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Navigating the New Talent Landscape

Competitive talent market I Changing employee expectations I Strategies to attract, engage and retain

11/15/2022

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Why are you here?

Trouble recruiting?

Losing employees?

See the job market changing?

Want to be proactive?

Not sure where to start?

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Overview

The talent market and employee expectations have changed during the pandemic, and companies are pivoting their approaches to attract and retain talent in a highly competitive market. Join a conversation about current talent market dynamics, and strategies for navigating the Future of Work (remote/hybrid) and competing to attract, retain and engage talent in a new world.

For a better tomorrow
we boldly go.

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Master in Human Resource Management: Rutgers, The State University of New Jersey
Professional in Human Resources: HR Certification Institute
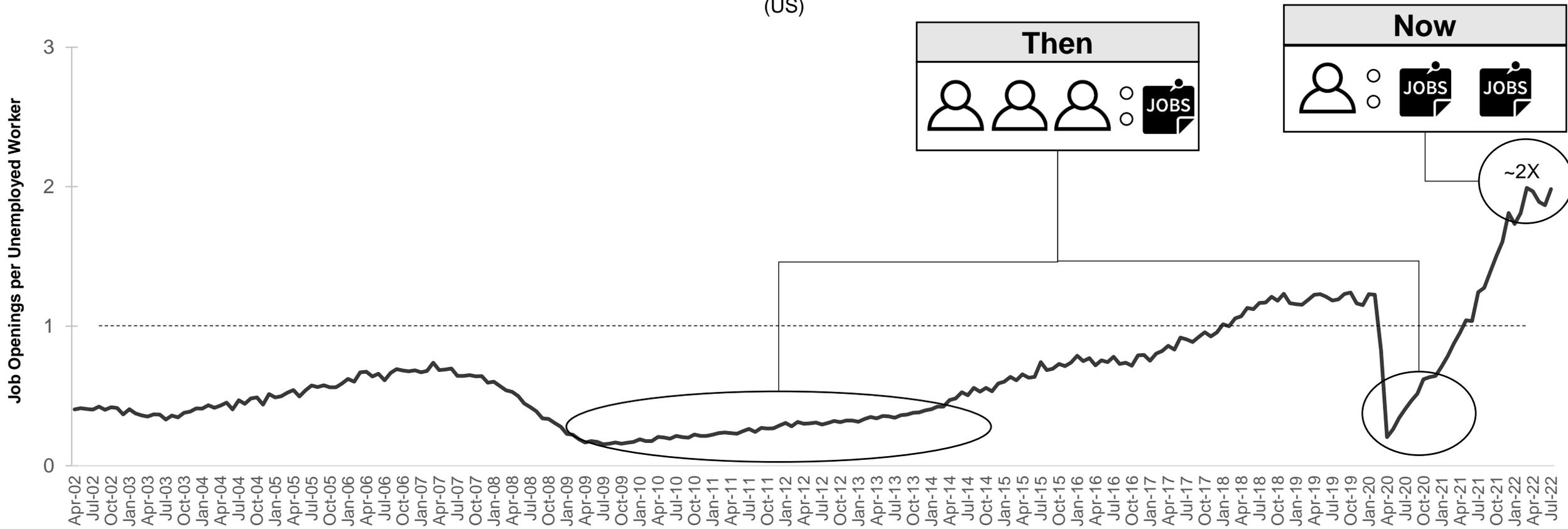
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The Current Talent Landscape

"Face reality as it is, not as it was or as you wish it to be."

~Jack Welch

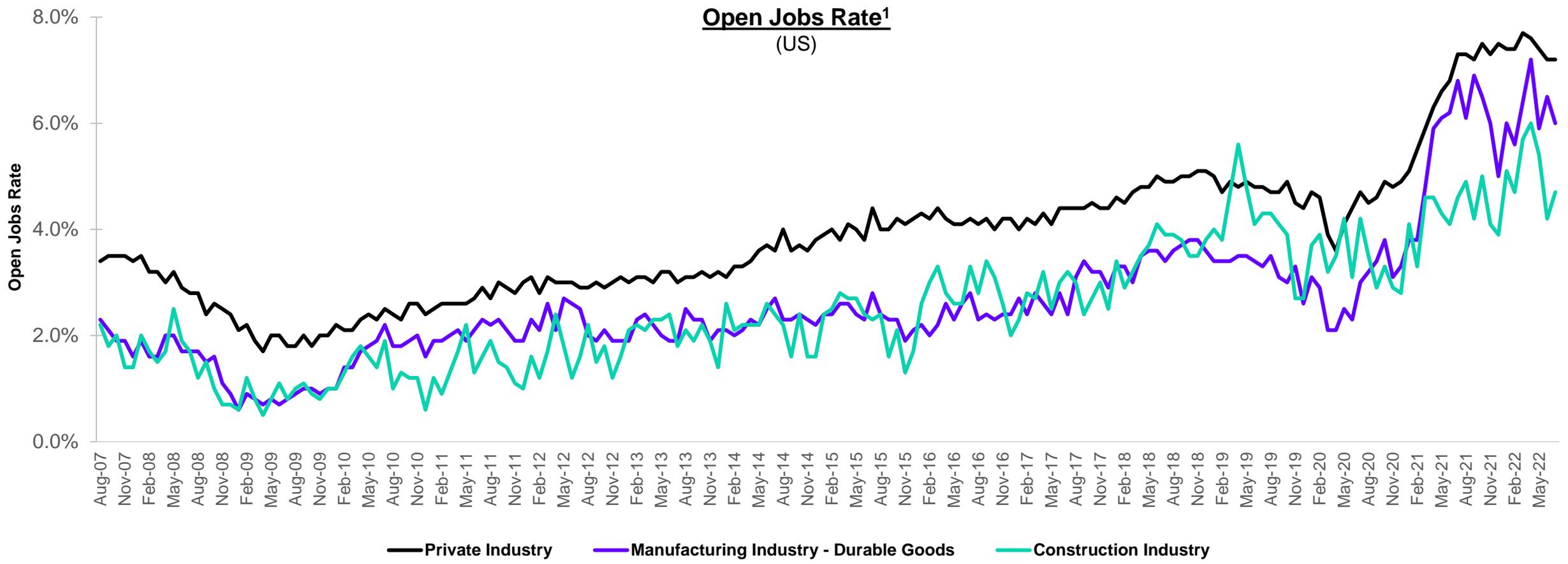# There are 2 job openings available for every unemployed worker in the US

Job Openings Per Unemployed Worker
(US)

Companies are now the applicant

Source: BLS

The job opening rates have been at 15 year highs resulting in an increased demand for talent

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Open Jobs Rate[1]
(US)

Legend: —— Private Industry —— Manufacturing Industry - Durable Goods —— Construction Industry

Source: BLS Open Jobs
Open Jobs Rate = # of job openings / (# employed + # job openings)
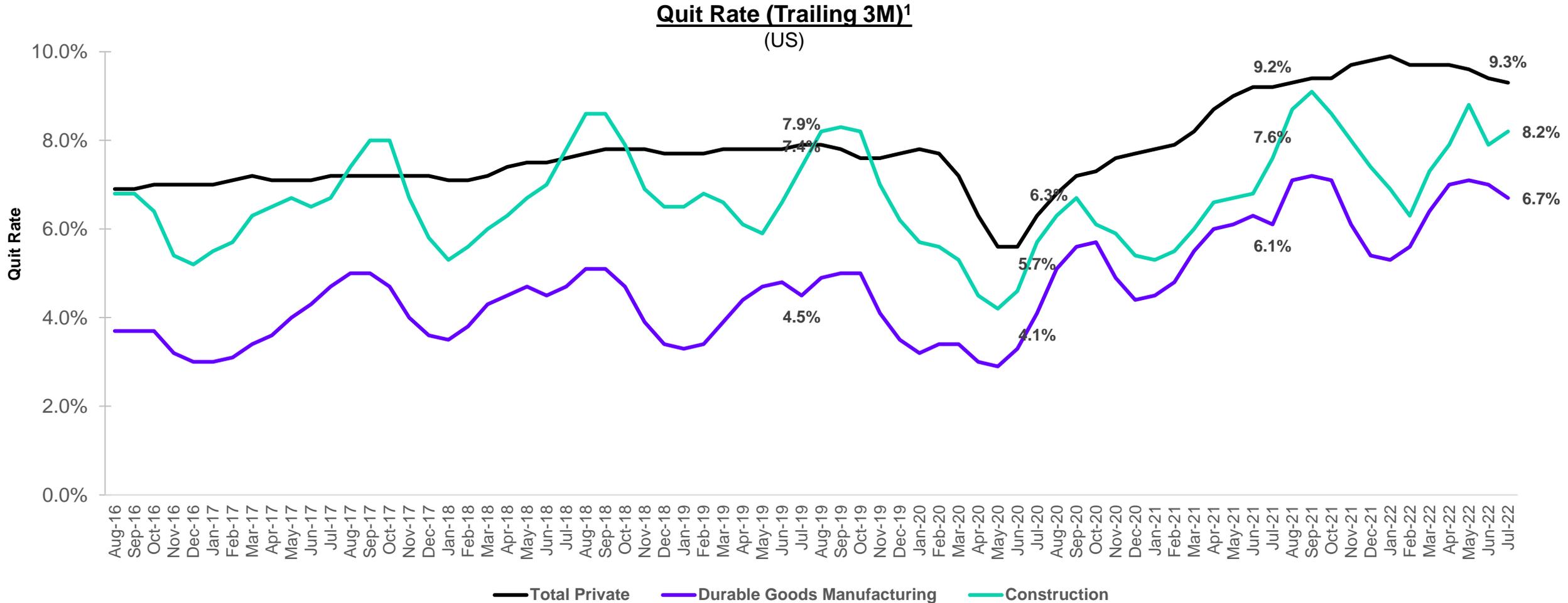Note: Last month is preliminary and typically lower than actuals

RESILIENT TOGETHER

7

Quit rates are above pre-pandemic levels

Quit Rates Trailing 12M
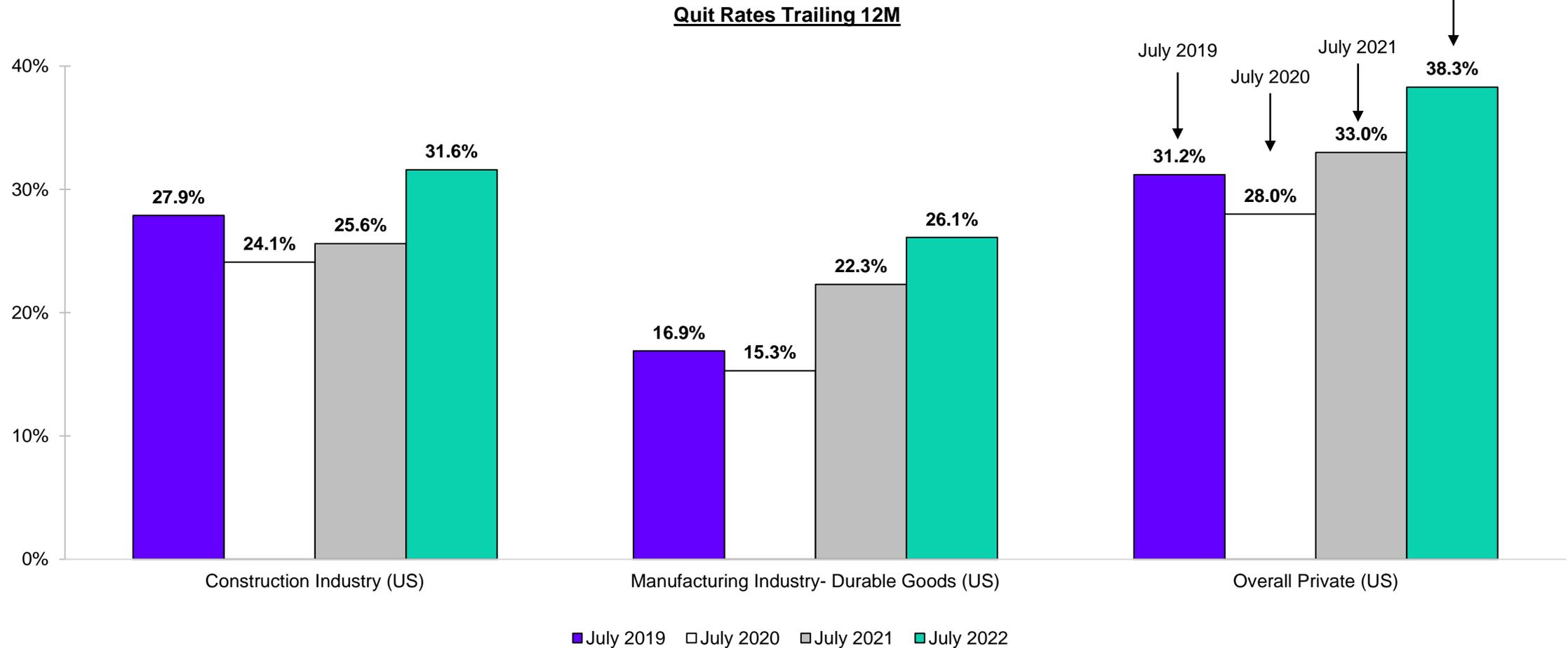
Source: National Bureau of Labor Statistics JOLTS; Seasonally Adjusted Quit Rate Trailing 12Ms
Voluntary Exit Rate is Trailing 12M = Exits over past 12M / avg. HC of prior 12Ms

8

Trailing 3 month quit rates in construction are double the start of the pandemic; Total private quit rates are high, but leveling off

Quit Rate (Trailing 3M)[1]
(US)

Legend: Total Private — Durable Goods Manufacturing — Construction

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Labor Market Learnings:

"It's harder to attract candidates"
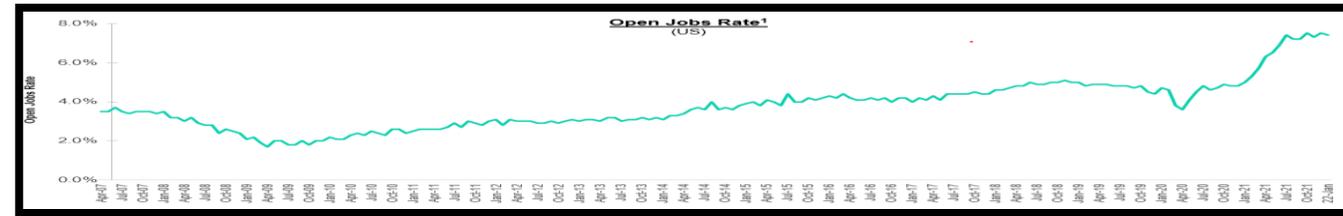
Attraction

Organization

"It's harder to keep employees"

Attrition

US Labor Market:

- **Participation in the labor force continues to decline (trend that started ~2010)**

- **Skyrocketing number of open positions: Highest job opening rate in 15 years**


Open Jobs Rate[1]
(US)

- **Covid rapidly changed the talent landscape: Attracting talent and retaining talent have both become significantly more challenging**

- **Great Reflection resulted in changing candidate and employee behaviors, motivators and expectations**

Pre-pandemic 3 employees for every 1 job
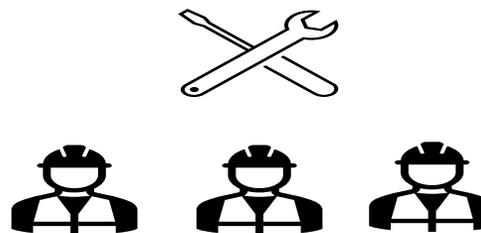
Post-pandemic 1 employees for every 2 jobs

- **Companies are now the applicant**
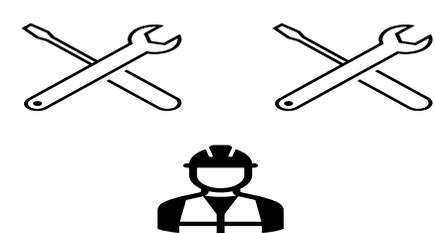
Changing Employee Expectations

"Every new day is a chance to change your life."

~Unknown

Employees are people first

Employees want to be seen as people first, not just workers.

Work is a subset of life, not separate from it.

An organization's value proposition should be experienced through feelings, not just features.
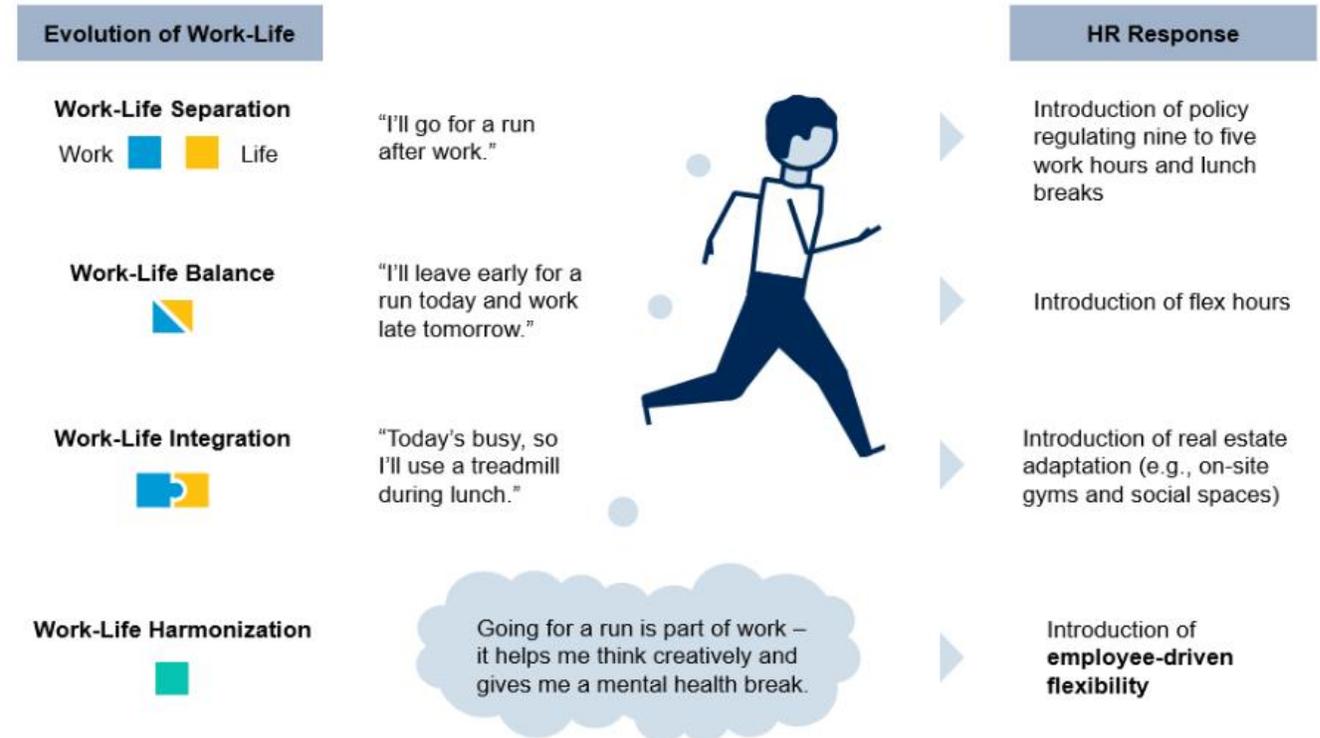
Employees Are People First

In a 2021 Gartner global survey:

- **93%** of HR leaders are more concerned about employee burnout today compared to pre-pandemic

- **65%** of employees are more anxious as a result of the pandemic.

- **40%** of employees are emotionally drained from work.

Evolution of the Work-Life Dichotomy and HR's Response

Evolution of Work-Life		HR Response
Work-Life Separation — Work / Life	"I'll go for a run after work."	Introduction of policy regulating nine to five work hours and lunch breaks
Work-Life Balance	"I'll leave early for a run today and work late tomorrow."	Introduction of flex hours
Work-Life Integration	"Today's busy, so I'll use a treadmill during lunch."	Introduction of real estate adaptation (e.g., on-site gyms and social spaces)
Work-Life Harmonization	Going for a run is part of work – it helps me think creatively and gives me a mental health break.	Introduction of **employee-driven flexibility**

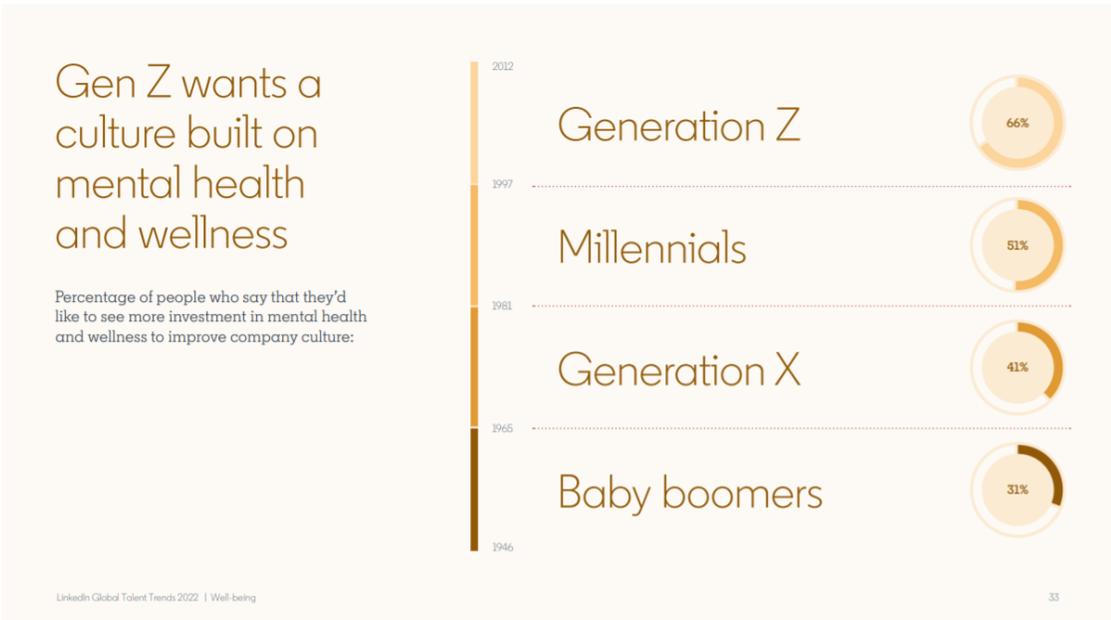Source: Gartner

Gartner

Holistic Means "Whole Self"

Blurred Work Boundaries

41% of employees agree that, compared to three years ago, it is **harder to stay completely away from work** when they are not working.
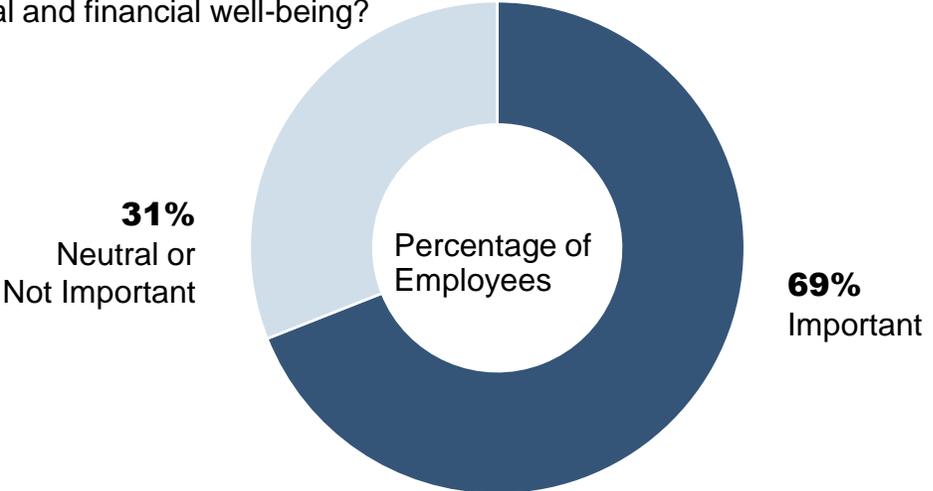
n = 5,000 employees worldwide
Source: Gartner 2021 EVP Employee Survey

Holistic Well-Being: Holistic well-being is defined as a combination of physical, financial and mental and emotional well-being.

Gen Z wants a culture built on mental health and wellness

Percentage of people who say that they'd like to see more investment in mental health and wellness to improve company culture:

2012		
Generation Z		66%
1997		
Millennials		51%
1981		
Generation X		41%
1965		
Baby boomers		31%
1946		

LinkedIn Global Talent Trends 2022 | Well-being   33

• Q: "How important is it to you to work for an organization that cares for your physical, mental and financial well-being?

31% Neutral or Not Important

Percentage of Employees

69% Important

n = 5,000 employees worldwide
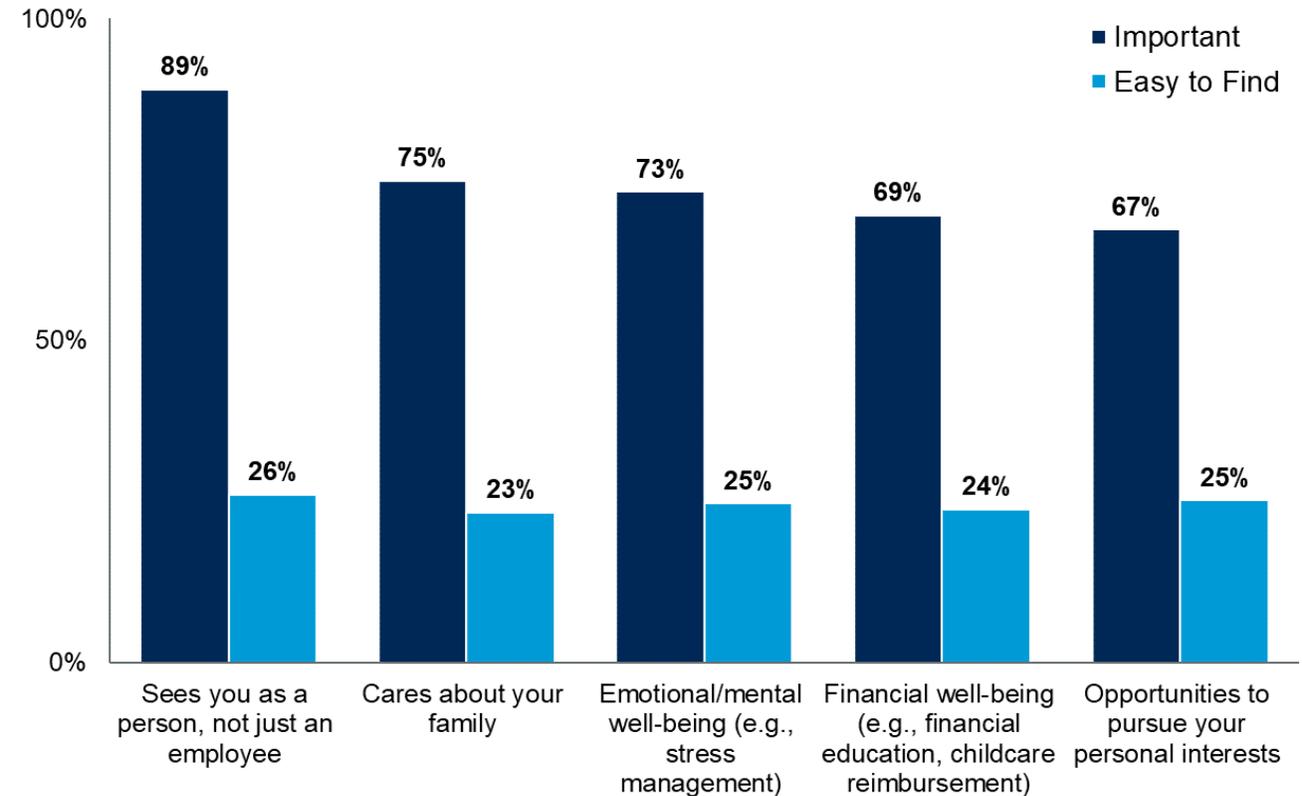Source: Gartner 2021 EVP Employee Survey

This Rings True for Hourly Workers

- Only 26% of candidates responded that it is easy to find jobs that offer the attribute that the company "sees you as a person, not just an employee".

- When compared to salaried workers, it is more difficult for hourly workers to find jobs that match their preferences.

EVP Attribute Rankings for Hourly Workers
Percent of Respondents Selecting "Important" and "Easy to Find"

Legend: ■ Important ■ Easy to Find

Attribute	Important	Easy to Find
Sees you as a person, not just an employee	89%	26%
Cares about your family	75%	23%
Emotional/mental well-being (e.g., stress management)	73%	25%
Financial well-being (e.g., financial education, childcare reimbursement)	69%	24%
Opportunities to pursue your personal interests	67%	25%

Source: 2021 Gartner Candidate Survey
N= 580 U.S.-based full-time hourly candidates
757095

Gartner

Expectations for Hybrid / Virtual Work

- **75%** of employees agree their **expectation to work flexibly** has increased since the beginning of the COVID-19 pandemic.

- **64% would only consider** a new position or job that allows them to **work flexible hours.**

- The share of remote workers is forecast to reach **47% among knowledge workers in 2022**, compared to just 27% in 2019.

- **70% of remote workers are hybrid workers**, meaning that they work sometimes from the office, sometimes from home.

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Source: Gartner June 2021
"Redesigning Work for the Hybrid World"

It's Time for a New Approach

"The greatest danger in times of turbulence is not the turbulence itself, but to act with yesterday's logic."

~Peter Drucker

Addressing Employee Expectations

"All great changes are preceded by chaos."

~Deepak Chopra

How do we **define what makes us different?**

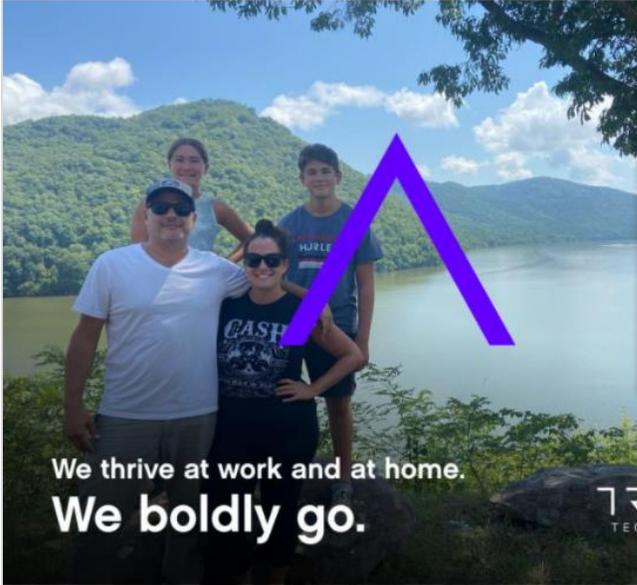How do we **tell our story?**

Our Employee Value Proposition

We are passionate, pioneering people connected by a bold purpose. We Uplift Others, Make an Impact and Thrive at Work and Home.

When you're part of Trane Technologies, you belong to a leading team that shares an even greater purpose: we boldly challenge what's possible for a more sustainable world. We are optimistic people who believe in a better future and in the power of inclusion and collaboration to get us there. **#weboldlygo**

Benefits of **The Future of Work**…

Be an employer of choice, promoting flexibility and inclusive work practices, aligned to employee expectations

Increase our talent pool to attract the best people to the organization

Sustain engagement and retention of our current talent

Empower leaders to leverage forward-thinking approaches and resources for our dynamic workforce

Deliver on customer outcomes and business goals *foremost* while endorsing "what makes sense" for our dynamic workforce

Contribute to our social and environmental sustainability goals by offering more flexible work options

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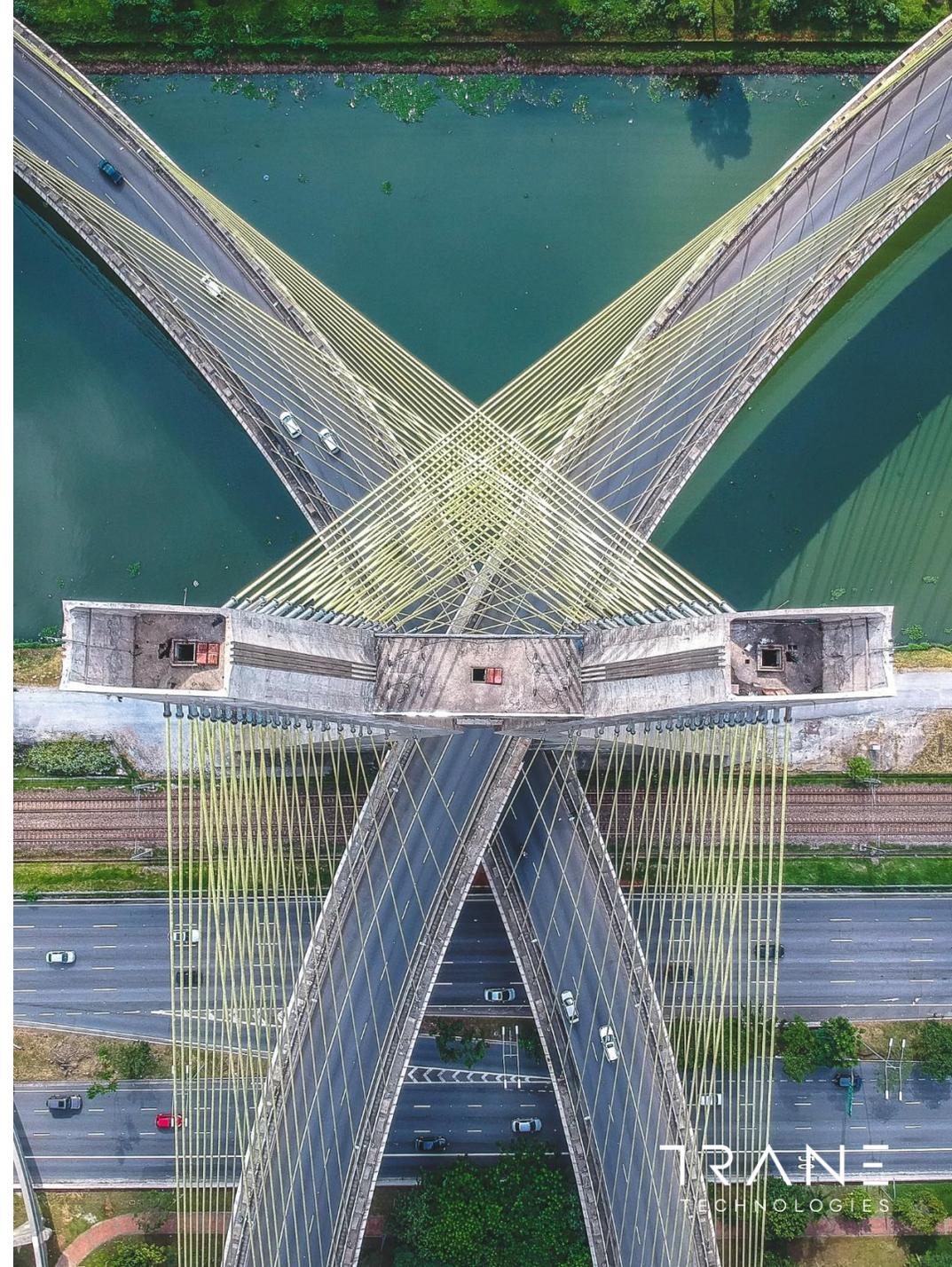
Critical Elements
of the Future of Work

Leaders are empowered to implement these principles and the framework concept in their organizations:

Lead with Trust, Inclusion, and Fairness

Incorporate employee preferences and varying needs for how they operate – not everyone wants to work remotely

Manage performance through behaviors, outcomes, and continuous conversation to support employee success

Leverage virtual collaboration tools to foster connections and sustain engagement

Thoughtfully onboard and assimilate new hires into our brand and purpose

Recognize that many roles will remain on-site to meet customer needs

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Consider Alternative Flexible Options

❖ Independent contractors – hire for skills, not roles

❖ Part-time arrangements

❖ Flexible work hours or schedules

❖ Job sharing

❖ Time off policies

Employees Want Radical Flexibility, Not Just Flexibility

Radical Flexibility Definition

When	Where	Who	What	How Much

Flexibility

Radical Flexibility
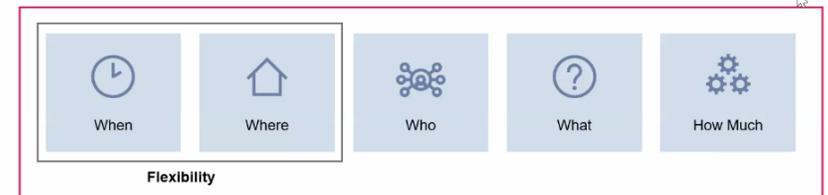
Source: Gartner

Prioritize Employee Retention

"Clients do not come first. Employees come first. If you take care of your employees, they will take care of the clients."

~Richard Branson

Addressing the new talent landscape

Four Critical Elements of Retention

❖ Flexibility

❖ Compensation

❖ Career Development & Advancement

❖ Culture

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Source: 2022 Gallup CHRO Roundtable

Offer Professional & Career Development

- **33%** of US workers who left their jobs in 2021 cited no **opportunities for advancement** as a major reason for quitting.

- **87%** of **millennials** consider **professional development important**. (Gallup)

- Only **30%** of employees are **satisfied** with their current **professional development** opportunities. (SHRM)

Top reasons why U.S. workers left a job in 2021: Low pay, no advancement opportunities

Among those who quit a job at any point in 2021, % saying each was a _____ why they did so

	Major reason	Minor reason	Net
Pay was too low	37	26	63
No opportunities for advancement	33	30	63
Felt disrespected at work	35	21	57
Because of child care issues*	24	24	48
Not enough flexibility to choose when to put in hours	24	21	45
Benefits weren't good**	23	20	43
Wanted to relocate to a different area	22	13	35
Working too many hours	20	19	39
Working too few hours	16	14	30
Employer required a COVID-19 vaccine	8	10	18

*Among those with children younger than 18 living in the household.
**Question provided health insurance and paid time off as examples.
Note: Figures may not add to subtotals due to rounding.
Source: Survey of U.S. adults conducted Feb. 7-13, 2022.

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Employee Listening: Stay Conversations

30 Ways to Say…Stay

1 What can I do to keep you?

2 What can I do to engage you?

3 How can I help you build your career future?

4 In what ways can I best show respect for your contribution?

5 Is there something new you would like to learn?

6 What would make the balance of your work and personal life easier?

7 What assignment would advance you further in your career?

8 Since being hired, has the job met your expectations?

9 What information do you need that you are not getting?

10 Have I ever acted like a "jerk" at work?

11 What does it mean to have fun at work?

12 Is there someone in my network you would like to meet?

13 Do you have an idea for doing something differently?

14 How can I mentor you?

15 What kind of opportunities are you interested in pursuing?

16 What makes for a great day at work?

17 What's a work rule we need to look at eliminating?

18 How do you like to be rewarded for great work?

19 Do you have the space you need to get the job done?

20 What feedback do you need?

21 What matters most to you?

22 Are there times when I don't listen as well as I should?

23 How can I help reduce daily work stress?

24 What kind of communication works best for you?

25 Do you have the leeway to make decisions, be creative and succeed?

26 How often should we talk?

27 What could I do more of? Less of?

28 What can we do to make your job more satisfying?

29 What do you love doing and would not want to give up?

30 Why do you stay?

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Build and Acquire Talent Intentionally

"You don't build a business - You build people - and then people build the business."

~Zig Ziglar

Holistic approach to talent acquisition

Workforce Development

"Employers and government have a dual role to play in the education and training of employees to help them become better-qualified for jobs at all skill levels. In addition, equipping valuable yet vulnerable populations with the skills they need to become gainfully employed will improve their quality of life, grow the U.S. pool of skilled talent and increase the earning potential of the U.S. workforce." – SHRM

Strategy	Example
Skills-First Hiring	• Job Descriptions degree requirements
Pathway Programs	• FAME • ReLaunch (re-entry) • Apprenticeships • Scholarships
Partnerships	• NC3 / Tech Schools • OneTen Talent Development Network • Sustainable Futures
Policy & Process	• Tuition Reimbursement • Approach to flexibility

Recruiting and talent attraction are a critical priority

Consider Attractive Work Arrangements

❑ **Consider (and promote) flexible work options where applicable**

❑ **Use searchable work type phrases such as:**

   On-site | Hybrid | Remote

Did you know?

❖ 7 of 10 employees desired a hybrid or fully remote work setup *Gallup*
❖ Remote jobs receive 2.5X more applications than in-office roles. *LinkedIn*
❖ 1 of 7 job openings are now fully remote, up from 1 of 67 prior to the pandemic *\LinkedIn*
❖ Job boards now use algorithms to identify work arrangements from within the job description

Job Postings – Can widen the pool

Be thoughtful for gender-coded words and avoid listing unnecessary requirements

- Use a tool such as Gender Decoder: find subtle bias in job ads (katmatfield.com) to be thoughtful use a balance of gender coded words to attract a broad talent pool.

Feminine-coded Words	
• collaborate	• modest
• committed	• pleasant
• compassionate	• polite proficient
• connected	• responsible
• considerate	• responsive
• cooperative	• sensitive
• dependable	• support
• effective	• sympathy
• empathetic	• trust
• enthusiastic	• understand
• honest	
• hope	
• interpersonal	
• inclusive	
• interdependent	
• interpret	
• kind	
• loyal	

Masculine-coded Words	
• active	• driven
• adventurous	• fearless
• aggressive	• head-strong
• ambition	• independent
• analyze	• intellectual
• assertive	• lead
• athletic	• logical
• autonomy	• objective
• challenge	• outspoken
• champion	• self-confident
• compete	• self-reliant
• confident	• self-sufficient
• courage	
• decisive	
• deliver	
• determined	
• dominant	
• driven	

Did you know?

❖ Studies have shown that women are less likely to apply to jobs unless they meet every single requirement. (Source: HBR August 2014)

.This tool is adapted from the original list of gender-coded words by Danielle Gaucher, Justin Friesen, and Aaron C. Kay: Evidence That Gendered Wording in Job Advertisements Exists and Sustains Gender Inequality (Journal of Personality and Social Psychology, July 2011, Vol 101(1), p109-28).

Job Postings – should be concise & persuasive

❑ **Make every word count**
- Keep the posting to 300 words or less
- Ensure the job posting quickly appeals to a qualified, diverse audience
- Include a compelling job summary and a list of the 5-7 most important tasks

❑ **Be intentional with the job title and key words.**
- Use a job title with words that candidates will search. Shorter titles (1-3 words) get more clicks. There is a steep drop after 5-6 words
- Embed key words that your job seeker will search 2-3 times in your job posting

▪ **Be persuasive**
- Use a tone that is friendly and conversational
- Share Information about you Company including the <u>top 3</u> company benefits (three seems to be the "sweet spot").

❑ **Cast a wider net**
- Consider your requirements / qualifications
- Use gender-decoded language

Your Next Moves

"Being challenged in life is inevitable, being defeated is optional."

~Roger Crawford

Peer Sharing & Open Dialogue

What have you tried?

What have you learned?

Where can we partner together to solve our common goals?

Thank you!

Any questions?

Complete the session evaluation:

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Resource: Optimized Job Posting Checklist

- ☐ **Job Title:** Uses words that my candidates will search

- ☐ **Location:** Accurate and/or uses the correct location phrasing in the posting description (i.e., remote)

- ☐ **Job Summary:** Brief and appealing using keywords my candidates will search for

- ☐ **Responsibilities:** 5-7 bullets of the most important tasks

- ☐ **Qualifications:** 5-7 bullets of qualifying experiences vs quantified experiences

- ☐ **Comp & Benefits:** Compensation clearly indicated; at least 3 bullets of selected benefits

- ☐ **Legal:** EEO statement included; Fit for duty and/or COVID statements as needed

- ☐ **Edited gender-coded words:** Run through gender-decoder (http://gender-decoder.katmatfield.com

Tip:
Use this checklist to make the most of your job postings and increase your candidate flow

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Resource: Prioritizing Stay Conversations

Career Risk Triggers

Career Risk Trigger	Δ Career Satisfaction	Δ Job Search Activity	When to Schedule Discussion
Birthday	-4%	+12%	Just before birthday
Tenure in role	-3%	+9%	In role one or two years
Tenure in organization	-4%	+6%	In organization one or two years
Lack of recent development opportunity	-3%	+7%	Two months since last development opportunity
Change in manager or responsibilities	-3%	+17%	Immediately after change
Major gathering of friends or classmates	-2%	+16%	Immediately after gathering

Not a Risk Trigger	Δ Career Satisfaction	Δ Job Search Activity
Performance review	-2%	-13%
Bonus	-3%	-6%

Source: Gartner (October 2018)
Note: This figure is based on data from a 2015 Gartner study.

HRLC182493

Gartner.

Tip:
- Use this chart to evaluate events that might trigger your employees to feel less satisfied with their careers and start searching for other job opportunities.
- Have 'stay conversations' with your team members to make sure they feel supported, especially during these times.

Resource: Best Practices for Teams in Different Work Locations

Pro tips to help you master hybrid collaboration

	Digital Team Room	**Office site**	**Home Office**	**Satellite office**	**On the Go**
	Regardless of your teaming model, set up your digital team room as a centralized source of truth, accessible anytime, anywhere, to every member	Commit as a team to ensuring an equitable remote experience. If one person is remote, open your laptops and join them in Gallery View	Set up your remote work location. Make sure you are positioned well, your face is lit, your sound is clear, and your background delivers the impression you want	Ensure an equitable experience for those remote by traveling with collaboration enabling tech, e.g. shared speaker, camera, projector, or screens	Think through your schedule and physical location for a given meeting so that you can plan for a set up that allows you to fully engage
Pro Tip	If you'd hang it on a wall in the team room share it in the digital team room	Be a champion for your remote teammates	Select and set up a regular place to work	Engage your remote teammates	Find a place you can single-task, particularly if you are a key contributor
Details	Examples include scope, norms, team travel schedule, and to-do lists	Make sure they are seen and can see and hear; call on them to ensure they have a voice in the meeting	Find a dedicated location for your remote office, and use the same space every day you are remote	Use digital whiteboards; use your phone to capture handwritten slides; call and include them in impromptu discussions	Enable yourself to focus, be heard, and show up for the meeting at your best

Tip: Use this quick tip sheet to make hybrid work more efficient, collaborative and inclusive.

Mastering Hybrid Collaboration, Boston Consulting Group, April 2022