

Market Burst

Top trends in talent

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August 2021

The Four-Day Workweek is Gaining Traction

Worker burnout and long working hours have caused countries and organisations to re-evaluate the traditional 9-to-5.

Iceland has recently declared a resounding success of their reduced workweek trial. While this attempt focused entirely on the public sector, experts suggest a similar approach can also [benefit private businesses](#). Many start-ups have shorter work weeks in place and say they see increased productivity and improved retention as a result.

[Unilever](#) is currently testing a 4-day workweek pilot in New Zealand. The [Scottish Government](#) is also considering the approach, while organisations in [Japan](#) have been voicing their support since the beginning of the year.

Some companies embrace [asynchronous working hours](#) to give their employees more flexibility and work schedules best suited to their needs.

60% of European staff do not want to return to the traditional 9-to-5

64% of 16 to 34-year-olds would like to work in an asynchronous working environment

- [Okta and Censuswide](#)



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For a company of **10,000 employees** with an average salary of \$50,000 each, disengagement costs can amount to **\$60.3 million a year** in lost productivity

- [Gallup](#)

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Workers are Facing a Great Disengagement

A new Gallup poll finds that 48% of [America's](#) working population is actively job searching. A similar analysis in the [UK](#) showed 38% planning to quit in the next year.

Interestingly, the key reason for leaving is not pay, but disengagement with the workplace, worsening work-life balance, and toxic work cultures.

The data suggests that companies need to redesign their employee value proposition around what makes workers want to join and stay. This includes flexible working arrangements, aligning employee wellbeing with work priorities, and reinforcing work cultures. Leaders will be critical in driving their employees' sense of purpose and staying in tune with satisfaction and dissatisfaction before it's too late.

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A Closer Look at the Talent Shortage

The pandemic caused an unprecedented wave of tech adoption. This accelerated the development of new tools and caused a massive tech talent shortage. Businesses are figuring out the best ways to tap new talent pools, including upskilling and reskilling their existing employees. Some companies are also [turning to the freelancer population](#) to fill the gaps.

The tech industry is not the only category experiencing a talent crunch. The construction sector has the highest proportion of firms reporting difficulties in the [UK](#), with 8 in 10 employers struggling to find talent. Hotels and catering are a close second, with three quarters of hiring managers saying that talent is hard to find.

In the [US](#), recruiting and retention difficulties are most pronounced in blue-collar and manual labour roles. The industries quoting the biggest hiring challenges are construction at 60%, transportation at 54% and manufacturing at 50%.

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Skills-Based Hiring for the Next Generation

To solve the challenges of talent shortage, many companies are [eliminating minimum education and degree requirement](#) for roles that have gone unfilled. Experts stress that universities no longer have a monopoly on providing access to knowledge. Focusing on transferable skills rather than specialised education unlocks vast pools of untapped talent and diversifies the workforce.

[WEF](#) recently polled 11,000 young people worldwide, and found that today's education system does not meet their future career needs. 32% said they need more job-ready skills programs in school, while 28% pointed out that on-the-job training brings the most value. The same Gen Zers see equal value in learning both technical competencies and learning soft skills.

New research from [McKinsey](#) also supports the need for skill-based education that focuses on future-ready skills, enabling young people to evolve alongside the ever-changing job landscape. Manual and physical skills will decline while demand for technological, social, emotional, and higher cognitive skills grows. University curricula and learning strategies have to follow.



Vaccine Requirements for Returning to Work

With a growing number of Delta variant COVID-19 cases, employers are constantly re-evaluating return to work plans and how exactly they can bring workers safely and lawfully into offices.

In the US, the Equal Employment Opportunity Commission confirmed that employers can legally require vaccinations to re-enter a physical workplace.

[Google](#) has recently announced a vaccine requirement for their workforce returning to the US offices, followed by [Facebook](#) and [Microsoft](#).

[European](#) trade union coalition - Uni Europa - said that demanding a compulsory COVID-19 vaccine is unacceptable, and the regional legal experts point to the risks of discrimination claims. Authorities across the region advocate for the vaccine, but mandatory workplace vaccinations are restricted to only healthcare workers in [selected countries](#).

Earlier this year, surveys in [Asia](#) showed that most employers were not planning to go for the mandated approach. Authorities in [Singapore](#) have recently confirmed that people working in environments with a higher risk of COVID-19 infection can be required to get vaccinated.

