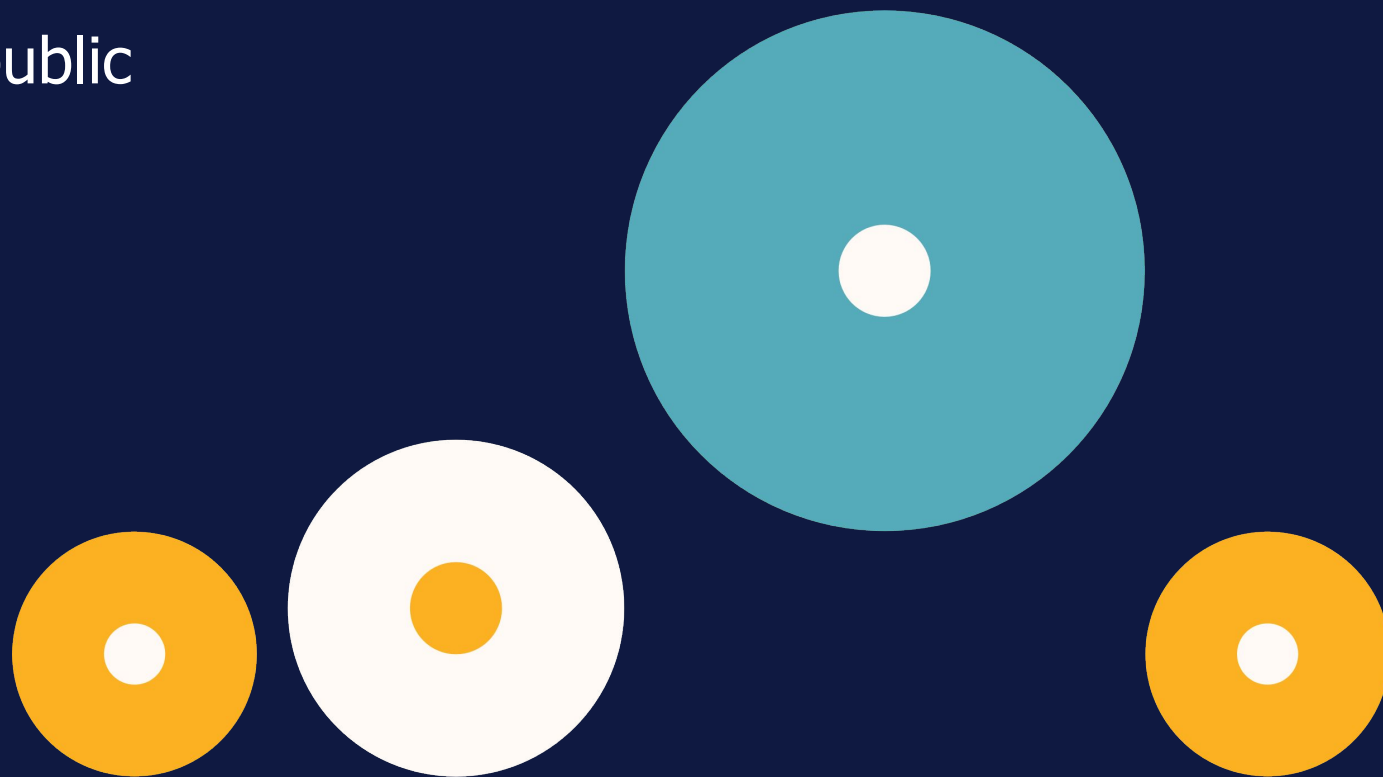


hr trends 2021

randstad czech republic



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introduction.

This report offers insights into various trends and developments impacting the HR and recruitment practices in the Czech Republic.

Talent attraction and retention, recruitment practices, human capital strategy, the business challenges caused by Covid-19 impact, as well as recovery strategies adopted by the companies throughout the country are the key themes included in the report.

Between February and April 2021, over 150 decision-makers and HR executives coming from a variety of industries in the Czech Republic, completed the annual Randstad HR Trends Survey.



executive summary.

- Due to the coronavirus pandemic restrictions, most companies had to switch from on-site working to work from home; 71% of respondents state that their companies implemented more stringent health and safety protocols.
- Compared to 46% respondents in 2019, as the coronavirus pandemic impacted many of the surveyed companies, only 34% of respondents expect an increase in their volume of sales in 2021 and about 23% foresee a decrease.
- Most of the surveyed companies consider that working from home is and will remain a viable solution even when the pandemic is over; 82% of respondents are planning to implement remote work models in the future. For 67% of the participating companies, a partially remote working model will be a viable solution to ensure both the health of the employees and workforce productivity.
- Production, sales and engineering are the top three departments where companies are planning to hire new people in 2021.
- Despite the new covid-19 situation most companies confirmed that top recruitment practice to be used remains the face-to-face interview.
- Lack of industry working experience, along with lack of required years of working experience and lack of soft skills are the most common barriers encountered by the companies during the recruitment process.
- Some of the HR challenges that most participants are expecting to encounter are retaining top performers, increasing workforce performance and productivity. Also, most companies address skill shortages by increased salaries and benefits package and using education and training programs.

attracting

talent.



key elements for attracting top talent.

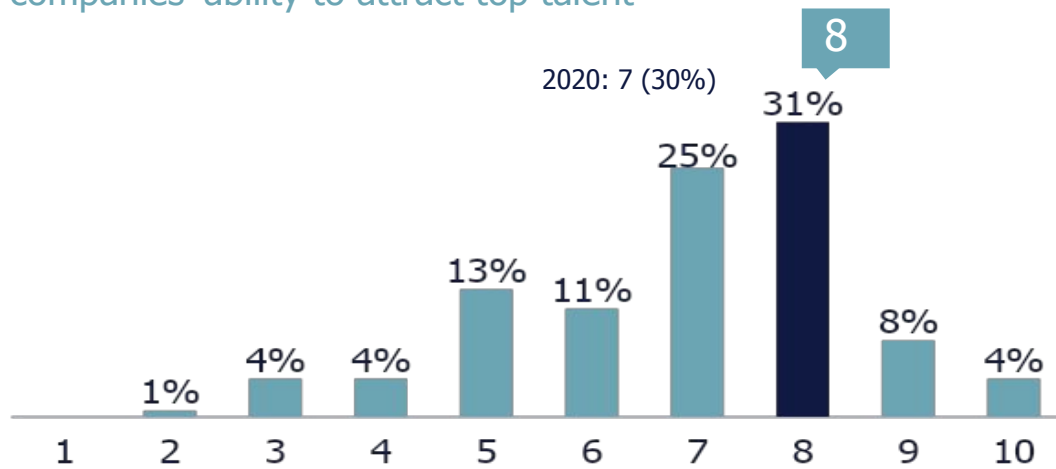
- Due to the recent covid-19 crisis, offering high job security (60%), a competitive salary package (55%) and a very attractive employee value proposition (61%) are the aspects that gained most importance among the elements that are considered as key elements for attracting talent in 2021.
- Compared to 2019, the respondents are more optimistic regarding their company's ability to attract talent, about a third rating this ability with 8 out of 10.

key elements to attract top talent

	2021	2020
strong employer branding	61%	69%
high job security	60%	28%
a very competitive salary package	55%	72%
a clear and purposeful mission	52%	49%
a very attractive employee value proposition	51%	44%
flexible work policies/good work-life balance	42%	70%
good international opportunities	18%	29%
other	4%	3%

the total is more than 100% because more than one answer is possible.

companies' ability to attract top talent

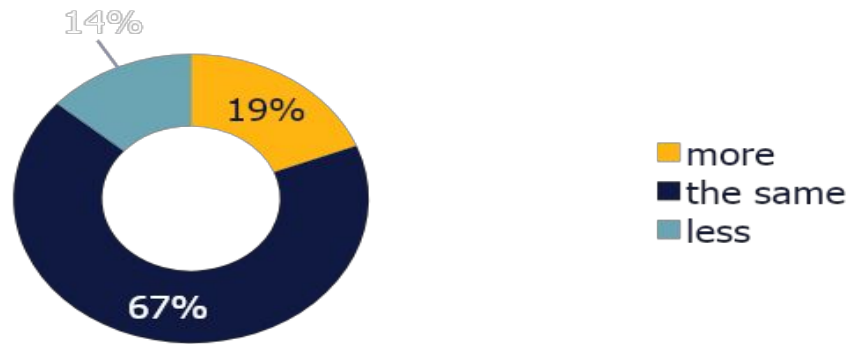


on a scale from 1 to 10, where 1 signifies "poor" and 10 signifies "excellent"



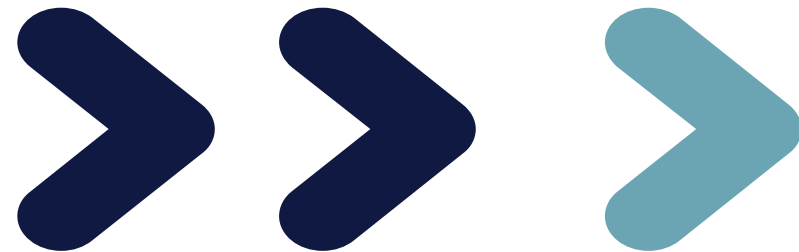
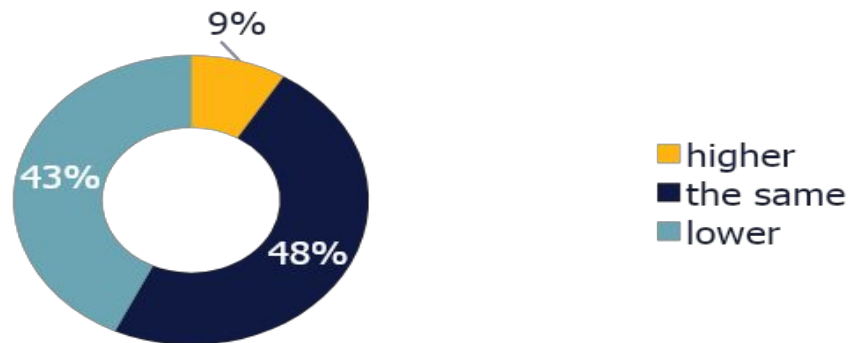
expected turnover and time to find the right talent.

time to find the right talent compared to last year.



- In the light of the current situation, a significant percent of about 43% of the participant companies are expecting a lower turnover in 2021 compared to 2020.
- Despite the latest changes in work and the adoption of remote working measures, it seems that it takes about the same time to find the right talent in 2021.
- 19% of the respondents believe that the time allocated to recruitment processes will be longer in 2021, as compared to last year.

expected turnover compared to last year.

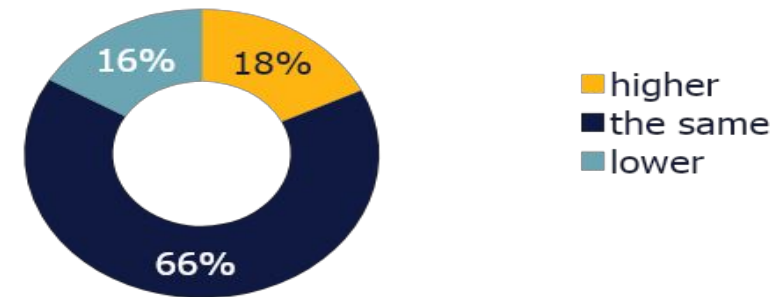


benefits offered by the companies.

	2021	2020
additional leave days	91%	87%
training	83%	85%
ticket restaurant coupons	78%	-
bonuses/individual performance bonuses	66%	80%
mobile phone	66%	-
career development	64%	68%
competitive salary	56%	74%
flexible working options	51%	65%
pension plan	42%	55%
health and wellness programs	39%	58%
company car	36%	-
life insurance	31%	38%
non-financial rewards/recognition	31%	59%
medical insurance/disability insurance	10%	16%
deductible expenses (gas, home internet, etc.)	8%	-
profit sharing	7%	20%
paid parental leave/childcare benefits	6%	19%
no answer	3%	0%

the total is more than 100% because more than one answer is possible.

salaries compared to competitors



- In 2021, almost all surveyed companies will provide additional leave days and trainings for their employees.
- More than 60% of the respondents offer ticket restaurant coupons, bonuses or individual performance bonuses, mobile phone and career development possibilities.
- Compared to 2020, the number of companies that offer competitive salaries, health and wellness programs and non-financial rewards decreased by approximatively 20%.
- Also, most respondents evaluate their salaries to be about the same as their competitors.

expected HR challenges.



Retaining top performers, increasing the performance & productivity and employer branding are considered top three challenges for the participant companies.



Workplace inclusivity, internal or external mobility and managing internal programs are considered as the least challenging.



	2021	2020
retaining top performers	67%	62%
increasing performance and productivity	48%	53%
employer branding	36%	29%
attracting talent for the next phase of growth	34%	34%
keeping employees well informed	34%	32%
managing expectations on compensations and benefits	33%	48%
developing talented leaders	32%	35%
avoid losing top talent to competitors	29%	40%
shortage of local talent	24%	30%
creating/maintaining an open and flexible environment	20%	22%
managing skill shortage	17%	24%
workplace inclusivity (e.g. diversity, transparency, etc.)	10%	15%
internal/external mobility	8%	9%
managing internal change programs	6%	8%
other	4%	4%

the total is more than 100% because more than one answer is possible.

implementing remote working measures.

remote working measures taken for all or part of the workforce over the past 6 months

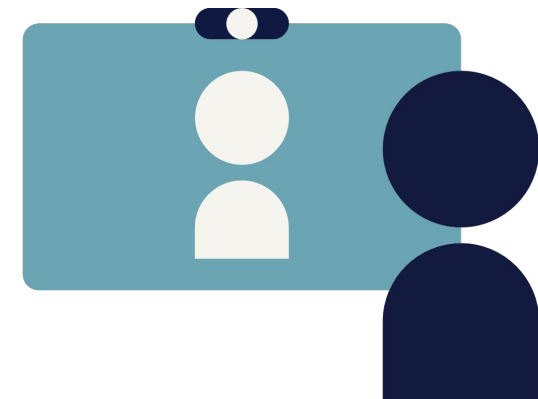
yes, and we continue to do so today	64%
yes, the we implemented remote working, but have already returned to in-house attendance	20%
we did not implement remote working, but we see it as likely in the near future	1%
remote working was not applied and will not be in the foreseeable future	15%

82%

of respondents expect to continue implementing work from home measures once the crisis is over (15% with the same degree as now; 67% at a lower level - fewer days per week, fewer departments allowed with remote working)

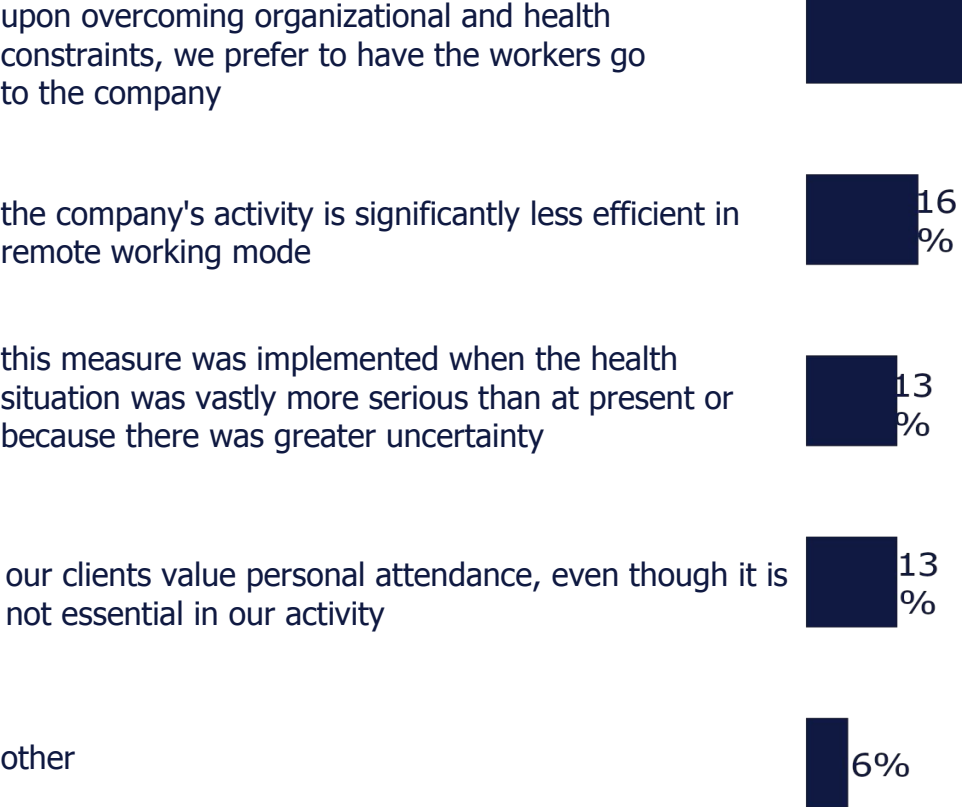
main reasons for engaging in remote working in the near future

it is the best way to reduce health risks	81%
we were already using remote working prior to the crisis, with satisfactory results	12%
we are satisfied with the workers' productivity	10%
employees are demanding it in order to be able to manage their personal time better	9%
there is no other way to organize the work (the other option would be to cease our activity)	8%
other	6%

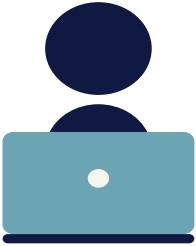
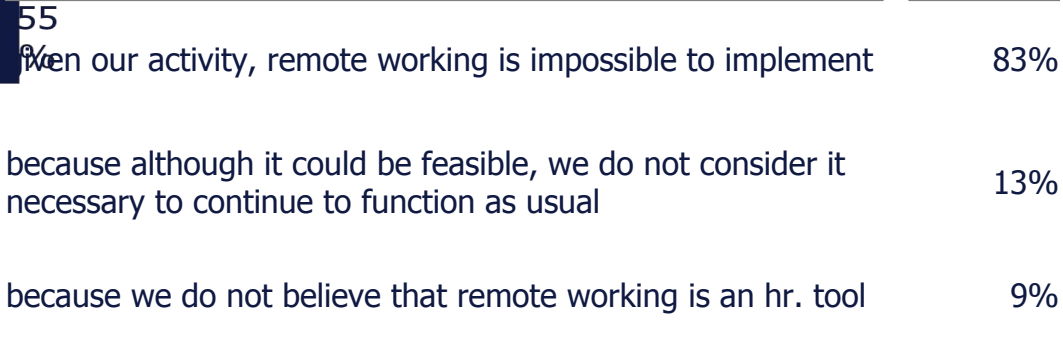


reasons why companies have not implemented remote working.

reasons for returning to in-house attendance



reasons why remote working is not a viable solution for some companies



Main reasons why some companies will engage in remote working even if it has not been implemented before the pandemic are that health uncertainty is currently greater or that even if it was not essential in order to keep the company running, the employees have asked for this measure to be implemented.

human capital

stra



recruitment intentions.

main reasons for hiring

	2021	2020
staff turnover	62%	64%
business growth	36%	31%
launch of new department/new product	29%	28%
need for new skills in the organization	27%	25%
national/international growth of your company	20%	39%
employee retirement	20%	18%
investment plans	14%	18%
business diversification	4%	8%

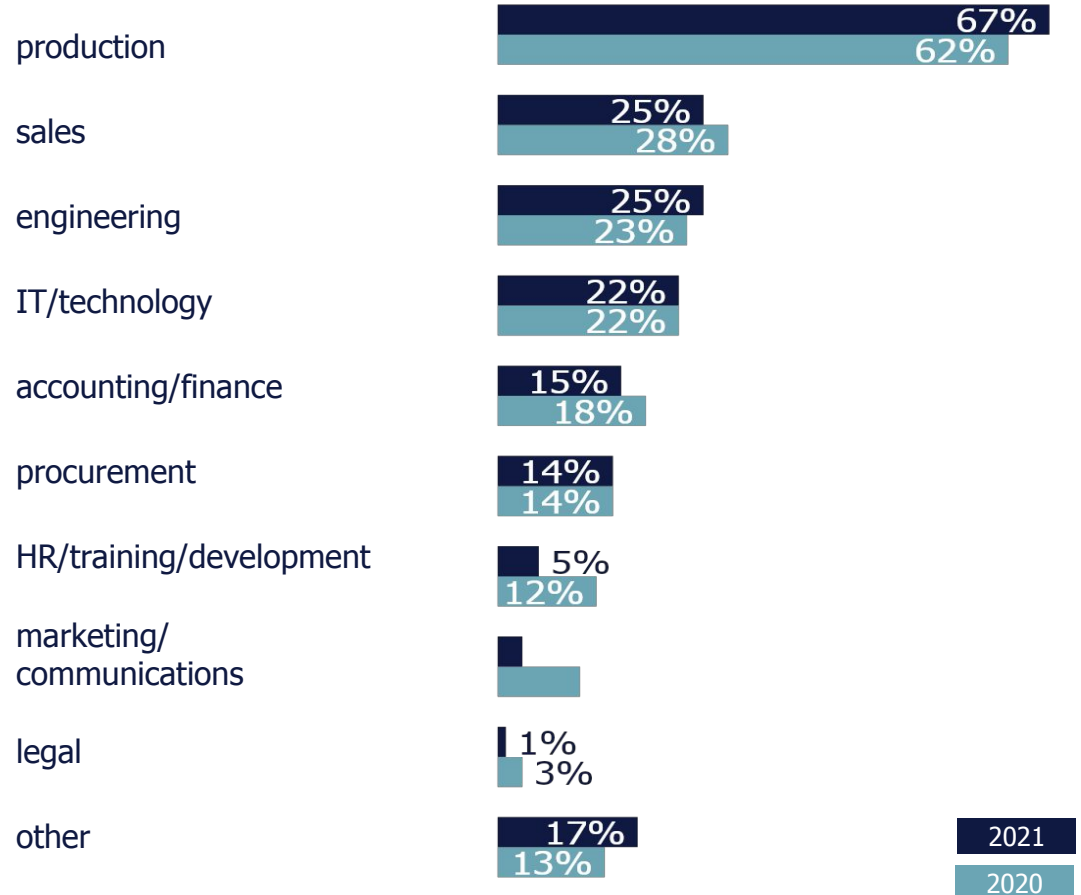
the total is more than 100% because more than one answer is possible.

open positions in the next 6 months

temporary	42%	permanent	81%
outsourced temporary	20%	outsourced permanent	21%

the total is more than 100% because more than one answer is possible.

hiring plans by department



the total is more than 100% because more than one answer is possible.



addressing skill shortages

almost half of the companies are willing to improve salaries in order to overcome skill shortages.

main challenges during recruitment process

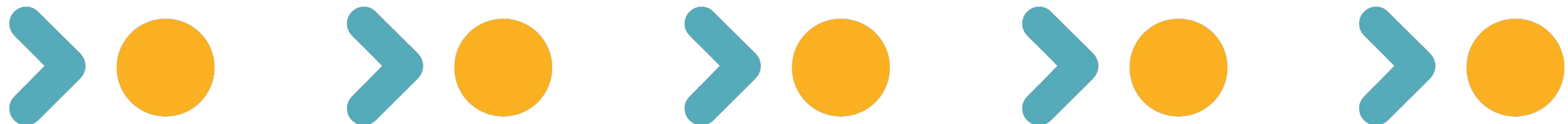
	2021	2020
industry working experience	62%	62%
required years of working experience	29%	21%
lack of soft skills - communication, team working, team management	23%	31%
lack of foreign languages skills	21%	32%
specific educational skills	15%	-
management tools experience	14%	16%
ethical issues (values, attitude, culture)	10%	8%
international experience	7%	23%
I don't encounter any problems	3%	1%
other	3%	-

the total is more than 100% because more than one answer is possible.

actions to address skill shortages

	2021	2020
improve salary & benefits pack to retain and attract talent	49%	43%
offer education and training programs	45%	44%
offer more flexible work options to employees	31%	30%
increase use of externally hired contractors	24%	31%
hire talent from other countries	13%	29%
hire more part-time workers	13%	13%
my organization is not impacted by skill shortages	7%	5%
outsource business functions	5%	18%
other	2%	4%

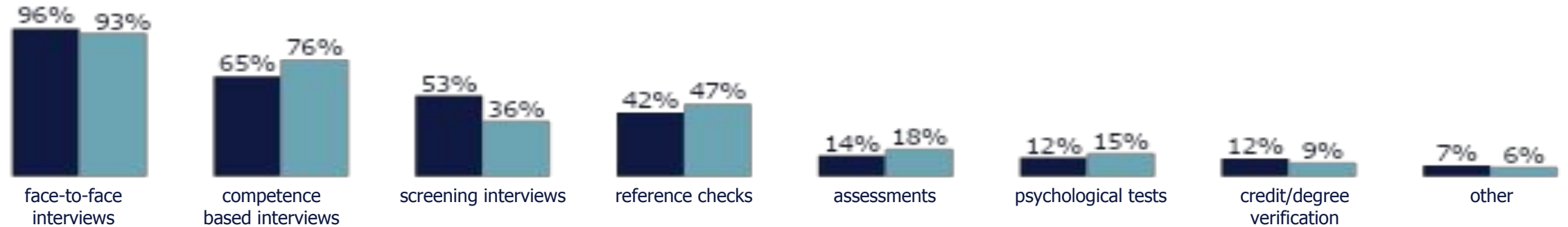
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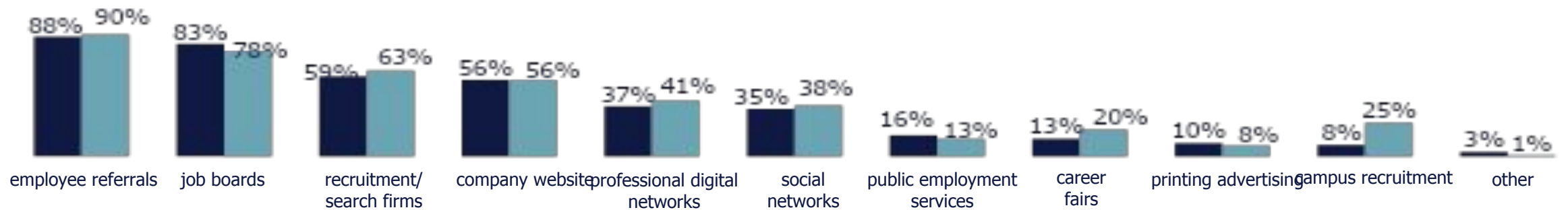
sources and practices used to recruit talent

face-to-face interviews remain the most common recruitment practice in 2021.

most important practices during the hiring process.



most effective sources used for recruiting talent.



the total is more than 100% because more than one answer is possible.

*professional digital networks refer to LinkedIn, Xing, etc. and social networks refer to Facebook, Instagram.

2021 2020



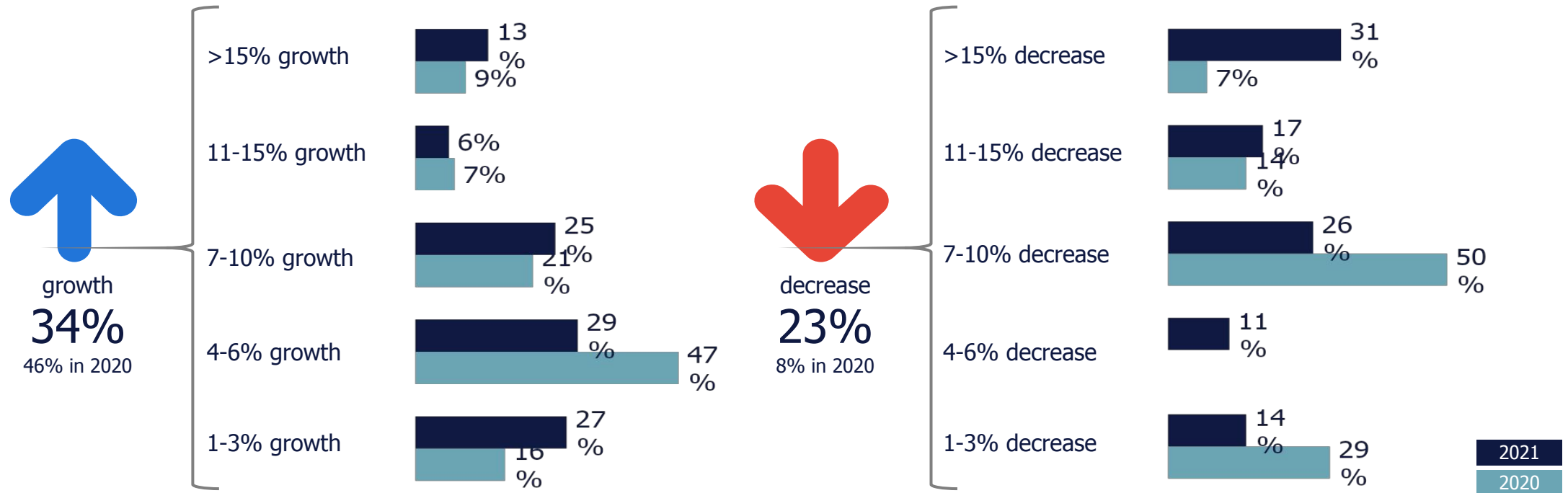
business

challe



expected sales volume

31% of respondents expect their company's sales volume to remain stable in 2021.



- Compared to 2020, when the respondents' sales evolution expectations were quite high, in 2021 the proportion of companies that expect their sales volume to increase is at 34%, registering a 12pp. drop since last year. Furthermore, the part of respondents who expect their sales volume to decrease is almost three times higher this year than in 2020.
- 81% of the respondents expect to see a business growth between 1 to 10%, while only a small percent of 13% respondents foresee a sales volume increase of over 15%.
- Most participants who foresee sales decrease, expect their sales to be reduced by more than 15%.

companies' status in the current situation.

not at all affected by the crisis, and operating normal	40%
although the company has been affected by the crisis (loss of turnover, workforce reduction), it has recovered and is back to its pre-crisis situation	18%
business is running fairly smoothly, but it has not yet recovered its pre-crisis turnover nor its workforce levels	34%
business is strongly affected by the crisis and its activity is significantly reduced	8%
business is in a state of total activity standstill, although this is a temporary situation	0%
the company has definitively ceased its activity	0%



40%

of participant companies have not been affected by the pandemic and are operating normally



55%

of the participant companies who were affected by the crisis consider they will recover to pre-crisis levels during 2021

(2021Q1 – 2%; 2021Q2 – 11%; 2021Q3 – 26%; 2021Q4 – 17%;)



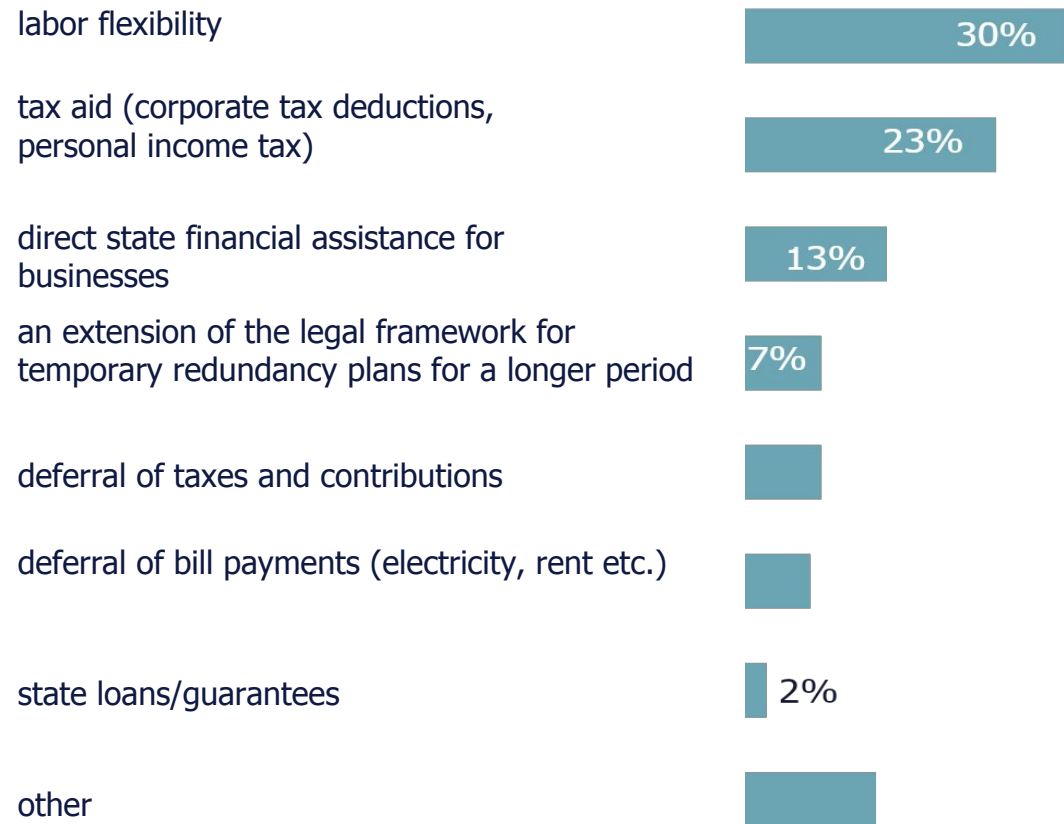
43%

of respondents believe they will recover in 2022 or later and 2% state that they will never recover the pre-crisis business volume

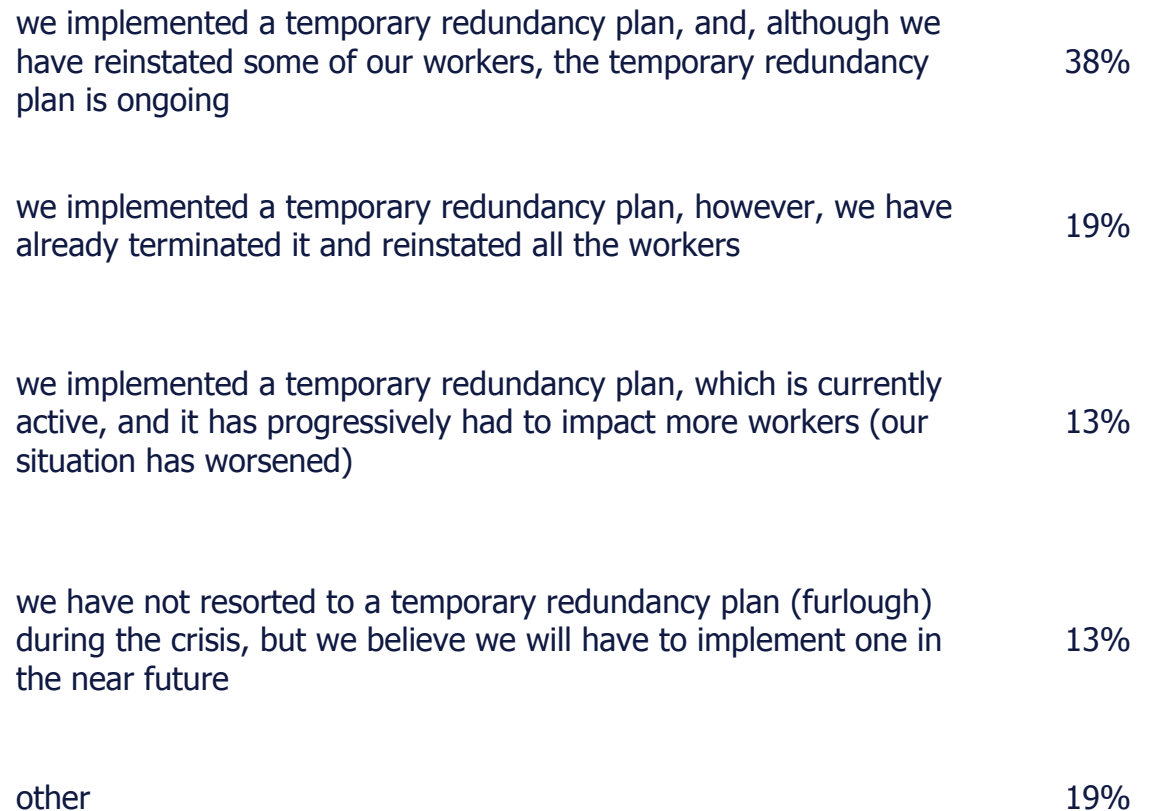


business recovery measures and redundancy plans.

recovery measures



redundancy plans



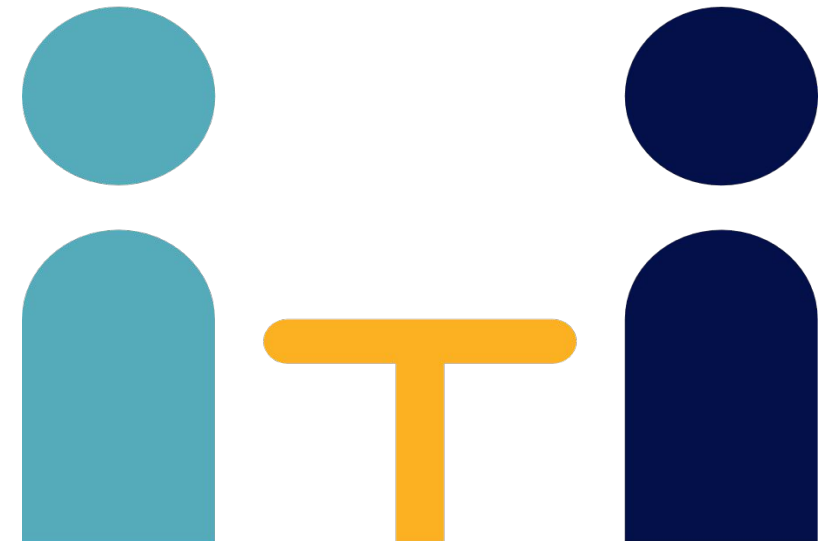
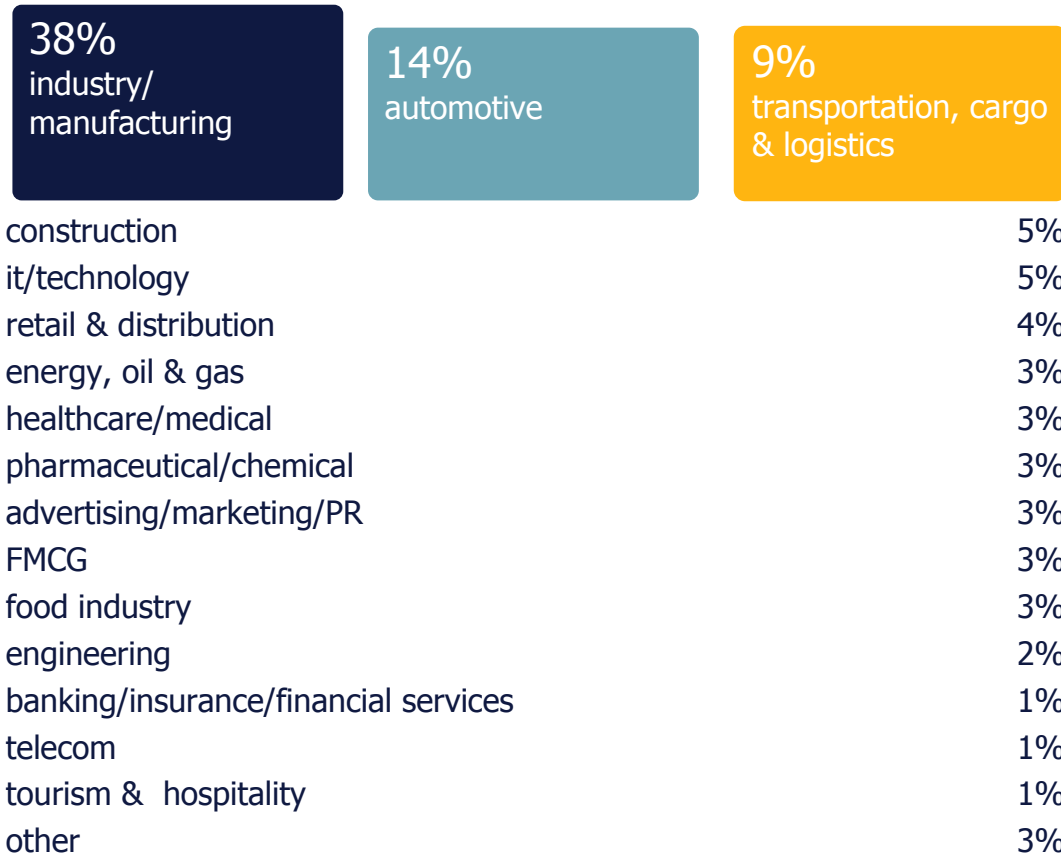
respondent

profile.



respondent profile.

by sector

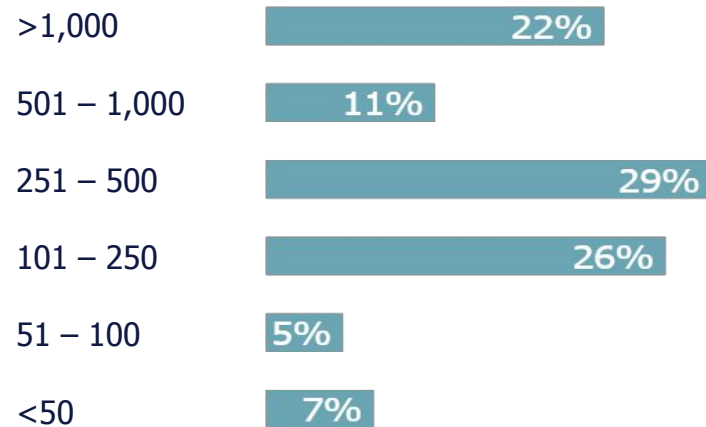


respondent profile.

by size of the company



number of employees



involvement in the hiring process



72%

of respondents are in the HR department, while 18% are in the general management department of their companies.

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human forward.

