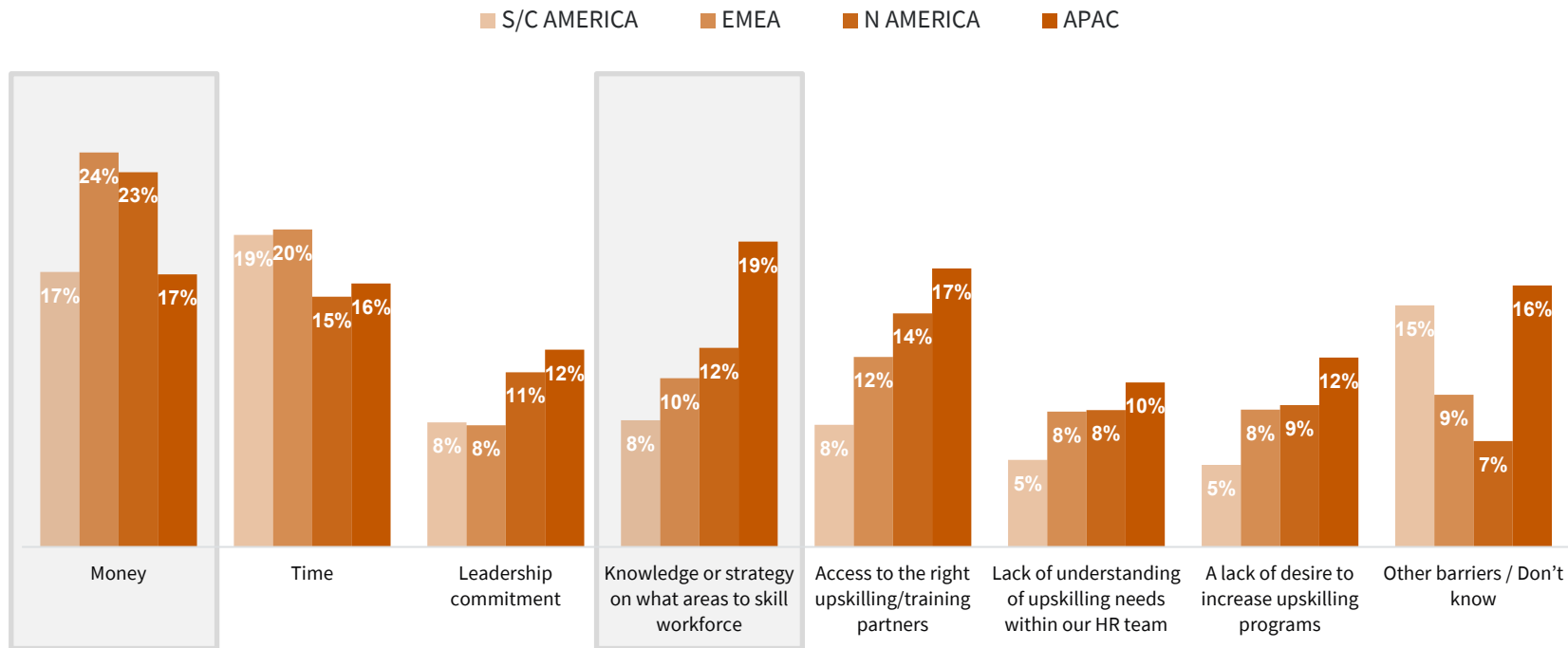
Knowledge or strategy on what areas to skill the workforce also become larger obstacles to upskilling as the organisation size increases.



Money is the greatest barrier to upskilling in EMEA and N. America

Lack of strategy is the largest obstacle in APAC

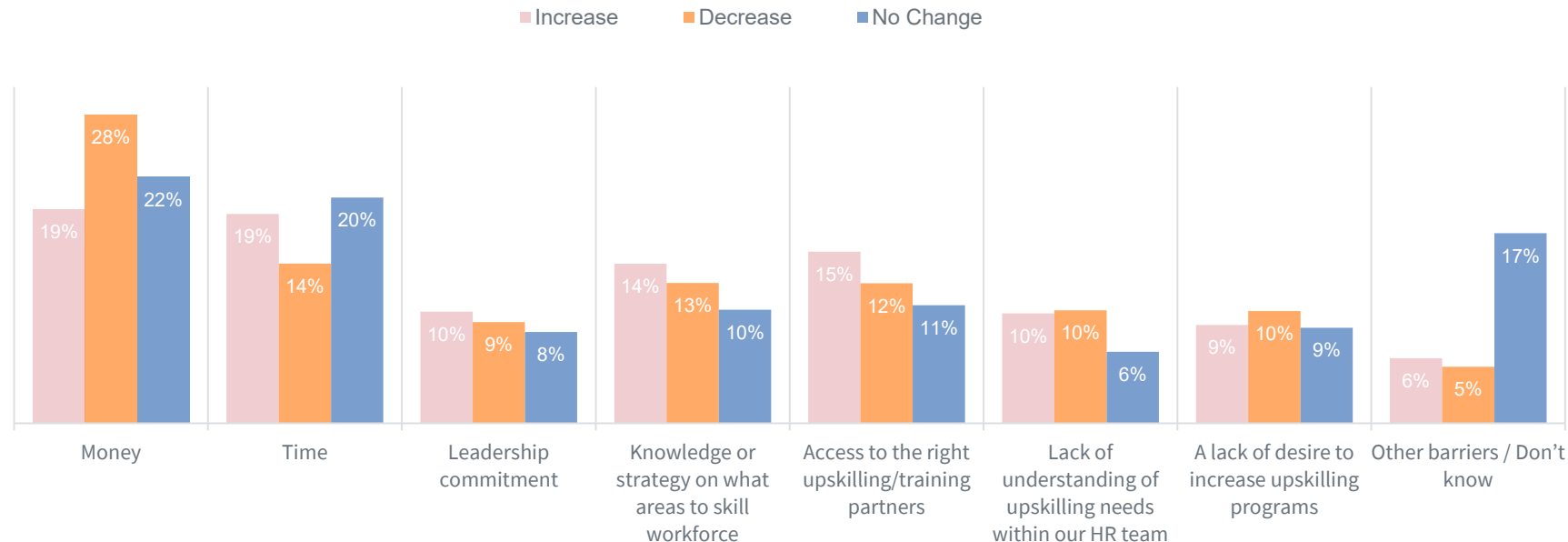
Upskilling barriers by global region



Money biggest obstacle where headcount is decreasing

Time is the biggest obstacle where headcount is increasing

Upskilling barriers by staffing levels



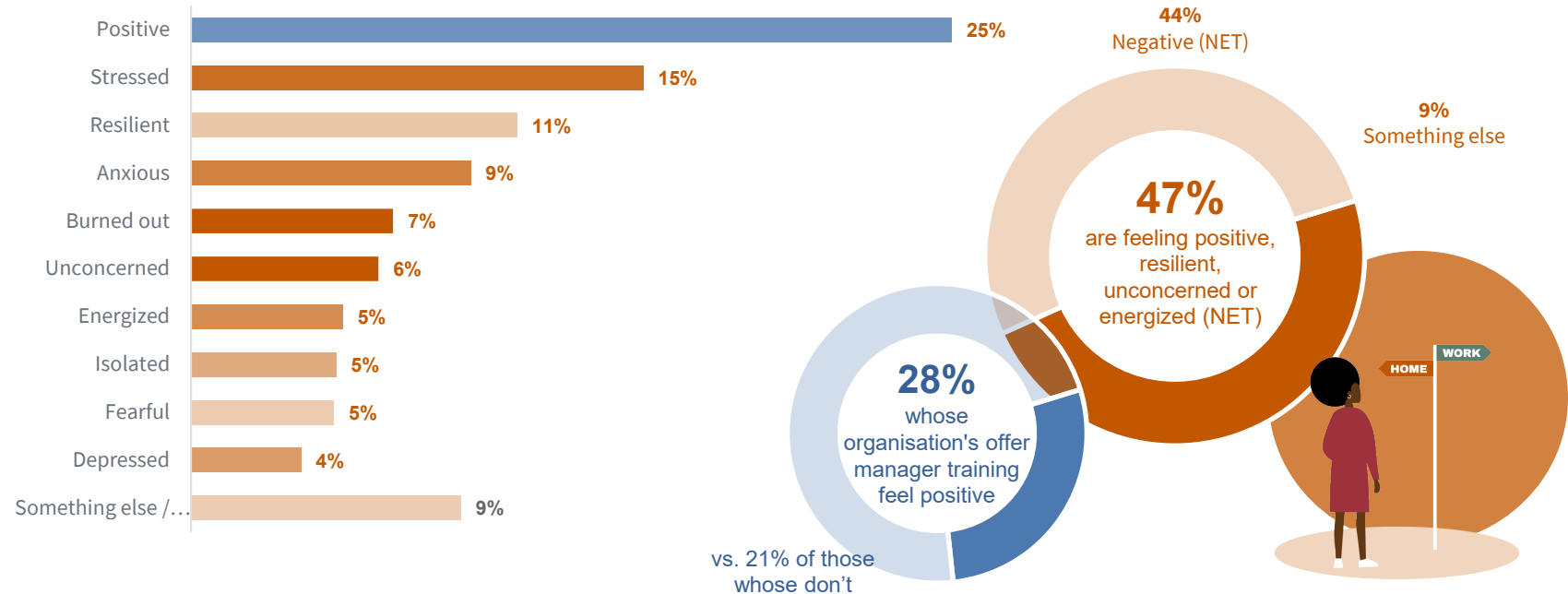


Impact of remote work on mid to senior managers

A quarter of managers feel positive about remote working

If an organisation offers management training 28% feel positive

As remote working continues as a result of the COVID-19 pandemic; how would you describe the overall 'mood' felt by your mid to senior managers?



Feelings of positivity, stress and resiliency are top moods of management in the context of COVID-19 and remote work

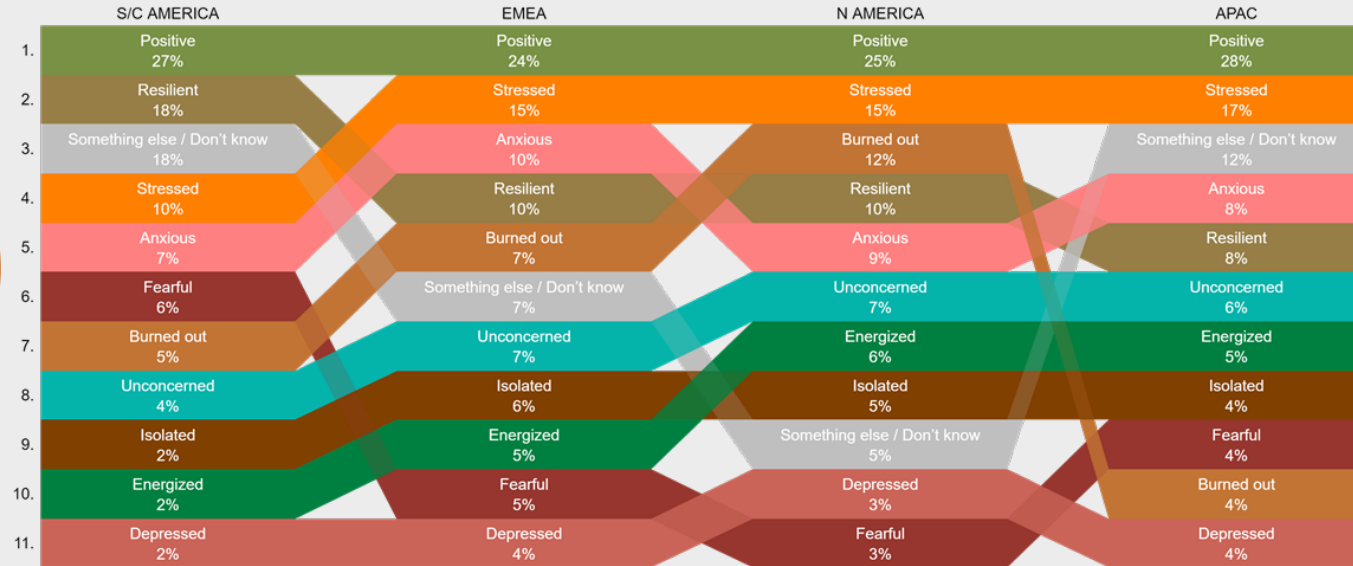
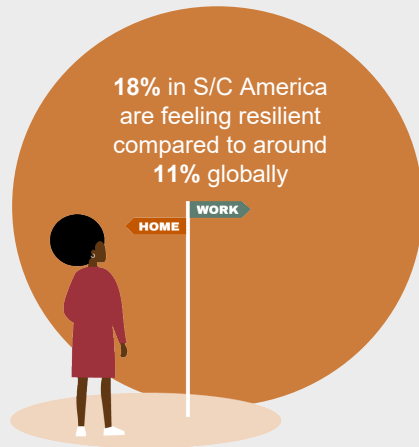
11% of employers believe the the global health crisis has impacted **their manager's overall resiliency**

Unconcerned
Stressed
Positive
Isolated
Energized
Fearful
Resilient
Depressed
Anxious
Burned out



Globally, managers are feeling generally positive, but in South and Central America they are feeling particularly resilient

Feelings of managers by global region



Organisation's shrinking headcount feeling less positive and more anxious and stressed than those increasing or staying the same

Feelings of managers by staffing levels

