Industry Fact Sheet: Consumer goods

The Looming Talent Crisis

♦ The workplace of the future will be the most diverse the world has ever seen. In 2020, multiple generations working together will have different skills, experiences, habits, and motivations—and more of these workers will be freelancers and contractors. All of this represents a major opportunity for employers and employees alike.

♦ Our worldwide survey of 2,718 executives and 2,872 employees shows that most companies are not prepared to capitalize on these changes. Businesses are struggling with managing talent, cultivating leadership, encouraging learning, and understanding their employees—and they may not be making HR a priority.

♦ This fact sheet outlines key survey findings from the 433 executives and 396 employees surveyed from consumer goods firms.

Consumer goods’ top 5 labor market shifts affecting workforce strategy:

50% Millennials entering the workforce

43% Increasing number of contingent employees

53% Globalization of labor supply

49% Difficulty recruiting employees with base-level skills

43% Employee expectations are changing

Executives say...

...my company has an execution plan for achieving its vision of workforce management.

...my company has a strong vision for the workforce it wants to build in three years.

...workforce issues drive strategy at the board level.

The New Face of Work

Research shows priorities shifting as economies rebound globally, and companies lag in understanding these changing dynamics.

♦ 46% of consumer goods employees get ample training on workplace technology, but only 30% get access to the latest technology. Companies and workers are unprepared for the growing need for technology skills (see “Bridging the Talent Gap”).

♦ 86% of consumer goods companies say they are increasingly using contingent, intermittent, seasonal, or consultant employees, and 35% say that this requires changes in HR policy. Overall, executives are rethinking compensation, training, and HR technology.

♦ 37% of consumer goods executives say they use quantifiable metrics and benchmarking for workforce development; 42% say they know how to extract meaningful insights from data.

A Millennial Misunderstanding

Millennials are different, but not as different as companies think.

♦ 45% of consumer goods executives say they rely on younger employees or recent graduates to fill entry-level positions; 50% of executives say Millennials entering the workforce are impacting workforce strategy.

♦ Consumer goods executives may be out of touch with what Millennials think—47% of executives think Millennials are frustrated with manager quality, but 5% of Millennials said they were. 5% of executives think Millennials will consider leaving their jobs due to lack of learning and development; 11% of Millennials said they had done so.
What Matters Most at Work

Companies do not understand what their employees really want from them.

- 42% of consumer goods employees are satisfied or very satisfied with their jobs.
- The most important benefits and incentives to consumer goods employees are: competitive compensation (66%), bonuses and merit-based rewards (60%), and retirement plans (48%).
- 43% of employees say higher compensation would increase loyalty and engagement with their current job.
- Employees think the following attributes are most important to their employer: the ability to learn and be trained quickly (35%); loyalty and long-term commitment (31%); and substantial experience (31%).

The Leadership Cliff

Executives and employees agree that leadership is lacking—and companies are not focused enough on developing future leaders.

- Just 36% of consumer goods executives say their company plans for succession and continuity in key roles. 48% say that when a senior person leaves, the company tends to fill the role from within the organization.
- 45% of executives say their plans for growth are being hampered by lack of access to the right leaders.
- Employees agree with employers when it comes to leadership—40% of employees say leadership at their company is equipped to lead the company to success.

What executives are saying...

“Our manufacturing processes require a lot of knowledge and a lot of experience, which is gained by long years in production. So if we lose our oldest people and our experienced workforce, we also lose their experience. By doing things like letting retired employees come to the plant to work once a week or a couple of times a month or during peak periods, we’ve been able to retain their knowledge in the business. This is the sort of flexibility that will be increasingly necessary in managing the workforce.”

—Dr. Rupert Felder, Head of Global Human Resources, HeidelbergerDruckmaschinen
Bridging the Talent Gap—The Learning Mandate

Better training and education opportunities would benefit employees and businesses alike.

- The need for skills like analytics and cloud will grow; but 48% of employees expect to be proficient in analytics in three years and only 27% expect proficiency in cloud by then.
- 50% of consumer goods executives say their company widely offers supplemental training programs to develop new skills.
- But 47% of employees say their company provides the right tools to help them grow and improve job performance.
- 40% of employees say their company encourages continuing education and training to further career development.

Survey demographics: Consumer goods

- **Executive regions**: Executives come from the following regions: North America (7%); Latin America (15%); EMEA (61%); Asia Pacific (17%).
- **Employee regions**: Employees come from the following regions: North America (4%); Latin America (18%); EMEA (62%); Asia Pacific (15%).
- **Employees by function**: finance (10%); HR (9%); marketing (11%); sales (13%); operations (11%); production (23%); service (7%); IT (16%).
- **Executive titles**: CEOs (3%); COOs (12%); CFOs (8%); CIOs (9%); CMOs (2%); Chief Human Resources Officers (9%); VPs/Directors of HR (19%); VPs of Learning/Development (15%); VPs Compensation & Benefits (13%); VPs Recruiting or Talent (10%).
- **Employee titles**: front line (39%) employees; mid-level managers (44%); line-of-business managers (16%).

About the project

Workforce 2020 is a large-scale global study to discover best practices and actual progress toward the creation of talent strategies for the future in the global economy. We surveyed more than 2,700 executives and 2,700 employees, and interviewed 28 executives across the following countries: Australia, Brazil, Canada, Chile, China, Colombia, the Czech Republic, Denmark, France, Germany, India, Japan, Kenya, Malaysia, Mexico, the Netherlands, Poland, Russia, Saudi Arabia, South Africa, Spain, Sweden, Switzerland, Turkey, UAE, UK, US. Survey respondents came from a variety of industries, company sizes, and age groups (49% of employee respondents are Millennials).
The Looming Talent Crisis

- The workplace of the future will be the most diverse the world has ever seen. In 2020, multiple generations working together will have different skills, experiences, habits, and motivations—and more of these workers will be freelancers and contractors. All of this represents a major opportunity for employers and employees alike.

- Our worldwide survey of 2,718 executives and 2,872 employees shows that most companies are not prepared to capitalize on these changes. Businesses are struggling with managing talent, cultivating leadership, encouraging learning, and understanding their employees—and they may not be making HR a priority.

- This fact sheet outlines key survey findings from the 464 executives and 536 employees surveyed from financial services firms.

Financial services’ top 5 labor market shifts affecting workforce strategy:

- Globalization of labor supply (50%)
- Increasing number of contingent employees (45%)
- Millennials entering the workforce (31%)
- Difficulty recruiting employees with base-level skills (48%)
- Increasing number of intermittent/seasonal employees (43%)

Executives say...

- my company has an execution plan for achieving its vision of workforce management. (52%)
- my company has a strong vision for the workforce it wants to build in three years. (31%)
- workforce issues drive strategy at the board level. (53%)

A Millennial Misunderstanding

Millennials are different, but not as different as companies think.

- 51% of financial services executives say they rely on younger employees or recent graduates to fill entry-level positions, but 52% of executives say Millennials entering the workforce are impacting workforce strategy.

- Financial services executives may be out of touch with what Millennials think—49% of executives think Millennials are frustrated with manager quality, but 10% of Millennials said they were. 45% of executives think Millennials will consider leaving their jobs due to lack of learning and development; 13% of Millennials said they had done so.

The New Face of Work

Research shows priorities shifting as economies rebound globally, and companies lag in understanding these changing dynamics.

- 47% of financial services employees get ample training on workplace technology, but only 33% get access to the latest technology. Companies and workers are unprepared for the growing need for technology skills (see “Bridging the Talent Gap”).

- 80% of financial services companies say they are increasingly using contingent, intermittent, seasonal, or consultant employees, and 47% say that this requires increased investment in training. Overall, executives are rethinking compensation, training, and HR technology.

- 38% of financial services executives say they use quantifiable metrics and benchmarking for workforce development; 35% say they know how to extract meaningful insights from data.
Workforce 2020—Financial services

What Matters Most at Work

Companies do not understand what their employees really want from them.

- 36% of financial services employees are satisfied or very satisfied with their jobs.
- The most important benefits and incentives to financial services employees are: competitive compensation (68%), bonuses and merit-based rewards (55%), and flexible work location (46%).
- 36% of employees say more comprehensive benefits would increase loyalty and engagement with their current job.
- Employees think the following attributes are most important to their employer: the ability to learn and be trained quickly (34%); high level of education (32%); and loyalty and commitment (30%).

What executives are saying...

“The challenge for us is to find next-generation leaders who can take the business into the future. They need to be technically ready, and we need to surround them with a network of people who trust them professionally. However, and what’s most difficult, is getting them to appropriate the business and develop it. Because that’s intangible, one of the key strategic issues is instilling this idea in younger people.”

—Frédéric Duponchel, Managing Director, Accuracy Corporate Finance Advisory

The Leadership Cliff

Executives and employees agree that leadership is lacking—and companies are not focused enough on developing future leaders.

- Just 37% of financial services executives say their company plans for succession and continuity in key roles. 42% say that when a senior person leaves, the company tends to fill the role from within the organization.
- 38% of executives say their plans for growth are being hampered by lack of access to the right leaders.
- Employees agree with employers when it comes to leadership—44% of employees say leadership at their company is equipped to lead the company to success.

| 68% | 46% | 42% | 55% | 35% |
| Competitive compensation | Flexible work location | Flexible schedule | Bonuses and merit-based rewards | Access to social media |

What employees say is important

What executives say their company widely offers

| 40% | 34% | 29% | 62% | 23% |

Executives say...

- Our leaders are prepared to lead a diverse workforce. 32%
- Talent available in leadership positions is sufficient to drive global growth. 32%
- Our leadership has the skills to effectively manage talent. 53%

- of employees say leadership ability is an important employee attribute at their company. 19%
- of employees say their manager delivers on leadership expectations. 52%
- of executives say leadership is an important employee attribute. 19%
- of employees say their company is committed to diversity. 36%

Our leadership has the skills to effectively manage talent.
Bridging the Talent Gap—The Learning Mandate

Better training and education opportunities would benefit employees and businesses alike.

- The need for skills like analytics and cloud will grow; but 47% of employees expect to be proficient in analytics in three years; 27% expect proficiency in cloud by then.
- 57% of financial services executives say their company widely offers supplemental training programs to develop new skills.
- But only 46% of employees say their company provides the right tools to help them grow and improve job performance.
- 38% of employees say their company encourages continuing education and training to further career development.

Survey demographics: Financial services

- **Executive regions**: Executives come from the following regions: North America (10%); Latin America (14%); EMEA (56%); Asia Pacific (20%).
- **Employee regions**: Employees come from the following regions: North America (13%); Latin America (15%); EMEA (52%); Asia Pacific (20%).
- **Employees by function**: finance (17%); HR (11%); marketing (12%); sales (16%); operations (16%); production (4%); service (5%); IT (18%).
- **Executive titles**: CEOs (4%); COOs (14%); CFOs (10%); CIOs (12%); CMOs (3%); Chief Human Resources Officers (11%); VPs/Directors of HR (16%); VPs of Learning/Development (10%); VPs Compensation & Benefits (12%); VPs Recruiting or Talent (8%).
- **Employee titles**: front line (36%) employees; mid-level managers (45%); line-of-business managers (17%).

About the project

Workforce 2020 is a large-scale global study to discover best practices and actual progress toward the creation of talent strategies for the future in the global economy. We surveyed more than 2,700 executives and 2,700 employees, and interviewed 28 executives across the following countries: Australia, Brazil, Canada, Chile, China, Colombia, the Czech Republic, Denmark, France, Germany, India, Japan, Kenya, Malaysia, Mexico, the Netherlands, Poland, Russia, Saudi Arabia, South Africa, Spain, Sweden, Switzerland, Turkey, UAE, UK, US. Survey respondents came from a variety of industries, company sizes, and age groups (49% of employee respondents are Millennials).
Industry Fact Sheet: Healthcare

The Looming Talent Crisis

- The workplace of the future will be the most diverse the world has ever seen. In 2020, multiple generations working together will have different skills, experiences, habits, and motivations—and more of these workers will be freelancers and contractors. All of this represents a major opportunity for employers and employees alike.

- Our worldwide survey of 2,718 executives and 2,872 employees shows that most companies are not prepared to capitalize on these changes. Businesses are struggling with managing talent, cultivating leadership, encouraging learning, and understanding their employees—and they may not be making HR a priority.

- This fact sheet outlines key survey findings from the 447 executives and 491 employees surveyed from healthcare firms.

Healthcare’s top 5 labor market shifts affecting workforce strategy:

- Globalization of labor supply: 51%
- Increasing number of consultant employees: 42%
- Millennials entering the workforce: 53%
- Difficulty recruiting employees with base-level skills: 48%
- Increasing number of contingent employees: 41%

Executives say...

- 54% of executives say their company has an execution plan for achieving its vision of workforce management.
- 34% say workforce issues drive strategy at the board level.
- 53% say my company has a strong vision for the workforce it wants to build in three years.

The New Face of Work

**Research shows priorities shifting as economies rebound globally, and companies lag in understanding these changing dynamics.**

- 48% of healthcare employees get ample training on workplace technology, but only 32% get access to the latest technology. Companies and workers are unprepared for the growing need for technology skills (see “Bridging the Talent Gap”).

- 81% of healthcare companies say they are increasingly using contingent, intermittent, seasonal, or consultant employees, and 32% say that this requires changes in HR policy. Overall, executives are rethinking compensation, training, and HR technology.

- 40% of healthcare executives say they use quantifiable metrics and benchmarking for workforce development; 43% say they know how to extract meaningful insights from data.

A Millennial Misunderstanding

**Millennials are different, but not as different as companies think.**

- 52% of healthcare executives say they rely on younger employees or recent graduates to fill entry-level positions; 53% of executives say Millennials entering the workforce are impacting workforce strategy.

- Healthcare executives may be out of touch with what Millennials think—50% of executives think Millennials are frustrated with manager quality, but 7% of Millennials said they were. 50% of executives think Millennials will consider leaving their jobs due to lack of learning and development; 17% of Millennials said they had done so.
The Leadership Cliff

Executives and employees agree that leadership is lacking—and companies are not focused enough on developing future leaders.

- Just 38% of healthcare executives say their company plans for succession and continuity in key roles. 45% say that when a senior person leaves, the company tends to fill the role from within the organization.
- 43% of executives say their plans for growth are being hampered by lack of access to the right leaders.
- Employees agree with employers when it comes to leadership—43% of employees say leadership at their company is equipped to lead the company to success.

What Matters Most at Work

Companies do not understand what their employees really want from them.

- 41% of healthcare employees are satisfied or very satisfied with their jobs.
- The most important benefits and incentives to healthcare employees are: competitive compensation (64%), bonuses and merit-based rewards (52%), and retirement plans (48%).
- 39% of employees say more comprehensive benefits would increase loyalty and engagement with their current job.
- Employees think the following attributes are most important to their employer: job performance and results (34%); the ability to learn and be trained quickly (34%); and high level of education and training (34%).

What executives say their company widely offers:

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<thead>
<tr>
<th>What employees say is important</th>
<th>What executives say their company widely offers</th>
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<tbody>
<tr>
<td>Competitive compensation</td>
<td>Flexible work location</td>
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<td>64%</td>
<td>45%</td>
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<td>38%</td>
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<tr>
<th>Flexible schedule</th>
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<td>41%</td>
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<td>32%</td>
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Executives say…

- Our leaders are prepared to lead a diverse workforce: 36%
- Talent available in leadership positions is sufficient to drive global growth: 37%
- Our leadership has the skills to effectively manage talent: 51%

- 20% of employees say leadership ability is an important employee attribute.
- 20% of employees say their manager delivers leadership expectations.
- 34% of employees say their company is committed to diversity.
Bridging the Talent Gap—The Learning Mandate

Better training and education opportunities would benefit employees and businesses alike.

- The need for skills like analytics and cloud will grow; but approximately a quarter of employees expect to be proficient in cloud, mobile, and digital media by then.
- 59% of healthcare executives say their company widely offers supplemental training programs to develop new skills.
- But only 43% of employees say their company provides the right tools to help them grow and improve job performance.
- 39% of employees say their company encourages continuing education and training to further career development.

Survey demographics: Healthcare

- **Executive regions**: Executives come from the following regions: North America (11%); Latin America (14%); EMEA (57%); Asia Pacific (18%).
- **Employee regions**: Employees come from the following regions: North America (9%); Latin America (14%); EMEA (57%); Asia Pacific (19%).
- **Employees by function**: finance (15%); HR (14%); marketing (11%); sales (10%); operations (17%); production (5%); service (8%); IT (20%).
- **Executive titles**: CEOs (2%); COOs (11%); CFOs (9%); CIOs (11%); CMOs (3%); Chief Human Resources Officer (11%); VPs/Directors of HR (20%); VPs of Learning/Development (12%); VPs Compensation & Benefits (11%); VPs Recruiting or Talent (10%).
- **Employee titles**: front line (38%) employees; mid-level managers (41%); line-of-business managers (19%).

![Employee Millennial respondents (ages 18–35) Non-Millenials](image)

48% 52%

About the project

Workforce 2020 is a large-scale global study to discover best practices and actual progress toward the creation of talent strategies for the future in the global economy. We surveyed more than 2,700 executives and 2,700 employees, and interviewed 28 executives across the following countries: Australia, Brazil, Canada, Chile, China, Colombia, the Czech Republic, Denmark, France, Germany, India, Japan, Kenya, Malaysia, Mexico, the Netherlands, Poland, Russia, Saudi Arabia, South Africa, Spain, Sweden, Switzerland, Turkey, UAE, UK, US. Survey respondents came from a variety of industries, company sizes, and age groups (49% of employee respondents are Millennials).
Industry Fact Sheet: Professional services

The Looming Talent Crisis

- The workplace of the future will be the most diverse the world has ever seen. In 2020, multiple generations working together will have different skills, experiences, habits, and motivations—and more of these workers will be freelancers and contractors. All of this represents a major opportunity for employers and employees alike.

- Our worldwide survey of 2,718 executives and 2,872 employees shows that most companies are not prepared to capitalize on these changes. Businesses are struggling with managing talent, cultivating leadership, encouraging learning, and understanding their employees—and they may not be making HR a priority.

- This fact sheet outlines key survey findings from the 470 executives and 473 employees surveyed from professional services firms.

Professional services' top 5 labor market shifts affecting workforce strategy:

- 51% Millennials entering the workforce
- 50% Difficulty recruiting employees with base-level skills
- 41% Employee expectations are changing
- 44% Increasing number of intermittent/seasonal employees
- 51% Globalization of labor supply

Executives say...

- "...my company has an execution plan for achieving its vision of workforce management." 55%
- "...my company has a strong vision for the workforce it wants to build in three years." 30%
- "...workforce issues drive strategy at the board level." 53%

The New Face of Work

Research shows priorities shifting as economies rebound globally, and companies lag in understanding these changing dynamics.

- 47% of professional services employees get ample training on workplace technology, but only 28% get access to the latest technology. Companies and workers are unprepared for the growing need for technology skills (see “Bridging the Talent Gap”).

- 81% of professional services companies say they are increasingly using contingent, intermittent, seasonal, or consultant employees, and 30% say that this requires changes in HR policy. Overall, executives are rethinking compensation, training, and HR technology.

- 42% of professional services executives say they use quantifiable metrics and benchmarking for workforce development; 42% say they know how to extract meaningful insights from data.

A Millennial Misunderstanding

Millennials are different, but not as different as companies think.

- 52% of professional services executives say they rely on younger employees or recent graduates to fill entry-level positions; 51% of executives say Millennials entering the workforce are impacting workforce strategy.

- Professional services executives may be out of touch with what Millennials think—52% of executives think Millennials are frustrated with manager quality, but 10% of Millennials said they were. 49% of executives think Millennials will consider leaving their jobs due to lack of learning and development; 10% of Millennials said they had done so.
What Matters Most at Work

Companies do not understand what their employees really want from them.

- 39% of professional services employees are satisfied or very satisfied with their jobs.
- The most important benefits and incentives to professional services employees are: competitive compensation (67%), bonuses and merit-based rewards (59%), and flexible schedule (47%).
- 43% of employees say higher compensation would increase loyalty and engagement with their current job.
- Employees think the following attributes are most important to their employer: loyalty and long-term commitment (35%); job performance and results (33%); and the ability to learn and be trained quickly (32%).

What executives are saying...

“For the last two years, we’ve been successful in changing the way we see our people and the way we see engagement. Naturally there will be other resistance. But when we show the long-term effects and tell how much more efficient things become, it creates a positive view from management and from employees. So, the stronger the voice in HR, the stronger the engagement.”

—Afsal Abdullah, HR Officer, Western International Group

The Leadership Cliff

Executives and employees agree that leadership is lacking—and companies are not focused enough on developing future leaders.

- Just 40% of professional services executives say their company plans for succession and continuity in key roles. 40% say that when a senior person leaves, the company tends to fill the role from within the organization.
- 45% of executives say their plans for growth are being hampered by lack of access to the right leaders.
- Employees agree with employers when it comes to leadership—44% of employees say leadership at their company is equipped to lead the company to success.

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Bridging the Talent Gap—
The Learning Mandate

Better training and education opportunities would benefit employees and businesses alike.

- The need for skills like analytics and cloud will grow; but 51% of employees expect to be proficient in analytics in three years and only 23% expect proficiency in cloud by then.
- 54% of professional services executives say their company widely offers supplemental training programs to develop new skills.
- But only 44% of employees say their company provides the right tools to help them grow and improve job performance.
- 44% of employees say their company encourages continuing education and training to further career development.

Survey demographics: Professional services

- **Executive regions**: Executives come from the following regions: North America (10%); Latin America (14%); EMEA (59%); Asia Pacific (18%).
- **Employee regions**: Employees come from the following regions: North America (9%); Latin America (13%); EMEA (63%); Asia Pacific (13%).
- **Employees by function**: finance (10%); HR (10%); marketing (10%); sales (11%); operations (12%); production (5%); service (23%); IT (17%).
- **Executive titles**: CEOs (4%); COOs (12%); CFOs (8%); CIOs (9%); CMOs (4%); Chief Human Resources Officers (8%); VPs/Directors of HR (18%); VPs of Learning/Development (12%); VPs Compensation & Benefits (15%); VPs Recruiting or Talent (9%).
- **Employee titles**: front line (40%) employees; mid-level managers (40%); line-of-business managers (15%).

About the project

Workforce 2020 is a large-scale global study to discover best practices and actual progress toward the creation of talent strategies for the future in the global economy. We surveyed more than 2,700 executives and 2,700 employees, and interviewed 28 executives across the following countries: Australia, Brazil, Canada, Chile, China, Colombia, the Czech Republic, Denmark, France, Germany, India, Japan, Kenya, Malaysia, Mexico, the Netherlands, Poland, Russia, Saudi Arabia, South Africa, Spain, Sweden, Switzerland, Turkey, UAE, UK, US. Survey respondents came from a variety of industries, company sizes, and age groups (49% of employee respondents are Millennials).
Industry Fact Sheet: Public service

The Looming Talent Crisis

- The workplace of the future will be the most diverse the world has ever seen. In 2020, multiple generations working together will have different skills, experiences, habits, and motivations—and more of these workers will be freelancers and contractors. All of this represents a major opportunity for employers and employees alike.

- Our worldwide survey of 2,718 executives and 2,872 employees shows that most companies are unprepared to capitalize on these changes. Businesses are struggling with managing talent, cultivating leadership, encouraging learning, and understanding their employees—and they may not be making HR a priority. Findings across the industries surveyed should very similar challenges and opportunities across the board.

- This fact sheet outlines key survey findings from the 434 executives and 433 employees surveyed from public service firms.

Public service’s top 5 labor market shifts affecting workforce strategy:

- Millennials entering the workforce: 52%
- Difficulty recruiting employees with base-level skills: 46%
- Increasing number of intermittent/seasonal employees: 46%
- Increasing number of contingent employees: 42%
- Globalization of labor supply: 54%

Executives say...

- ...my company has an execution plan for achieving its vision of workforce management. 53%
- ...my company has a strong vision for the workforce it wants to build in three years. 33%
- ...workforce issues drive strategy at the board level. 51%

The New Face of Work

Research shows priorities shifting as economies rebound globally, and companies lag in understanding these changing dynamics.

- 52% of public service employees get ample training on workplace technology, but only 35% get access to the latest technology. Companies and workers are unprepared for the growing need for technology skills (see “Bridging the Talent Gap”).

- 86% of public service companies say they are increasingly using contingent, intermittent, seasonal, or consultant employees, and 29% say that this requires changes in HR policy. Overall, executives are rethinking compensation, training, and HR technology.

- 39% of public service executives say they use quantifiable metrics and benchmarking for workforce development; 41% say they know how to extract meaningful insights from data.

A Millennial Misunderstanding

Millennials are different, but not as different as companies think.

- 48% of public service executives say they rely on younger employees or recent graduates to fill entry-level positions; 52% of executives say Millennials entering the workforce are impacting workforce strategy.

- Public service executives may be out of touch with what Millennials think—46% of executives think Millennials are frustrated with manager quality, but 16% of Millennials said they were. 49% of executives think Millennials will consider leaving their jobs due to lack of learning and development; 14% of Millennials said they had done so.

I expect more feedback than I currently receive. 39% Millennials, 33% Non-Millennials

I am interested in quality of life over career path. 41% Millennials, 44% Non-Millennials

I frequently collaborate with colleagues in other areas of the company. 44% Millennials, 49% Non-Millennials
What Matters Most at Work

Companies do not understand what their employees really want from them.

- 38% of public service employees are satisfied or very satisfied with their jobs.
- The most important benefits and incentives to public service employees are: competitive compensation (66%), bonuses and merit-based rewards (53%), and benefit plans for employees’ families (44%).
- 40% of employees say higher compensation would increase loyalty and engagement with their current job.
- Employees think the following attributes are most important to their employer: the ability to learn and be trained quickly (33%); loyalty and long-term commitment (32%); and high level of education and training (32%).

What executives are saying...

“You have to find the right people and make sure that they’re trained and equipped for what they need to do. We place a major emphasis on leadership training and coaching, as the nature of our business involves leading remote and diverse teams up-country in vastly different geographies.”

—Pamela Innes, Director of HR & Organizational Development, Plan International

The Leadership Cliff

Executives and employees agree that leadership is lacking—and companies are not focused enough on developing future leaders.

- Just 35% of public service executives say their company plans for succession and continuity in key roles. 41% say that when a senior person leaves, the company tends to fill the role from within the organization.
- 43% of executives say their plans for growth are being hampered by lack of access to the right leaders.
- Employees agree with employers when it comes to leadership—46% of employees say leadership at their company is equipped to lead the company to success.
Bridging the Talent Gap—The Learning Mandate

Better training and education opportunities would benefit employees and businesses alike.

- The need for skills like analytics and cloud will grow; but 49% of employees expect to be proficient in analytics in three years; 25% expect proficiency in cloud by then.
- 56% of public service executives say their company widely offers supplemental training programs to develop new skills.
- But only 44% of employees say their company provides the right tools to help them grow and improve job performance.
- 39% of employees say their company encourages continuing education and training to further career development.

Survey demographics: Public service

- **Executive regions:** Executives come from the following regions: North America (8%); Latin America (15%); EMEA (59%); Asia Pacific (18%).
- **Employee regions:** Employees come from the following regions: North America (9%); Latin America (15%); EMEA (60%); Asia Pacific (16%).
- **Employees by function:** finance (11%); HR (13%); marketing (10%); sales (16%); operations (15%); production (5%); service (18%); IT (13%).
- **Executive titles:** CEOs (3%); COOs (14%); CFOs (10%); CIOs (11%); CMO (3%); Chief Human Resources Officer (12%); VP/Directors of HR (18%); VPs of Learning/Development (10%); VPs Compensation & Benefits (11%); VP Recruiting or Talent (8%).
- **Employee titles:** front line (42%) employees; mid-level managers (37%); line-of-business managers (21%).

About the project

Workforce 2020 is a large-scale global study to discover best practices and actual progress toward the creation of talent strategies for the future in the global economy. We surveyed more than 2,700 executives and 2,700 employees, and interviewed 28 executives across the following countries: Australia, Brazil, Canada, Chile, China, Colombia, the Czech Republic, Denmark, France, Germany, India, Japan, Kenya, Malaysia, Mexico, the Netherlands, Poland, Russia, Saudi Arabia, South Africa, Spain, Sweden, Switzerland, Turkey, UAE, UK, US. Survey respondents came from a variety of industries, company sizes, and age groups (49% of employee respondents are Millennials).
Industry Fact Sheet: Retail

The Looming Talent Crisis

- The workplace of the future will be the most diverse the world has ever seen. In 2020, multiple generations working together will have different skills, experiences, habits, and motivations—and more of these workers will be freelancers and contractors. All of this represents a major opportunity for employers and employees alike.
- Our worldwide survey of 2,718 executives and 2,872 employees shows that most companies are not prepared to capitalize on these changes. Businesses are struggling with managing talent, cultivating leadership, encouraging learning, and understanding their employees—and they may not be making HR a priority.
- This fact sheet outlines key survey findings from the 482 executives and 464 employees surveyed from retail firms.

Retail’s top 5 labor market shifts affecting workforce strategy:

- 51% of retail employees get ample training on workplace technology, but only 32% get access to the latest technology.
- Companies and workers are unprepared for the growing need for technology skills (see “Bridging the Talent Gap”).
- 82% of retail companies say they are increasingly using contingent, intermittent, seasonal, or consultant employees, and 46% say that this requires increased investment in training. Overall, executives are rethinking compensation, training, and HR technology.
- 37% of retail executives say they use quantifiable metrics and benchmarking for workforce development; 46% say they know how to extract meaningful insights from data.

Executives say...  

...my company has an execution plan for achieving its vision of workforce management.  
...my company has a strong vision for the workforce it wants to build in three years.  
...workforce issues drive strategy at the board level.

A Millennial Misunderstanding

**Millennials are different, but not as different as companies think.**

- 52% of retail executives say they rely on younger employees or recent graduates to fill entry-level positions, and 52% of executives say Millennials entering the workforce are impacting workforce strategy.
- Retail executives may be out of touch with what Millennials think—51% of executives think Millennials are frustrated with manager quality, but 9% of Millennials said they were. 47% of executives think Millennials will consider leaving their jobs due to lack of learning and development; 11% of Millennials said they had done so.
Workforce 2020—Retail

What Matters Most at Work

Companies do not understand what their employees really want from them.

- 38% of retail employees are satisfied or very satisfied with their jobs.
- The most important benefits and incentives to retail employees are: **competitive compensation** (66%), **bonuses and merit-based rewards** (53%), and **vacation time** (43%).
- 40% of employees say higher compensation would increase loyalty and engagement with their current job.
- Employees think the following attributes are most important to their employer: **the ability to learn and be trained quickly** (34%); **high level of education** (30%); and **loyalty and long-term commitment** (30%).

What executives are saying...

“The return on investment in terms of doing learning more dynamically is not obvious yet. The way we want to do that is not obvious yet. So, the board will not provide us with funds for something that’s not clear. It’s always tough to motivate for HR money in any business. And I don’t think our HR strategy has been fully announced to allow for a very strong commitment from the board.”

—Shani Naidoo, HR Director, The Foschini Group

The Leadership Cliff

Executives and employees agree that leadership is lacking—and companies are not focused enough on developing future leaders.

- Just **36%** of retail executives say their company plans for succession and continuity in key roles. 41% say that when a senior person leaves, the company tends to fill the role from within the organization.
- **41%** of executives say their plans for growth are being hampered by lack of access to the right leaders.
- Employees agree with employers when it comes to leadership—43% of employees say leadership at their company is equipped to lead the company to success.

<table>
<thead>
<tr>
<th>Executives say...</th>
<th>32%</th>
<th>38%</th>
<th>50%</th>
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<tr>
<td>Our leaders are prepared to lead a diverse workforce.</td>
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<tr>
<td>Talent available in leadership positions is sufficient to drive global growth.</td>
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<td>Our leadership has the skills to effectively manage talent.</td>
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16% of employees say leadership ability is an important employee attribute at their company.

22% of employees say their manager delivers on leadership expectations.

39% of executives say leadership is an important employee attribute.

of employees say their company is committed to diversity.

What employees say is important

Competitive compensation

Flexible work location

Flexible schedule

Bonuses and merit-based rewards

Access to social media

What executives say their company widely offers

66%

42%

40%

53%

36%

37%

33%

30%

63%

24%
Bridging the Talent Gap—The Learning Mandate

Better training and education opportunities would benefit employees and businesses alike.

- The need for skills like analytics and cloud will grow; but 46% of employees expect to be proficient in analytics in three years; 20% expect proficiency in cloud by then.
- 53% of retail executives say their company widely offers supplemental training programs to develop new skills.
- But only 43% of employees say their company provides the right tools to help them grow and improve job performance.
- 36% of employees say their company encourages continuing education and training to further career development.

Survey demographics: Retail

- **Executive regions**: Executives come from the following regions: North America (8%); Latin America (14%); EMEA (58%); Asia Pacific (19%).
- **Employee regions**: Employees come from the following regions: North America (10%); Latin America (14%); EMEA (55%); Asia Pacific (21%).
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- **Executive titles**: CEOs (5%); COOs (16%); CFOs (10%); CIOs (14%); CMOs (4%); Chief Human Resources Officers (11%); VPs/Directors of HR (13%); VPs of Learning/Development (10%); VPs Compensation & Benefits (8%); VPs Recruiting or Talent (8%).
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