

Talent²⁰
Trends²²

MichaelPage

THE GREAT

AUSTRALIA

Make 2022 the Year of Opportunity

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FOREWORD

We are pleased to share our latest Australian Talent Trends 2022 Report, titled “The Great X”, which features insights and market sentiment across Australia and Asia-Pacific on prominent recruitment and talent related topics, including flexible work, mental health, and well-being, as well as Diversity, Equity, and Inclusion (DE&I).

This report has focused on research across a wide and diverse audience in APAC, with over 5,500 employers and more than 15,000 employees responding. Around 3,000 of these respondents were Australian, enabling us to identify some strong local themes.

Talent Attraction: A strong brand is not enough

Job boards are reporting that applications per ad are at an all-time low, and we are seeing the same thing on the ground. When it comes to attracting talent, demand is outstripping supply. Candidates are placing an increased importance on company culture, sense of purpose and leadership ahead of company brands and promotions. Technology continues to see tremendous demand for talent with COVID-19, in some cases, being an enabler of innovative ideas for start-ups and traditional players alike.

Talent Retention: Flexibility, wellbeing and DE&I are non-negotiable

Companies can no longer effectively attract and retain talent without a clear DE&I policy in place and positive actions from senior leaders. For the first time, we have seen a significant shift in talent willing to reject an interview with companies who cannot demonstrate their commitments. Many organisations are still lagging in this area and while there is much spoken about, our research indicates that the majority are lacking clear policies and strategies.

Continued demand for contracting and temporary roles

Employees are re-evaluating how they view work and what constitutes quality work. In some cases, the workday has become longer and gaining work-life balance has been more challenging to maintain than in previous years. With many individuals taking on the responsibility to upskill or reskill themselves whilst re-evaluating their careers, temporary work is on the rise and there has been accelerated demand across a variety of levels.

Employee Experience: A holistic approach is essential

Implementing salary increases as a retention tool is only a band-aid fix. Now more than ever, employees want a choice. There is no “one size fits all” with employee preferences fluctuating across different job types, markets and from individual to individual. Employees are demanding the ability to choose where and when they work. Employers are faced with redesigning the playbook in a more human-centric way.

At PageGroup, we have seen the markets rebound across the region in 2021, showing a positive sentiment for the future growth in Australia. But for this growth to continue, establishing the right talent attraction and retention strategies will be critical. We connect with employers and job seekers every day to ensure we have a continuous pulse on the market — and this constant stream of communication is exactly what has led to this report's in-depth and broad focus.

We thank the almost 3,000 Australian respondents who participated in the survey that led to this report and invite you to reach out to us if you would like to discuss any of these topics or future opportunities within your organisations.

We would like to take this opportunity to wish you all the very best for the remainder of 2022 and beyond.



Sharmini Wainwright
Senior Managing Director,
NSW & QLD



David George
Senior Managing Director,
VIC, WA & ACT

WHY “THE GREAT X”?

From the Great Resignation to the Great Attraction, it seems there are always fresh predictions for what we can expect in the year ahead. But as any seasoned business professional knows, things are never that black and white.

Whether your company will experience the Great Resignation, the Great Attrition, or the Great Re-Evaluation depends entirely on one thing: the decisions you make today and beyond. You have the power to define the kind of year 2022 will be when it comes to retaining and attracting the best talent.

The “X” is yours to define through policies, choices, and actions. This report will serve to guide you through these decisions, with data-backed insights to give you an accurate depiction of what the talent market looks like today, and how it will likely pan out over the year ahead.

Are you ready to make 2022 the year of opportunity?

THE TALENT QUOTIENT™

We have redefined the way we view “talent strategy” to progress with these unique times. Understanding that talent movement, motivations, culture, and experiences are complex, we have introduced our Talent Quotient™ (TQ). TQ will guide you on how to make your talent retention and attraction strategies more compelling and effective by understanding the impact Company Culture and Employee Experience have on your existing talent and prospective hires.

SECTION 1

What is talent migration looking like and what is motivating this movement?

SECTION 3

How do you define your company values and culture through the right approach to DE&I policy and action, and employee well-being?



SECTION 2

How do you fight smarter for the right people in a highly competitive talent-short market?

SECTION 4

How do you build a positive end-to-end experience that turns employees into advocates?



1 TALENT RETENTION

Call it what you will — the Great Resignation, the Great Reshuffle, the Great Attrition, the Great Realignment, the Great Re-evaluation — something rare and significant is happening to the talent market in Australia, and no industry is being spared. According to our data, not only has it already been taking place for the last two years — sparked by the global pandemic — 2022 will only see it intensify.

The real question is not if the Great Resignation is real, instead we should ask ourselves...

The Great Resignation: How is it Impacting Australia?

There has been a wave of resignations in Australia as almost half of our respondents (42%) have only been at their current jobs for less than one year. Our research also found that 56% of respondents will be looking for new career prospects over the next six months.



Sparked by the global pandemic, the Great Resignation has already been happening in Australia for the last 2 years.

Number of years working for current company:

Australia

**Less than 1
year**

42%

% by market (less than 2 years)

Mainland China – 48%	Philippines – 42%
Japan – 47%	Hong Kong – 42%
Singapore – 47%	Vietnam – 42%
Asia Pacific – 45%	Taiwan – 40%
Malaysia – 45%	India – 38%
Southeast Asia – 43%	Thailand – 37%
Indonesia – 43%	

**1-2
years**

28%

**3-4
years**

12%

**5-6
years**

8%

**7+
years**

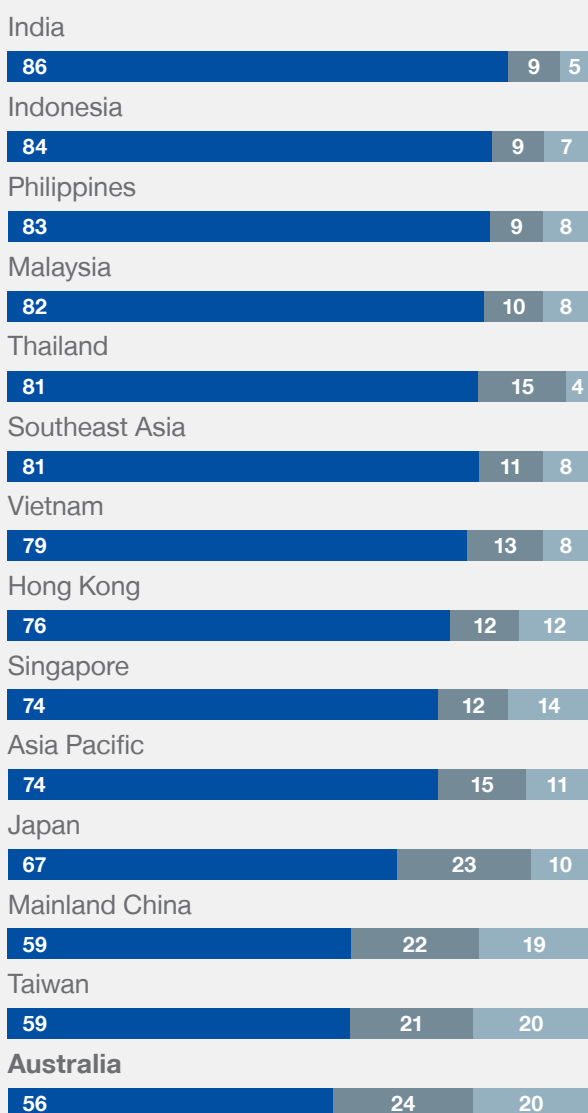
10%

Across all markets, industries, levels of seniority, and age groups, 2022 shows no signs of this abating. We must prepare for it to intensify with the clear majority indicating a major talent migration event is upon us in the coming months.

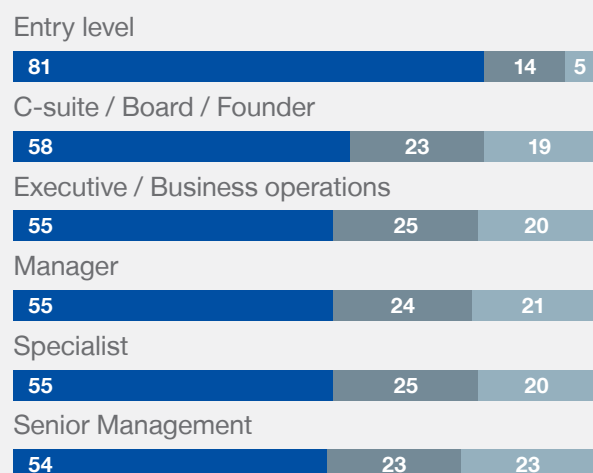
% of people planning to resign in the next six months of 2022:

■ Yes ■ Unsure ■ No

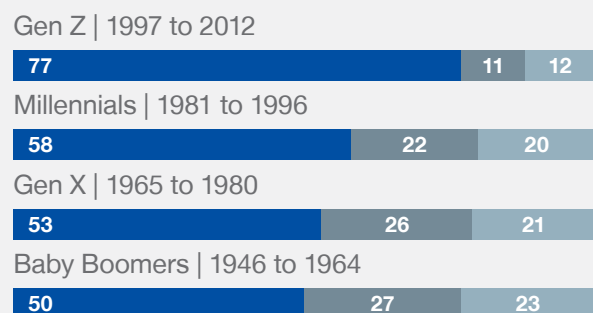
Market



Seniority



Generation

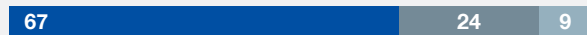


% of people planning to resign in the next six months of 2022:

■ Yes ■ Unsure ■ No

Industry

Media & Agency



FMCG



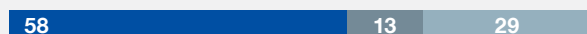
Healthcare & Pharmaceuticals



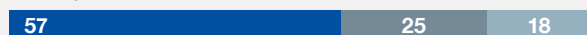
Financial Services



Retail



Transport & Distribution



Leisure, Travel & Tourism



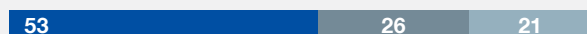
Industrial & Manufacturing



All industries



Business Services



Insurance



Public Sector



Technology & Telecoms



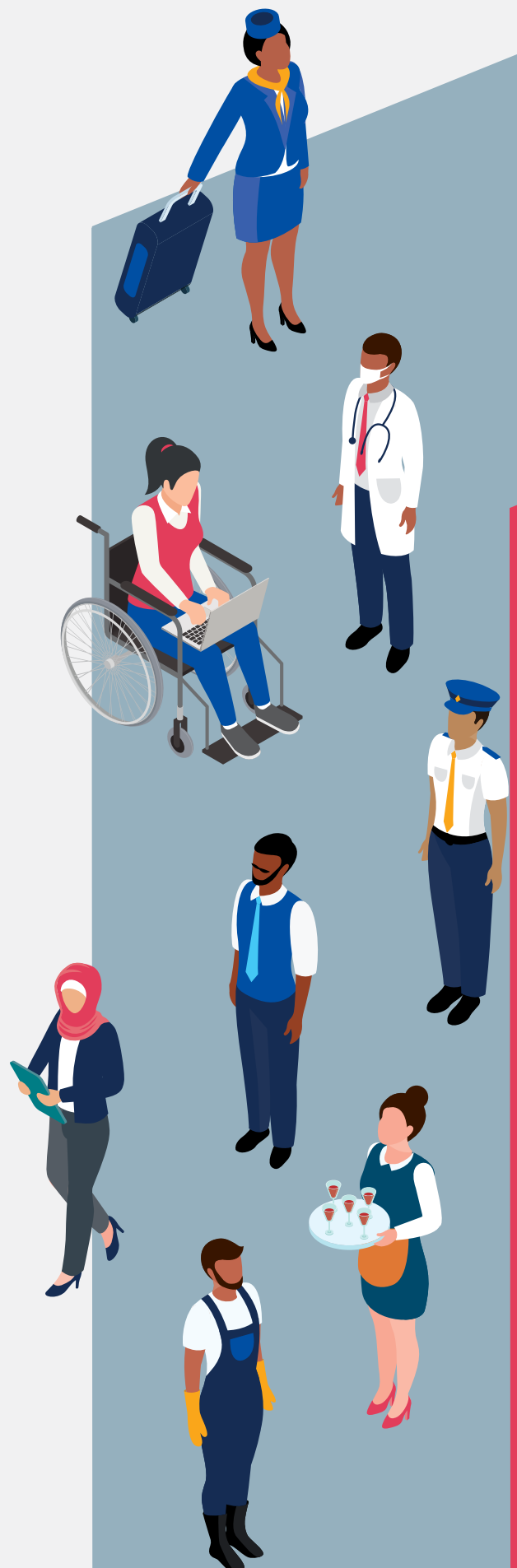
Energy & Natural Resources



Property



Non-Profit Organisations



WHY DO SO MANY PEOPLE WANT TO RESIGN?

With the pandemic forcing home life and work life into the same physical space, a spotlight has been placed on how people view not only their work, but their lives more holistically. Employees are re-evaluating what constitutes quality work, and they want it to be purposeful.

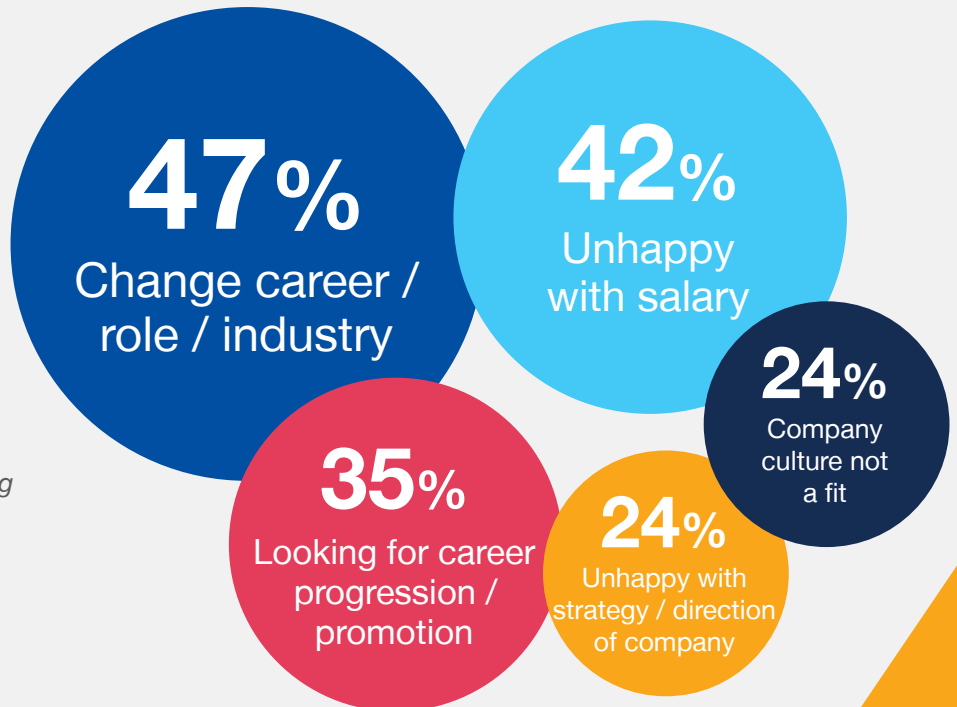
According to our findings, a significant 66% of respondents are willing to accept a lower salary or forgo pay rise and/ or promotion for better work-life balance, overall well-being and happiness.



The Core Motivation: A desire for change and progress...

Top 5 reasons for planned resignations in 2022

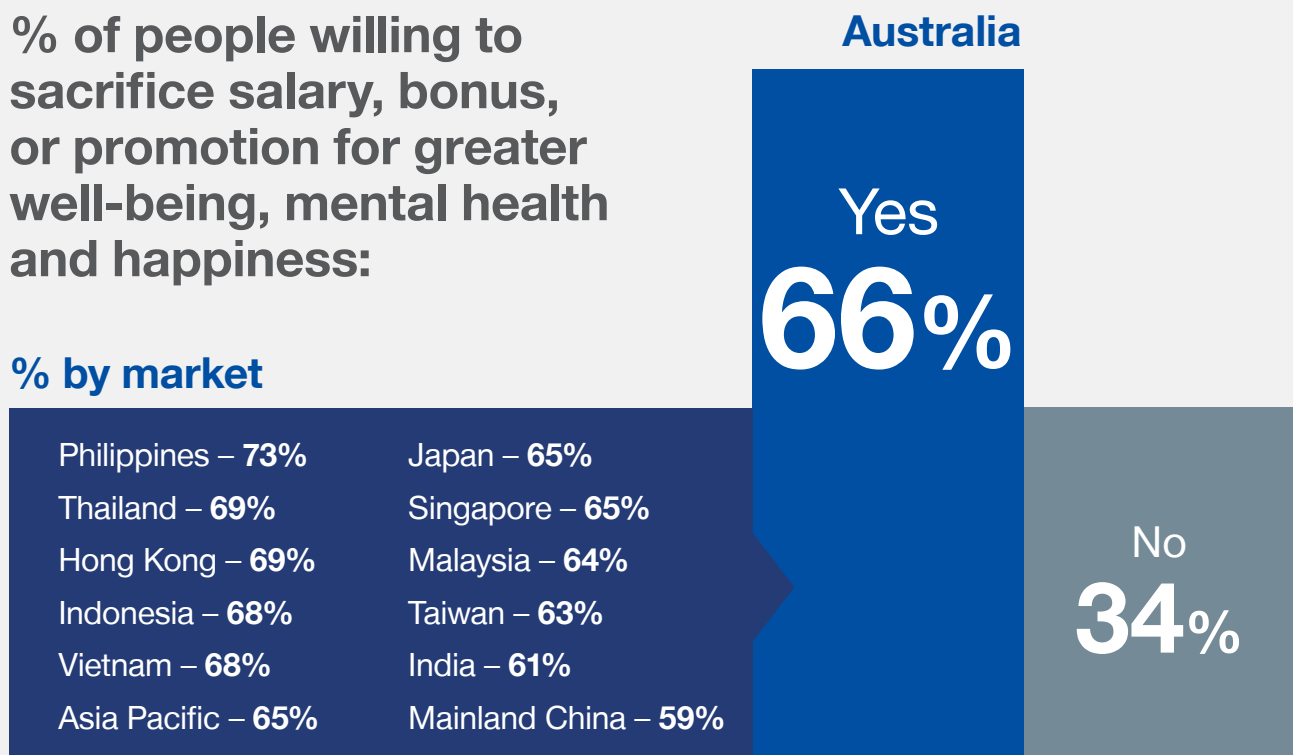
While there is much talk about companies' work arrangements (hybrid, working from home, etc) and COVID-related policies causing unhappiness amongst employees, only 9% of respondents who have resigned or plan to resign report this as the reason for resignation.



... but not at the expense of personal well-being.

% of people willing to sacrifice salary, bonus, or promotion for greater well-being, mental health and happiness:

% by market



Advice from Our Leaders: Entice Talent Passion

“

One thing we have noticed is candidates are increasingly less interested in moving within the same industry and more interested in new ideas, beyond their current role, department, and industry even. There's a hesitancy to simply change business cards for a 20% increase. Which is good news — if they're going to move, it needs to be very, very enticing in order to take that leap. But that puts the onus on their current employer to entice them through passion. They're looking for a more interesting opportunity beyond where they've already been. This is going to be critical in protecting your best talent, because these are the kind of people that bring fresh thinking and transformation that so many employers are looking for. So, I urge clients to think more laterally about how to make better use of their existing talent pools before their employees start to look for that passion to be reignited somewhere else.

”



Olly Riches

*Senior Managing Director
Michael Page Singapore,
Indonesia, Philippines
& Page Executive SEA*

Talent Retention: Summary



IMPACT

In a talent-short environment, this significant talent migration brings with it both opportunities and threats:

1. **More talent, but also more competition.** With more people resigning, more people enter your potential talent attraction pool. But get ready for tough competition — everyone will be fighting for this same pool, so getting the talent value proposition right will be paramount.
2. **Your best talent may also be headhunted.** This is why employee retention is the name of the game in 2022. Companies that build a strong, sustainable Company Culture, buoyed by an exceptional Employee Experience, will come out on top this year.
3. **Lack of emphasis on overall employee well-being is driving resignations.** Addressing this in a meaningful way will not only protect your existing talent but make you a much more attractive employer to newly available talent.



STRATEGY

1. **Focus on people.** The people aspect is becoming extremely important. As a business leader, being able to build that culture by ensuring that everyone in your organisation is aligned with your strategy feeds into that. Being highly engaged at all levels in the organisation is something a business leader needs to focus on — that is going to give you the competitive advantage.
2. **Create great culture and make employee engagement a priority.** Many more opportunities have opened up, but many people also want to improve their lives. Creating great culture and engagement will be what sets you apart from your competitors. When it comes to people, those who can attract the right talent, develop them, and engage them for a longer period will have a competitive advantage over companies who are not able to do so.
3. **Prioritise digital transformation.** Business leaders will need to strategise and execute a digital transformation strategy. This is especially crucial for those working in traditional industries. Identifying talent within the company and integrating them into new ways of working with a change in processes will be critical. Change management and digitisation will be paramount in a competitive talent landscape.
4. **Well-being is no longer a “nice to have”.** Employers need to address all well-being components that contribute to meaningful work: physical, emotional and mental health, and professional development.
5. **Do workforce planning as the world reopens.** As more countries start opening their borders, we anticipate global and regional talent movement to pick up pace. From a timing perspective, companies will need to relook their mix of current talent and see how best to manage their needs with existing and new hires in the coming months.



ACTION

1. **Be proactive with regular check-ins.** Do not wait for employees to come to you or until formal annual reviews — these can often be too little too late. The psychological impact of deciding to resign is difficult to reverse, especially when money is not the key or only motivator.
2. **Recognise the importance of flexibility.** Flexibility will be every HR department's best friend with the new way of working, so ensure that employees understand your willingness to adapt. By doing this, Company Culture is positively impacted by creating an environment where employees believe there is mutual value in their relationship with their employer, as well as a willingness to adapt to their needs.
3. **Uncover blind spots.** Conduct company-wide surveys to identify any shortcomings in employee well-being. Then, work with employees to address issues identified. It is vital that this is not seen as a vanity exercise and that the company seeks meaningful impact and change from this exercise.
4. **Focus on retaining the right people.** A company's top 20% of performers typically deliver more than 50% impact to a company's performance — and this group will be critical to the strategic success of any business. But do understand that steady performers — the people that keep the wheels on the bus running, especially those that have longstanding customer relationships — are equally as important. They understand the intricacies of different departments and matrix structures, and have full knowledge of the ins-and-outs of the business. These two groups of people should rank high on the retention list for any organisation, so start by ensuring you have identified them appropriately.

Case Study: What can we learn from ING about Retaining Top Talent?



ING runs innovative programme to develop talent

As a people-first company, ING has a strong collaborative culture that focuses on teamwork and career development for its employees. According to ING's Frédéric Radelet, Managing Director, Head of Financial Institutions for Greater China and Head of FI Transaction Services Sales for Asia-Pacific based in Hong Kong, the Dutch multinational banking and financial services company runs a global programme called Short-term Assignment, where any ING employee can request to work in another role in another ING office in the world.

The programme provides an opportunity to contribute to business success in another country, get to know another culture, and gain valuable experience that could help employees build new skill sets, enhance employees' long-term career prospects, and can sometimes spark a new career path for them. Employees can switch departments and stay in the same entity or move to another country for a similar or different role. For instance, an employee in Europe who wants to gain an Asian perspective of the business may be posted to Asia.

Before arranging the assignment, the company would consider business objectives in respective markets and individual career development plans, and it should benefit both the employee and the business. These programmes can run from three to six months, according to what is needed for the particular employee to pick up new skills and the needs of that department.

This exciting talent development programme is in step with ING's unique perspective on career development within the organisation. There is a lot to learn from this approach. *ING's Head of Talent and Learning, Global HR, Lesley Wilkinson, sums up how we all need to start thinking about our employees if we aren't already doing so:

“

Banking has moved away from a typically set-up, static organisation. It is changing dramatically. There are many more variables now, such as technology. No longer do employees have a career role for life. Our role is to prepare people for that, equip them with the tools and support to empower their careers, but we all need to drive it. What's important for all of us is to have an appetite for learning. What we encourage in our Think Forward Leadership Experience sessions is encouraging people to find their own purpose and to match that purpose with that of the organisation. Nowadays, we're not specifically looking for one type of person but rather a broad range of capabilities centred around the customer. The user experience, our customer journey, people and skills to use our customer data to the best effect.

”

*Source: <https://www.ing.com/Newsroom/News/Changing-career-tack.htm>



2 TALENT ATTRACTION

A talent shortage has emerged as a huge risk to organisations. A lack of talent can seriously hamper a company's future growth, so companies need to improve non-material conditions to continue attracting high-performing talent.

Senior leaders and HR teams cannot ignore the importance that candidates increasingly place on Company Culture and having a sense of purpose in their roles. These factors will be vital to attracting top talent in what is shaping up to be a tight labour market.





With Great Resignation Comes Great Opportunity

While salaries, bonuses, and rewards are still the top attraction motivators for candidates, our survey shows a big swing towards non-monetary motivators becoming increasingly important factors when talent are deciding which company to join.

However, the challenges facing recruiters, HR departments, and hiring managers are consistent across countries and industries: Demand exceeds supply.

The No.1 Recruitment Challenge for 2022? Competition Over Applicants.

In the 15 major industries covered in our study (and even all 12 APAC markets covered), it is clear that demand for talent is far outstripping supply. Further intensifying competition over talent being the most pressing challenge for recruiters in Australia are the other challenges that follow, all of which make an already limited pool even smaller.

Top 5 Talent Recruitment Challenges in 2022:

1 Competition over applicants

2 Matching salary expectations

3 Required skills not available

4 Lack of applicants

5 Finding applications who match company culture / fit



Advice from Our Leaders: Think Outside of the Talent Box



**Sharmini
Wainwright**

Senior Managing Director
Michael Page Australia

“

The traditional approach to recruitment has always been quite linear. For instance, many hiring managers only consider potential hires who have come from the same industry. A lot of them don't stand back and think: 'What is the skill set I'm looking for? What are the other job functions and industries I can recruit talent from?' But that mindset is slowly changing, with many realising that they will need to get creative and hire from sources they might not have previously considered if they want a solid chance at addressing the talent shortage problem. If a potential candidate has the primary skill set, but not the technical knowledge, it could just be a matter of organising training sessions or upskilling them to get them up to speed.

”



GETTING IT RIGHT: WHAT DO TALENT VALUE MOST?

Competing for candidates based on salary alone is no longer a smart or sustainable strategy. To attract and retain talent, companies can no longer think of “soft” motivators as nice-to-haves, but as factors that would give them a crucial edge over competitors in the war for talent.

The Rise of “Soft” Motivators

Top 10 factors that influence candidates' decisions on where to work (ranked by relative influence value):



Mind the Gap: A Big Gulf Between Employee and Employer Expectations

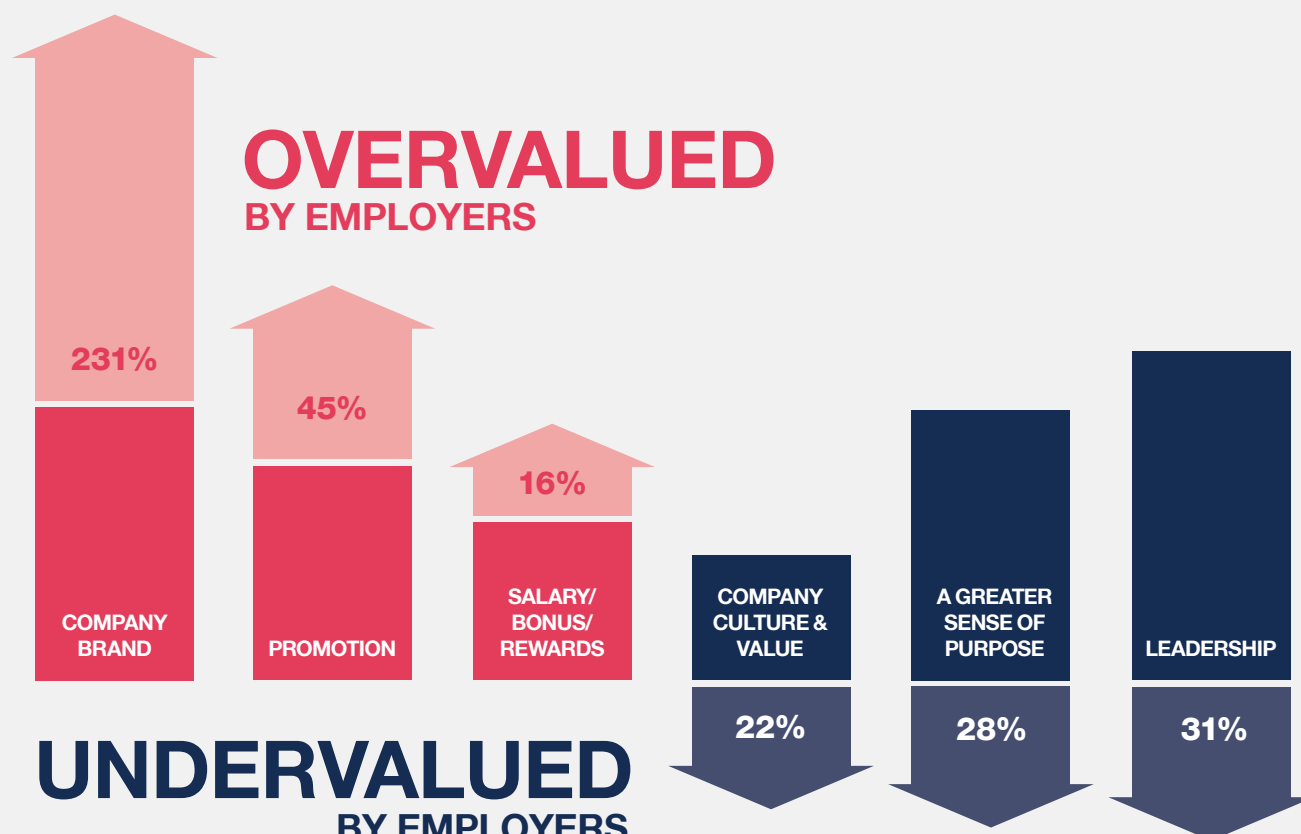
Although salaries, bonuses, and rewards are unequivocally the most important motivator for candidates, employers are currently overvaluing by 16% how much emphasis candidates place on this.

A company's brand is also far less important to candidates than employers think – the latter overvalues company brand by a significant 231%.

On the other end of the spectrum, employers need to take stock of how much they are currently undervaluing “soft” attraction motivators such as company culture and values, a greater sense of purpose in their role and in the company, and company leadership.



Top Talent Attraction Motivators vs. Employer Perceptions of Top Attraction Motivators for Talent



Companies Must Create & Invest In Their “Talent Brand”

The past 24 months have revealed people’s desire for flexibility and autonomy over their jobs. Employees want pay, bonuses, benefits and rewards, but more than ever, they want to feel valued and heard by their employers.

Of those unemployed, 42% have been so for more than six months. The surge in resignations is being driven by people searching for the right job at the right company with the right values and culture — and many would rather remain unemployed until they have found the right match.

Salary will always be a top motivator for someone to join a company, but it is insufficient on its own. In a world where money is no longer the sole motivator for employees, organisations need to move towards creating a positive and meaningful company culture and employee experience to retain the best and brightest.

Key to the development of a strong “Talent Brand” are the last two elements in our Talent Quotient™: Company Culture and Employee Experience. In the sections to follow, we will explore how this environment has changed and key strategies to embrace these changes.



Talent Attraction: Summary



IMPACT

1. **More competition for talent.** With demand ever-increasing and talent supply not keeping pace, the number one challenge for talent recruitment will be an increasingly competitive environment within small talent pools.
2. **“Soft” talent motivators are more important than ever.** While companies must remain competitive when it comes to compensation, the kingmaker in this talent-driven market will come down to motivators that have a deeper, more personal impact on people (values, career progression, purpose, culture, leadership).
3. **A company’s brand badge value is no longer what it used to be.** Most employers overvalue its worth to candidates. This presents a challenge for larger companies to think about their “Talent Brands”, otherwise they face the risk of being undercut by more flexible and energetic start-ups that appeal to a candidate’s passion for greater purpose.



STRATEGY

1. **Embrace tomorrow’s leaders today.** Opening up to newer talent pools means being open to having a slightly different culture as well. Grooming new leaders, especially from the younger generation, means that the culture is going to shift again. This is especially true for industries going through big transformations (for instance, financial services and retail), those that have a strong focus on technology (like med tech or start-ups), or for companies with a focus on emerging expertise (ESG, DE&I).
2. **Rethink talent with digital transformation.** The other aspect to consider is a shift in the type of talent companies now need. With digital transformation playing a key role in many industries’ progression towards a more tech-forward, digital way of working, many companies need to rethink the type of talent they need.
3. **Take blurred geographical lines into account.** Companies will have to look at hiring and managing talent from a broader lens in terms of employee locations. For remote working to continue, business leaders and companies must think about how they can integrate this in their current structure. Beyond practical considerations, they must think about building a culture in their organisation so that people feel included and engaged. While this is key in retaining your best talent, it is essential to attract those who have experienced the negative effects that hybrid working models have had on company culture.
4. **Get comfortable with the softer side of things.** Business has changed — it is not just about dollars and cents anymore. Your company needs to get back to basics and define itself on a deeper level. What is your purpose? What role do your employees play in that purpose? What are your current company values and how does that create a positive company culture and work environment? Which “soft” attraction motivators are you behind the curve on? Have these honest conversations now as the results that emerge from these will be your biggest talent attractors.



ACTION

1. **Your job descriptions likely need to change.** The majority of employers write these from the company perspective, and not that of prospective hires. Treat these as a proposal that will be mutually beneficial. Make clear what it will take to succeed in the role, but ensure that you are painting a clear picture of what the candidate can stand to experience, learn, and achieve within the role and company.
2. **Shift your communication with candidates to better align with their priorities.** Interviews should no longer be treated as grilling sessions — they must evolve to become conversations that map out mutual interests, values and passions. Companies that can relate to a candidate’s desired purpose will find it much easier to convince people to join them when competitors are outspending them.
3. **Ensure that your recruitment and HR teams — as well as hiring managers themselves — are properly trained in the emotional intelligence side of the recruitment process.** Along with this, ensure that your values are made clear, and that you have acted on them in a way that can be used to engage candidates more effectively. Do not just talk about your values, live and breathe them from the start to the finish.

Case Study: Recruiting Outside of the Box



Making the Most of a Rare Talent Opportunity in Hong Kong

At first glance, it may not seem like the airline and banking industries have much in common, but when thousands of flight attendants and tourism industry employees in Hong Kong lost their jobs in 2020 due to the pandemic, Citigroup's unit in Hong Kong was quick to recognise the skills these employees could bring to the table.

The bank recruited about 1,000 new employees in the city, with approximately 300 new hires in its wealth management division. Former flight attendants and tourism industry employees were sought after for their customer service skills, and training was provided to help fill knowledge gaps.

Due to the city's stringent zero-COVID policies, many expats have chosen to leave Hong Kong, leading to a talent crunch in its financial services sector. For the industry to continue to thrive and grow, it will need to take a leaf out of Citigroup's book and get creative about where it is hunting for new talent.

This strategy has already paid off for Citigroup, where the stronger workforce has led to improved performance across multiple divisions. Its mortgage-related income and retail investment customers rose 20% in 2021 compared to the previous year. It also saw an 11% increase in credit card and consumer wealth management customers.

Source:

<https://www.scmp.com/business/banking-finance/article/3166859/citigroups-workforce-bolstered-former-flight-attendants>



3 COMPANY CULTURE

It can be a fuzzy thing to define, but candidates usually know good company culture when they experience it.

For companies to attract, retain, and grow the talent that will bring them long-term success, they will need to tweak – or even completely overhaul – their culture to meet the expectations of professionals to be seen as human beings, and not just cogs in the machine.

Employees want to work in a place that's built on respect, trust, and kindness.

Creating a people-first culture can bring about huge payoffs for companies: It boosts team morale, enhances collaboration, and improves overall productivity and performance.

In other words, great company culture is also great for the bottom-line.



Diversity, Equity and Inclusion (DE&I): From Talking Point to Action

There is no arguing that DE&I gives companies a competitive advantage. Companies will need to take into account factors like gender, ethnic groups, sexual orientation, education, age and people with disabilities if they want to build a workforce that is truly diverse and inclusive. Most pressing, Australia needs to fix its gender pay gap issue, and most companies need to start committing to medium- and long-term strategies and set quantifiable targets to ensure that they can move the needle on DE&I.

**DE&I:
No longer a
“niche” issue
and is universally
important for
people from all
walks of life.**

% of people who have asked or will consider asking about a company's DE&I policy at job interviews:

Average

55

Gen Z

69

Millennials

58

Gen X

54

Baby Boomers

53

Men

51

Women

61

Transgender

75

Non-Binary / Non-Conforming

100

Heterosexual

55

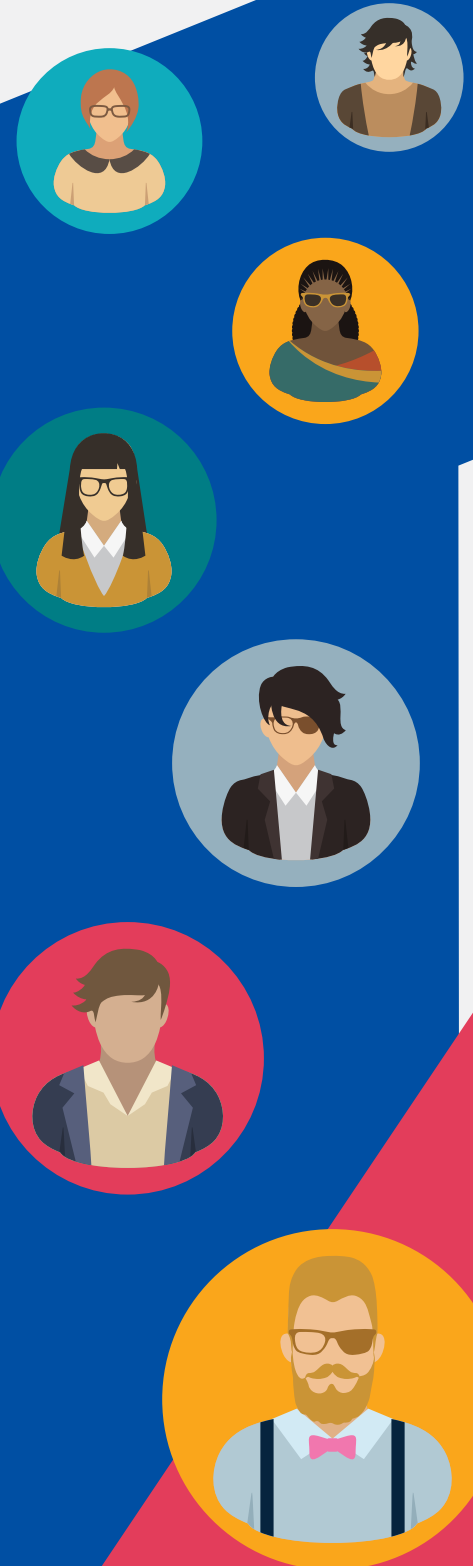
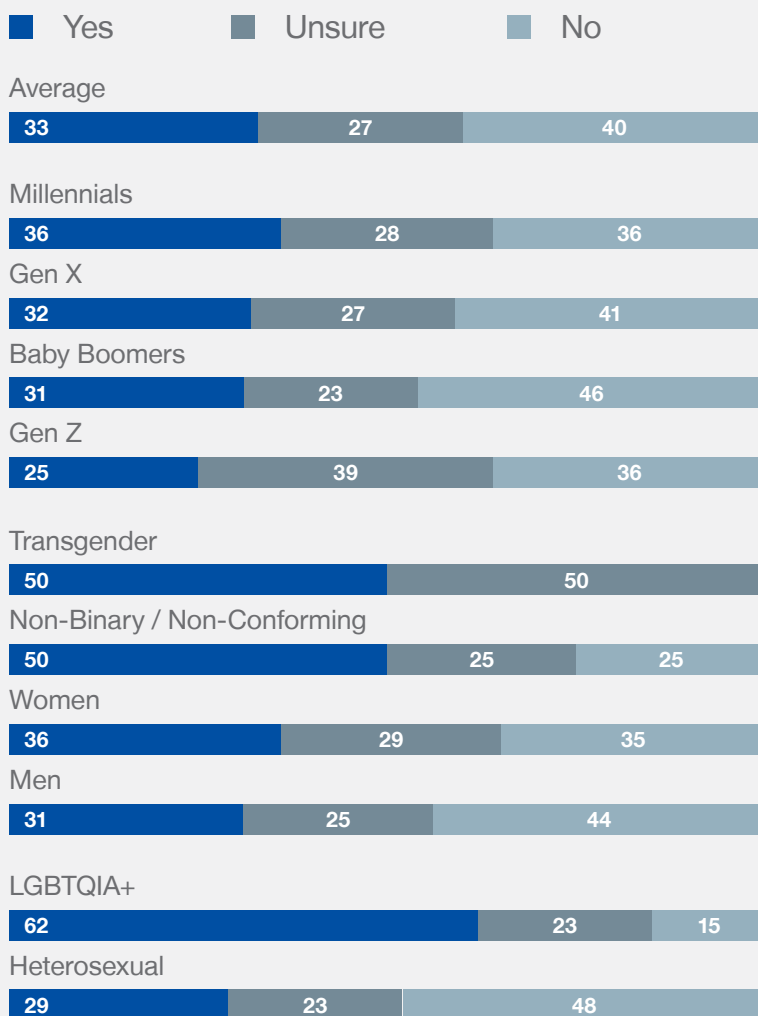
LGBTQIA+

64



With high demand in a small talent pool, companies cannot afford to fall behind the curve and risk rejection.

% of people who say a lack of a clear DE&I policy and commitment from a potential employer would stop them from actively pursuing an interview or opportunity at a company:



Advice from Our Leaders: Create Actionable Goals

“

From the ground up, DE&I exists to celebrate and recognise all employees. Think about using the voice of employees to be catalysts for change through your internal communications and company policies. To have a diversity of cultures is to be embraced and viewed as a wonderful opportunity. This is about action and material progress, as well as having clear tracking measures in place to ensure DE&I goals are met. Results are not achieved here by just working towards numbers; actions must be authentic and genuinely delivered across the organisation.

”



**Anthony
Thompson**

*Regional Managing
Director, Asia Pacific
& Global Executive
Board Director
PageGroup*

DE&I IN AUSTRALIA: ROOM FOR IMPROVEMENT

With the majority of the workforce now expecting companies to implement clear DE&I policies, companies need to go from paying lip service to ensuring that change is quantifiable at all levels of the organisation. This means confronting challenging issues and acknowledging that time, effort and resources will need to be allocated accordingly for meaningful change to happen on the ground.



Employees have a generally favourable outlook on companies' progress when it comes to DE&I.

However, when it comes to implementation, it is still a mixed bag of policy versus action.

Sentiment towards company's DE&I policies:

■ Agree ■ Disagree ■ Unsure



Not a priority for my company



Committed, but there is no clear policy or strategy yet



Committed, but have not implement anything yet



Committed and have begun embedding into our culture, systems and processes



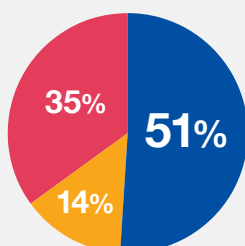
Committed and seen as best practice



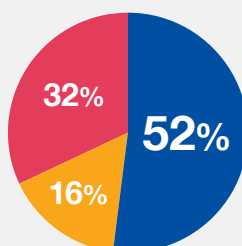
DE&I Must Start from the Top:

Leaders need to embrace DE&I values authentically

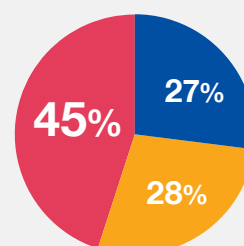
CEOs / Founders / Board members who say a lack of a clear DE&I policy and commitment from a potential employer would stop them from actively pursuing an interview or opportunity at that company:



CEOs / Founders / Board members who believe their company has a clear DE&I strategy and policy:



CEOs / Founders / Board members who believe their company is adopting DE&I best practice:



Advice from Our Leaders: Purpose Starts at the Top



Angela Y Yang

Partner

Page Executive
Singapore

“

Purposeful work starts with a purpose-driven organisation and behaviours. It has to start with the most senior leaders in the organisation, creating the right environment for employees to relate to the company's vision. If we speak about being supportive and caring but become critical and discouraging when problems arise, no one will believe in that company's vision and purpose. During difficult times, the leaders that can get their hands dirty, get down to the issues, understand the 'why', and hold everyone accountable are the ones that earn the most respect. Those dismissive or driving change through fear and authority will find that toxicity does more harm than good. Strong leaders can create a purpose-driven organisation. It is indeed difficult, but the journey will pay off in the long run.

”

THE PANDEMIC HAS SHIFTED PRIORITIES: WELL-BEING IS NOW A NON-NEGOTIABLE



66% of respondents surveyed said they would sacrifice money for more happiness, better well-being, and work-life balance – and this was consistent across generations, gender, sexual orientation and industries.

Companies must take action to create positive workplace cultures where employees at all levels feel supported and appreciated, or risk losing high-performing talent to their competitors.

While work-life has become more intense since the start of the pandemic, the majority of people feel supported by their employers.



% of people who say that their company cares about their well-being and happiness:

59%

% of people who say that their workload has increased compared to before COVID-19:

49%

% of people who say that their company has made an extra effort to manage heightened stress levels during COVID-19:

48%

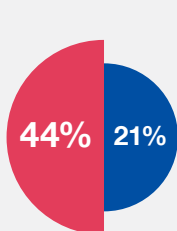
% of people who say that their stress level has increased compared to before COVID-19:

46%

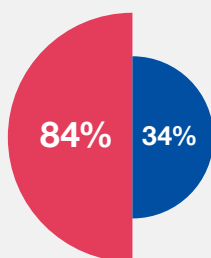
However, there is a significant group of individuals who are unhappy. In a talent-short market, companies cannot afford their exit, rejection, or negative word of mouth.

Amongst those who do not believe their company cares about their well-being and happiness (“unhappy”):

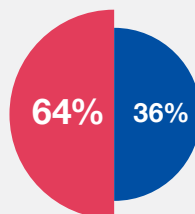
Unhappy Average



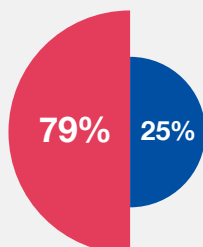
Believe that DE&I is not a priority for their company.



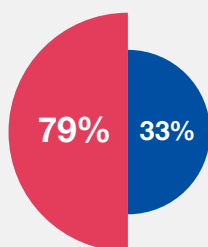
Believe that their company does not take active steps to ensure work-life balance.



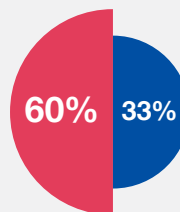
Believe their company talks about the importance of work-life balance but hasn't taken action to deliver it.



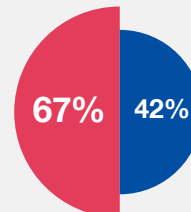
Believe their company does not care about their mental health.



Believe their company has not made an extra effort to manage heightened stress levels during the global pandemic.



Are uncomfortable talking about their mental health and well-being to their line manager or supervisor.

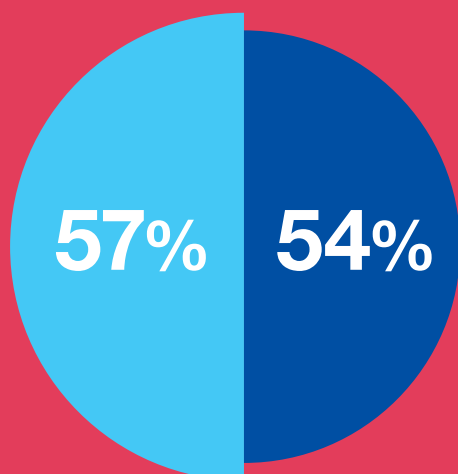


Are uncomfortable talking about their mental health and well-being to HR.



**There is one area that both unhappy and happy people agree on:
Put well-being in the spotlight every day.**

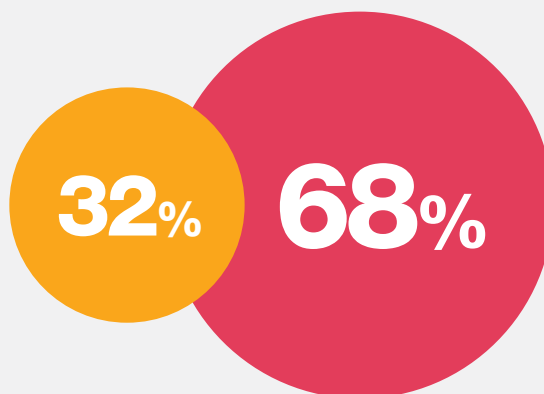
Unhappy Average



Believe mental health and well-being should play a part in employee performance measurement and appraisals.



**But are
companies
listening?**



Yes

No

Companies that have made any adjustments to performance measurement and appraisals to account for the mental health and well-being of their employees.

Company Culture: Summary



IMPACT

1. **The consequence of hybrid work.** We cannot underestimate the psychological effect that merging “work-life” and “personal life” has had on people over the past two years. It has resulted in people taking a step back and asking more significant questions. Why am I doing this job? What value is it serving me? What is my purpose? Am I in this for the long haul? Understanding and managing the impact of this internal dialogue is not only exceptionally difficult but critical. It is challenging to change the mind of someone who has decided to psychologically move on from your company.
2. **High turnover comes at a high cost to companies.** According to a study by the Society for Human Resource Management, it can cost between six to nine months of an employee’s salary to hire their replacement. There are also many “boomerang” hires – employees who resigned within the last two years returning with significantly higher salary expectations – that companies would be inclined to rehire due to familiarity.
3. **Lack of DE&I strategy will cost you.** For companies that do not take DE&I policy implementation and change management seriously, word will spread amongst your employees and potential hires that your company is all talk and no action. With DE&I shifting to become universally crucial across all segments, you are likely behind the change curve.
4. **Employees are more stressed than ever.** Overall, there is more stress in an employee’s work-life these days. It is more than just the workload. A dramatic change in how employees work and achieve goals can also increase stress levels. For instance, those who had a career span of 20 years in pre-COVID times have had to adapt to working in a significantly different environment, which might cause anxiety for some.



STRATEGY

1. **Lead with empathy.** Employers need to understand that the pandemic has drastically changed the way people behave and think. Employees and job candidates are seeking a new purpose at work, people-first company culture and hybrid work arrangements. There is no one clear solution for everyone. If the pandemic has taught us anything, it would be that strategies need to stay fluid and change as situations evolve. Make this part of your sustainable future, not as a stop-gap until things return to “normal”. This is crucial to address employee well-being and foster an authentic environment for true DE&I.
2. **DE&I as a business strategy.** Companies have to start seeing DE&I as part of business strategy and not as a CSR initiative. It is far more than that. Organisations will not be able to reap the success of DE&I initiatives when DE&I values are not integrated into the core business strategy. DE&I targets need to be made across the organisation, so they do not sit solely with the DE&I officer but become ingrained into employees’ KPIs and business commitments.
3. **Focus on shared values and allyship.** One of the reasons DE&I can be daunting is that there are an ever-increasing number of levels and dimensions. Instead of tackling each segment, focus on defining the correct core values for your company and turn those into a defined behavioural model. The result is a community-focused strategy that builds understanding, empathy and allyship around a common cause and set of values, rather than pursuing siloed approaches that can often lead to a more divisive “us” and “them” mentality.
4. **Be open to being open.** When companies take company culture purposefully, you will see new metrics for employee and business performance measurement, more trust and empowerment in the organisation, and bolder leadership expectations. Organisations must understand that there is no one-size-fits-all solution. Tailoring the approach by division will be essential whilst keeping the spirit of the shift consistent across the company structure.
5. **Striking the right balance.** It is challenging to switch off your work mode when work and leisure share the same space. Companies need to try new ways to change things and help employees work more efficiently. The challenge is that this is not always easy for businesses to do because some roles are more customer oriented. When they always try to put the customer first, this sometimes means putting employees second, so finding that balance is what is required.

Company Culture: Summary



ACTION

1. **Speak regularly with employees.** Managers need to have open and more frequent conversations with employees about what growth and progress mean to them. Go beyond the yearly appraisals and run-of-the-mill development plans. Be honest about the limits of change and offer support with clear timelines and milestones. If the company is recovering, in expansionary or contraction mode, honest and pragmatic discussions and agreed actions help enable growth.
2. **Commitment towards DE&I has to come from the top.** HR needs to assess properly where the company's leadership mindset is and communicate that to the rest of the company. It is easy to talk about a set of values and DE&I commitments, but living them from the top-down is critical to generate the right word-of-mouth within and outside of your organisation. This would contribute to the "Talent Brand" organisations should create to attract and retain talent.
3. **Feedback is a two-way street for DE&I.** Collect feedback from employees regularly to find out what is working and what is not – then take the proper steps to improve the workplace. Also, assess where your company leadership's mindset is — without their authentic and empathetic support, DE&I initiatives will fall flat.
4. **Create a DE&I workgroup.** Work with diverse people across the office to execute the company's DE&I policies. Once people in different departments of different backgrounds are engaged, the wider organisation will see more tangibly what the organisation is trying to achieve, and real change will come from more authentic awareness and consideration within the community.

Case Study: Time, Effort and Resources needed to make a Real Impact on DE&I



Gojek's Comprehensive DE&I Policy

With presence in over 200 cities in Asia, including in Indonesia, Singapore, Vietnam and the Philippines, senior leaders at ride-hailing startup Gojek are cognisant that creating a culture that is truly inclusive and accommodating of its employees' differences – whether that's gender, culture, disability, or religion – is crucial to its success in a diverse region.

According to Sunil Setlur, Gojek's Chief People Officer, DE&I must be built into every aspect of critical employee lifecycle moments for it to make an impact. Recruiting talent from diverse backgrounds is important, but so are "development processes like performance, promotions and compensation practices," says Setlur.

Last year, Gojek established a DE&I Council comprising employees across all levels, including senior leaders, to ensure that DE&I values and metrics are embedded across the organisation.

It has also joined Valuable 500, a business collective that advocates for disability inclusion. Gojek has pledged that by 2025, it will add disability inclusion to the leadership agenda to the DE&I Council to monitor and integrate DE&I practices across Gojek; and improve accessibility throughout its app to support visual, hearing, cognitive and physical disabilities.

As part of its commitment to build an inclusive engaging environment, the company has rolled out training programmes internally to educate its employees about unconscious bias. It also launched Employee Resource Groups (ERG), which are voluntary employee-led groups that provide a safe, supportive space for individuals with shared experiences. Its first ERG is Women@Gojek, which has a focus on supporting and unlocking the skills and leadership potential of women.

Source: <https://www.thevaluable500.com>



4 EMPLOYEE EXPERIENCE

Traditional playbooks no longer apply. As economies improve, organisations should take this opportunity to redesign their working models to be more human-centric. How employers communicate and collaborate with their staff contributes to the Employee Experience and plays a vital role in communicating Company Culture.

With the pandemic, employees and candidates are looking at how companies manage their policies around flexible work arrangements, COVID-19 vaccination policies, remuneration, and career development opportunities. This is the time for employers to adjust and update policies accordingly, and place more emphasis on Company Culture and Employee Experience.

Also, contracting is on the rise as candidates turn to temporary positions that give the option to choose roles that offer significant industrial exposure, and companies that have great company culture.

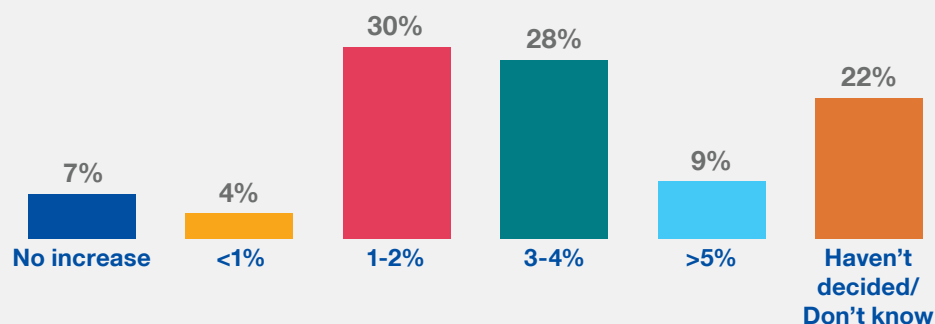
As employers rethink business models, demand for white-collar temporary and contracting solutions is increasing. The demand outstrips candidate supply and companies could consider alternative sourcing strategies to attract sought-after contract talent.



Salaries are increasing, but is that enough to attract and retain talent?

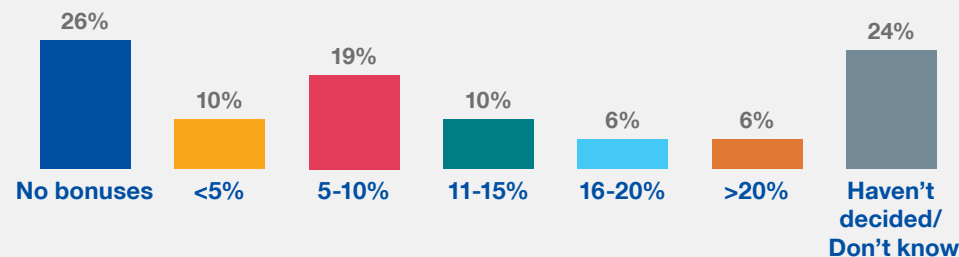
The good news is that the economic impact of COVID-19 is finally abating, with small planned increases in salary and bonuses. However, only 37% of companies are planning salary increases of more than 3% in 2022, and less than a third are planning increases of between 1-2%.

Planned annual salary increase according to employers (as of January 2022):



For a more detailed view on salaries by industry and on specific roles, please scan or click on this QR code to access our 2022 Salary Report.

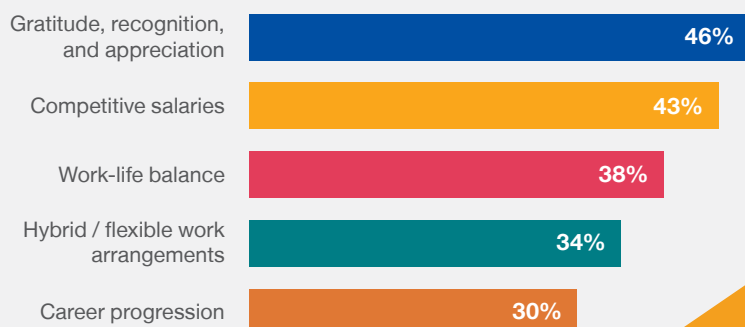
Planned bonuses (as a % of annual salary) according to employers (as of January 2022):



Will this be sufficient to keep attrition rates low? Maybe not.

Increasingly, hiring managers and HR personnel are recognising that while competitive salaries and career progression are key drivers in employee retention, it is just as important to pay attention to “soft” factors mentioned earlier in this report.

Top 5 most important factors in employee retention, according to employers:



THE NEW NORMAL: RECALIBRATE FOR FLEXIBILITY

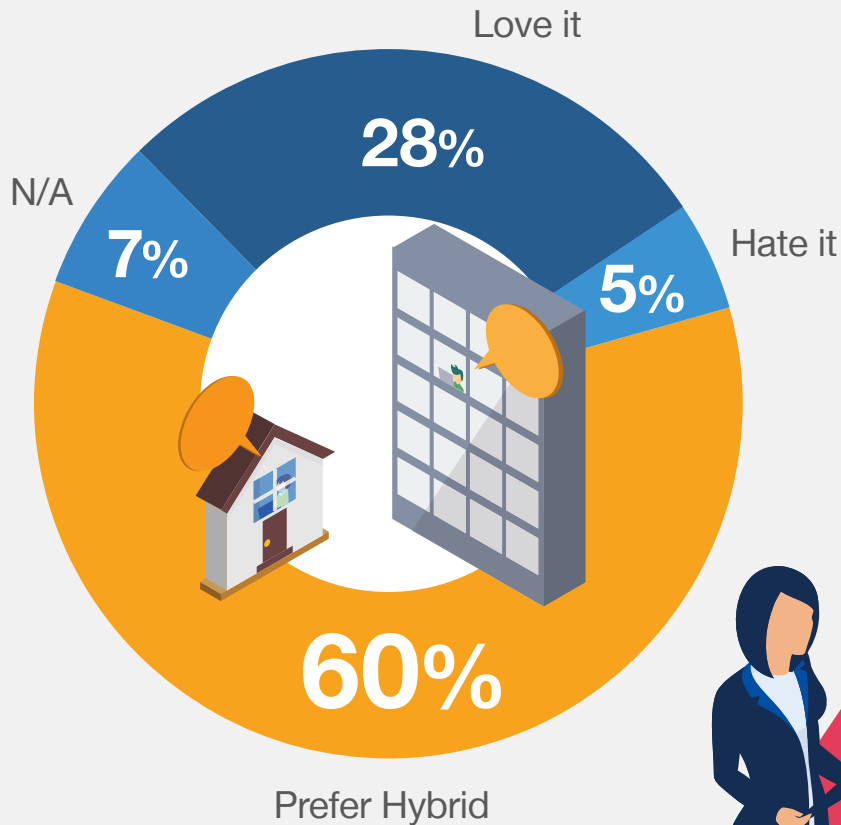
“More than ever, what employees want now is to have a choice,” says Anthony Thompson, Regional Managing Director for PageGroup in Asia Pacific.

Having been thrown into a hybrid or remote work model for close to two years, many employees across Australia do not want to return to the office-only model of pre-COVID days.

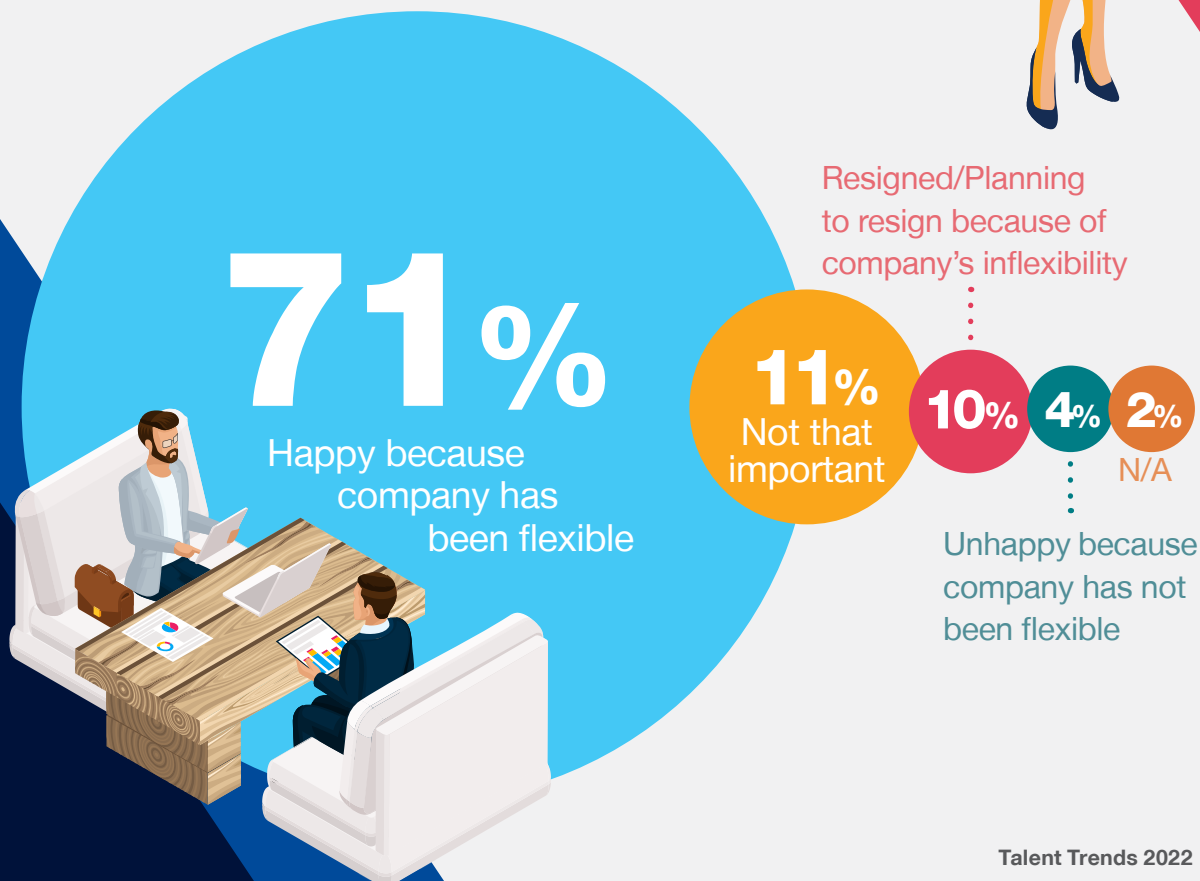
When job searching, 82% of respondents want a hybrid work arrangement between working from home and the office. Companies looking to implement hybrid work models for the long-term also need to consider strategies to boost employee engagement and provide employees with the right tools to conduct remote work smoothly.



Employees' sentiments towards working from home:



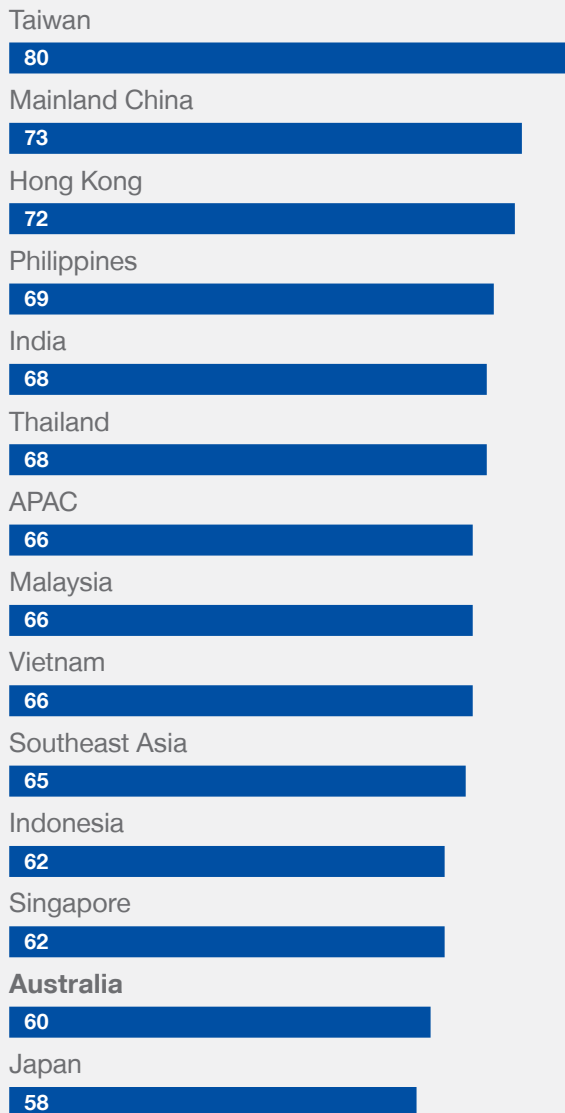
Employees' sentiments towards company policy on hybrid work arrangements:



Hybrid Work Arrangements are Now a Universally Expected Basic.

Preference for hybrid work arrangement (% in favour):

Market



Industry



Preference for hybrid work arrangement (% in favour):

Seniority

Entry Level

81

C-suite / Board / Founder

75

Senior Management

63

Manager

60

Specialist

56

Executive / Business Operations

54

Generation

Gen Z (1997-2012)

83

Baby Boomers (1946-1964)

64

Millennials (1981-1996)

59

Gen X (1965-1980)

59

Employees have a generally positive attitude towards the hiring of remote workers, with the main concern focused on ensuring that company culture isn't affected:

"I have **mixed feelings** about it."

27%

"I'm concerned that **Company Culture** will be **negatively affected**."

21%

"I think it's a **good thing** that will have a **positive impact** for me as an **individual** and the company I work for."

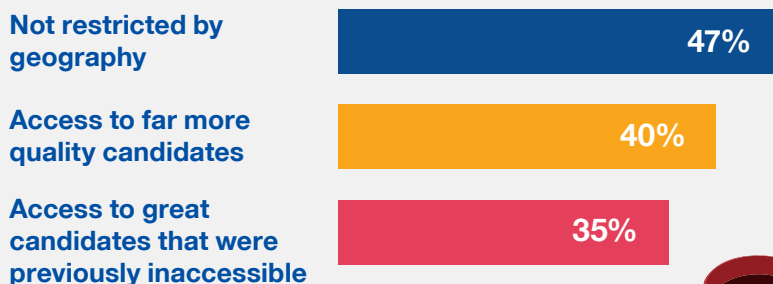
41%

4. EMPLOYEE EXPERIENCE

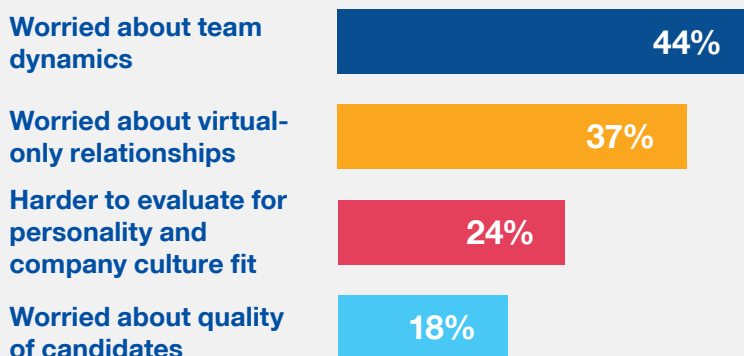


Employers, however, are more cautiously optimistic about the new normal, especially as it relates to remote employment.

Optimistic views and attitudes shared by employers about remote working culture:



Concerns shared by employers about remote working culture:



Advice from Our Leaders: Agile Leaders for the New Normal

“

It is important not to underestimate the impact of having changes to working conditions thrust suddenly upon us as a result of the pandemic. While many have enjoyed the opportunity to work remotely, many have also experienced isolation and fatigue. Moving forward, it is important to provide employees with choices. Executing this requires agile leadership. When hiring potential leaders into your team, take their ability to adapt to new styles of working into consideration. Then, support and develop them by providing the right tools. This includes digital tools required for collaboration, communication and connection, as well as the capability to manage the psychological health of the team. As a leader, now is the time for you to lead by example and show your commitment to flexibility initiatives. Be aware that whilst your employees are navigating a new normal and rhythm, so are you as a business leader. Seek feedback, listen and take appropriate action. More so than ever, transparency and consistency are crucial. Creating clear policies will strengthen the sense of certainty, but always leave room for flexibility.

”



Toby Truscott

Managing Director
Michael Page Japan

Attitudes Towards COVID-19 Policies at the Workplace: A Generally United Front*

As many companies start to transition back to working in the office, it is important to recognise that employees still have lingering concerns:

Uncomfortable working with unvaccinated colleagues in an office environment

54%

Concerned about contracting COVID-19 through work-related activity

49%

With people having a clear preference for their employers to take a firm stance regarding how to approach testing and vaccination policy:

48%

Mandate vaccinations for all employees

27%

Mandate regular COVID-19 testing for unvaccinated employees

23%

An employee's personal medical details / history should be private

19%

Policies should be set by government, not companies



**Note: Responses were collected from Dec 2021-Jan 2022. As the COVID-19 situation evolves, so too will people's sentiments.*

Upskilling and Reskilling to Future-proof Your Organisation:

84% of respondents in Australia believe that it is important to upskill themselves before their next career move.

Employees and job seekers are becoming more proactive in their personal learning processes, as the majority of our respondents believe that they are responsible for their own reskilling and upskilling efforts, rather than the onus falling on their employers.

Upskilling does not have to be an expensive exercise.

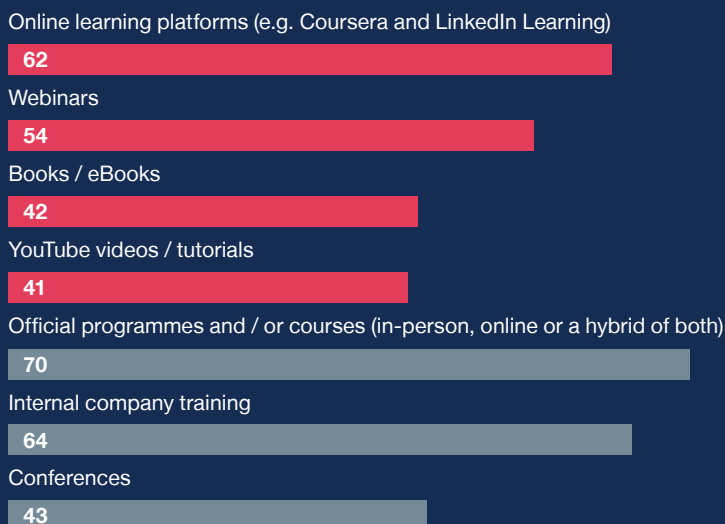
Education is no longer limited to often costly degrees or diplomas that takes years to achieve. With the availability of online courses (certified and uncertified), employees can upskill themselves at their own time to future-proof their careers. But employees have not fully caught on to this, with them overvaluing formal or official programmes and certifications by 41% compared to employers.



Percentage of employees and employers who believe an official programme or certification is required for proper upskilling and reskilling

The Democratisation of Educational Resources

Most utilised sources of education to upskill and reskill:



Employee Experience: Summary



IMPACT

1. **A bigger salary is not sufficient to retain top talent.** Companies need to consider other aspects of the employee experience that would make them want to stay and even become advocates for the company. Negative employee experiences lead to negative word-of-mouth, which is even more damaging to the brand when posted online.
2. **Employees who cannot progress in a company will leave.** Career progression and a sense of greater purpose motivate and inspire employees to stay on. If employees feel that the company neglects them, there is no reason to stay loyal to the company.
3. **Business becomes negatively affected when employees can't do their jobs.** Adopting technology means employees need to pick up new skills to fill in skills gaps. And with small talent pools in a highly competitive environment, upskilling and reskilling existing staff is critical. Those who are ill-equipped may feel unmotivated and would consider leaving the company.



STRATEGY

1. **Develop a people-first approach.** Organisations need to prioritise employee well-being and DE&I policies. They need to be committed to caring, and employees will do the rest. These policies are lower-cost solutions that could have significant ROI in the long term. Therefore, organisations need to develop ways to measure work performance, set goals and plan career advancement for their employees.
2. **Mind the management.** Companies need to develop ways to replace traditional in-person oversight to create a thriving hybrid work environment. The workplace metaverse, where work does not rely on hardware and space limitations, is now a real thing. While that may be far from what some can achieve right away, organisations must be mindful of the challenges employees face when approaching hybrid work.
3. **Hire those with the right skills, not work experience.** With difficult-to-fill jobs (especially in new and developing functions and industries), companies have to look beyond the usual candidates to fill these functions. Perhaps there are employees or candidates with strong, complementary skill sets that can set them up for success with suitable reskilling or upskilling tools. This would also contribute to the overall DE&I strategy of any organisation.
4. **Do not put off hiring.** Companies may want to pause hiring during the pandemic to save costs. If you need a particular role for the business to function efficiently, hire away. This would contribute to long-term growth in the organisation. Also, as our data shows, this is the best time to look for talent as candidates are actively seeking new job opportunities.
5. **Develop your Human Resources department.** Traditionally seen as an administrative support function before the pandemic, companies now realise that HR is pivotal to navigating the new ways of work. As companies invest in areas like training, development, succession planning, and talent mapping to aid career advancement for every employee, they would need to develop their HR department to drive these functions.



ACTION

1. **Show support in and out of the workplace.** Encourage leaders and managers to give kudos to subordinates for jobs well done, both internally and on social media. Remind them that they are only as good as their team's success stories.
2. **Create action-oriented, short-term goals.** These allow measurable output. When employees know how their performance is measured, it gives them more confidence in executing the job, boosting productivity. Managers can also consider using productivity tools to help employees manage their tasks and paths towards these goals daily without employees feeling micro-managed or overwhelmed.
3. **Provide flexibility on upskilling efforts.** Instead of running another workshop (online or offline), offer affordable memberships from online learning platforms like Coursera. These provide flexibility for employees and save costs on logistics for the company. Organisations may also consider creating social communities at work for employees to share valuable content they have discovered online.
4. **Be open and flexible.** Avoid centralised, one-size-fits-all rules, and build a culture around that. It is crucial to emphasise that for any strategy organisations look to implement, it is critical to listen to feedback from employees and be more open and flexible.

Case Study: Now is the Time for Bold, People- First Moves



Alami's 4-Day Workweek

Hustle culture – the mindset that work takes precedence over everything else in people's lives – is often associated with working for a fintech or start-up. But Indonesian peer-to-peer lending platform Alami has chosen to go against the grain, having put in place a four-day workweek since October 2021.

Alami's CEO, Dima Djani, said that the company wanted to give employees more time to spend with family, pursue hobbies, or to take part in faith-based activities.

The impact of this was immediate. After starting the four-day workweek at the beginning of October 2021, the company closed the month with a 40% increase in monthly disbursements, from US\$7 million to US\$10 million, proving that a shorter work week can do wonders for productivity.

Djani says that putting in place a four-day workweek has led to teams coming up with more creative ways to work, such as collaborating asynchronously to accommodate teammates working in different time zones.

Since news of Alami's four-day workweek went viral, the company has seen unexpected payoffs in other ways: It received over 4,000 job applications in less than two months. If anything, this is evidence that companies willing to take bold steps to change the way they work will also be more effective at attracting talent.

Source: <https://www.youtube.com/watch?v=FkhJIGbymLk>

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