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Employer Branding NOW 2022

A survey of over 1,650 talent leaders about the ways they are competing in the midst of a critical talent shortage, plus a look at the specific strategies of companies identified by Universum's research as the World's Most Attractive Employers.



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Methodology

Survey Field Period

March 2022 – May 2022

Includes 1,656 respondents from 75 countries

Survey Respondents

Total Respondents: 1,656; Industries: 35, Countries: 75

This includes:

- 633 responses from small- to medium-sized enterprises with fewer than 1,000 employees (SMEs)
- 415 responses from organizations with between 1,000 and 10,000 employees (Large)
- 591 responses from organizations with more than 10,000 employees (Very Large)

The World's Most Attractive Employers Cohort

This data represents the responses from 60 of the 90 World's Most Attractive Employers (WMAEs).

Universum, one of the world's leading Employer Branding agencies, surveyed 1,656 talent leaders from 75 countries between March 1 and May 3, 2022. The aim was to gather insights about current Employer Branding practices as well as to learn from the World's Most Attractive Employers (WMAE*s).

Why follow the WMAEs?

The World's Most Attractive Employers (WMAEs) are 90 organizations that have been identified as the most attractive employers across 10 leading global economies: Brazil, Canada, China, France, Germany, India, Italy, Russia, the UK, and the US. To be named a WMAE, companies need to rank among the top employers in at least 5 of these 10 major economies in the eyes of those who participate in Universum's global student survey. In this Employer Branding NOW study, we have highlighted the Employer Branding strategies of the most attractive global employers to understand what they do differently and what other organizations can do to emulate their best practices.

Trends worth watching



RECRUITMENT MARKETING IN CRISIS

Universum research shows the hiring environment for knowledge workers across industries is likely to worsen in the next 12 months. **70% of talent leaders say the hiring environment is getting harder** — a record high in the 8 years we have run this talent leader survey. What’s more, our research shows recruiting budgets are shrinking in 2022, even for WMAE*s (World’s Most Attractive Employers). This despite the fact that 58% of WMAE*s say their recruiting needs for the next 12 months will increase.



BUILD VERSUS BUY TALENT? BUILD WINS OUT BY A WIDE MARGIN

Companies are investing heavily in reskilling existing talent and promoting people from within. **It’s a win-win for employers, who can access skills that are in high demand/low supply, while also building a reputation as a company that invests in talent.**



COMPANIES ARE QUICKLY DIVERSIFYING TALENT SOURCES

This means casting a wider net to attract and hire new talent, including hiring more freelancers, part-timers, and boomerang employees. Plus, **companies are looking beyond the elite colleges and universities, sourcing top talent from mid-tier schools with promising graduates.**



HIRING A HYBRID WORKFORCE MEANS SEARCHING FOR MINDSET

The attributes employers are looking for in prospective employees have changed in interesting ways over the last five years. **We see a pivot toward people who will power remote workforces (e.g., people who value collaboration, integrity, ethics, and an openness to diversity).** As companies gain confidence managing hybrid teams, we expect they will continue to refine how they interview and test would-be employees.



COMPANIES ARE STILL NOT DATA-DRIVEN WHEN IT COMES TO RECRUITING

Companies clearly indicate that data-driven recruiting is a priority, but only half “frequently or always” make Employer Brand marketing decisions that are data-driven. **As hiring needs ramp up in 2022-23, making the argument for bigger budgets relies on a data-driven approach.**



EMPLOYER BRANDING IS CRITICAL TO STANDING OUT AMIDST TALENT DISRUPTION

Among the WMAE*, 86% call it a top priority — **a 15 point jump in just one year.** And among non-WMAE* large companies, 75% cite it as a priority in 2022.

*World’s Most Attractive Employers

Outlook for 2023: The talent crisis will persist

As the pandemic recedes in most major economies, the economic fallout is still running its course. **The upheaval in the talent market, which began in Spring 2020, shows no sign of abating. In fact, research from Universum shows that among knowledge workers, the disruption may be growing.**

According to Universum’s global survey, 70% of talent leaders say the hiring environment is getting harder, and among the World’s Most Attractive Employers (WMAE*), 81% say the same. For the WMAE* segment, the figure is a shocking 69% increase in one year. Both of these findings are record highs for Universum’s Employer Branding NOW survey, now in its seventh year.

*World’s Most Attractive Employers



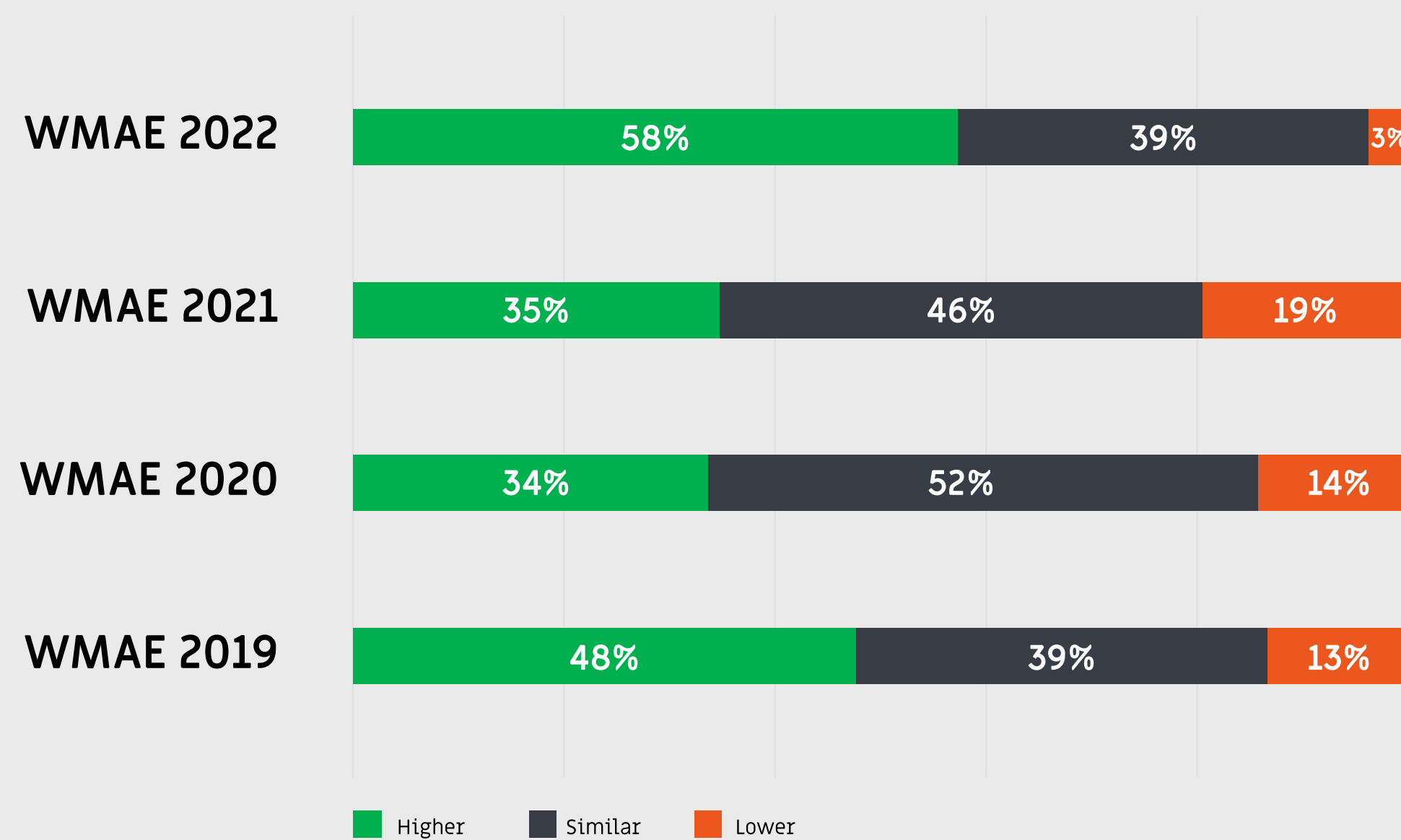
4 in 5 say hiring environment is getting more challenging

Q: Do you expect the hiring environment to get harder?

| YEAR | NON-WMAE* | WMAE* |
|------|-----------|-------|
| 2022 | 70% | 81% |
| 2021 | 46% | 48% |
| 2020 | 55% | 56% |

Hiring needs rise dramatically in 2022

Recruitment needs for the coming year compared to previous 12 months



Universum Employer Branding NOW 2022

*World's Most Attractive Employers

This punishing hiring environment impacts nearly every industry, but some are affected much more acutely than others. According to research from Korn Ferry, the US financial services sector is most severely affected, with “\$435.69 billion in projected unrealized economic output, equal to about 1.5% of the country’s entire economy.” **And in the tech sector, Korn Ferry predicts talent shortages will be as high as 4.3 million workers by 2030.¹**

Low unemployment coupled with rising numbers of open positions are both clear signals of the severity of the crisis. Fully 58% of those in the WMAE* group say their hiring needs will grow in the coming 12 months compared to the trailing 12 months.

¹ Korn Ferry: “Future of Work: The Global Talent Crunch,” May 2018. <https://www.kornferry.com/content/dam/kornferry/docs/pdfs/KF-Future-of-Work-Talent-Crunch-Report.pdf>



Another big pressure point for the talent market: **ongoing turnover across roles and industries, even among top performing talent brands.** As a CEO of a recognized tech company recently explained, “Turnover is at historic highs, but our exit interviews don’t give us a clear signal about what needs fixing.”

Today, turnover is no longer about discontentment or even primarily about pay; for many highly sought-after professionals, the chance to leapfrog forward in their careers is simply too great to pass up. Gains in management roles, learning opportunities, or even a better quality of life beckon to those who are otherwise content in their current jobs.

A 2022 study from ActionsProve and the Engineering Management Institute underlines this point. **According to that research, nearly 2 in 3 (61%) professional engineers and architects in North America would consider leaving their current employer in the next 12 months for the right opportunity².** And among younger professionals, 83% would consider a move.

“Many assume that increasing salary offers or bonuses will on its own retain top talent, but our research shows money isn’t the primary reason engineering and architecture talent seeks out new jobs,” says Peter C. Atherton, president and founder of ActionsProve. “Engineers and architects are in search of career development opportunities, as well as greater flexibility about the ‘where’ and ‘when’ of work — and companies that resist change in these areas will find themselves struggling to hire and retain top candidates.”

² ActionsProve and Engineering Management Institute: “Present and future of work in engineering and architecture,” June 2022.

“ By 2030, the United States could experience unrealized revenue of \$1.748 trillion due to labor shortages, equivalent to 6% of its entire economy...

Brazil, the world’s fifth most populous country and South America’s largest economy, also faces huge talent shortages by 2030, when it will hit a 15.8 million employee deficit across all skill levels. Its [highly skilled] talent shortage will be equivalent to 36% of the country’s entire [highly skilled] workforce by 2030. ”

Future of Work: The Global Talent Crunch | Korn Ferry³

³ Korn Ferry: “Future of Work: The Global Talent Crunch,” May 2018. <https://www.kornferry.com/content/dam/kornferry/docs/pdfs/KF-Future-of-Work-Talent-Crunch-Report.pdf>



Building resilience in a disrupted talent market

How do top talent brands compete under these deeply challenging conditions? A look at the World's Most Attractive Employers offers clues about how companies can increase the size and quality of their talent pool. The key: diversifying how talent brands source talent.

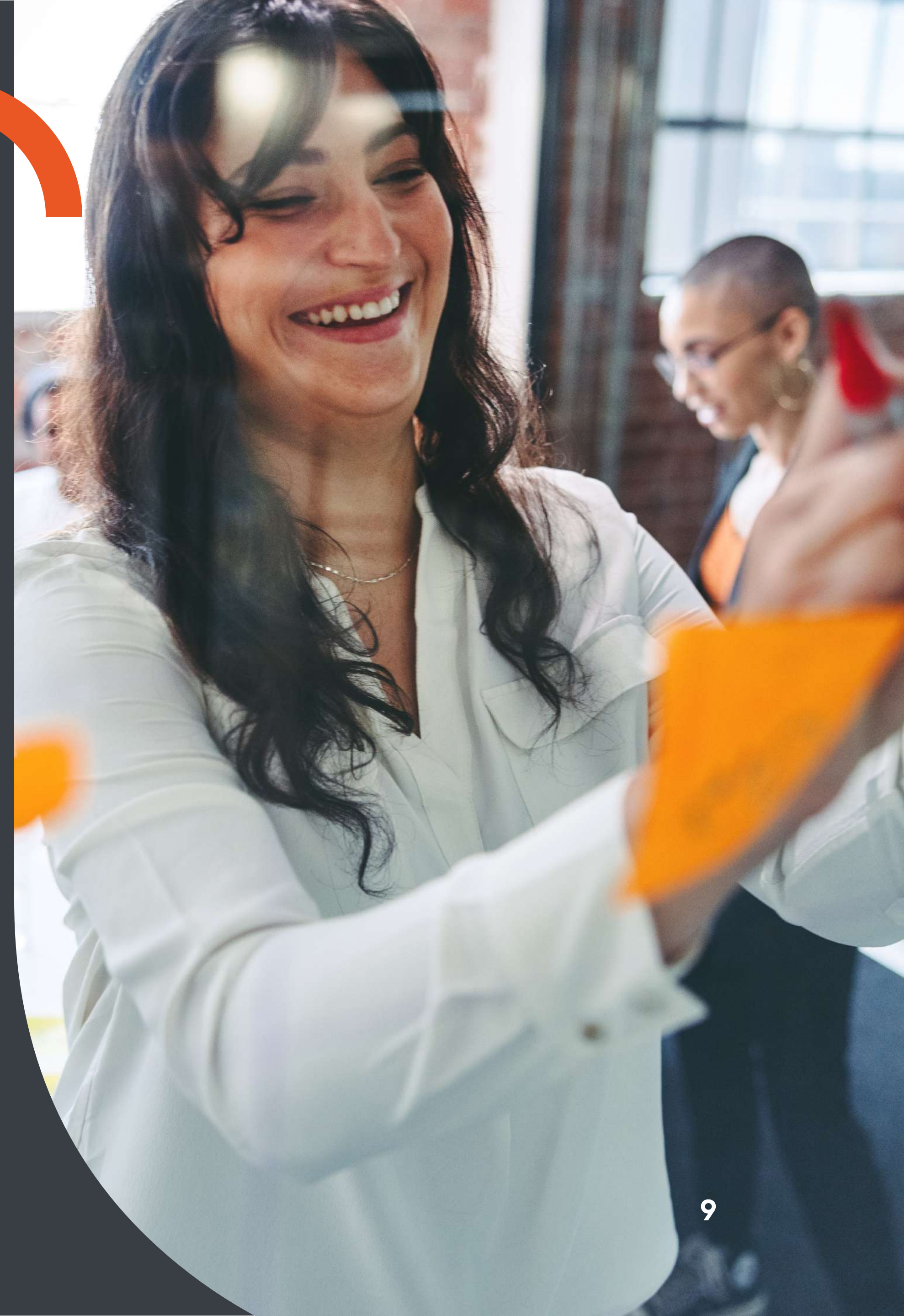
Insource mission-critical roles

More companies are improving internal career mobility and “upskilling” existing employees as a strategy to fill important positions. **Among the WMAE*, 37% cite internal mobility as a major priority, while 29% of very large companies say the same. We expect these numbers to grow even more in 2023.**

“Given the severe shortage of specific skills such as developers, data scientists, and analysts, many companies are investing in university-quality training programs for high-potential talent,” says Richard Mosely, chief strategist at Universum. “The benefits are twofold: Companies can source specific skills from within their own ranks, plus use the educational opportunities to attract and retain employees.”

Despite their stated priority to invest in internal mobility, few companies currently handle this well, Universum research shows. Just 19% of our global sample say internal career mobility at their companies is “excellent” (compared to 39% of the WMAE* claiming this to be a high priority).

*World's Most Attractive Employers



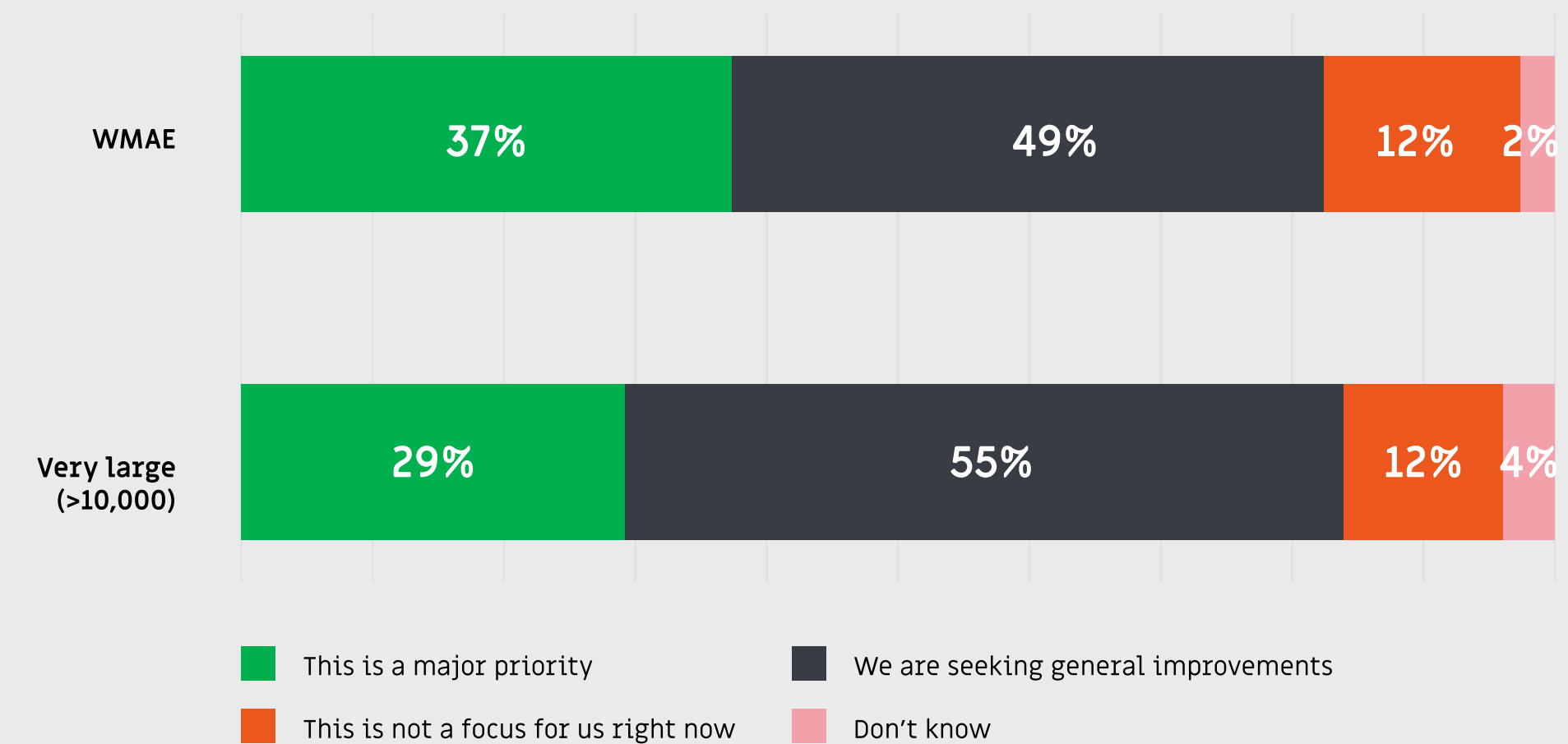
Engage freelancers to fill talent gaps

Top companies are also turning to the freelance labor pool as a way to access hard-to-find skills. Tapping independent professionals offers companies a way to fill short-term needs while reducing the risk of long-term, salaried hires. Among the WMAE*, 36% use freelancers, and an additional 22% don't do so currently but intend to.

*World's Most Attractive Employers

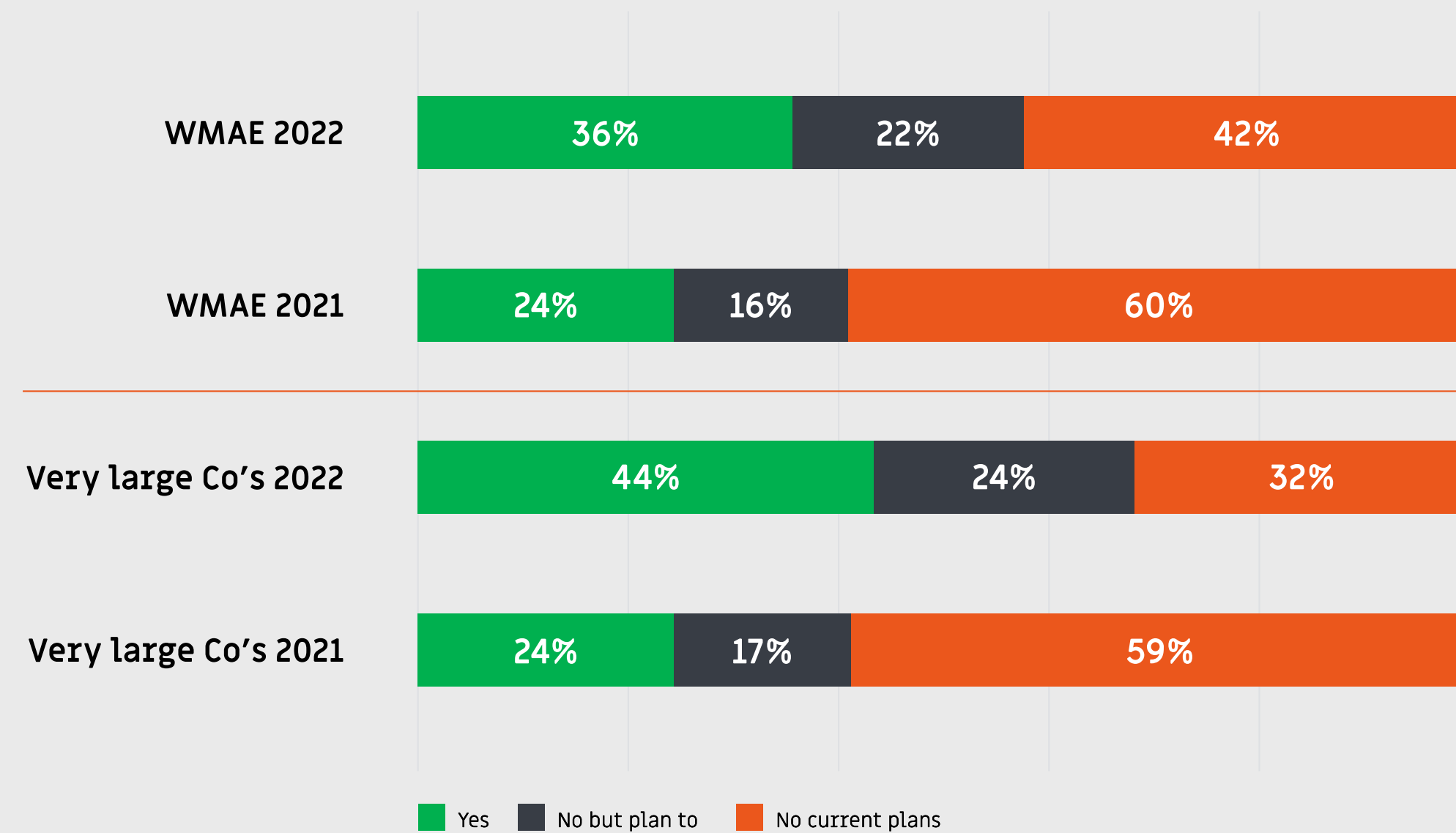
For many talent brands, "insourcing" is a top priority

Q: Is improving internal career mobility a focus over the coming 12 months?



Companies seek out freelancing talent to fill gaps

Q: Do gig workers/freelancers play a role in your current resourcing strategy?



Deploying freelancers, however, isn't something that should be done ad-hoc, on a case-by-case basis. Companies must invest in the technology, processes, and networks to make the strategy a success, particularly at the scale required to make a difference for global companies. For example: developing systems to identify, select, and vet independent contractors, as well as the technology to collaborate with independent professionals and manage performance.

“81% say diversity and inclusion is a “very important” part of their recruitment policy.”

Expand recruiting to a more diverse pool

Finally, companies expand their talent pools by considering a more diverse group of candidates. **Among the WMAE*, 81% say diversity and inclusion is a “very important” part of their recruitment policy.**

For top companies, diversity is not only about gender, race, and ethnicity; it also relates to geography and even university type. For example, rather than recruiting heavily at Ivy League and other gold-standard schools worldwide (and competing strongly to hire their graduates), many top employers are widening the net, recruiting top students from mid-tier schools. 2 in 3 of the WMAE* say they are casting a wider net by using virtual recruiting on campuses, for example, and 30% are using virtual events, a 20% jump from 2021.

Attracting the right people to a hybrid workplace

Each year, we ask employers what attributes they are looking for most often in prospective employees. The responses, and how they evolve each year, signal important ways the job market is changing for young and mid-career professionals.

In 2022, the World's Most Attractive Employers are most in search of the following key attributes in would-be employees: collaboration, customer focus, and problem-solving ability. Close behind are openness to diversity and integrity/ethics.

We believe collaboration ranks significantly higher than all others among the WMAE* due to a strategic focus on two main characteristics:

People who will stay for years rather than months: Companies want to hire people who want to work for fast-paced, innovative companies, but who also want to stay put and see projects through to their conclusion. As Jacqui Barrett-Poindexter from Glassdoor explains, hiring collaborative employees means identifying people “who not only lead transformation initiatives within their organization, but also follow through for a reasonable, sustainable time frame.”

People who will thrive in a hybrid environment: Companies have adopted virtual and hybrid work models en masse, yet they are still figuring out how these hybrid teams work most effectively. A collaborative employee understands that their own success is tied up in their teammates' successes.

What do top talent brands look for in job candidates?

Q: Which of the following describe the qualities you most look for in new recruits?

| Attractive Qualities or Attributes | 2022 Global | 2022 WMAE* |
|------------------------------------|-------------|------------|
| Collaboration | 35% | 49% |
| Customer focus | 30% | 39% |
| Problem solving ability | 32% | 39% |
| Openness to diversity | 18% | 37% |
| Integrity / ethics | 22% | 37% |
| Adaptability / flexibility | 28% | 34% |
| Creativity / innovation | 28% | 34% |
| Learning agility | 29% | 29% |
| Result focus | 24% | 27% |
| Drive / proactivity | 30% | 27% |

Another interesting pivot point in 2022: the search for “integrity & ethics,” which gained eight points in 2022 compared to 12 months prior — one of the biggest jumps across all attributes we measure. We suspect that with so many people working remotely for the first time in their careers, companies are struggling to manage distributed workforces. Are employees working the hours they claim to be? Can they be productive without the same level of oversight? The new push for higher integrity and ethics goes hand in hand with this shift.

Employer values and branding in a disrupted world

The top three EVP elements among the World's Most Attractive Employers by a wide margin are commitment to diversity/inclusion, inspiring purpose, and innovation.

Diversity and inclusion has become a major priority for the WMAE* as the public demands greater accountability from companies that don't show diverse representation among employees and especially senior leadership. Yet among the WMAE*, "commitment to diversity and inclusion" is not as common in 2022 as an EVP element, even though it still ranks #1. We don't believe this signals the issue is less important overall, but instead marks a subtle shift in attractor elements among employers as they face a new normal in what professionals seek out most from potential employers.

In fact, despite the year-over-year change cited above, 58% of talent professionals say increasing diversity is a primary Employer Brand objective for the coming year, and 81% say diversity and inclusion is "very important" to their recruitment policy.

Innovation is up 8 points from 2021, a big shift in just 12 months. This matches Universum student and young professional data, which shows innovation is a top attractor for young professionals, particularly young engineering and IT talent.

*World's Most Attractive Employers



EVPs more likely to include innovation in 2022

Q: Which of the following best describe the key elements included in your EVP / employment promise?

| | WMAE* 2021 | WMAE* 2022 | |
|---|---------------|---------------|-------|
| Commitment to diversity and inclusion | 49% | 35% | ↓7pts |
| Inspiring purpose | 39% | 30% | ↓3pts |
| Innovation | 39% | 32% | ↑8pts |
| Flexible working conditions | 37% | 18% | |
| Professional training and development | 37% | 22% | |
| Team-oriented work | 34% | 28% | |
| Opportunities to make a personal impact | 34% | 28% | |
| Employee well-being | 29% | 29% | |
| Encouraging work-life balance | 27% | 24% | |

Finally, inspiring purpose is another big attractor for brands – not surprising, since the pandemic triggered a search for higher quality of life and a sense of purpose among knowledge workers worldwide. Josh Bersin, founder of Bersin & Associates, calls it the “never-ending search for relevance.” He explains, **“Now, like never before, people are struggling. Mercer’s new research shows that 81% of employees are ‘burned out,’ and the combination of the pandemic, inflation, and war has taken its toll. [...] Why should people care about your company? Why should they care about the job you’re offering them? Why should they care about your mission, your purpose, and your brand?”**⁴

Bersin’s commentary is not suggesting people need to work for brands that are making a big social impact. But they do want to feel that their own work is valued, meaningful, and a stepping stone in their career and development. Prakash Kota, CIO of Autodesk, says that when his company hires IT talent, they work hard to ensure employees feel they are contributing to key initiatives inside the organization, and they are making a measurable impact.⁵

Employer Branding rises in importance as brands compete to stand out

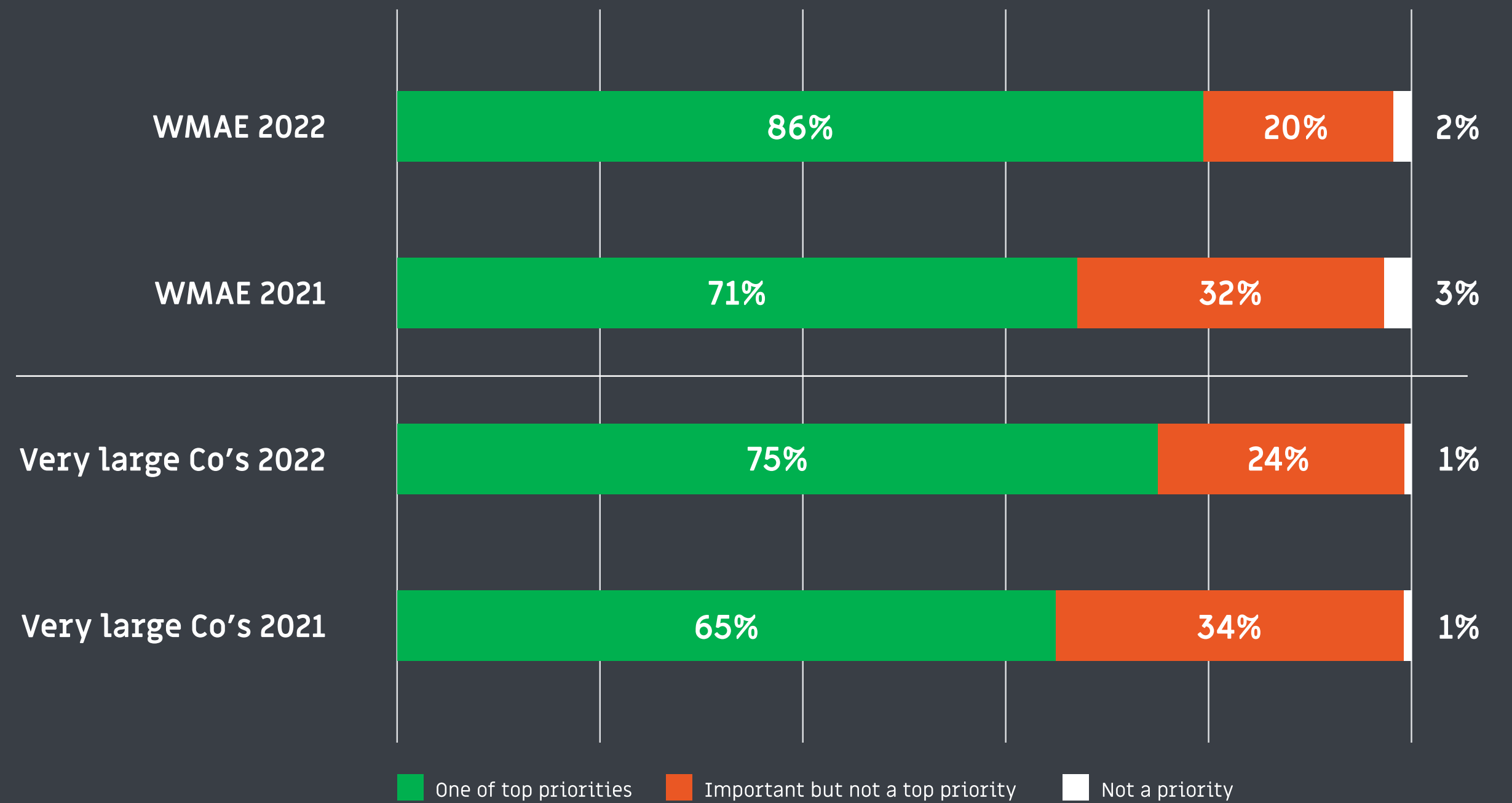
For the WMAE*, Employer Branding is a top priority in 2022. 86% say it's one of their top priorities, up 15 points from 2021. Even among non-WMAE* enterprise brands, Employer Branding is a growing priority. 75% of enterprise brands say it's a priority, compared to 65% last year.

These big shifts are likely due to brands' increasing struggle to differentiate themselves from other companies, both direct competitors and talent competitors. The race is on to hire talent at a significantly faster rate than employees are leaving — and given this, we don't expect the high importance of Employer Branding to change anytime soon.

*World's Most Attractive Employers

Employer Branding rises in importance

Q: Where does Employer Branding rank among your organization's priorities for the coming year?



“Our work, perhaps the most meaningful part of our lives, is losing relevance. We’re too busy thinking about everything else.”

Josh Bersin | Founder of Bersin & Associates

Data-driven approach to recruiting & Employer Branding

Data-driven recruiting — once considered the realm of top talent brands — is now a necessity for all. Best-in-class companies use it to personalize candidate experiences, optimize spend, choose productive content types and channels, and calculate ROI, among other things.

Despite this, many employers still lag behind in this critical area. **Our research finds that among large companies, just 50% frequently or always make Employer Brand marketing decisions that are data-driven, and among the WMAE* that number is 69%.**

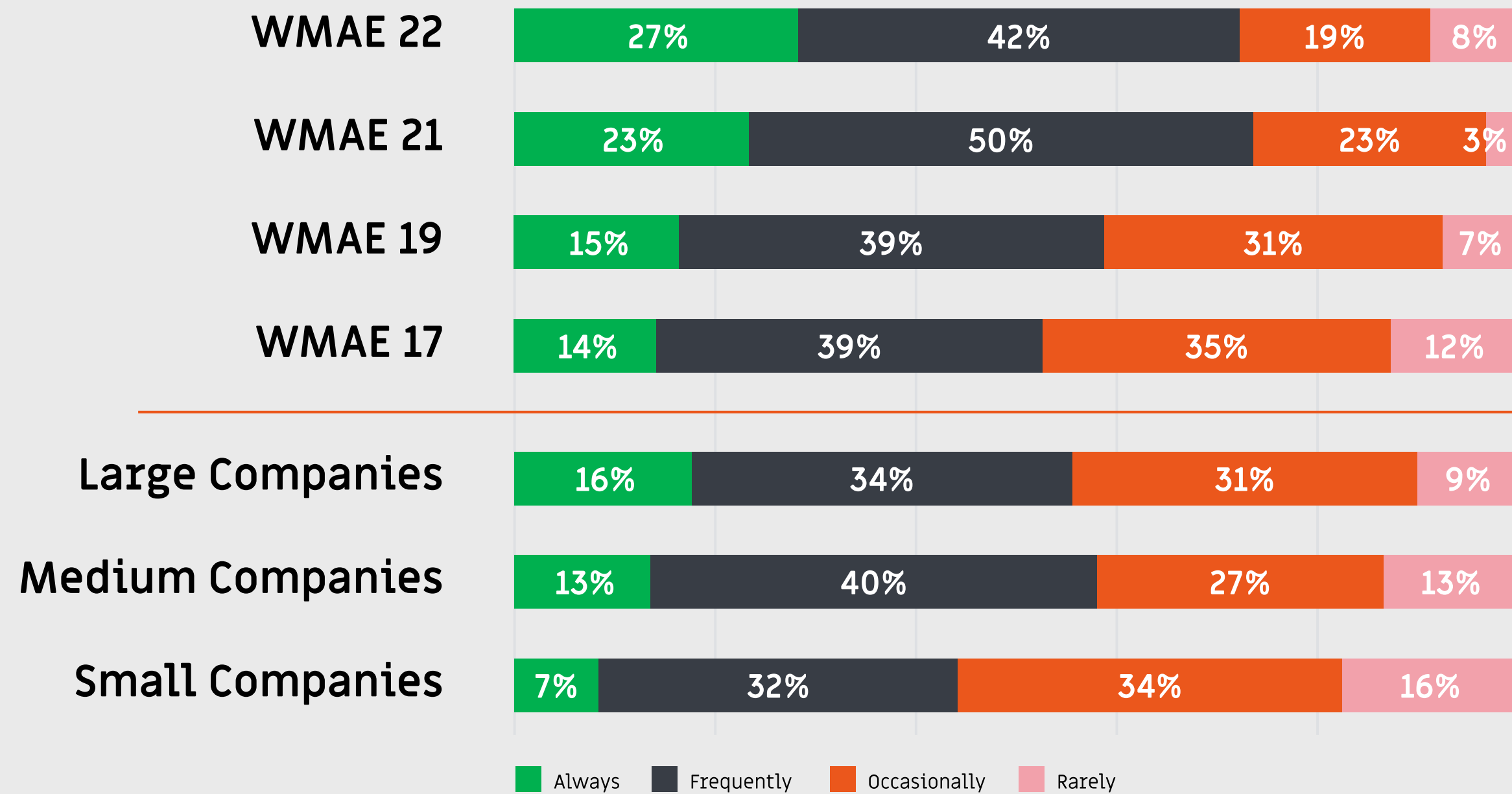
Data-driven decision making in Employer Branding and recruiting is critical not only to make talent attraction activities productive and efficient, but to prove to higher-ups that money is being spent effectively. This is especially true now as hiring needs ramp up and the quality and size of the talent pool shrinks. Talent professionals need more resources to compete, and proving that money is well-spent is a priority.

*World's Most Attractive Employers



Data-driven decision making still a challenge for Employer Brands

Q: How often would you describe your Employer Brand marketing decisions as being data-driven?



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*World's Most Attractive Employers

What does data-driven recruiting and Employer Branding look like?

- **Localizing strategy:** A company's EVP is a core set of values to guide and inspire Employer Branding and communications, yet that EVP must flex to adapt to local hiring conditions and needs. Top talent brands take a local, data-driven approach to Employer Branding. 2 in 3 talent leaders at WMAE* companies say they localize and target their communications, compared to 1 in 3 that focus on consistency.
- **Adopting niche talent strategies:** Savvy employers understand that highly sought-after talent requires a special touch. The strategies and messaging required to hire someone in IT differ from those needed to hire in marketing, which differ again those needed to attract legal talent. Top talent brands use personas, informed by data, to personalize Employer Branding to specific regions, roles, and people.
- **Experimenting with new technology:** Sophisticated Employer Branding leaves room for experimenting and creativity. This means trying out new tech platforms and methods to build better candidate datasets, personalize experiences, and predict candidate behavior, among other things. Top brands understand that systems and processes — while necessary to scale operations — can stand in the way of new thinking and innovation. Top brands try out new ideas to iterate and improve over time.

Lessons from the World's Most Attractive Employers

Each year we examine the specific lessons Employer Brand leaders can extract from the behaviors and strategies of the World's Most Attractive Employers. In 2022, the lessons from the WMAE* are powerful and pronounced. After two years of disruptions, the WMAE* is embracing the new rules of work, attracting candidates who are in many ways profoundly different from those who sought jobs pre-2020.

*World's Most Attractive Employers

Search for skills and a state of mind. The World's Most Attractive Employers understand that success in a hybrid work world requires a new set of skills and even a new mindset. In just one year, employers' search for "integrity and ethics" in future employees jumped 15 points, and "collaboration" jumped 14 points. Both of these are in-demand attitudes for workers who won't be shoulder-to-shoulder with peers and managers.

View "purpose" as a key directive. A large portion of WMAE*s cite "inspiring purpose" as a key EVP element (44%), but here "purpose" is less about working on a cause and more about doing meaningful work. Best-in-class employers understand that their employees spend a large portion of their lives at work, and they want to feel valued in those roles — whether because they are working on meaningful projects, recognized by their managers as key contributors, or given opportunities to grow their skills.

Prioritize flexibility to build a healthy talent pipeline. WMAE*s understand that no matter what today's priorities and investments look like, they may need to shift quickly to meet tomorrow's needs. Companies in the WMAE* take an agile approach to talent sourcing and management, pivoting quickly based on local conditions and data-driven insights. They were first to adjust their EVPs during the pandemic and first to pivot to nontraditional talent. Now, in the face of rapidly changing demands from workers, top employers are shifting policies and benefits, and doing so at speed to capture competitors flat-footed. In May 2022, Airbnb announced employees could work from anywhere without taking a pay cut; within three days, the company's career page received 800,000 visitors.⁶

⁶ The Wall Street Journal: "At Tech Companies, the Rebellion Against the Return to the Office Is Getting Serious," May 2022. https://www.wsj.com/articles/remote-workers-dont-want-to-go-back-to-the-office-11652500810?mod=Searchresults_pos3&page=1



Diversify talent sourcing. Top companies realize that despite their best efforts in Employer Branding, they will have to tap nontraditional sources to fill open positions. For many in the WMAE*, freelancers are becoming an important sourcing strategy. 36% use freelancers, and an additional 22% don't do so currently but intend to.

Double-down on Employer Branding. Best-in-class talent companies view Employer Branding as an asset, not an expense. Nearly all (86%) view it as a top priority to attract quality candidates and retain employees. At a time when talent professionals are maxed out with high turnover and record-high hiring needs, Employer Branding helps across the spectrum of talent attraction, hiring and retention — from pulling in a larger pool of attractive candidates and improving offer acceptance rates, to building better employee experiences.



ABOUT

universum

Universum is a data-driven, insight-led employer branding agency. Headquartered in Stockholm, we are now active in over 60 countries, with key hubs in Paris, Berlin, London, Zürich, New York, Singapore, and Shanghai. Every year we survey over one million students and young professionals and provide our clients with the analytics, strategy, and creative solutions they need to compete more effectively for talent.

THANK

YOU!

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how best-in-class
Employer Brands think, visit:
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