



MCQUAIG PRESENTS

THE 2021 GLOBAL TALENT REPORT





Introduction

The Covid-19 pandemic was an event no one saw coming and the changes that it brought with it will have a long-lasting impact on the talent industry. From how we work to the tools we use, companies across the globe had to adjust to a new working reality practically over night. This shifted the way we hire and recruit candidates, along with how we support employees already in a role. But how many of those changes are here to stay and what trends are on the horizon?

At McQuaig, we wanted to know how our network adapted to the pandemic and what strategies talent professionals around the world used to keep their companies competitive. To that aim, we conducted a global survey to collect responses focusing on:

- The pandemic's impact on the talent industry
- Hiring and recruiting changes
- Employee development and leadership development shifts
- Diversity, equity, and inclusion initiatives

By understanding this past year of change and uncertainty we can better prepare for the future. This report aims to provide that clarity in order to help you make more accurate predictions about the best ways to hire and develop your workforce moving forward.

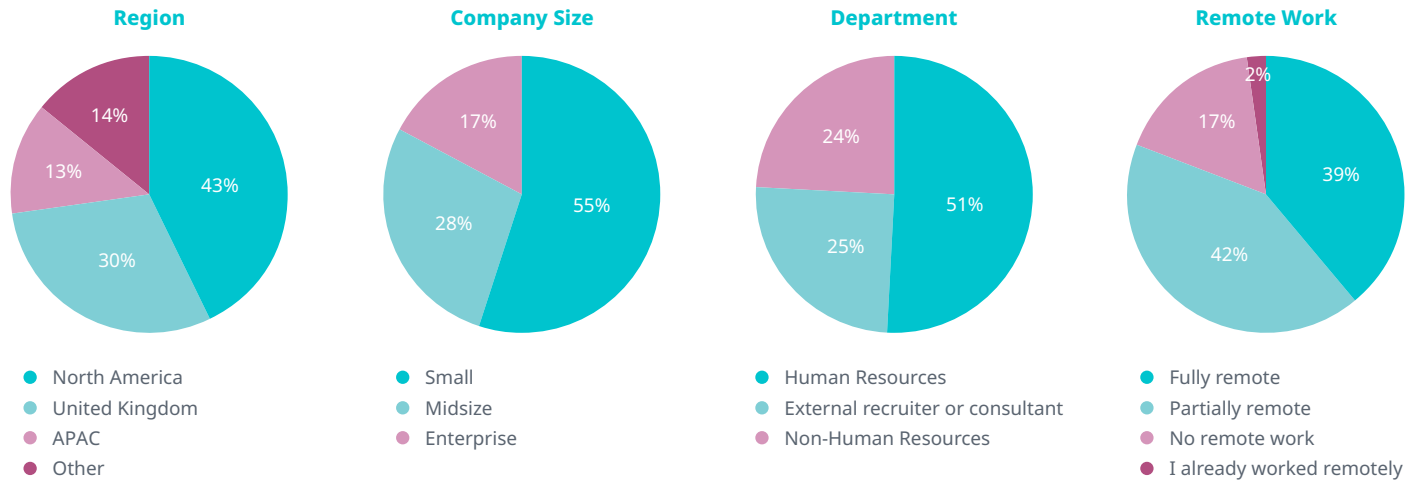
Did you know?

On average, 80% of respondents say their companies handled the pandemic well



Who participated in the 2021 Global Talent Survey?

To better understand the shifts taking place within the talent industry we reached out to professionals around the globe during the first quarter of 2021. Respondents fell into the following demographics:



Our top five industries surveyed were:

1. Professional Services
2. Manufacturing
3. Recruitment
4. Consulting
5. Financial Services

Our top three roles surveyed were:

1. Manager
2. Head of / Director
3. CEO or Co-Founder

Job satisfaction

81% of respondents are content at work



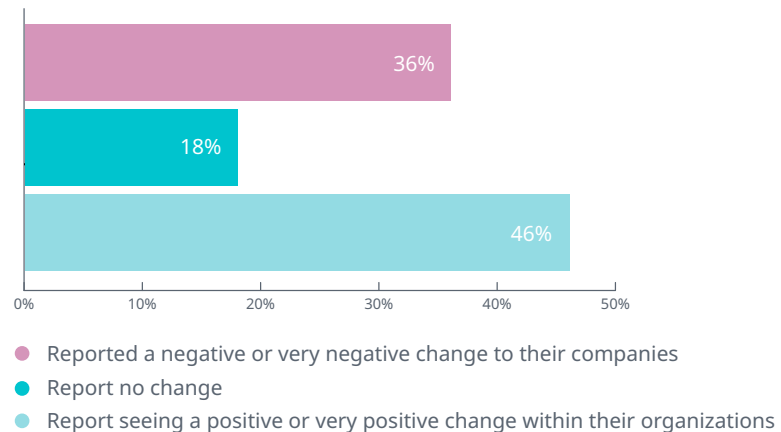
Pandemic Response

Companies across the world had to adapt quickly to the changes brought on by the pandemic. What impact did that have on their organizations? Unsurprisingly, companies large to small reported revenue as being the number #1 area that saw the largest impact in the past year. Close behind revenue were operations and culture. It's easy to believe that businesses ran into trouble with how they were running this past year and saw culture decline as a result. As we move out of the pandemic, companies have more time to return to these impacted areas and address them.

The top 3 areas most impacted by the pandemic were:

1. Revenue
2. Operations
3. Culture

What impacted did the pandemic have on your organization?



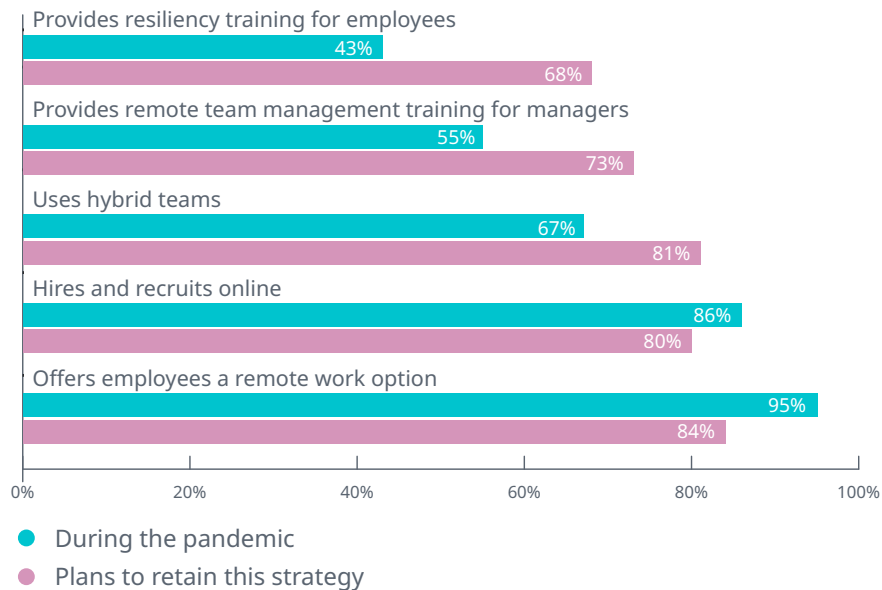
Perhaps more interestingly, however, is the fact that 46% of respondents saw some form of positive change occur within their organizations as a result of Covid-19. In a year of chaos and change, some companies were made to make adjustments that improved their situation. As we dive deeper into how organizations have changed their hiring and talent management practices this statistic is one to keep in mind.



Pandemic Response

How have companies changed the way they operate as a result of the pandemic? When asked what adjustments they made and whether those changes will remain our respondents had varied answers. Looking below we can see that online recruiting may see a bit of a decline as the pandemic wanes with an 6% reduction. However, there's a 14% increase in the prevalence of hybrid teams, a 25% increase in employee resiliency training availability, and a 22% increase in remote management training.

How are organizations changing the way they operate?



Challenges on the horizon:

1. Finding qualified candidates for open roles
2. Navigating the skills gap
3. Bringing back remote employees
4. Managing ongoing digital transformation
5. Maintaining health and safety standards

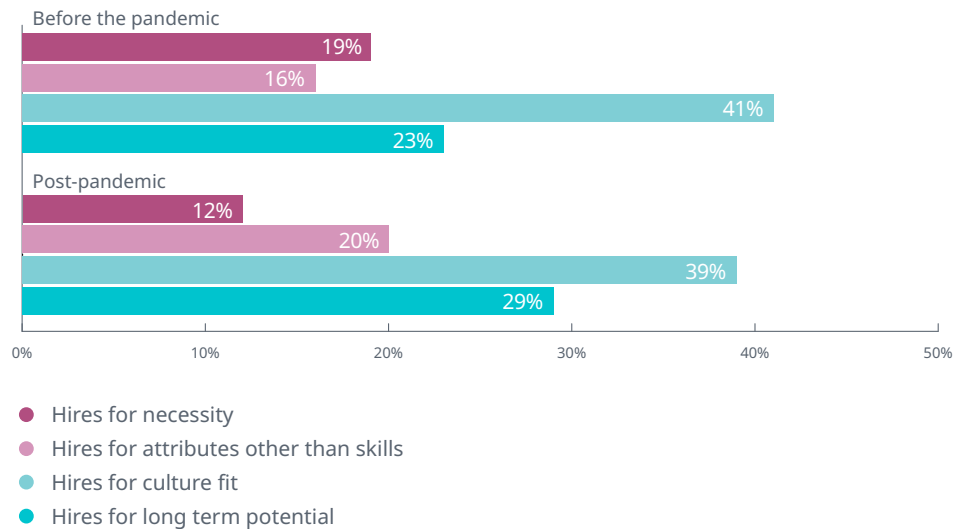
It looks like a new way of working on teams is forming and luckily, organizations seem to be taking the time to provide the right sorts of training options to help their employees adjust.



Hiring and Recruiting

Moving on from the pandemic impact, let's take a closer look at how we're recruiting. In March 2020, the world paused and hiring was no different. In fact, 63% of our respondents reported a hiring decrease or freeze during the pandemic. As a hopeful sign that we are starting to emerge from this reality, 43% of our respondents are reporting a hiring increase now that things are becoming more stable. But while hiring is getting back up to speed, there are some changes to how we recruit that are likely here to stay.

How has the pandemic impacted hiring?



Top three factors driving hiring right now:

1. Adding new general positions to the workforce
2. Taking advantage of rapid business growth
3. Backfilling pre-pandemic roles

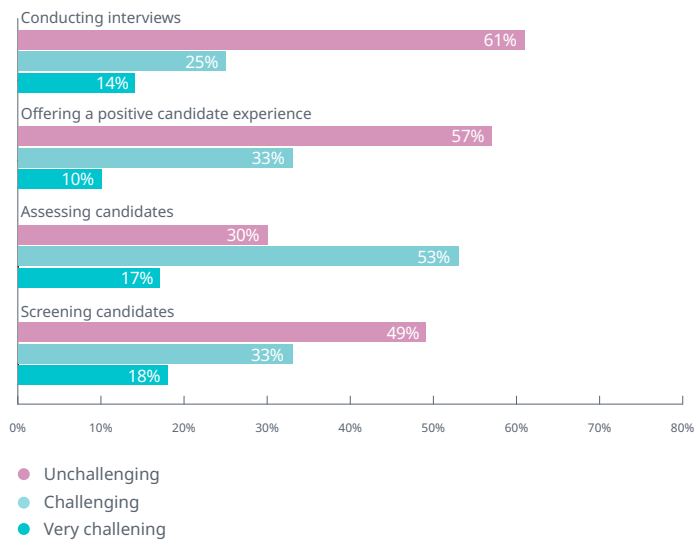
One shift we've seen is in what companies are looking for when they hire. Before the pandemic there was more hiring for the sake of filling seat or more focus on hard skills. But now we're seeing an increase in the importance of hiring for culture fit or attributes other than skills such as personality. As organizations move to grow or backfill roles, what they're looking for in a candidate is changing.



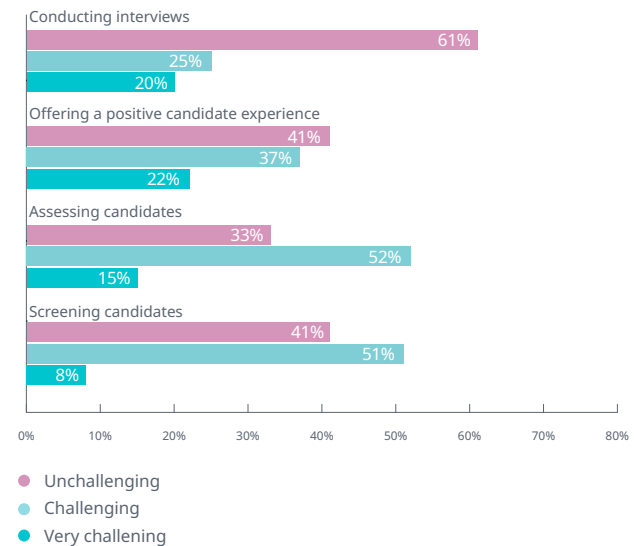
Hiring and Recruiting

With a year of conducting remote talent acquisition, what aspects of the hiring process grew more challenging than they had before? Offering a positive candidate experience is something the best companies strive to provide but during the pandemic impressing candidates through a screen became harder with a 12% increase in difficulty. Effectively screening candidates to ensure you're spending your time with those who have the most potential also became a more pressing issue. Respondents clearly felt the challenge of correctly identifying candidates who would be the right culture and role fit when they had to do so while keeping their distance.

What aspects of the hiring process did you find challenging before the pandemic?



What aspects of the hiring process do you find challenging now?



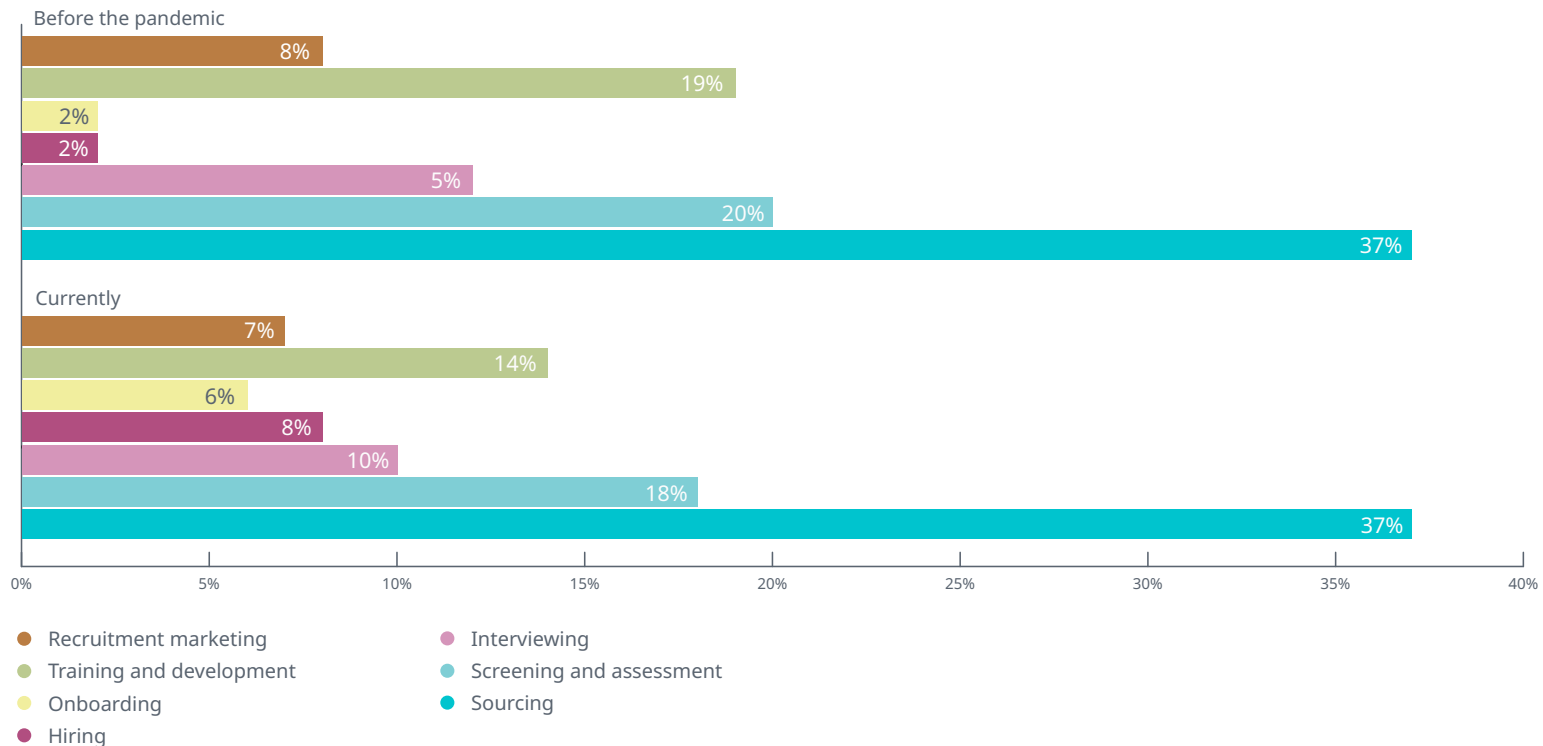
Taken together we can see more effort was spent in the previous months trying to find and accurately identify candidates who would bring more to the company than just competency. Soft skills to help with interpersonal relationships were also valued too.



Hiring and Recruiting

As we explore the changes the pandemic has brought let's consider what hiring tasks have become more challenging for talent professionals. What takes up the most time and resources for companies?

What talent tasks require the most of your time and resources?



We can see that through the pandemic, several tasks become more pressing. Onboarding and strategic hiring saw a 4% and 6% increase respectively whereas the time and effort put into interviewing was doubled. Training and development became a little less important as did recruitment marketing. Across the board, sourcing remains a key challenge for hiring managers both before and after the pandemic.



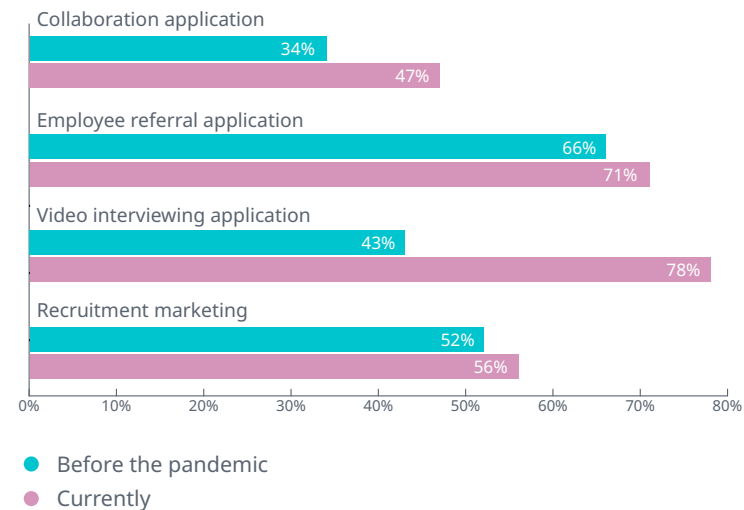
Hiring and Recruiting

What about hiring data and how organizations use tech? In a year fuelled by tech advancements, we've see some shifts in how organizations are using data too. When it comes to collecting data, most of our respondents reported using data to project the future role needs of their organization. Data was also relied on to guide team and culture fit, pointing again to the new focus on team composition and interpersonal dynamics, and to analyze future headcount.

What are the top 3 ways organizations use data for hiring?

1. Analyzes data to project supply and demand for certain roles
2. Analyzes data to inform team composition and culture fit
3. Analyzes data to forecast headcount

How has talent tech use changed since the start of the pandemic?



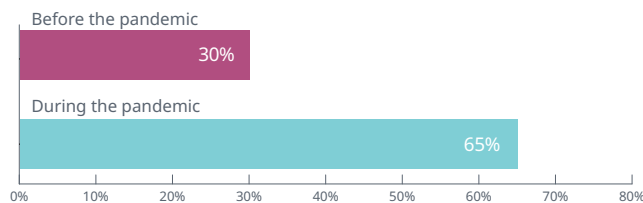
When it comes to how organization utilize tech, a few areas saw an increase in their usage this past year. Unsurprisingly, video interviewing technology saw the largest leap in adoption at 37% but there was also a 13% increase in the use of tools to make collaboration more easily accomplished from a distance.



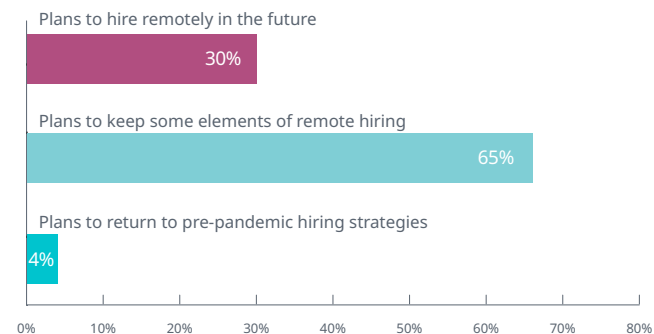
Hiring and Recruiting

Lastly before we move on to other areas of talent acquisition and management, let's look at remote recruiting practices. During the pandemic hiring moved online out of necessity as cities locked down. Only 30% of respondents reported having a remote element to their hiring process before Covid-19 hit but that number has jumped to 65% now. When asked if respondents would retain some or all of their newly remote hiring practices, 66% reported wanting to keep some element of remote recruiting in their hiring process while an additional 30% wanted to continue hiring in this remote fashion. Only 4% wanted to return to the pre-pandemic status quo of hiring.

How much of the hiring process is remote?



How much of the hiring process will remain remote?



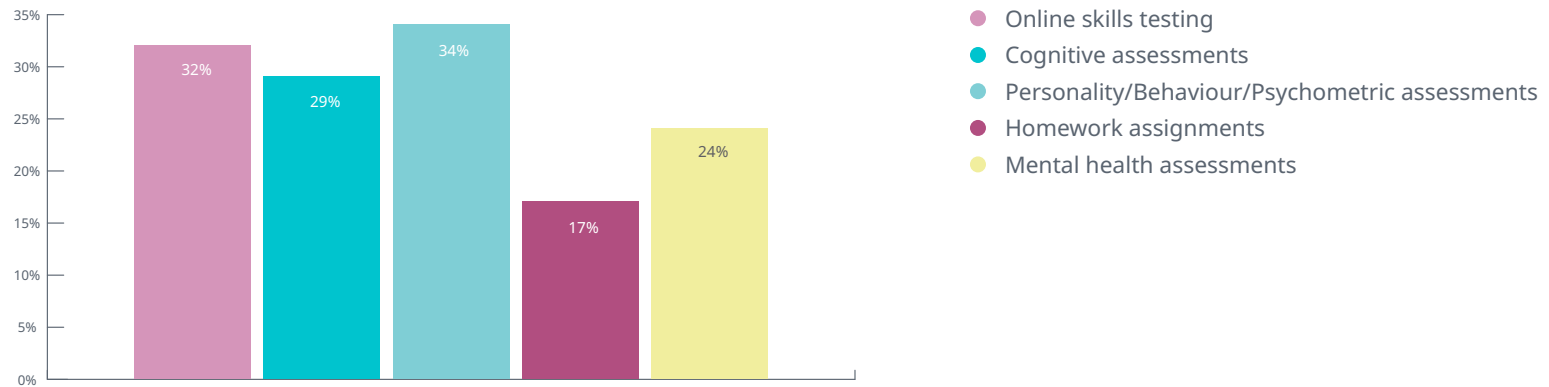
These results point to a major shift in how talent professionals are approaching recruitment and how they plan to work with candidates in the future. After a year of living in a virtual environment, employees aren't the only ones getting used to working online. One learning from the pandemic has been how much of our regular lives can be achieved remotely and clearly that's a lesson the recruiting industry is taking to heart.



Screening and assessing candidates

Part of accurate hiring is in how well you screen and assess the candidates you'll be bringing in to interview. According to our respondents, however, screening candidates effectively has clearly been a challenge in recent months. When asked, our respondents reported they'd increased their usage of a several screening tactics in an effort to combat this problem. The top 5 screening tactics that saw the largest increase in adoption are listed below.

Screening candidates has seen an increased usage in the following areas



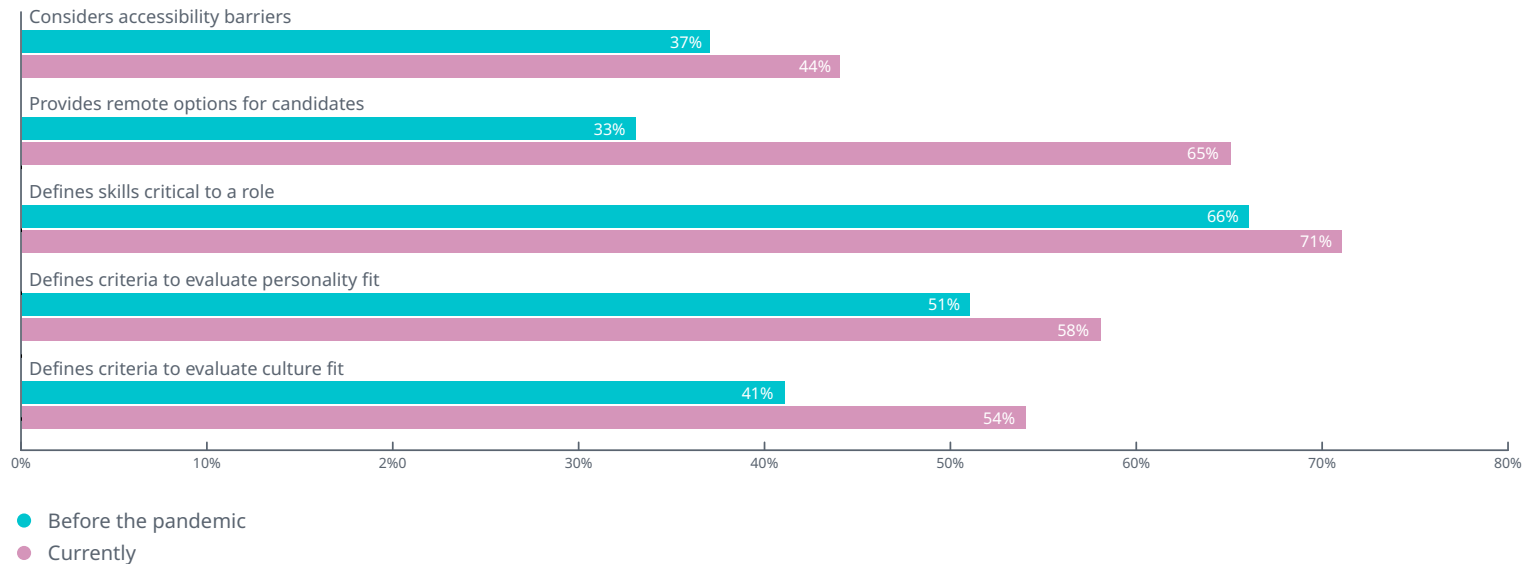
Personality or psychometric assessment saw the largest shift during the pandemic with 34% of respondents reporting an increased usage, followed closely at 32% by general online skills testing. Given the rise across the board of utilizing some form of testing with candidates we're again seeing this need from employers to get a better sense of their candidates before moving forward with them.



Screening and assessing candidates

When looking at how companies interview, there's also been a move towards better defining what a successful candidate will look like and the best ways to connect with them. Companies are now thinking about the barriers to candidates that might be built into their interviewing process and are taking steps to address them. They're also creating criteria to help guide the interview process to find those candidates who will bring the required hard and soft skills to a role.

When we interview, my organization:



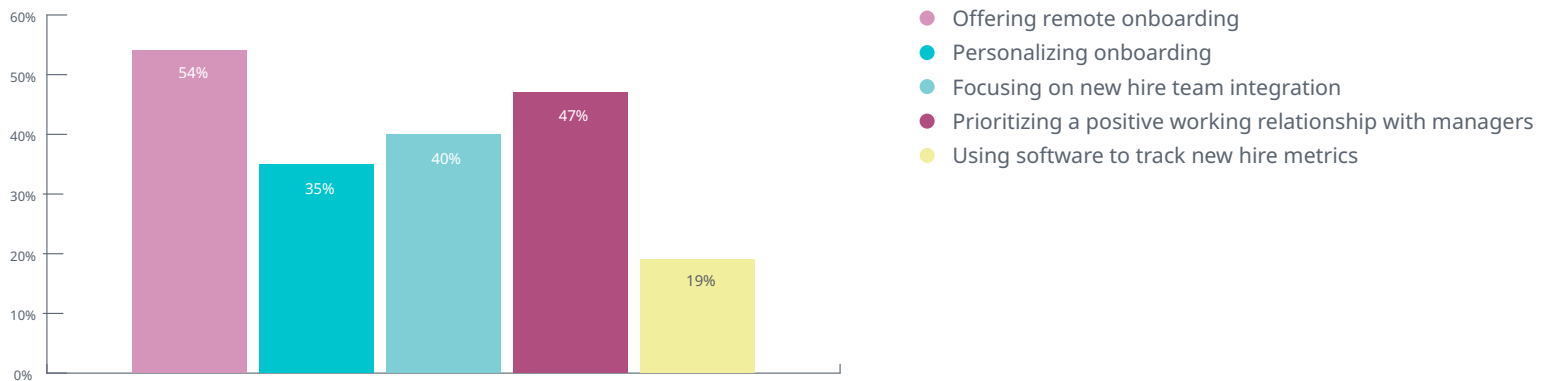
Given how our respondents adjusted their hiring process to better screen candidates, we're again seeing the focus being placed on finding a different sort of candidate who can fit into a team and culture successfully.



Onboarding

Onboarding can be the difference between early turnover and setting up a long term employee. Given much of onboarding had to happen remotely in the past year, how has it changed? When looking at tactics that have seen an increase use throughout the pandemic, remote onboarding saw a 54% jump. It was followed by a 47% increase in prioritizing a positive working relationship between managers and employees.

Onboarding has seen an increased usage in the following areas



In fact, the increase in these particular areas of onboarding point to a general shift towards focusing more on the person and their integration into the team and company around them, rather than on specific learning goals or content requirements. Personalization is becoming more important and setting up healthy interpersonal relationships right from Day One is becoming crucial.



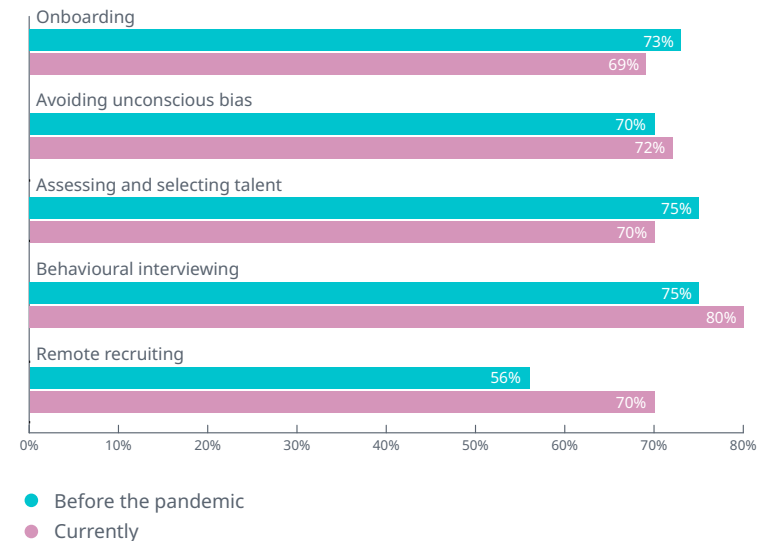
Learning and Development

Organizations are moving towards a more inclusive culture model but what does that say about how they prioritize learning? When asked about how companies valued L&D before and after the pandemic, respondents reported more importance being placed on development but a drop in access to those opportunities. This might point to a lack of remote development options being available which may disappear once teams are back in the office.

To what extent does your organization value learning?



What sort of training options are available for hiring managers?



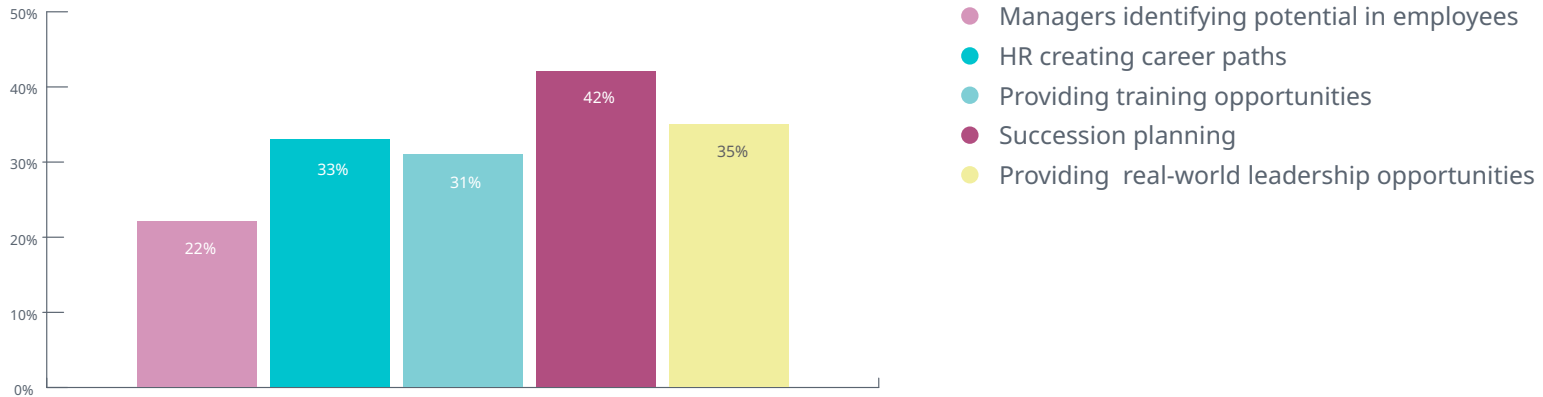
When looking at the training options that are available for hiring managers, there's been a 14% increase in remote recruiting training. Hiring managers are also reporting better behavioural interview training and unconscious bias training as well. More resources are being invested to help hiring managers make the best choices they can, which in turn impacts the development of an organization's culture and the composition of its teams. It seems companies are taking learning seriously and giving their people the tools they need to succeed.



Leadership Development

The past year saw the need for strong leaders like never before. When chaos struck, leaders needed to pull their teams together to navigate the unknown. Now as companies look to the future, what are they focusing on?

Leadership development has seen an increased usage in the following areas



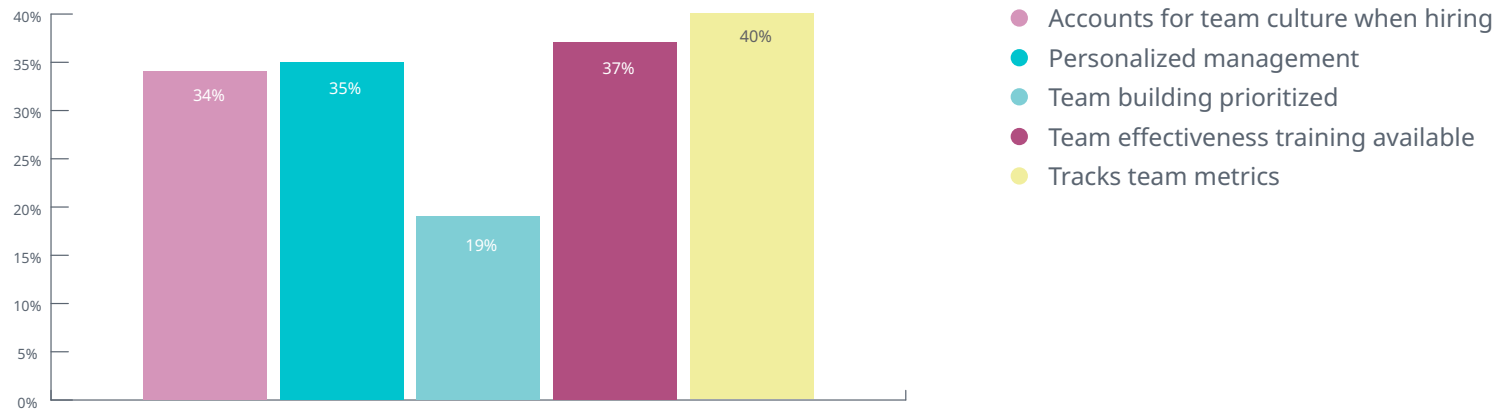
42% of respondents are more concerned with setting up clear succession plans to help plan for turnover. 35% of companies are trying to provide real-world opportunities for their fledgling leaders to learn and grow. Prioritizing career paths and identifying real potential are also new concerns on the horizon for HR teams. Once strong candidates are brought into the organization, investing in their development can help keep them there.



Team Management

We've talked a lot about the changing talent management factors that can have an impact on teams so let's switch gears and talk about the teams themselves. The way teams are run is also seeing a shift in the past months. With a new focus being placed on supporting productive teams, we're seeing an increase of talent management tactics in the following areas.

Team management has seen an increased usage in the following areas



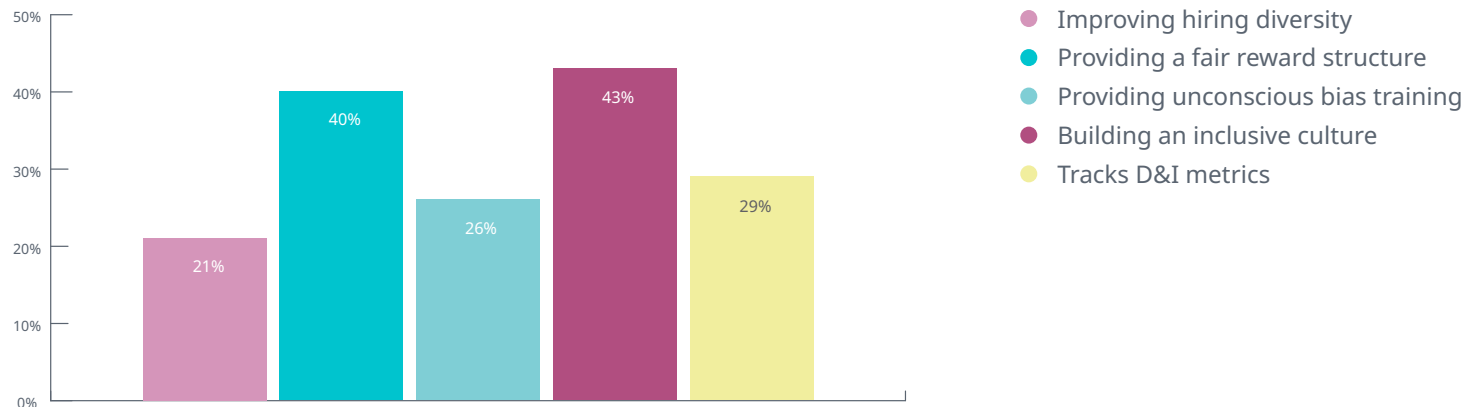
Tracking metrics such as job satisfaction or team performance has seen a 40% boost in importance since the start of the pandemic. There's also been a 37% increase in the availability of team effectiveness training for managers which is no doubt correlated with the increase in personalized management. Treating others the way they want to be treated can make all the difference on a team and as the prevalence of management training increases, positive team dynamics will likely increase with it.



Diversity and inclusion

Lastly, this past year has seen some major societal shifts as well that have impacted the talent sector. As crowds took to the streets to protest injustice, companies across the world took a look at their own diversity and inclusion practices. Months later, how has D&I been impacted in organizations?

Diversity and inclusion has seen an increased usage in the following areas



43% of respondents reported their organizations are prioritizing creating a culture that is a safe space for all. Many are also addressing the promotion and reward structure within the company to remove internal mobility barriers. Tracking metrics and providing training are also helping companies take charge of their D&I initiatives and ensure that when new hires are brought into the company, they feel welcome from their first day.



Conclusion

The talent sector has seen some significant changes since the start of the pandemic. As we move forward, those changes fall into a few categories to keep in mind.

1. **Remote recruiting is here to stay** – 96% of respondents will keep some online element as part of their hiring strategy. We've grown used to recruiting in a virtual world and some of those benefits like a faster time to hire and decreased accessibility barriers are hard to give up.
2. **Hiring is about culture fit** – This past year made it clear that committed employees are worth their weight in gold. Companies are shifting their hiring approach to prioritize accurately identifying potential, balancing soft skills with hard ones, and considering team composition during recruiting.
3. **Assessment usage is up** – Given the new focus on better understanding candidates and their interpersonal skills tests and assessments that can be given remotely is on the rise. Results can also inform onboarding with a new push to personalize the process as much as possible.
4. **Teams are the focus** – While performance and productivity are important, we're seeing a new focus on providing training and team building to help employees collaborate more effectively together.
5. **Learning and development matters** – Organizations are providing opportunities for leadership development, training, and D&I initiatives that highlight inclusion and growth.

The pandemic provided the talent sector with an opportunity to change and improve. Across the board, we're seeing organizations adjust how they recruit to improve the diversity of their talent pipeline and build stronger teams. We're seeing companies prioritize team building and management training to ensure once hired, employees have somewhere positive to work. And we're seeing culture shift as organizations build a safe space for all. The pandemic left a big impact without a doubt, but for the talent industry that impact pushed us in a better direction that will lead to environments where employees can truly work and thrive.