

ROBERT WALTERS WHITEPAPER

ENGINEERING NEW TALENT POOLS TO COMBAT SKILLS SHORTAGES

ROBERT WALTERS

INTRODUCTION:

ENGINEERING NEW TALENT POOLS TO COMBAT SKILLS SHORTAGES

As the economy continues on the road to recovery, businesses are in a position to capitalise on new opportunities for growth. However, this same recovery has created a new challenge for employers to overcome; how to recruit and retain high quality professionals in a market where candidates are in high demand.

As businesses seek to grow, demand for professionals is high, and many employers are finding traditional talent pools are unable to provide a sufficient supply to meet requirements.

Adapting to this changing landscape is essential if businesses are to thrive and make the most of the positive market conditions. This means exploring new talent pools.

Attracting professionals from overseas, recruiting people returning to the workforce after a career break, finding workers with transferable skills, upskilling current employees and cultivating a 'passive talent pool' are all strategies employers can adopt to ensure that they are able to fill essential roles with top quality candidates.

This whitepaper, based on a survey of over 600 employers and working professionals, explores these strategies using a combination of insights from employers and candidates to determine how best to attract high quality professionals from a diverse range of talent pools.

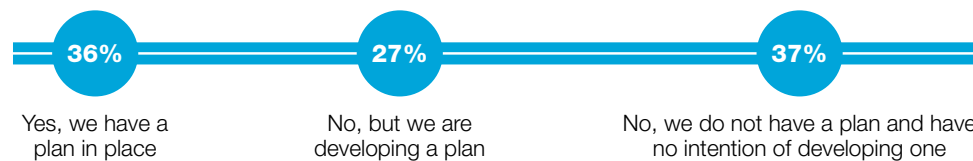
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OVERVIEW

72%
of employers have been affected by talent shortages

Does your company have a plan for managing talent shortages?



Top motivations for professionals to change careers



89%
of professionals would consider changing careers for the right opportunity

Professionals returning to the workforce

34%
34% of professionals consider returnships beneficial...

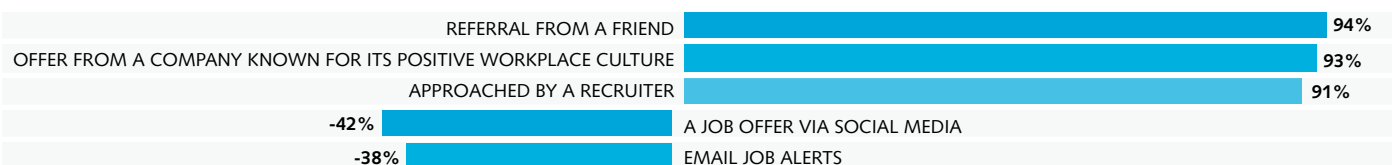
8%
...but only 8% of employers currently offer them



53%
of professionals find employee reviews important when deciding to apply for a role

Channels to reach passive jobseekers

We asked: would you be open to the following job approaches, even if not actively looking for a new job?



International talent

60%
of professionals would consider working abroad

How do professionals find career opportunities overseas?

74%
MULTINATIONAL RECRUITERS

61%
HEADHUNTERS

49%
OVERSEAS JOB BOARDS



94%

of professionals are open to a job approach even when not actively looking

59%

of employers do not have a strategy in place to reach 'passive' jobseekers

HOW CURRENT TALENT POOLS ARE FAILING

As skills shortages grow more acute, employers must consider the limitations of current sources of talent. It is necessary to identify new channels to secure the skills they need for their business, today and in the future.

A SHALLOW TALENT POOL

72% of employers we surveyed have been affected by talent shortages. Despite this many still resist broadening their approach, adhering to narrow criteria during recruitment.

72%

of employers have been affected by talent shortages

Even in the face of significant talent shortages, 40% of employers were unlikely to hire those who do not meet the exact requirements of the role and two thirds do not have a plan in place to address talent shortages.

CHANGING WORKFORCE PATTERNS

34% of professionals we surveyed had taken a break from their career (for example to travel, start a family or pursue a personal passion) and yet only 13% of employers have a strategy for attracting people returning to the workforce. Employers frequently only consider people actively seeking work to be part of the talent pool, yet 94% of professionals we surveyed would be open to a job offer even while not actively looking, providing they were approached in the right way.

The passive jobseeker

94%



94% of professionals would be open to a job opportunity **even if not actively looking for a new job...**

41%



...but only 41% of employers have a plan in place to attract passive jobseekers

To truly address talent shortages and expand their talent pool, employers must take a broad approach. This means recognising that there are a number of different, largely untapped pools of skilled workers, and employers must develop strategies that address the different motivations and priorities of these groups.



Nic Sephton-Poultney
Country Manager at Robert Walters

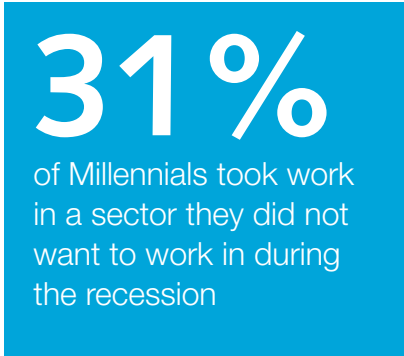
“During the downturn employers were frequently able to ‘pick and choose’ their ideal candidate from established sources. As hiring levels picked up, and skills shortages became more acute, the balance of demand began to favour candidates. In today’s competitive market employers can still secure top talent, however they need to broaden their approach and ensure they are opening up new recruitment channels.”

UTILISING INTERNSHIPS OR GRADUATE SCHEMES

During the recession, many graduates took work outside their area of interest, with 31% of Millennial professionals (those aged 18-34) taking work in a sector they did not want to work in, effectively 'pausing' their career.

Internships and graduate schemes can help safeguard against talent shortages among junior professionals. These initiatives help employers to establish relationships with future candidates while also equipping them with valuable skills. But despite this, 35% of employers do not operate graduate schemes or internships.

While candidates primarily see internships as a means to develop their CV, they are also regarded by over 50% of professionals as a potential route to securing a role with an employer, either at the end of the programme or at some point later in their career.



Top three reasons why employers use interns



65%

To ensure a steady stream of talent



64%

Building relationships with a candidate who may return to the company later in their career



50%

As an extended job interview

Top three reasons why professionals take internships



68%

To improve their CV



55%

Building a relationship with an employer they may return to later in their career



54%

As an extended job interview (where good performance will lead to a job offer)



Michael Fraser

Associate Director at Robert Walters

“Creating a network of future talent is essential for employers looking to avoid talent shortages. As professionals frequently change employers, establishing relationships with workers early in their careers has the potential to yield valuable rewards in the future.”

ATTRACTING INTERNATIONAL CANDIDATES

Sourcing candidates from overseas can be an effective strategy to combat skills shortages as well as helping to build a team with a broad range of perspectives and experience. International mobility is also popular with professionals, with 60% willing to consider working abroad.

Recruiting candidates from overseas can pose unique challenges, and employers must adjust their strategies accordingly. Less than half of employers use multinational recruiters to source candidates from abroad, despite 74% of jobseekers regarding multinational recruiters as an effective means of seeking work overseas.

Where do professionals find career opportunities overseas?



Employers looking to attract international candidates may be able to set themselves apart from other firms by offering relatively low cost forms of support that jobseekers nevertheless highly value.

LOW COST STRATEGIES

While just 28% of employers offered sponsored language lessons to staff transferring internationally, 85% of professionals said that they would consider this important. Similarly, less than half of employers offered staff practical assistance with personal administrative tasks when they transferred (such as setting up a new bank account or getting a mobile phone contract) while more than 88% of candidates regarded this as a priority.



Lance Maree

Associate Director at Robert Walters

“Engaging candidates from overseas can be challenging, and the attendant costs of establishing your brand identity abroad may outweigh the benefits of acquiring international candidates, particularly if domestic talent pools can largely supply your needs. By working with a multinational recruiter, employers can take advantage of established networks and expertise to source the candidates they need when local talent pools are unable to meet the demands of a role.”



86%

of professionals value information about company culture and values when applying for a job

34%

of professionals have taken a career break and returned to the workforce

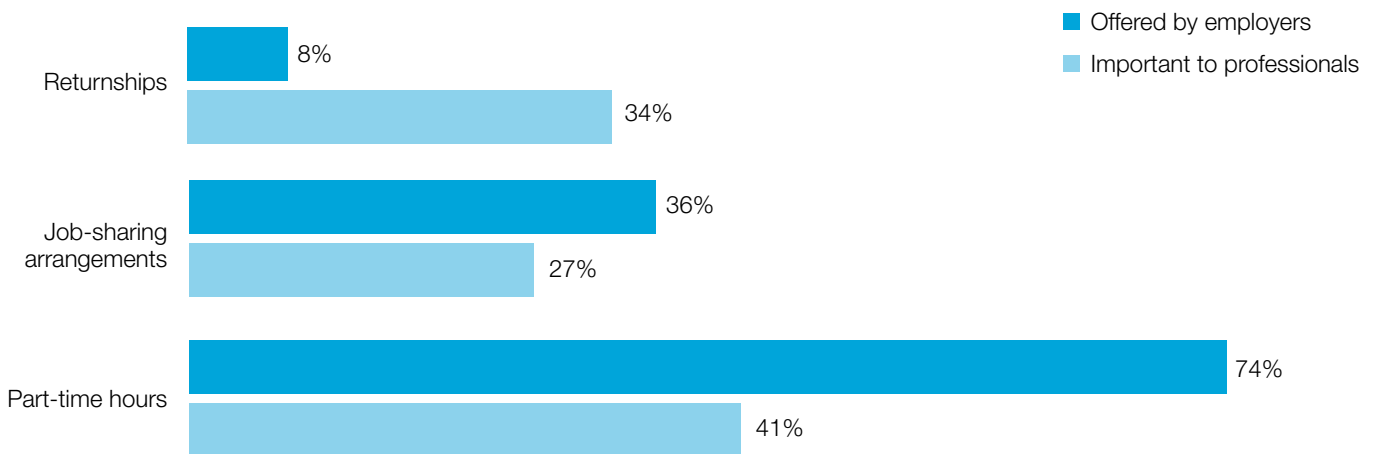
ENGAGING PROFESSIONALS RETURNING TO THE WORKFORCE

As career breaks become increasingly common, employers have the potential to access a wealth of talent among professionals who are ready to return to the workforce. However, just 13% of employers have a strategy in place to attract professionals from this group.

Interestingly, 74% of employers offer part-time hours to attract people returning to the workforce, but only 41% of professionals consider this important.

Flexible working hours on the other hand are considered important by both employers and employees (72% and 79% respectively), and may be a more effective talent acquisition strategy.

Returning to the workforce: What employers offer and what professionals want



RETURNSHIPS

Some employers have begun to offer ‘returnships’, similar in structure to internships but targeting established professionals who are looking to return to the workforce.

While fewer than one in ten employers offer these programmes, over a third of workers surveyed said that they would consider a ‘returnship’ programme important when returning to work.

RETIRED WORKERS

As a significant portion of the workforce approaches retirement, employers can look to retired professionals to help deal with skills gaps. While 88% of workers said they would be interested in working after retirement, just 32% of employers have a strategy for recruiting retired professionals.



Rob Nel
Associate Director at Robert Walters

“With a significant portion of the workforce set to retire in the near future, employers may be facing a skills shortage at senior levels, which internal promotion may not be able to compensate for. For this reason retired professionals who can offer support on an interim basis, to pass their skills on to less experienced employees, are likely to become a valuable resource.”

GROWING TALENT WITHIN YOUR BUSINESS

Developing talent in-house by up-skilling current employees is effective in helping employers avoid skills shortages as well as keeping employees engaged and satisfied by offering them opportunities for professional development.

KNOWLEDGE SHARING

Employers should not underestimate the value of encouraging workers to shadow one another in order to gain transferable skills and to develop a deeper understanding of different functions within the business. In addition to providing a solid foundation for staff looking to take on more formal qualifications this strategy is a low cost way to achieve greater cohesion within the business.

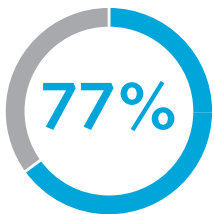
Giving staff the opportunity to study is particularly critical to targeting skills shortages in industries where professional qualifications are necessary for certain job functions, such as accountancy.



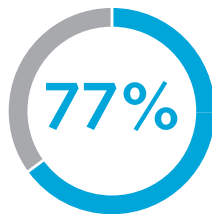
Petra Cooper
Manager at Robert Walters

“Particularly among younger workers, the opportunity for career development is an important factor in attracting professionals to a new role. Even among employers who are prepared to invest in staff, it is still important to consider new strategies for up-skilling workers. Allowing them to learn from one another may be the most effective way to achieve this.”

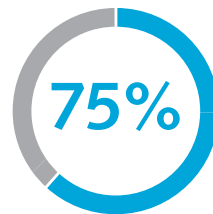
Most popular up-skilling strategies for professionals



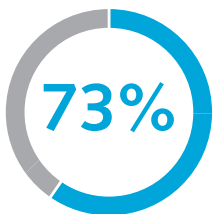
PROFESSIONAL QUALIFICATIONS



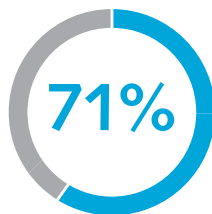
LEADERSHIP TRAINING



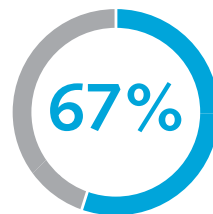
MOVING AROUND THE BUSINESS



MENTORING PROGRAMMES



SHADOWING COLLEAGUES



MBA OR OTHER EDUCATION OUTSIDE WORK



34%

of professionals have taken a career break and later returned to the workforce

89%

of professionals would consider changing careers for the right opportunity



78%

of professionals use their mobile or tablet device to search for jobs online

27%

of professionals rate video content about working for a company as important when considering a new role

DEVELOPING A PASSIVE TALENT POOL

In the past, only professionals who were actively looking for a new job were considered a part of the available 'talent pool'. Now, 94% of professionals would be open to being approached about a role even if they weren't actively looking for a new job, providing they were approached in the right way. Despite this two thirds of employers do not have a plan in place to reach this potential talent pool.

REACHING PASSIVE JOBSEEKERS

The channels that are effective in attracting active jobseekers (such as contact via email or social media) are ineffective for attracting passive candidates.

Instead, employers must focus on building long term relationships with potential employees, creating relevant and meaningful engagement and building a positive employer brand and reputation.

Passive candidates value direct and personalised communication that makes it clear that their skills and experience are particularly valuable.

REPUTATION IS KEY

Our research reveals that 53% of professionals would be influenced by online employee reviews when taking a new job and 63% of professionals want to find out more about potential employers on social media.

The rise of employee review sites and the increase in professionals using social media channels to find out about the culture, values and reputation of an employer shows that employers must focus on developing a positive employer brand reputation if they are to build a passive talent pool.



Samantha-Jane Gravett
Manager at Robert Walters

"Public perception of how a company treats its employees plays a huge role in encouraging or deterring potential candidates from applying. Promoting your brand through a range of channels can serve to establish your reputation among professionals as a highly desirable employer to work for."

Passive jobseekers

We asked professionals how open they would be to being contacted with a job offer even if not actively looking for a job



REFERRAL

+94%

would be open to a referral from a friend



CULTURE

+93%

would welcome an opportunity with a company known for its positive culture



RECRUITER

+91%

would be happy to be contacted by a recruiter



SOCIAL MEDIA

-37%

would not be open to a job offer via social media



EMAIL

-42%

did not want to be contacted about job opportunities via email

BROADENING YOUR RECRUITMENT CRITERIA

By being more flexible with the criteria of the professionals you are looking for and focusing on the necessary skills rather than specific experience, employers can plug skills gaps and develop a diverse team with an extensive range of backgrounds.

Expanding your recruitment strategy to include professionals from other disciplines will give you access to new talent pools. Professionals with a legal background can move effectively into compliance or audit functions, while less vocational roles which depend heavily on soft skills can be filled by professionals from a broad range of disciplines.

Jobseekers and employers broadly share the same expectations of what workers from alternative professional backgrounds can bring to a role. However, while 47% of employers regard technical skills as the most important quality a worker from another profession can bring, just 30% of professionals agreed.

Biggest motivators among professionals to take a job in a new field

BIGGER BONUS/SALARY



IMPROVED WORK-LIFE BALANCE



BETTER CAREER DEVELOPMENT



Employers may also need to consider what will motivate workers to change careers. Professionals list higher salary followed by improved work-life balance as the biggest motivators in encouraging them to change professions. However, few employers offer these as the primary benefits.



Lance Maree

Associate Director at Robert Walters

“Hiring managers looking to attract professionals changing careers can identify the unique value they can offer compared to other employers. For professionals leaving typically high pay, high stress professions, the offer of an improved work-life balance can outweigh a high salary.”

NEW RECRUITMENT STRATEGIES

The way workers shape their careers, engage with potential employers and make decisions about the roles they apply for are all changing. Technology, globalisation and evolving demographics are all driving this change.

IMPACT OF TECHNOLOGY

It is now no longer enough to consider your online talent acquisition strategies (almost all our respondents used online channels to find information about employers and search for jobs) – employers must also consider mobile accessibility. Four out of five professionals said they use mobile devices in their job search.

Additionally, video content is becoming more important. 27% of professionals say video content about working for the company plays an important role in their decision on whether to apply for a job, but only 10% of employers are producing video content for this audience.

EMPLOYEES AS AMBASSADORS

Second only to searching online, jobseekers regard referrals from friends or colleagues as the most important channel when trying to find a new role.

79% of professionals say referrals from a friend are an important channel when searching for a new job, and 94% of professionals not looking for a new role would be open to a new opportunity if it came via a referral from a friend. Yet only 45% of employers use a referral scheme as part of their recruitment strategy.

53%

find employee reviews important when deciding whether to apply for a role



Nic Sephton-Poultney
Country Manager at Robert Walters

“The way professionals engage with potential employers online is continuing to evolve, and the role of mobile devices in recruitment is only likely to increase. In many cases, the first interaction with your brand a candidate will have will be through a smartphone or tablet, so ensuring that your online presence is optimised across all platforms and reflects your identity as an employer is vital.”

YOUR REPUTATION AS AN EMPLOYER

Given that more than half of candidates describe testimony from people currently employed by the company as important when deciding whether to apply for a role, employers should take a proactive approach to incorporating testimony from their current staff into their recruitment strategy.



Michael Fraser
Associate Director at Robert Walters

“By responding to the needs of an evolving workforce, employers can set themselves apart from competitors to attract the best candidates. This means recognising the policies that are important to professionals and discarding those for which there is less demand.”



KEY FINDINGS

THE NEED FOR BROADER TALENT POOLS

While entry level hiring is increasing after a sharp decline during the recession, it will still be several years before employers can expect the skills shortage to show signs of abating. With 72% of employers impacted by skills shortages the need for innovative recruitment strategies is evident.

CREATE A TALENT STREAM

Internships and graduate schemes can help employers to secure a steady stream of talent by building relationships with professionals early in their careers. Millennial professionals whose career progress was delayed by the recession may be open to internships or graduate schemes as a way to enter their desired field. Manage the expectations of any candidates for these schemes to ensure that they know what opportunities they could lead to.

INTERNATIONAL TALENT

Big career changes such as better salary or improved promotion prospects are the basis for motivating staff to move internationally, but don't underestimate the importance of support policies when they are making a final decision. Practical assistance with immigration, language skills and minor administrative tasks can play a critical role in influencing a candidate's final decision regarding a move abroad.

ACCOMMODATING RETURNEES

Professionals who have taken a career break will often have accumulated valuable new skills during their time away in addition to their existing professional experience. By being willing to accommodate flexible working strategies you can set yourself apart from other employers to secure them. Just as important is to note what doesn't work – part-time hours and job-share programmes are rarely sought after by professionals in this position.

SHARE SKILLS WITHIN THE BUSINESS

Given the low cost and high enthusiasm on the part of staff, encouraging shadowing schemes is an effective means to up-skill employees. This strategy can also help provide staff with a foundation for later formal qualifications and help employers identify staff with high aptitude for developing new skills.

BUILD YOUR EMPLOYER BRAND

It has never been easier for candidates to find out about working for your business, nor has it ever had as big an impact on their decision to accept a job. Make sure you are proactive in building your employee value proposition and communicating this internally and externally. This means making the most of digital media and your current staff as ambassadors for your brand.

BROADEN RECRUITMENT CRITERIA

Identifying the skills necessary for particular roles rather than searching for a candidate with similar experience will allow employers to develop a workforce with a broad range of backgrounds. This in turn can encourage innovation within the business and help develop new opportunities. By identifying the priorities of the professionals you wish to target you can customise the way you promote your brand to appeal to them most effectively.

CHANGING CANDIDATE BEHAVIOUR

Our research shows that even if they are not actively searching, professionals are happy to be considered for a new job, but value personalised contact above social media or email communication. Employers must recognise that every professional is a potential passive candidate and develop a strategy accordingly, or risk missing out on a huge source of talent.



ABOUT THE ROBERT WALTERS INSIGHT SERIES

This whitepaper is the seventh in the Robert Walters Insight Series. The Insight Series is a range of thought-leading whitepapers aimed at assisting employers in their recruitment strategies and helping them address key talent management issues. To register your interest in future topics, please email contact@robertwalters.com

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To discuss this whitepaper, request other titles in the Insight Series or talk about your recruitment needs in more detail, please contact your Robert Walters recruitment consultant, email us at **contact@robertwalters.com** or get in touch with our office below:

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