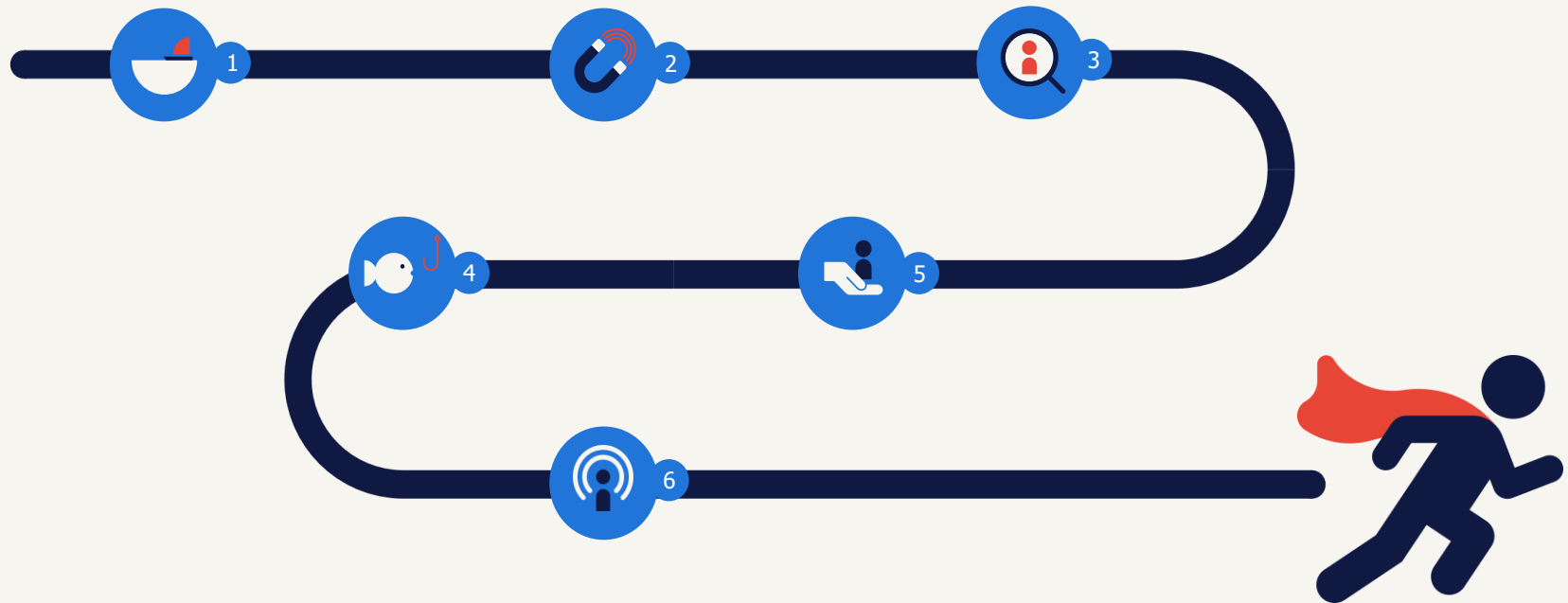


hr trends research 2020

randstad czech republic



what are 2020's HR trends?



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introduction.

- The third edition of the Randstad HR trends report offers insights into various trends and developments impacting the human resources and recruitment practices used by companies in the Czech Republic.
- The key themes of this report include attracting talent, human capital strategy, recruiting practices and talent retention.
- From December 2019 to February 2020, over 200 decision-makers and HR executives from a variety of industries in the Czech Republic completed the survey.
- For the research, analysis and design of this report, Randstad partners with Evalueserve, a global market research and analytics firm (www.evalueserve.com).



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3

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executive summary.

- Offering a very competitive salary package along with flexible work policies remain the main key elements in attracting talent in 2020.
- The proportion of respondents that foresee business growth in 2020 decreased by 10pp, with 46% respondents expecting increased turnover in 2020, as compared with 56% respondents registered within the previous year.
- Nonetheless, 59% of the surveyed companies plan to hire people for permanent positions and 43% plan to recruit people for temporary positions in 2020.
- Almost two-thirds of respondents are planning to increase their headcount within the production department, followed by the sales department (28% respondents) and engineering department (23% respondents).
- Employee referrals together with job boards are still considered the most efficient sources to be used when hiring new personnel.
- In regards to barriers faced by companies when trying to find the right people, lack of industry working experience and foreign language skills are considered as the most common ones.



attracting

talent.



attracting talent

main findings.

- Same as last year, the companies consider that offering a very competitive salary package is the most important element in regards to attracting top talent.
- A strong employer brand is also in the top three key elements that companies are using in order to attract new talent in 2020.



the companies are confident about their ability to attract talent, ranking themselves as 7 on a scale from 1 to 10



uncompetitive salary or benefits and a weak employer brand are considered as the main reasons in limiting the companies' ability to attract talent



20%

of respondents view lack of corporate direction, vision or purpose and lack of CSR activities as obstacles in attracting top talent





attracting top talent

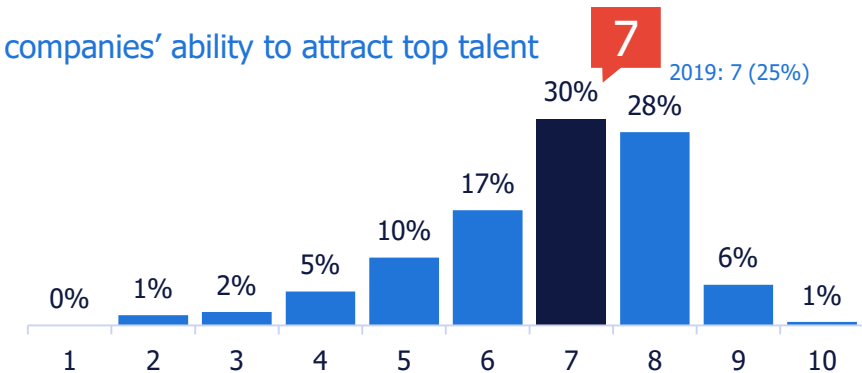
companies' ability to attract top talent remains the same as in previous year.

key elements to attract top talent

	2020	2019
a very competitive salary package	72%	62%
flexible work policies/good work-life balance	70%	51%
strong employer brand	69%	50%
a clear and purposeful mission	49%	41%
a very attractive employee value proposition	44%	44%
good international opportunities	29%	15%
high job security	28%	35%
other	3%	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"

reasons for failing to attract top talent

	2020	2019
uncompetitive salary and benefits	61%	61%
weak employer brand	45%	32%
lack of internal career opportunities	38%	32%
lack of flexible work options	31%	26%
ongoing talent shortages	29%	23%
industry is less appealing	27%	27%
unappealing work environment	27%	26%
poor leadership	22%	17%
ineffective recruitment strategies	19%	16%
lack of opportunities for creativity	16%	15%
lack of corporate direction, vision or purpose	14%	15%
lack of corporate social responsibility	6%	7%
other	4%	3%

human capital

strategy.



human capital strategy

main findings.

- Over 60% of the surveyed companies consider that retaining top performers is the main HR challenge that will be encountered in 2020.
- The proportion of respondents that consider losing top talent to competitors as an important HR challenge in 2020 increased by 16pp, from 24% respondents in 2019, to 40% respondents in 2020.
- Top departments in which the respondents are willing to pay more in order to retain or attract talent are IT/technology, production and engineering.



similarly to last year the main reasons for recruiting new personnel are staff turnover and the growth of the company on national/international level



62%

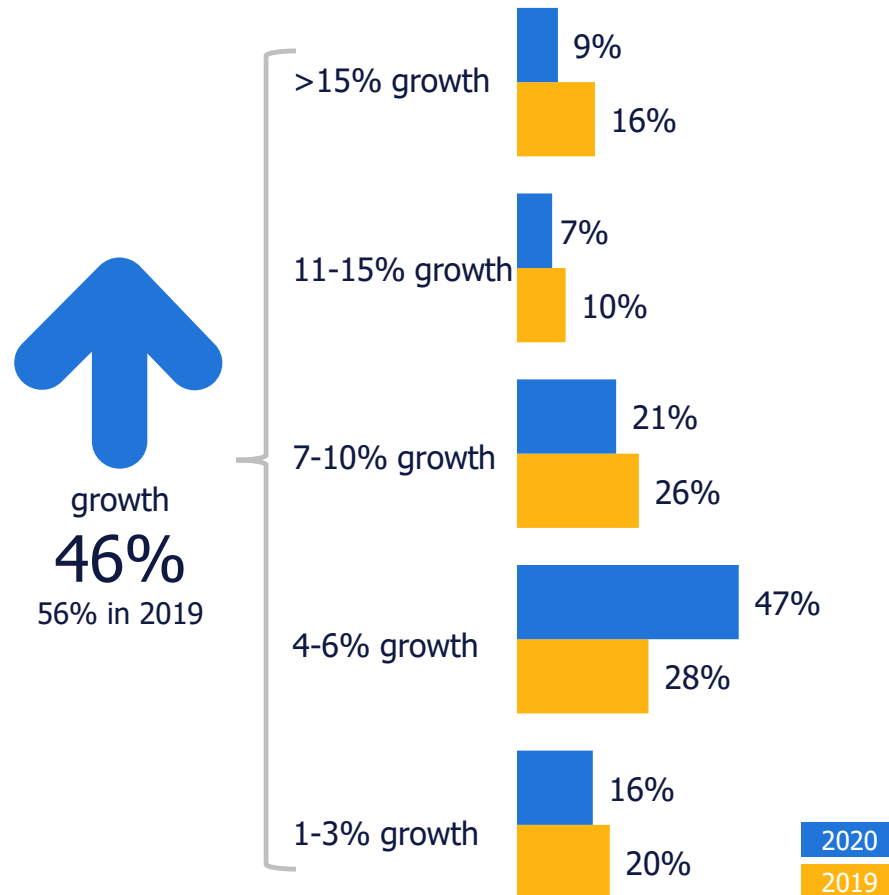
of companies plan to make future hiring within the production department



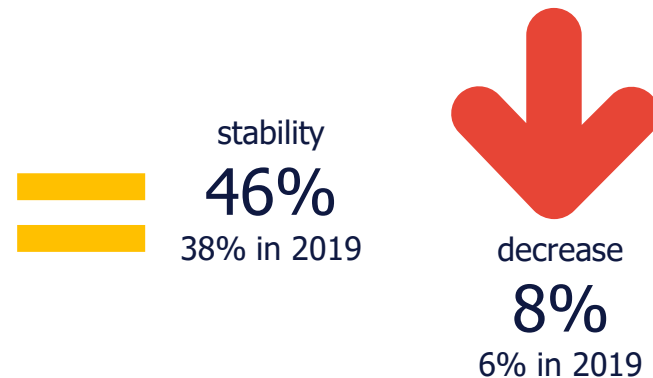
business growth in 2020

almost half of respondents expect their business to grow.

business growth expectations



- Business growth expectations decreased by 10 pp, with 46% respondents expecting increased turnover in 2020, as compared with 56% respondents registered within the previous year.
- As compared with the previous year, when 26% of the companies expected a business growth of over 10%, this year 16% of companies are expecting the same business rate growth.
- 46% of respondents foresee stability, while 8% expect their business to decrease in 2020.





main HR challenges for participating companies.

major human resources challenges

	2020	2019
retaining top performers	62%	49%
increasing performance and productivity	53%	41%
managing expectations on compensations and benefits	48%	38%
avoid losing top talent to competitors	40%	24%
developing talented leaders	35%	25%
attracting talent for the next phase of growth	34%	30%
keeping employees well informed	32%	21%
shortage of local talent	30%	25%
employer branding	29%	24%
managing skill shortage	24%	20%
creating an open and flexible environment	22%	19%
workplace inclusivity	15%	5%
internal/external mobility	9%	9%
managing internal change programs	8%	5%
other	4%	5%

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





addressing skill shortages

industry working experience is reported as being the main barrier during the recruitment process.

main impediments during recruitment process

	2020	2019
industry working experience	62%	55%
lack of foreign languages skills	32%	25%
lack of soft skills	31%	30%
ethical issues (values, attitude, culture)	23%	22%
required years of working experience	21%	20%
specific educational skills	16%	19%
management tools experience	8%	7%
international experience	1%	3%

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

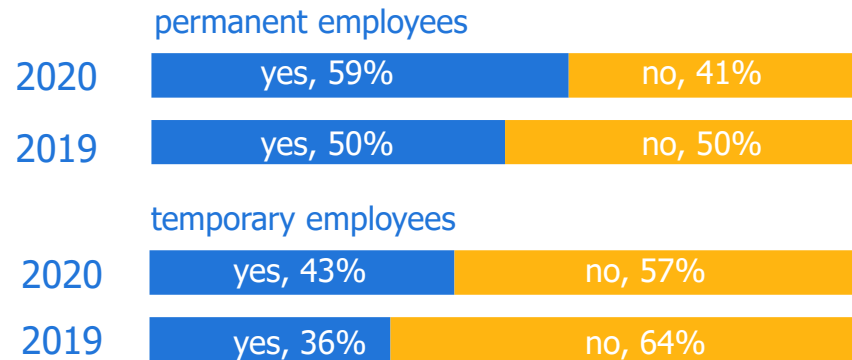
actions to address skill shortages

	2020	2019
education and training programs	44%	40%
improve salary and benefits	43%	42%
increase use of externally hired contractors	31%	27%
offer more flexible work options to employees	30%	26%
hire talent from other countries	29%	23%
outsource business functions	18%	11%
hire more part-time workers	13%	19%
organisation is not impacted by skill shortages	5%	8%

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



recruitment intentions of participating companies.

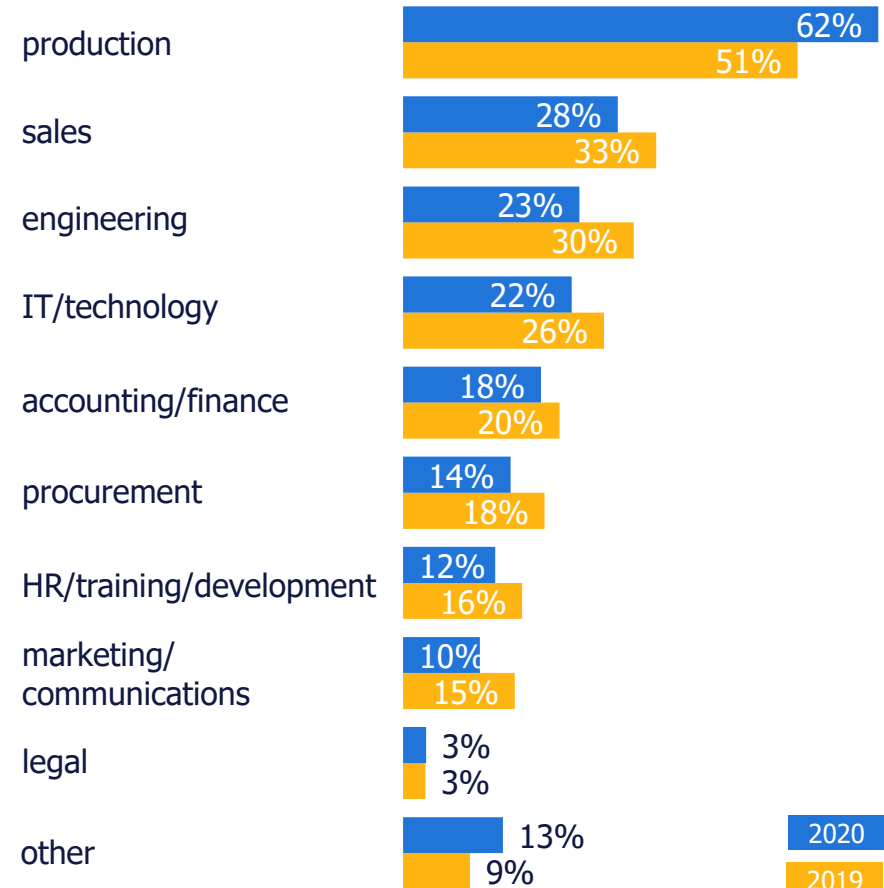


main reasons for new hires

	2020	2019
staff turnover	64%	59%
national/international growth of the company	39%	42%
market (economy) growth	31%	36%
launch of new department/new product	28%	32%
need for new skills in the organization	25%	29%
investment plans	18%	19%
employee retirement	18%	13%
business diversification	8%	3%

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

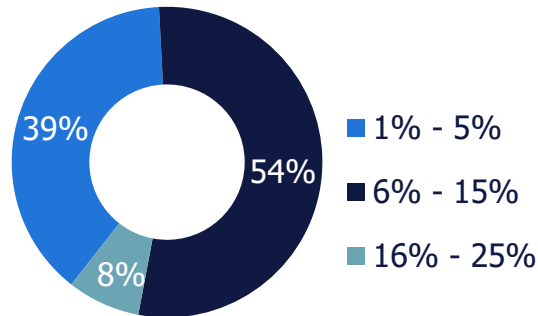
hiring plans by department





attraction & retention through improving salaries.

how much more will you be willing to pay in order to retain or attract talent?



92%

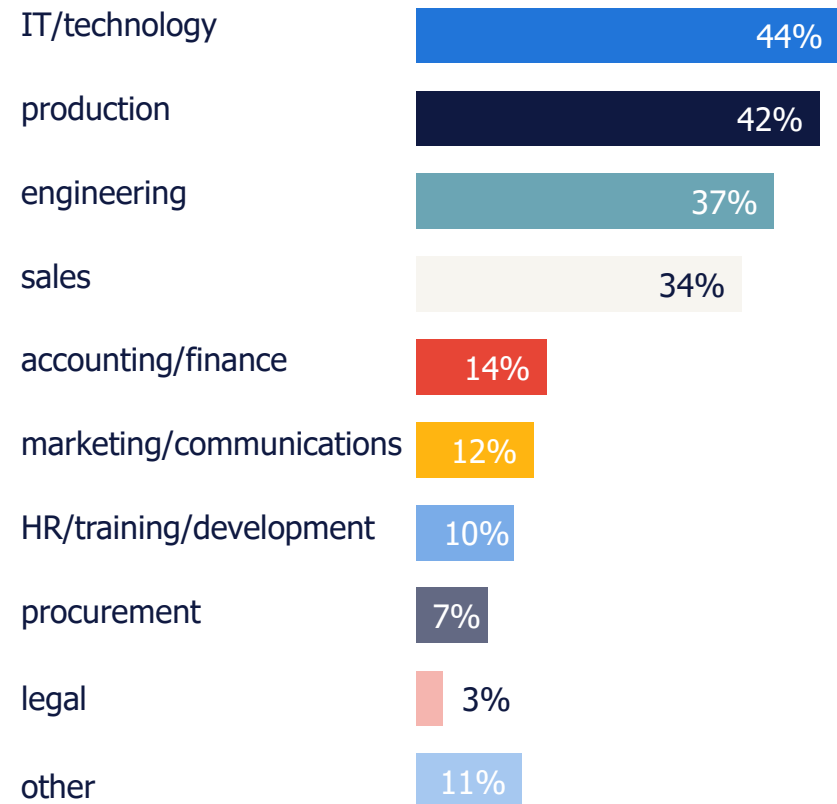
of respondents are willing to raise salaries by a maximum 15% to attract or retain talent



74%

of respondents are willing to pay more in order to retain or attract new talent in 2020

departments in which respondents are willing to pay more in order to retain talent



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

recruitment

practices.



recruitment practices

main findings.

- Employee referrals, job boards and recruitment/search firms are the most used recruitment methods in 2020, with 90% of surveyed companies considering the employee referral programs as their leading recruitment strategy.
- Almost 70% of the surveyed companies consider face-to-face interviews as the most important hiring practice for them, while 36% of the respondents rank it among their top three hiring practices.



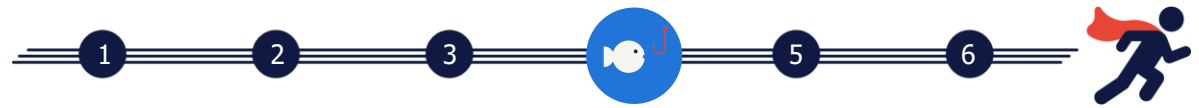
competency-based along with screening interviews are considered as being within the companies top three most important recruitment practices



45%

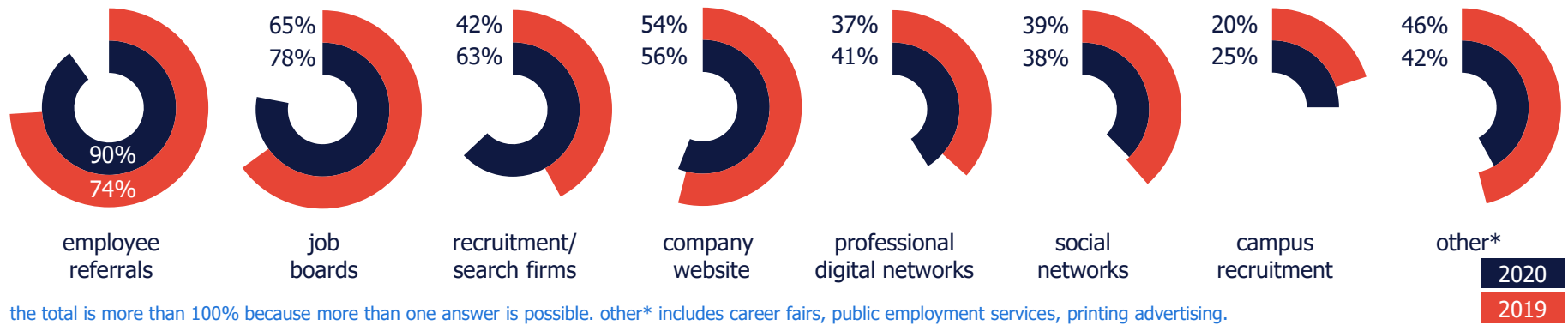
of the respondents placed the psychological tests within their top 3 hiring practices



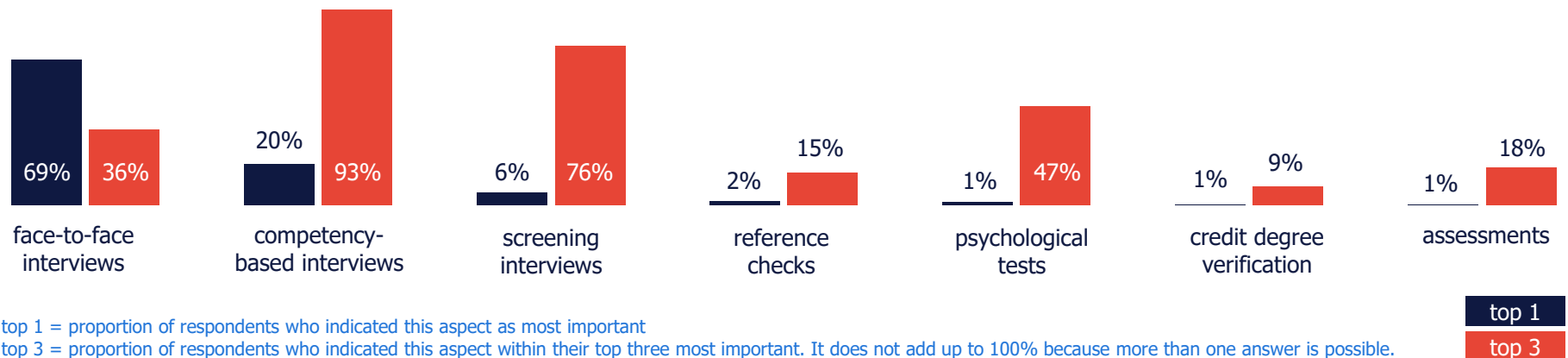


sources & practices used in talent recruitment

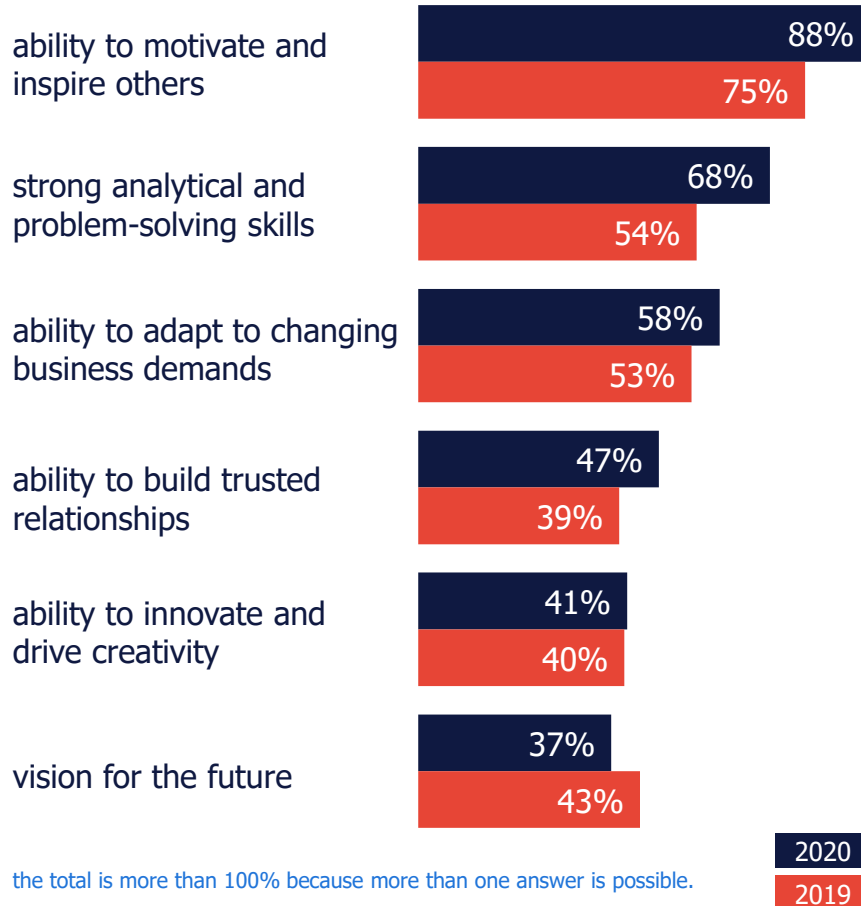
recommendations from current employees are the leading recruitment source in 2020.



face-to-face & competency-based interviews remain the leading hiring practices to be used in 2020.



leadership competencies for managers.



being able to motivate and inspire the team is the most desired leadership skill for a manager



among the most desired leadership competencies for managers, strong analytical and problem-solving skills registers the biggest increase by 14 pp, from 54% respondents in 2019 to 68% respondents in 2020



having a vision for the future is considered to be less important this year, being selected by 37% respondents, as compared with 43% respondents, in 2019

talent

retention.



talent retention

main findings.



competitive salary and flexible working options are considered the most effective benefits that a company can leverage to retain talent



similar to last year, a career change - be it for financial or professional reasons - is the main reason for switching jobs

84%

of the respondents reported that salaries increased in their companies in the past 12 months, while 66% of the respondents believe that the salaries they offer are in line with the ones offered by their competitors



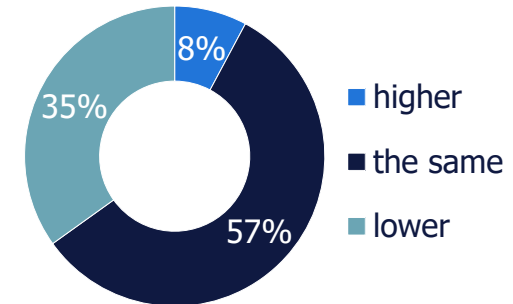


reasons why employees leave the company.

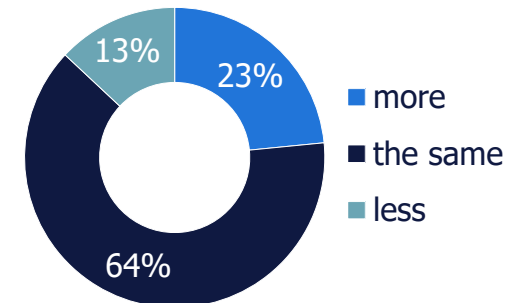


employee turnover evolution

2020 expected turnover



time to find the right talent



2020
2019



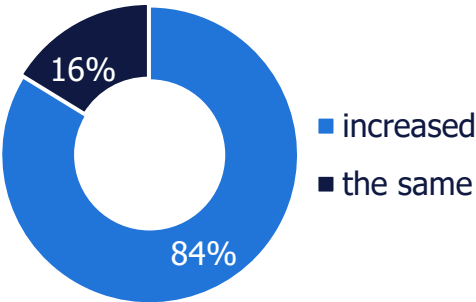
receiving a better offer elsewhere is the main reason why employees leave

the total is more than 100% because more than one answer is possible.
*other includes I don't know and lack of corporate reputation and trust.

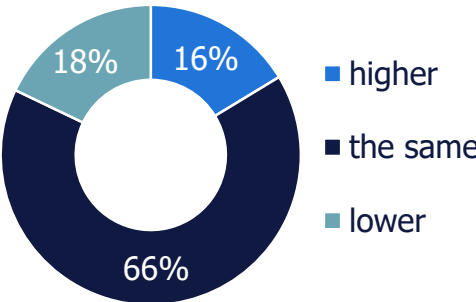


salaries & benefits.

evolution of salaries in the past year



salaries compared to competitors



most effective benefits to retain talent

benefits offered by participating companies

83%	competitive salary	74%
74%	flexible working options	65%
74%	bonuses/individual performance bonuses	80%
72%	additional leave days	87%
69%	career development	68%
52%	training	85%
45%	lunch subsidies	76%
37%	non-financial rewards/recognition	59%
33%	health and wellness programs	58%
31%	profit sharing	20%
26%	pension plan	55%
16%	paid parental leave/childcare benefits	19%
15%	life insurance	38%
8%	medical insurance/disability insurance	16%

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

respondent

profile.

respondent profile

main findings.



organizations that have more than 1,000 employees represent 26% of the sample



the most represented sectors are industrial/manufacturing, engineering and IT/technology, together covering 51% of the sample

91%

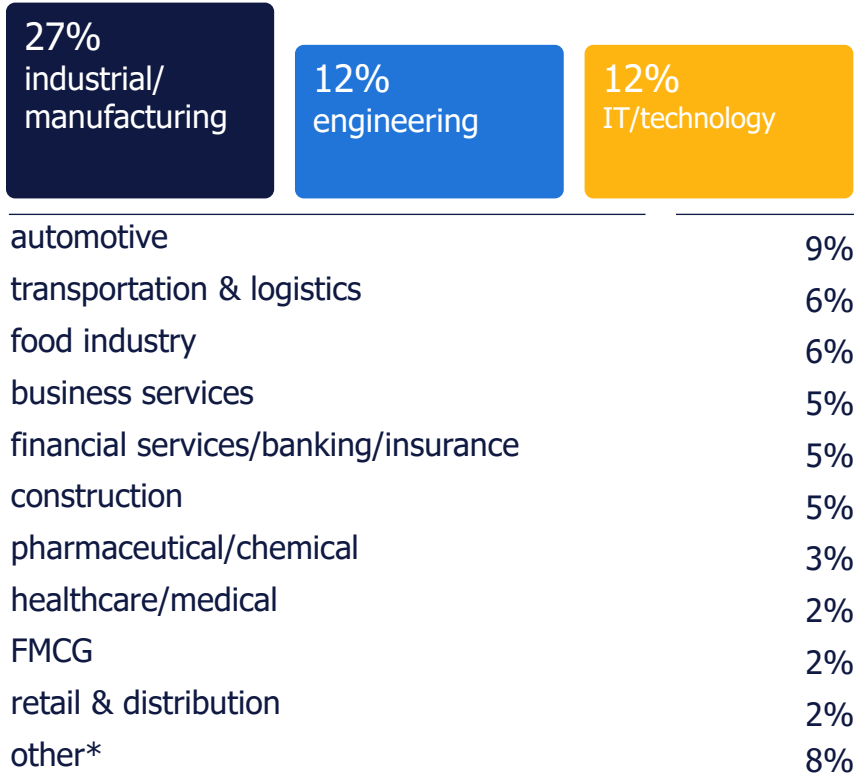
of the respondents have a decisional or recommending role in the recruitment process. Also, 77% of respondents work within the HR department





respondent profile

by sector.

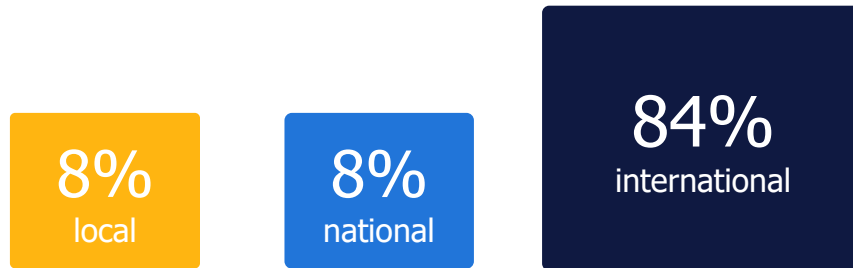


*other (5%) includes advertising/marketing/PR (1%), telecom (1%), oil & gas.

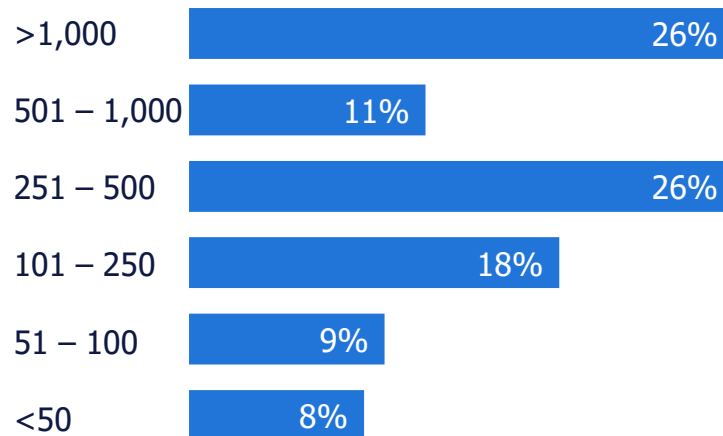


respondent profile

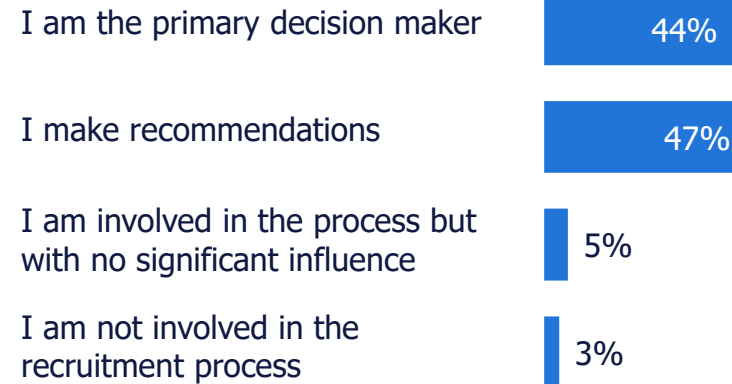
by the size of the company.



number of employees



by participant's job level.



77%

of respondents are part of the HR departments of their companies, while 15% of the respondents are in the general management department

randstad

human forward.

