

Key Global Workforce Insights from Kelly Services®

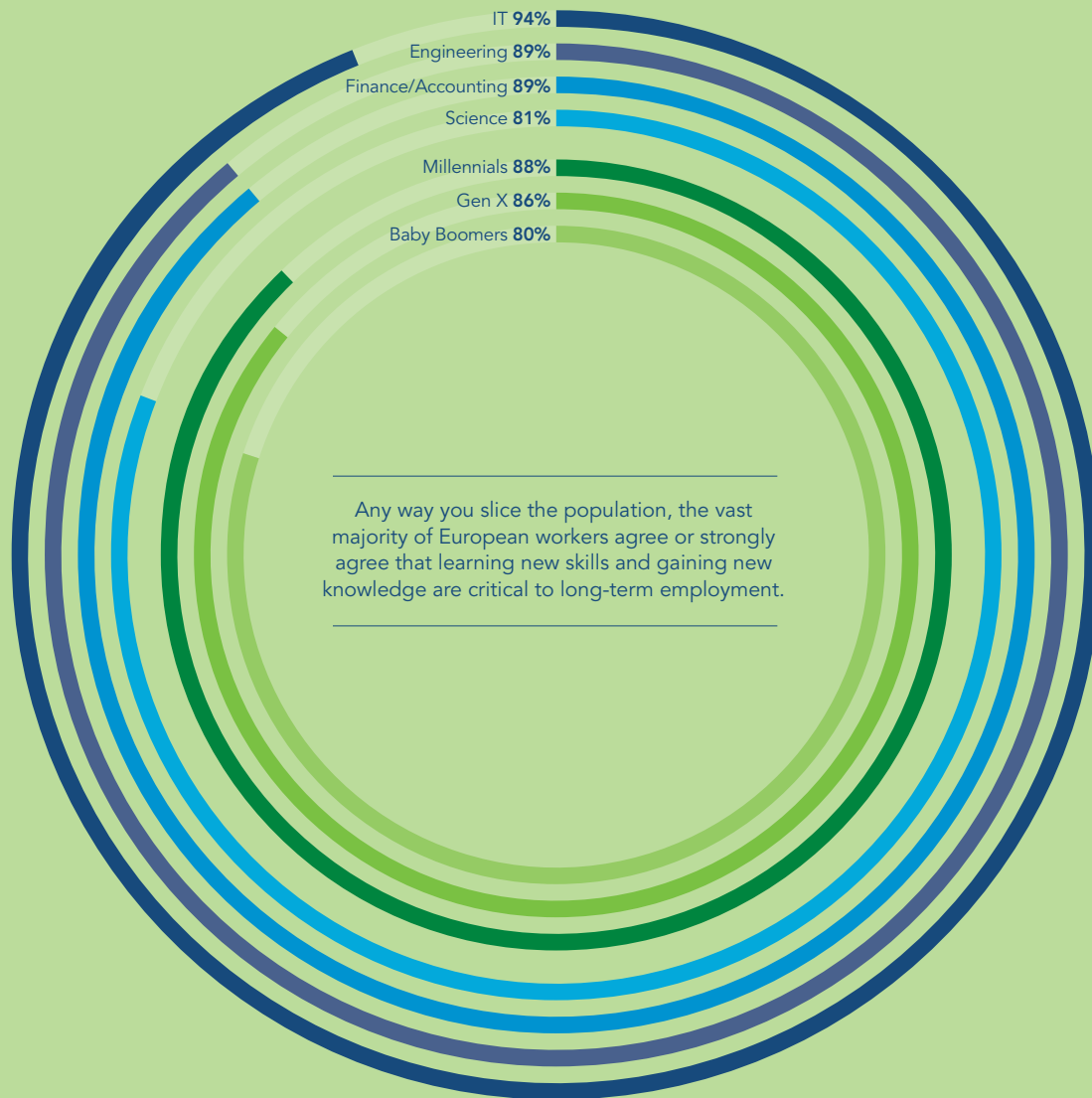
THE RISE OF DIY

career resilience

A GUIDE FOR EUROPEAN EMPLOYERS

KELLY

European workers develop a do-it-yourself mindset when it comes to career development



6 OUT OF 10

58% of European workers in the professional and technical area say they are more concerned about their knowledge or skills becoming obsolete than they are about possible layoffs.



62%

of science workers value the opportunity to work on innovative projects.



IT WORKERS

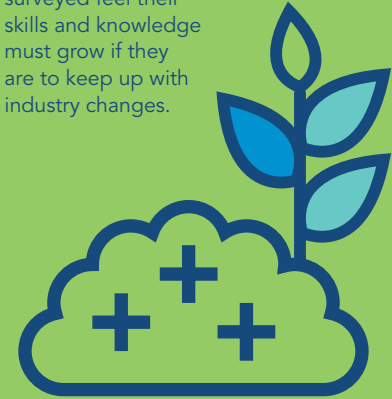
56%

of IT workers say they'd be willing to give up higher pay and/or career advancement for the opportunity to learn new skills.



89%

of European workers surveyed feel their skills and knowledge must grow if they are to keep up with industry changes.



Only **16%**

strongly agree that their organization is investing in training or upskilling.



Only **14%**

of Millennials surveyed say they would be loyal to their employer as a means to develop, grow, and pursue their career goals.



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Introduction

In today's uncertain job environment, European workers are responding by taking the lead in managing their own careers. Resilient and self-driven, these workers are developing a do-it-yourself (DIY) mindset when it comes to career development, seeking to learn skills that will enable them to thrive in any company.

A volatile global economy, combined with rapid technological change, is shortening companies' time horizons and increasing employee unease. At the same time, Millennials—who are more comfortable with career uncertainty than previous generations, and more adept at piecing together income from multiple sources—are influencing employment dynamics via their sheer numbers.

As keeping skills current becomes more of a concern for Europe's employees, they are increasingly seeking workplace environments that will enhance their employability, taking advantage of any

available employer training and exploring other ways to further their skill sets—perhaps by becoming free agents or freelancers.

What does this shift to **DIY career resilience** mean for employers? For a start, it reveals an inherent paradox. The very workers you most want to hire—valuable, loyal people who put in greater effort and add value—may be increasingly hard to engage and retain.

To gain a competitive advantage, European organizations must create an innovative, collaborative work environment, and give workers the green light to showcase skills. Strengthening the employer brand will also enhance a company's ability to attract new talent.

With DIY career resilience on the rise, European employers need to invest more in their most valuable talent—who are likely to be the most agile, the most mobile, and prepared to move onto the next opportunity. Just like

their global counterparts, the vast majority of European professional and technical (P/T) workers (89%) feel their skills and knowledge must grow if they are to keep up with industry changes. Yet only 16% strongly agree that their organization is investing in training or upskilling.

As a pioneer in the staffing industry and in the study of workforce preferences, Kelly® has taken a high-level look at career resilience as it pertains to the European worker today. In addition to analyzing worker preferences and formulating psychographic insights based on survey data from the 2015 and 2014 *Kelly Global Workforce Index™* (KGWI), this report pulls insights from Kelly Free Agent research survey (2015) data and other research sources. Unless otherwise noted, all statistics come from recent Kelly workforce research data.

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1

The rise of DIY career resilience

As technological, economic, and demographic forces steadily erode traditional career paths, employees in Europe are echoing their global counterparts and responding with a new, more DIY-focused approach to developing career resilience.

The old paradigm: productive employment	The new paradigm: potential employability
A relatively stable economy supported a paternalistic employer approach and fostered a sense of security and loyalty among employees.	A dynamic global economy, combined with accelerated technological change, shortens employers' time horizons and increases employee unease.
While always mindful of economic cycles, employers would invest in expanding their full-time workforce whenever market conditions made this feasible.	Volatile market conditions in recent years have made many employers wary of adding to their full-time payrolls, and more receptive to the concept of a scalable, variable workforce.
Employees typically worked together in teams at one physical location, and work environments and schedules were both highly structured.	Technology enables geographically dispersed work teams, and flexible work arrangements are increasingly considered a key factor in the employment decisions of better-skilled talent.
The silent generation, and to a lesser extent baby boomers, placed a high value on security and continuity in their careers and employment.	Millennials are comfortable piecing together income from multiple sources, and less phased by uncertainty. This generation of workers is influencing employment dynamics via its sheer numbers.
Employees often had a lengthy tenure with one employer, and often one skill set.	Careers are now developed across multiple employers, and often multiple skill sets or industries.
Employees were loyal to one or a few employers.	Talent is willing to shift between employers and/or employment status, becoming freelancers.
Employers identified high-potential employees, guided their career development plans, and directly provided or sponsored training in the skills required to keep their company successful and innovative.	Highly skilled workers take the lead in managing their own careers, developing skills that enable them to thrive in any company. They use every available employer offering or actively seek alternatives.
Off-site learning options required being on campus at designated times, and were often expensive—even with employer subsidies.	Free or low-cost education options are readily available online or in the mobile formats Millennials prefer. These include Massive Open Online Courses (MOOCs) such as those offered by Coursera.



TRAIN

“Job life cycles have shrunk now to the shortest that they have ever been in human history. The time a job persists, requiring the same skills and the same context, is down to between five to seven years, with more room to shrink. The need for workers to retrain and upskill has never been higher. But we don’t have the fallback in our companies because the tenure of employees has never been smaller. When we talk to Millennials, they plan to stay at a company for between three to five years.”

—*Kelly Services Chief Executive Officer Carl Camden*

2

Managing the new employability paradigm

There's an inherent paradox in the new paradigm: to gain competitive advantage, an employer has to focus learning and development investments on their most valuable, agile, and mobile talent.

This means those in charge of hiring should consider centering their career development efforts on workers who:

- Are the most engaged or most productive
- Are the most digitally savvy
- Have the critical skill sets that are in short supply.

Attracting and developing career-resilient workers

1

ACCEPT THE RISKS

- Understand and accept that this talent is also the most able and likely to leave.
- Believe higher churn is part of the equation; you can't get higher-level talent without some higher risk.

2

CREATE A CULTURE OF CONTINUOUS LEARNING

Support and encourage DIY career development via:

- Collaborative learning
- Skills development
- Leadership development.

3

UTILIZE YOUR SOCIAL CAPITAL

Engage and collaborate with all available sources of innovation and transformational value, including:

- Business partners
- Customers
- Suppliers.

4

GAIN COMPETITIVE ADVANTAGE

- Your most valuable employees are more loyal, put in more effort and deliver added value.
- A strong employer brand enhances your ability to attract new talent.
- A greater culture of collaboration and innovation is an advantage.



VALUE

THE RISE OF RECRUITMENT MARKETING IN THE ERA OF CAREER RESILIENCE

As candidates search for jobs much like they would a new car or house—by doing due diligence via online research—if your organization has not built a strong presence on the relevant online channels, you won't make it onto the radar of today's top talent. A great way to develop and present your employer brand effectively is by using an Employer Value Proposition (EVP). This can help to ensure you identify and translate your brand values correctly, and that candidates can learn more about your company culture and business goals across your marketing channels.

3

How employer branding attracts career-resilient candidates

With top talent becoming increasingly mobile, organizations that improve their employer branding will increase their ability to compete for the best candidates.

Companies that successfully spread a positive brand message send a signal to talent that they offer an environment where people can do their best work and make an impact. Powerful employer branding is what sets leading firms apart from organizations experiencing talent shortages. Google and Apple, for instance, do not have talent shortages. In fact, with more than 3 million applicants a year, Google has a “talent sorting” challenge.¹

In a social media-driven world, hiring managers need to keep up with how their employer brand is being communicated. Within this “no place to hide” environment, firms can no longer disguise the fact they provide a poor candidate experience or don’t offer exciting work. Instead, candidates’ social circles can—and do—shape a company’s

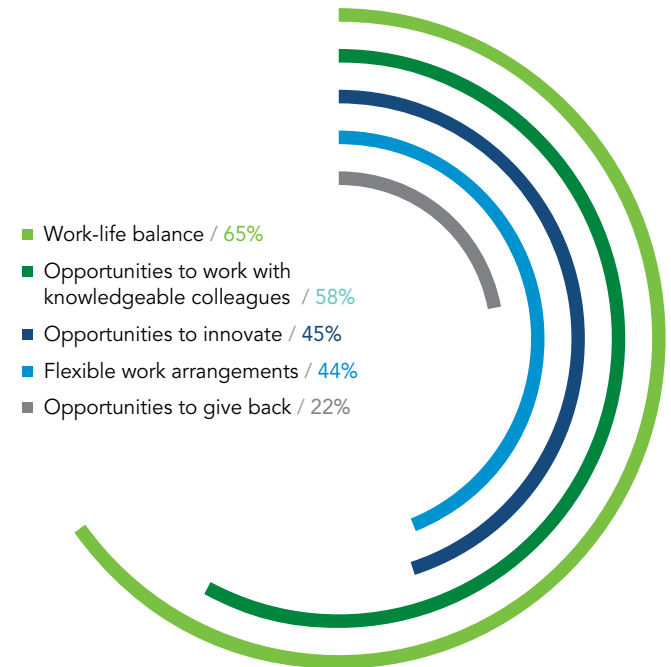
reputation via technology. In this context, it’s significant that less than half (43%) of European workers report feeling satisfied with their last application experience.

Candidates are approaching their job searches in much the same way they would approach searching for a new car or house—by doing due diligence via online research. There’s a real opportunity for hiring managers to boost their firm’s brand across social media platforms and ensure their career websites are up to date and relevant. Already, 34% of European workers use social media to make career decisions. If you’re hard to find online, you’ll have less chance of attracting top candidates.

One way to develop and present your employer brand effectively is by using an EVP. This can help to ensure you identify and translate your brand values correctly, and that candidates can learn more about your company culture and business goals across your marketing channels.

A work environment with work-life design elements attracts top talent

European workers will choose an employer that offers:



Employee Value Proposition (EVP)

Minchington (2006) defines an EVP (or Employer Value Proposition as it is sometimes referred to by) as a set of associations and offerings an organization provides in return for the skills, capabilities, and experiences an employee brings to the organization. The EVP is an employee-centered approach that is aligned to existing, integrated workforce planning strategies because it has been informed by existing employees and the external target audience. An EVP must be unique, relevant, and compelling if it is to act as a key driver of talent attraction, engagement, and retention.

Source: Brett Minchington, *Your Employer Brand: Attract, Engage, Retain*, 2006, Collective Learning Australia

4

Keeping skills current is a top concern

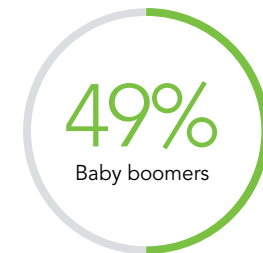
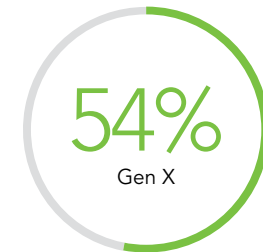
Like their global counterparts, European employees are more concerned about having up-to-date skills to remain employable over the long term than losing their current job. Overall, 56% of workers say they are more concerned about their knowledge or skills becoming obsolete than they are about a possible layoff. Across the region, a roughly similar pattern of results is observed, although skill concerns are slightly above the European average in Portugal (62%) and France (61%).

Crossing the generation gap

Many of those concerned about their skills becoming obsolete are among the youngest of workers. This likely reflects the fact that they have grown up in a world thriving on innovation, change, and rapid technological advancement. For these tech-savvy workers, it's a given that skills need to be continually upgraded; they expect to learn on the job and that employers will keep up.

By generation

The extent to which obsolete skills or knowledge are top concerns for European workers



4

Keeping skills current is a top concern (continued)

European workers across a range of industry sectors are significantly concerned with keeping their skills current. P/T workers represent more than half of the workers surveyed across the region—a majority (58%) reported significant concerns with skills obsolescence versus layoffs.

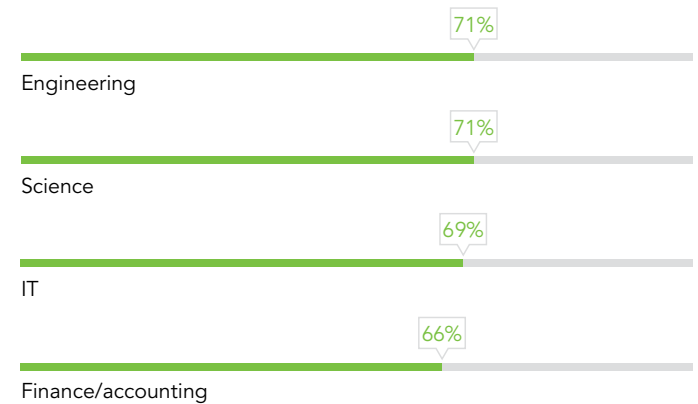
Engineering, science and IT workers, in particular, reported meaningfully high concerns (see the figure on the right). More than half the IT workers surveyed (56%) even say they'd be willing to give up higher pay and/or career advancement for the opportunity to learn new skills.

Impending skills shortages in Europe, and their potentially negative impact on the region's competitiveness, have been well publicized. In the information and communications technology (ICT) sector alone, a 2016 European Union (EU) fact sheet forecasts 756,000 unfilled vacancies for highly skilled ICT professionals by 2020.²

Governments, industry, and academia are joining forces with the EU to address the shortage and build a single market for technology jobs in Europe, mobilizing an estimated €50 billion of public and private investments to support the digitization of the industry.³ With this focus on innovation, IT talent in Europe is likely to feel pressure to continuously upgrade skill sets.

By skill set sector

The extent to which acquiring new skills is a top concern for European workers



5

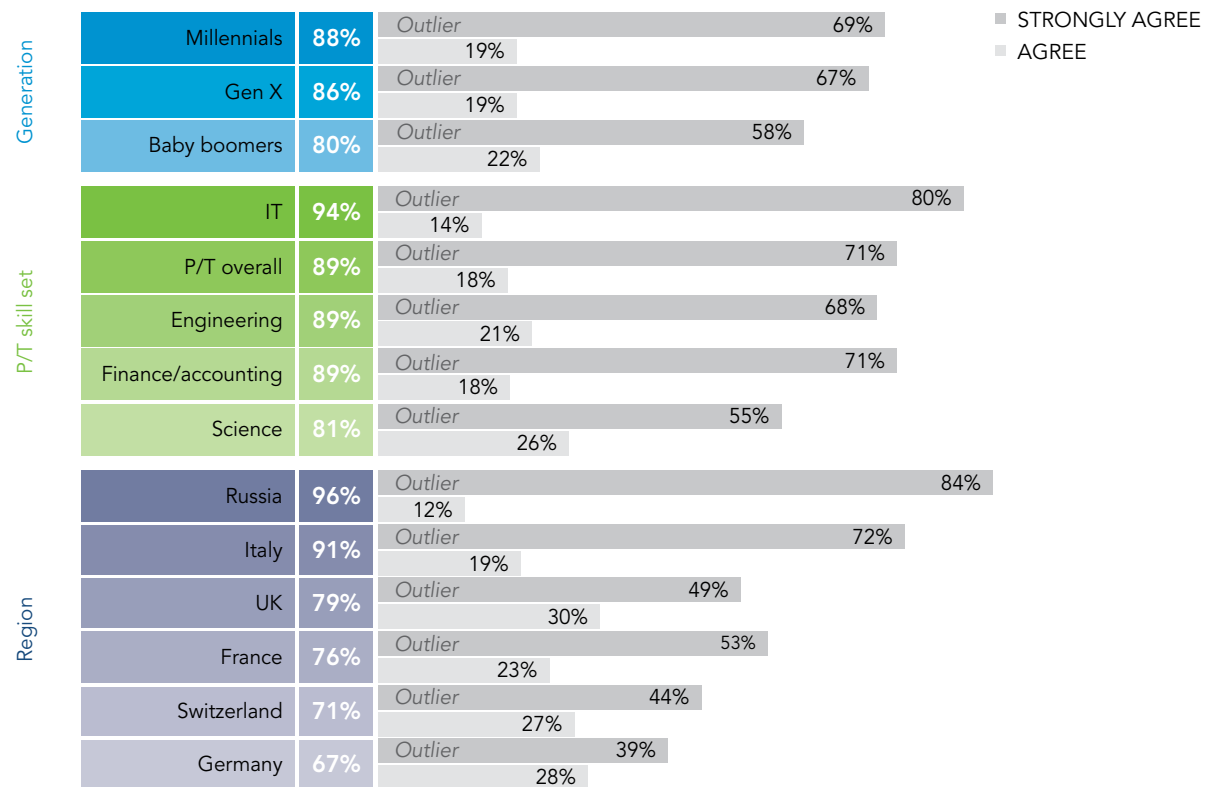
The vast majority of workers want to grow their skill sets

Across the board, European workers seek to keep their skills current. Offering workers opportunities to learn on the job makes employers more attractive. These opportunities are highly rated by job candidates who are weighing up the pros and cons of one position over another.

Overall, 86% of European workers feel their skills and knowledge will need to evolve and grow to keep up with changes in their line of work or industry. Any way you slice the population, the vast majority of workers agree or strongly agree that skills and knowledge are critical to long-term employment.

Some subsets of the European worker population—by age, skillset, or geographical location—feel more strongly about this than others. These statistical outliers are indicated to the right.

The percentage of European workers who feel their skills and knowledge must evolve if they are to keep up with industry changes



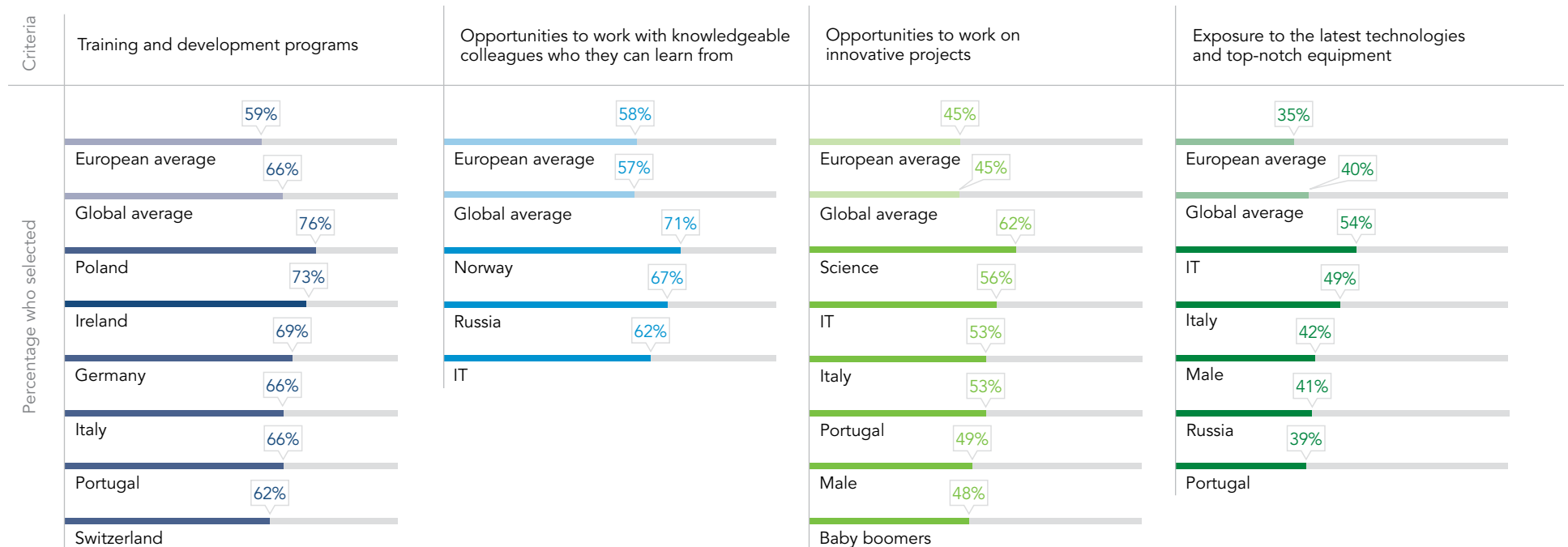
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The vast majority of workers want to grow their skill sets (continued)

For career-resilient workers, an employer who offers opportunities to acquire new or cutting-edge skills and capabilities is more than just an attractive proposition. Such opportunities can drive candidates' decisions

when selecting new positions. The table below indicates those European employees—by country, industry, or cohort—who value skills development criteria more than the European average.

How Europe's workers value skills development



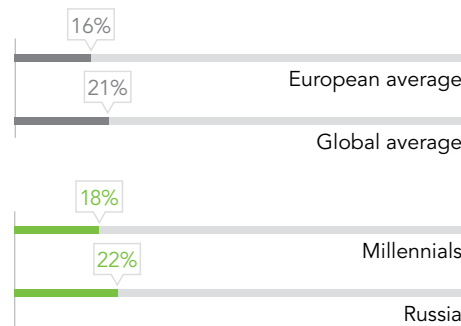


Employer investment in training and development is falling short

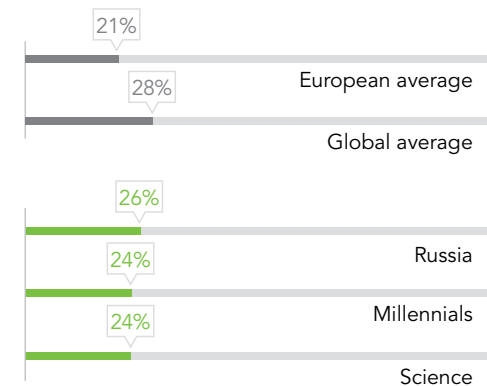
Across Europe, employees feel that current investment in training and upskilling is inadequate. As much as a fifth (20%) report feeling strongly dissatisfied with the career development resources offered by their current employer, more than the global average of 15%.

When it comes to sought-after P/T talent, it's a similar story. Only 19% of workers feel their company is making the investment, and encouraging hands-on, on-the-job learning.

P/T workers who strongly agree that their organization is investing in training or upskilling



P/T workers who strongly agree that their organization encourages hands-on, on-the-job training





Professional and technical talent is at greater retention risk

The gap between workers' desire for skills development and what employers offer creates a retention risk among Europe's P/T talent and for IT in particular.

P/T talent

Across the region, Europe's P/T workers feel strongly (71%, well above the global average of 64%) about the importance of evolving their skills, but rate employers below average for their investment in building those skills. At the same time, the majority of P/T workers (62%) consider themselves in demand in the marketplace, increasing their likelihood of leaving for greener pastures if their expectations are not met.

IT talent

This talent group may be particularly at risk, given that IT workers are confident in their market value and ability to find a new or better position.

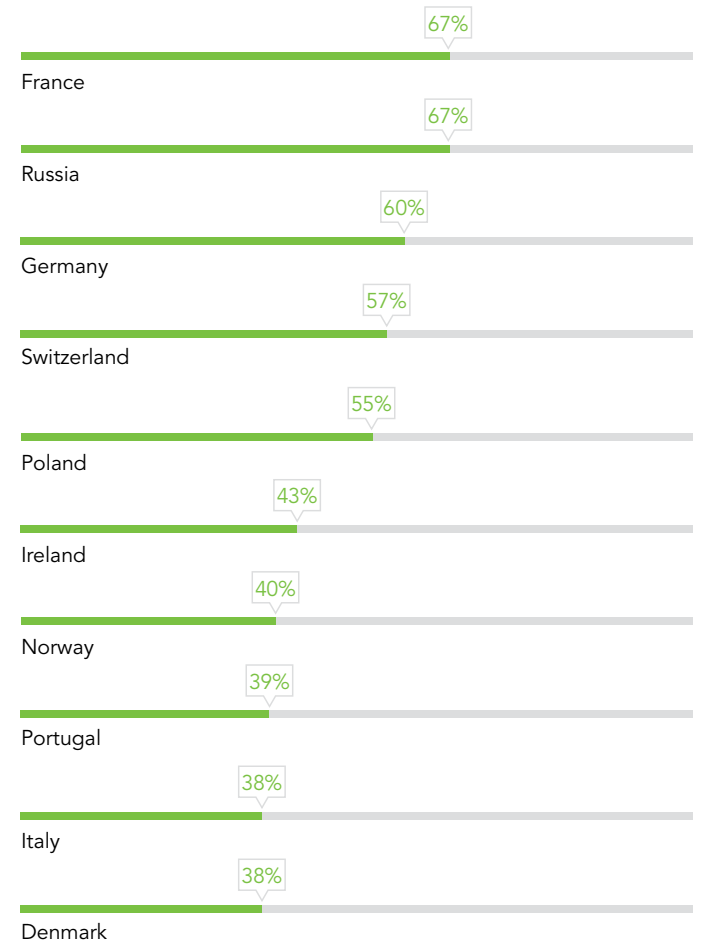
Some 67% of Europe's IT talent feel that if they were to consider changing jobs, they would be in a good bargaining position to secure a similar or better position of employment.

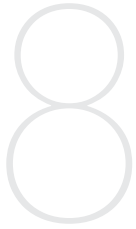
Talent by geography

On a country-by-country basis, workers in France (67%) and Russia (also 67%) feel the most confident about their market value.

Talent by geography

The European countries with the highest percentage of workers who feel confident about their market value





Professional and technical talent is challenging the status quo

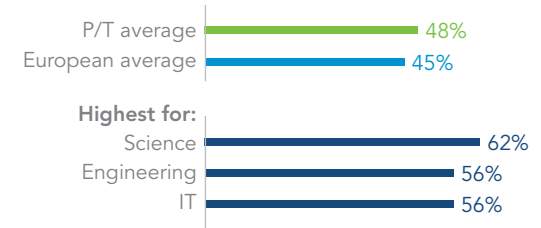
Just like their global counterparts, Europe's P/T workers are at the leading edge of the DIY career paradigm. They know they have other options, which means traditional methods of attracting talent are no longer enough.

While European talent across the board still prioritizes advancement and training opportunities (ranked second and fourth as attraction factors when seeking employment), Europe's P/T talent stands out for an above-average desire to innovate and exercise their skills.

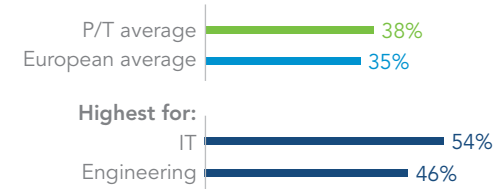
To attract the best talent, employers must satisfy the appetite of these workers to innovate and be exposed to the latest technologies. Helping these workers to close skill gaps and showcase their skills are also priorities for employers.

Comparing career development and advancement attraction factors

The percentage of workers who value opportunities to work on innovative projects



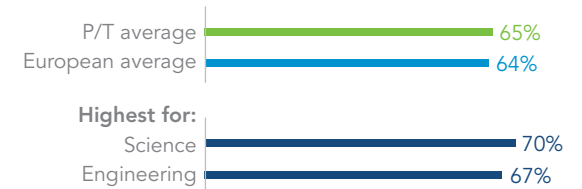
The percentage of workers who value exposure to the latest technologies and top-notch equipment

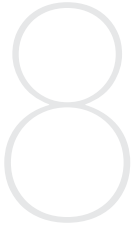


The percentage of workers who value training and development programs



The percentage of workers who value opportunities for advancement



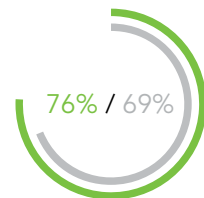


Professional and technical talent is challenging the status quo (continued)

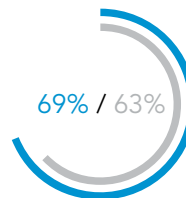
Just like their global counterparts, Europe's P/T workers use DIY career development resources at higher rates than the average worker.

While many workers across sectors take advantage of employer-provided training (after all, it is often free or subsidized), more P/T workers pursue training opportunities of their own accord than other workers.

P/T workers in Europe rank above average for talent agility and confidence



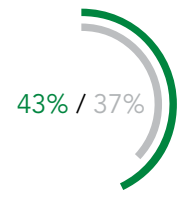
76% believe that their skill set and experience puts them in a position to compete effectively with other job seekers (versus 69% overall)



69% believe their employment experience to date has allowed them to develop skills that are in demand (versus 63% overall)



62% believe they are in high demand (versus 56% overall)



43% have sought career-related coaching and feedback from mentors and/or close associates (versus 37% overall)



Millennials and the career resilience mindset

Millennials already comprise the majority of the workforce, globally and across Europe. With their rising influence on workforce trends, it's important to understand the Millennials' DIY career mindset.

Career development opportunities are key drivers for choosing positions and employers

When choosing one position or employer over another, a broad range of career development elements drive Europe's Millennials, including:

- Opportunities for advancement (70%)
- Training and development programs (60%)
- Opportunities to work with knowledgeable colleagues who they can learn from (58%)
- Opportunities to work on innovative projects (45%)
- Exposure to the latest technologies and top-notch equipment (34%).

Within different European countries, Millennials have differing priorities. In France, work-life balance is the second-most important driver for Millennials when choosing an employer (65%), after salary and financial incentives. In Germany, just behind salary and financial incentives is flexible work hours (72%), and in the UK, it's training and development (80%).

Multiple income streams are common

Millennials often juggle multiple jobs—one that largely pays the bills, combined with others that satisfy their creative urges or allow them to contribute to causes that interest them. Ask a Millennial what they do and you are likely to get a multi-part answer, such as pharmacist/writer or forensic psychiatrist/deejay.⁴

Freelancing is common, and an accepted way to advance a career

Globally, millions of young workers are choosing to freelance with multiple organizations. They are more optimistic about their advancement opportunities this way than if they were to follow a traditional, nine-to-five career path.⁵

Millennials are committed to staying on the cutting edge of technology, keeping skills current

The vast majority (69%) of European Millennials feel strongly that their skills or knowledge need to evolve and grow to allow them to keep up with changes in their line of work or industry.

Millennials have limited loyalty to their current employers for career development

At the same time, only 14% of Millennials would remain loyal to their employers in order to develop, grow, and pursue their career goals, versus 16% of Gen Xers, and 20% of baby boomers. Millennials are nearly twice as likely to place their loyalty with their personal or professional networks and relationships instead (25%).

And they're highly networked. While baby boomers and others are jumping on the social networking bandwagon, Millennials have an average of 319 Facebook friends, versus 120 for baby boomers.⁶



DRIVE

Talent wants—needs—to stay fresh with skills; their workflow depends on it, and that is even more the case for free agent workers. So, as organizations bring independent contractors into their projects—either to infuse expertise or to drive innovation—they need to build a strong brand reputation that attracts candidates who are continuously working to stay on top of their game.

10

Recommendations: the era of DIY career resilience is well on its way

For Europe's P/T talent, the opportunity to keep skills current and close skill gaps is no longer an optional extra, but a basic standard by which every organization is judged. These employees now seek a wider mix of training and development opportunities, including the opportunity to innovate and exposure to the latest technologies.

It's not just top talent that is responding this way. Across Europe, workers—especially Millennials—are becoming more comfortable with developing their careers across multiple employers, and often multiple skill sets or

industries. This mindset is accompanied by an increasing willingness to shift between employers and/or employment status, becoming freelancers.

The workplaces that are best positioned to attract talent in the future might offer a new work covenant where DIY career development is not just expected, but required. Savvy employers who can deliver this to their staff members are more likely to win their loyalty—and gain a competitive advantage for their company.

So what might this look like in practice?

10

Recommendations: the era of DIY career resilience is well on its way (continued)

Governing principles for talent managers

Understand talent supply chain management

Study your organization's talent needs to build resilient teams in a multi-sourced environment, using your best human capital—this relies on individuals' capabilities, knowledge, skills, and experience from within and outside the organization.

Employer's responsibility

Give talent a place or opportunity for skills to be used and showcased, allowing people to build a portfolio and increase employability.

Talent's responsibility

Workers must perform to make the covenant work. Self-awareness and self-assessment is required to identify gaps and demonstrate technical and soft skills.

Employer branding

As European workers pay more attention to their personal brands, it is increasingly important for employers to put out a clear and compelling employer brand to draw in the best talent possible, and ensure the best fit.

Innovative engagement beyond retention

Employers need to offer ways for potential, current, and past employees to engage with the company, from training and development opportunities to online communities.

Encourage work-life design

Create an innovative, collaborative work environment to increase productivity, and give workers opportunities to engage their passions, take risks, and practice and showcase their skills.

Reduce the use of talent noncompete agreements

Promote and encourage skill building throughout your industry's ecosystem. This ultimately enriches your organization's brand reputation.⁷

Experiment with innovative search techniques

"We have customers who are engaged in experiments at blinding the institution, looking at assessments that are institution-free and how that affects their ability to get the talent they need."

– Kelly Services Chief Executive Officer Carl Camden

The new covenant

"There's an element of freelancers having more cutting-edge skills. Freelancing is a lifestyle choice ... as a freelancer, you have to make sure your skills stay current. I would expect them to have strong skill sets because they have to in order to compete, to put food on the table, by virtue of having to survive."

– procurement and strategic sourcing manager at Global 100 tech firm⁸

"The knowledge transfer that occurs as a natural outcome of outside experts working alongside internal resources benefits the project, the employee, and the organization."

– Vice president at Global 100 tech firm⁹

Footnotes

- ¹ John Sullivan, "There Is No Talent Or Skills Shortage If You Can Recruit Talent Away From Your Competitors," *ERE Media*, June 29, 2015, www.ere-media.com/ere/there-is-no-talent-or-skills-shortage-if-you-can-recruit-talent-away-from-your-competitors
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- ⁵ Rebecca Gowler, "More Millennials embracing freelancing," *HR*, Feb 11, 2015, www.hrmagazine.co.uk/article-details/more-millennials-embracing-freelancing
- ⁶ Nielsen, "Millennials: Breaking the Myths," Jan 27, 2014, www.nielsen.com/us/en/insights/reports/2014/millennials-breaking-the-myths.html
- ⁷ Scott Kirsner, "EMC's staunch defense of employee noncompetes stunted the growth of startups," *betaBoston*, Oct 13, 2015, www.betaboston.com/news/2015/10/13/emcs-staunch-defense-of-employee-noncompetes-stunted-the-growth-of-startups
- ⁸ Kelly internal research interviews
- ⁹ Kelly internal research interviews



About Kelly Services

As global leaders in providing workforce solutions, Kelly Services, Inc. (NASDAQ: KELYA, KELYB) and its subsidiaries offer a comprehensive array of outsourcing and consulting services as well as world-class staffing on a temporary, temporary-to-hire, and direct-hire basis. In 2016, the company is commemorating 70 years of industry leadership. Kelly has a role in managing employment opportunities for more than 1 million workers around the globe, employing 550,000 of these individuals directly and engaging the remaining workers through its talent supply chain network of supplier partners. Revenue in 2015 was \$5.5 billion. Visit kellyservices.com and connect with us on Facebook, LinkedIn, and Twitter.



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