the future of engineering

attracting and retaining top talent.



human forward.

"I think the most surprising aspect of this research is how much disparity there is between what engineers want and what employers have to offer. With values like work-life balance and flexible hours encroaching upon monetary desire, businesses can no longer rely on brand power to bring home the best talent.

With the skills shortage causing unrest in UK engineering, it is important now more than ever to align your company's values with the needs of engineers. You can no longer expect the prestige or financial health of your business to evoke staff loyalty. The workforce is evolving and in order to attract the best talent, businesses need to evolve with them. "

### Chris Fine

branch manager, Randstad Engineering

# about this research.

To act locally we have to think globally. We've pulled the resources from our large network of branches that span cross-continent in order to gain a global workforce knowledge that can be applied to homegrown businesses. By surveying 175,000 working age adults in 30 countries about their employment preferences, we set out to discover practical insights that will better position your company as an employer of choice, helping to attract the engineering talent needed to drive innovation and support your operations.

The fourth industrial revolution has seen the rise of Cyber Physical Systems, IoT and networks. It has also seen the need for skilled engineers skyrocket past the amount of eligible candidates. Attaining the right staff has never been more challenging, however, there are measures that we have researched and collated for you to implement into your business to ensure that you emerge from the war of talent unscathed.

#### what employees want

Money: it may be number one but it isn't everything, especially in 2018. When attracting candidates, a high salary still wins, however, it is second to job security when it comes to retaining engineers. From our findings, we have also seen a desire for worklife balance to move up the ranks to become a top contender to salary and benefits for the first time ever. This shows that the needs of engineering employees are evolving and that it's time for businesses and employers to evolve with them.

To attract the best engineering employees to your business, it is important to understand what motivates the talent and skill sets you need the most. Building and implementing an attractive employee value proposition is an excellent first step, but creating sector specific messaging and campaigns that resonate with the relevant engineering disciplines will often be the deciding factor when securing the best talent for your business.



# attracting the top talent.

In 2018, the top two factors for engineers deciding on their next employer have been salary & benefits and job security. However, a good work-life balance is now at a comparable level to the latter.

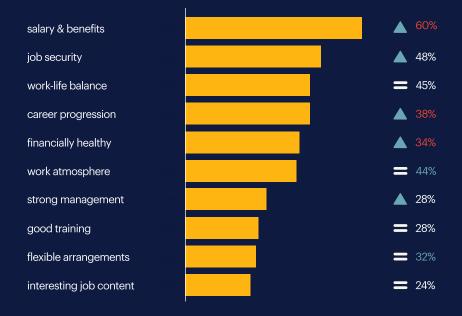
The results differ slightly from other sectors, with engineers valuing attractive salary and benefits (+5%), career progression opportunities (+8%) and an employer's financial health (+8%) compared to their peers in other job functions.



85% of engineers do not consider good company reputation as a strong reason to choose an employer.

### what do engineering workers want vs. global employees.

p 10 reasons to choose an employe

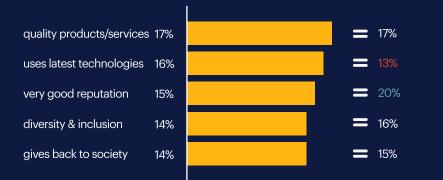


\* triangle highlighted green or red when the difference with 2017 data is 3+ percent higher or lower

\*\* percentage highlighted green or red, when the difference with engineering professionals for 2018 is 3 percent higher or lower

### what do engineering workers want vs. global employees.

#### least important reasons to choose an employer.



\* triangle highlighted green or red when the difference with 2017 data is 3+ percent higher or lower

\*\* percentage highlighted green or red, when the difference with financial services professionals for 2018 is 3+ percent higher or lower

## low on the list.

We asked the engineers which factors are least important when considering their next employment opportunity. We discovered that a very good reputation (15%), diversity and inclusion (14%) and whether the company gives back to society (14%) were very low on the lists of potential candidates.

Despite the low level of preference for use of the latest technology (16%), these technologies attract significantly more engineers (+3 percentage points) than workers in other sectors. Furthermore, compared to the global workforce, a very good reputation is a less important (-5 percentage points) quality in an employer for engineering professionals.

50% of the engineers we surveyed valued job security as a 'top 5' factor when choosing an employer.

## recruitment made to measure.

There are other factors that affect the desires of the engineering workforce, and having a tailored approach to your recruitment process will ensure that you not only target the best candidates, you hire them too.

#### gender

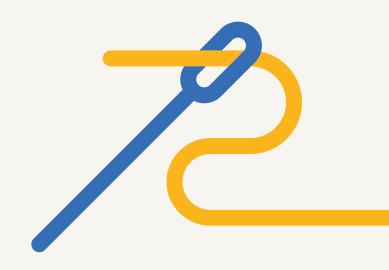
Whilst female engineers value work-life balance and a financially healthy company globally, women in the UK and Europe rank higher for job attributes such as work atmosphere and flexible arrangements.

Globally, men value work-life balance more (44%) than career progression (39%). However, for British male engineers, career progression and a work-life balance are equally important (45%).

These differences in gender and location may seem confusing, but they are the perfect opportunity to adapt your interview process to the likely desires of your interviewee. If you are interviewing a female engineer from the UK, these statistics enable you to put a stronger emphasis on benefits like work atmosphere and flexible arrangements, and when hiring for men you could make sure you advertise work-life balance over other benefits.

#### age

The results also differ by age. In the UK, 39% of 18 - 24 year olds find a strong management team of high importance, whilst employees aged 25 - 44 (30%) and 45+ find this less so. This could be because young workers starting new positions are aware of the fact they will often be overseen much more than experienced workers and they want to make sure they are receiving the best support and guidance to further their careers.



When advertising low and entry-level positions, you could stress management attributes such as full managerial training, 1-2-1 time, progression support and guidance to tempt the workers who require more contact time. Providing in-house training and progression for younger engineers is also great for the sustainability of a company and directly targets the skills gap by taking the initiative to up-skill the staff vourself.

#### education

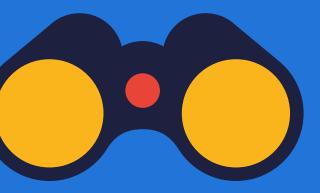
What workers want from a workforce also depends on their level of education. Engineers with fewer formal qualifications rank work atmosphere second, yet among middle and higher academically educated workers this ranks sixth. Middle educated engineers find flexible working arrangements more important (29%) than both lower and higher levels of academic education; and workers with higher academic qualifications (48%) prefer a good work-life balance.

# employees vs employers.

Our research presents a level of disparity between what job seekers desire and what employers actually offer. Your EVP (employee value proposition) must be unique, relevant and compelling if it is to act as a key driver of talent attraction, engagement and retention.

Employees rate salary and benefits as their top priority when looking for employment, whereas engineering employers see this as their fifth. Employers should look at what is important to the candidates they are trying to attract, and tailor their employer value proposition accordingly.

Have you aligned your recruitment strategy to what the workforce and talent is searching for? An SME may not be able to compete in terms of salary, but there are ways of enticing prospects that place less of a financial burden on a company. Adding a focus on career progression, job security and work-life balance to your roles can position you strongly against a competitor during the hiring process.



job seekers list work-life balance as their fourth priority, whilst employers rank it ninth.

#### employer exchange gap analysis

a gap between what employees seek and what employers offer is a valuable opportunity for a company's EVP.

#### engineering employees seek

- 1 salary & benefits
- 2 job security
- 3 career progression
- 4 work life belance
- 5 financially healthy
- 6 work atmosphere
- 7 interesting job content
- 8 uses latest technologies
- 9 very good reputation
- 10 gives back to society

- engineering employers offer
- 1 financially health
- 2 uses latest technologies
- 3 very good reputation
- 4 job security
- 5 salary & benefits
- 6 career progression
- 7 interesting job content
- 8 work atmosphere
- 9 work-life balance
- 10 gives back to society

please note that for comparison reasons a shortened list of 10 out of the original 16 drivers is shown above.

# switching roles.

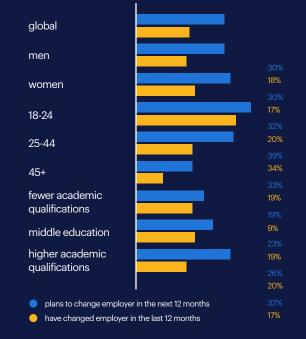
Engineering professionals switch careers at the same rate as the rest of the global workforce, meaning despite the scarcity of engineers and the overabundance of engineering roles, they are just as likely to remain in the same employment. There are good opportunities for staff retention within the sector if you make your jobs attractive enough.

When switching jobs, age is the strongest differentiating factor. 18-24 year olds make up just 8% of the engineering workforce, yet they change or plan to change employer at a higher rate to any other generation.

With 18-24 year olds finding a strong management team preferable, and under 44s requiring career progression in their roles, providing increased prospects from employees could be the necessary action to retain your younger workers.

Those with higher levels of academic education are also more likely to change roles when compared with middle and lower positions more frequently, however, by up-skilling junior members of staff and providing them with training and support, you can win the war for talent, by creating your own talent.

### changing employers



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over one third of 18-24 year old engineering professionals have switched employer in the past 12 months.

# attraction vs. retention.

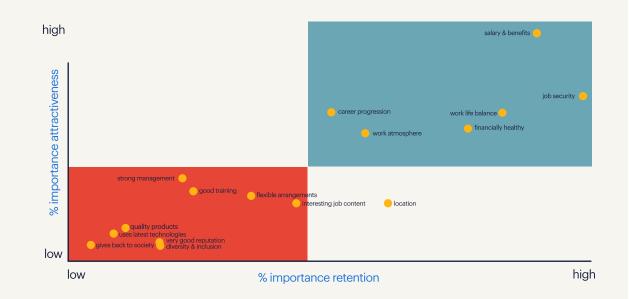
Attractive salary & benefits, job security and a good worklife balance are the top three drivers for both attracting and retaining employees. Career progression seems to have a big draw when attracting staff, ranked fourth, however, progression is significantly less important (seventh) for retention. When it comes to retaining engineers, financial health and location are the top reasons for our respondents to remain in the workforce.

Those attributes ranked lower in the diagram should not be neglected as they may provide the edge that other employers lack. If you know you are already doing everything you can in terms of the top three, then you may want to consider other values, such as good training, strong management and flexible working arrangements.



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# EVP drivers among engineers attraction vs. retention.



### reasons to stay.

The top five reasons to stay with an employer are job security (55%), salary & benefits (51%) work-life balance (48%), a financially healthy company (45%) and location (38%).

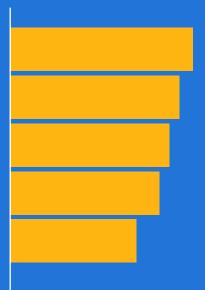
This does vary with the type of candidate, for example, over a third of male engineers ranked interesting job content as a reason to remain in a role, compared with 27% of female engineers.

Women in the UK and Europe, however, list work atmosphere as their number two priority in their workplace. To keep both men and women engaged with their role, it may be a case of adding elements of social life and team building activities in the workforce, as well as secondments for those who easily tire of the same tasks.

Furthermore, work-life balance is rated third for those aged 25-44 and 45+ meaning that as an employer, you need to adapt your approach to be aligned with what your current employees want. If you are not currently offering a good work-life balance, you are at risk of losing engineering staff to an employer that does.

### top five reasons to stay with an employer.

job security55%salary & benefits51%work-life balance48%financially healthy45%location38%



## reasons to leave.

The top factors that contribute towards an employee leaving were a limited career path (52%), low compensation (50%), lack of recognition/awards (31%), insufficient challenges (30%) and work-life balance issues (25%).

Having a limited career path is the number one factor causing engineers under 44 to look for new employment. By having internal plans in place for career progression, reviews and secondments, you can help to keep the workforce engaged, broaden their career paths and keep productivity high.

### top five reasons to leave an employer

limited career path	52%	
compensation is too low	50%	
lack of recognition/ rewards	31%	
insufficient challenges	30%	
work-life balance issues	25%	

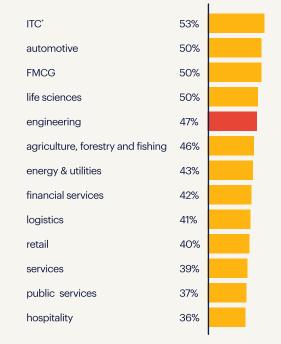
# how attractive is the sector?

Engineering as a sector is relatively attractive, with 47% of the general population willing to work for an engineering business.

This has a lot to do with the perception that engineering businesses offer all employer brand attributes above the global average.

However, just 31% of respondents believed they would find employment within the sector, due to the belief that they may not have the skills or ability to do so. This implies that engineering could come across as daunting to outsiders, impacting the already limited pool of talent.

#### sector attractiveness



\*the ITC relates to companies in IT, technology & communications



#### is it attractive to everyone?

Diversity within engineering can be problematic. According to our study, only 19% of the workforce are female. Our brand research suggests this may be down to women feeling less capable of working in the sector (27%) than men do (34%). This can be addressed by adapting your hiring strategy to include an emphasis on tailored training and support.

However, there may be other contributing factors. In our 2018 Women in Engineering report, over a third of women were passed over for promotions or offered a less important role and 29% had received inappropriate comments or behaviour from male colleagues. Equality issues like these are a lot harder to resolve, but to attract enough skilled engineers to plug the skills gap, it is essential that women are made to feel welcome in their engineering role.

Introducing leadership schemes, support networks, diversity training and female PPE as standard you can make the right steps towards making your business more inclusive.

This years' engineering sector report is a resource you can refer to throughout the year as you look to recruit and retain the best talent in the field. We invite you to explore more of our thought leadership on employer branding and talent attraction, by visiting our insight centre.

Owen Goodhead, managing director Randstad Construction, Property & Engineering

### visit our insight centre >

# get in touch.

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