

# Market Burst

## Top trends in talent

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July 2022

## Supporting the inclusion of female talent

Building cultures that embrace a sense of belonging is a top priority for organisations. An essential part of this trend is acknowledging gender inequality in the workplace and creating opportunities to appreciate and support female talent.

Research by Bain&Co. finds that [65%](#) of people across identity groups view an inclusive environment as “very important” when considering new roles. But recruiting a diverse workforce is only a start. A work environment where differences are truly appreciated is also critical for retention. Employees experiencing low inclusion are [six times](#) more likely to actively pursue new jobs.

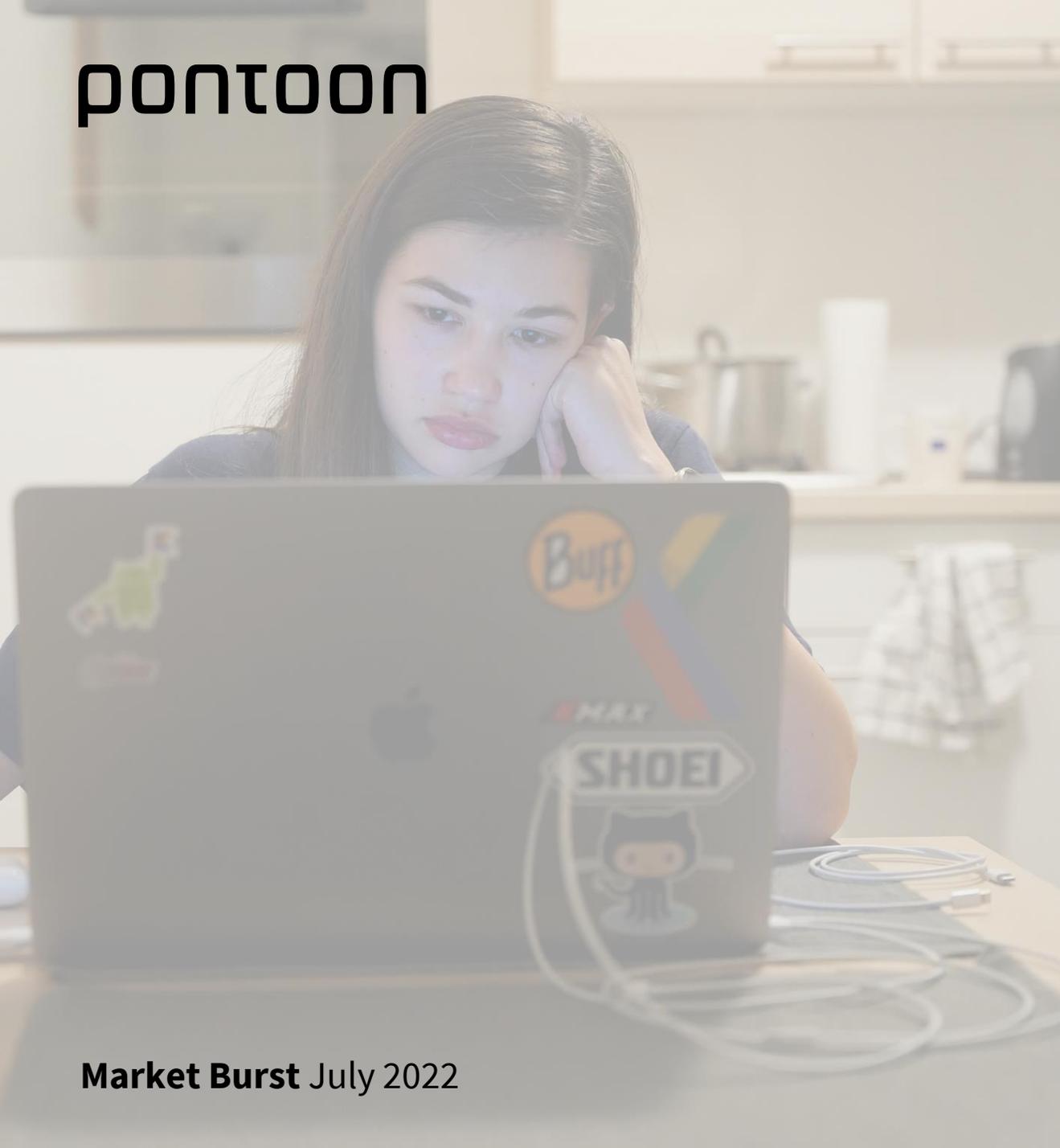
The same research draws attention to the fact that every demographic population has unique inclusion enablers. In other words, the feeling of belonging is not universal, and businesses must recognise what is essential for their worker subsets to feel included. Female leaders and colleagues tend to focus on behavioural enablers such as peers’ openness, a sense of community, honest communication, and growth opportunities. They want to feel comfortable speaking up, respected by colleagues and managers, and supported to advance and grow. Meanwhile, only [67%](#) of women say they feel comfortable sharing a dissenting opinion at work. Also, they are [20%](#) less likely to admit their unique background and identity are valued in the workplace.

Leaders have a huge opportunity to increase women’s human potential if they consider what matters most to their female workers. The gender gap in belonging is one of the challenges businesses must tackle to help their employees thrive and succeed in an equitable work environment.



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## Combatting shift shock

Switching jobs has become more common than ever. In 2022, candidates are looking for new jobs with a clear list of priorities in mind. Flexible schedules, higher pay that tracks inflation, retirement and health benefits, and the ability to choose an onsite, hybrid, or remote location are just some of the things that employees want. Still, even if a job offer ticks all the boxes, new employees might experience dissatisfaction and immediately start looking for other options. Employers are wondering how this could be possible?

The answer is a phenomenon that The Muse's CEO has dubbed "shift shock", or the sudden realisation that the newly acquired role is far different from what you were promised during the recruitment process. Companies should watch out for shift shock, having in mind that Gen Z and millennial candidates are willing to switch to better opportunities with little to no hesitation. According to The Muse's 2022 survey, [41%](#) of young people would spend from two to six months at a job that didn't meet their expectations. [8 in 10](#) respondents said that six months is a perfectly acceptable time to hop to another role.

From the business perspective, learning that [three out of four](#) people find their new role disappointing enough to quit in less than six months is scary, but there are plus sides, too. Shift shock might be the impetus for companies to significantly improve their hiring processes. A candidate's recruitment experience that accurately and authentically reflects the company's culture can help businesses not only attract but also retain the best talent.



## Proximity bias in the workplace

Across the globe, offices are beginning to reopen, but not all employees are excited about exchanging their homes for busy open-space offices. Slightly over [one-fifth](#) of US workers wish to come back to the office while a whopping [62%](#) want the best of both worlds, that is, a hybrid working arrangement. One could think that there should be no harm in hybrid or remote work. However, there is one major drawback – proximity bias.

Proximity bias is a remnant of a dated mentality in which an employee who cannot be seen, cannot be trusted. As a result, managers tend to favour onsite workers, offering them more opportunities for growth. Even though [4 out of 10](#) executives are aware of the inequities between remote and onsite workers, they themselves are [twice more likely](#) to work in the office and prefer to see their employees right there on the spot. Physical proximity to a business leader thus becomes a source of bias that works to the disadvantage of remote and hybrid employees.

How can business leaders [mitigate proximity bias](#) in their own organisations? The first step is to name the problem and openly discuss how proximity bias might surface in the company. Second, a writing-based culture in which all communication is shared on a central platform ensures that nobody is excluded from information circulation. The third and last trick is to ensure that everyone is evaluated via a structured, quantifiable, 360-degree review system that can bring greater visibility to those colleagues who don't work from the office.

## Retaining younger talent with the experience effect

Organisations that are rich in human capital – or their workforce's combined knowledge and skills – have an advantage over the competition. One challenge is retaining younger workers who hop from one work experience to another in search of development opportunities.

McKinsey reports that the average worker switches roles [every two to four years](#), and younger generations, like no other, understand that career movement is critical to gaining the competencies needed for professional growth and better compensation. The skills acquired or deployed through varied work experiences contribute [40%](#) of the average worker's lifetime earnings in the United States and [43%](#) in Germany and the UK.

Employers must develop internal coaching and promotion programmes to retain future talent. Young workers want to join organisations that let them expand on current competencies but also give options for increasing experience, earning potential and accessing diverse professional networks. [8 in 10](#) Gen Zers surveyed recently by Thoughtexchange said they prefer a job that allows for exploring and growing various skill sets. Interestingly, [67%](#) of those thinking about job-hunting admitted they would be willing to stay with their current employer if there was an opportunity to change departments or roles. Leaders must recognise this experience effect and embrace worker mobility. One way to accomplish this is to have employees branch out into different specialisations within the same organisation.



## The digital skill divide

With workplaces undergoing rapid digitalisation and new technologies being constantly added to the list of necessary skills, employees around the globe find it difficult to keep pace. The need for upskilling and reskilling workers becomes especially pressing if we realise that a substantial part of today's workforce lacks basic digital skills. The following stats tell it all:

[One-third](#) of US workers lack basic digital skills, with [one in six](#) working-age Americans being unable to use email or search engines. Additionally, [24 million](#) US citizens do not have access to high-speed internet and even more struggle with digital literacy.

[11.8 million](#) working-age people in the UK lack [Essential Digital Skills](#) (EDS). This means that over one-third of the entire workforce population in the country has problems with online communication, information and transaction management, and Internet safety.

Percentage values for people aged 16-74 with basic digital skills vary across Europe, with countries of the former Communist block being at a noticeable disadvantage. On average, [54%](#) of people in all countries of the European Union have basic digital skills.

Closing the digital skills gap is part of a broader picture composed of education and infrastructure issues that boil down to socioeconomic inequalities. However, by realising that digital skills are indispensable in today's reality of remote and hybrid work, and by investing in upskilling their workforce, employers can make the first step to changing the status quo.