how is key talent in the US impacted by COVID-19?

Randstad Sourceright intelligence

randstad sourceright

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briefing & methodology

What does the "new normal" look like after COVID-19?
How has the pandemic impacted your key talent?
What skills are your competitors hiring now?

Our objective with this talent intelligence report is to provide you with concrete, tangible data on the skills your organization needs to make important hiring decisions right now.

At Randstad Sourceright, we believe there's no silver bullet when mapping out a market. Data sources need to be combined to ensure figures provide a realistic representation. A usual challenge in the intelligence space is finding enough relevant data. In contrast, when analyzing COVID-19's impact on the U.S. market, our task was rather to cut through the noise of the myriad data sets available on the subject.

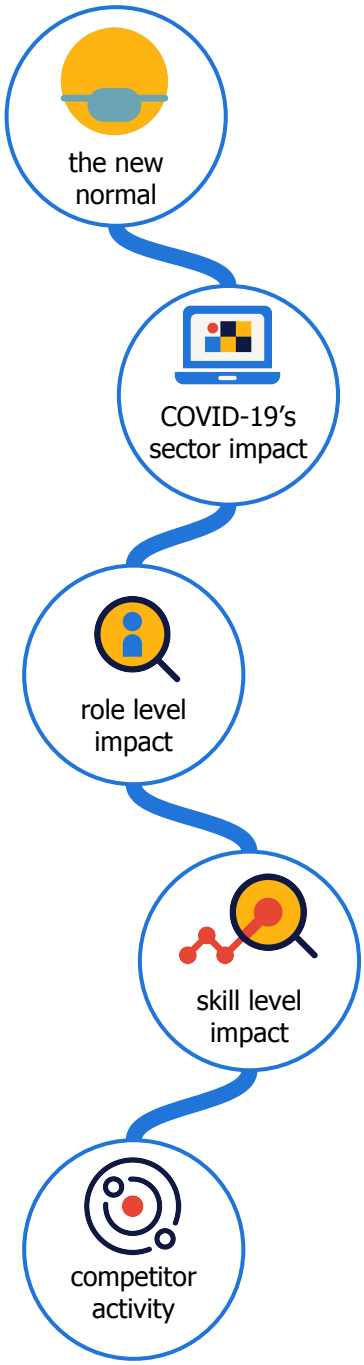
We first collected and grouped the positions advertised by top organizations at the moment. At this stage we had a collection of job titles. Titles, however, are only the tip of the iceberg as they are rarely explicit about what an ideal skill profile for the job looks like. If this intelligence report were your GPS while driving, having only job titles would be like including only the country roads, while excluding all highways and other information.

Our methodology to overcome this limitation was to compile all iterations of the same job, including what skills are needed to do it (so that your GPS has all roads, towns, villages, gas stations, etc.). We achieved this through combining data from the U.S. Bureau of Labor Statistics (BLS), job boards, career sites and social media postings.

It was time to put this information on a time scale. We turned to the official World Health Organization situation reports on the U.S. to identify when COVID-19 was first registered in the country, and split our data into two categories: before the first case and since the measures impacting the economy have been introduced in the United States.

Here we had to be careful when deciding how far back in time we wanted to go with our research. If we went back only a month or two (December to February), that period would include recruitment seasonality (which usually slows down around Christmas and gradually picks up through February). In order to avoid this effect, the entire past year was included.

In this way, we were able to map the true demand landscape for the skills you are hiring the most during the pandemic. But what is your competition doing? Are they hiring the same talent, or have they slowed down recruiting?



Following a similar process to that above, this time exclusively targeting your primary competitors, we identified what skills are in the highest demand in your space.

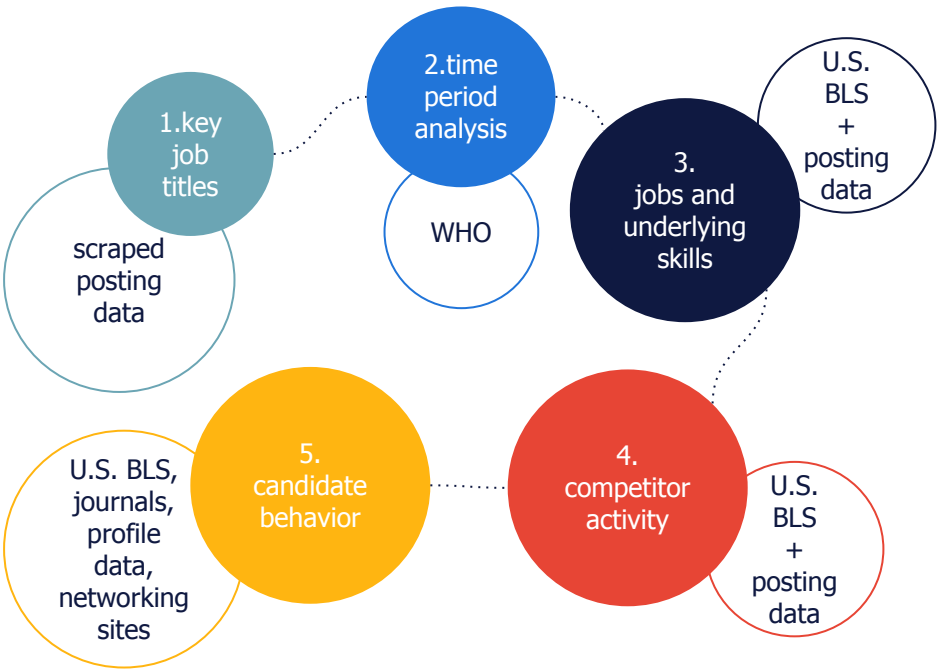
So far, all points covered were in the realm of quantitative data: concrete skills, demand figures for these and their breakdown across sectors. Although this information already answered the original question — how COVID-19 has impacted your key skills in the U.S. — we realized there was an element missing.

How do candidates with these skills behave in the market today? Are they afraid of losing their jobs? Are they so popular they don't know which recruiter to turn down?

This is where our qualitative research expertise entered the picture. We inspected articles from top U.S. journals and content posted on LinkedIn, Facebook, Twitter and vertical networks and combined it with our data on hundreds of thousands of candidates in the United States.

This combination of quantitative demand data and qualitative supply information provides a clear direction on which skills to safeguard in your organization, what additional recruitment efforts may be needed to cope with your competition, and how candidates on the market behave during the pandemic.

data source journey



conclusion & recommendations

Our analysis of six job families (customer service, engineering, finance, pharma R&D, sales and software development) has revealed four core tendencies. Following we explore each in more detail, and provide insights on how your organization could approach these.

1. COVID-19 serves as a catalyst for clinical trial R&D jobs.

The demand for clinical research associates and clinical trial managers saw a 46% increase. This is not surprising as the FDA is currently overseeing more than 130 clinical trials of COVID-19 related drugs and biological products.

What does this mean for your business?

Expect this increased demand to continue as the FDA has recently taken several steps to speed the development and availability of future COVID-19 prevention and treatment products. Consider starting your candidate identification and engagement activities sooner than normal. This will be a candidate's market for the foreseeable future, and the timing of your attraction and engagement strategies will be critical.

2. Demand for financial consultants surges.

As the overall demand for finance and insurance roles declined (-34%), two key roles experienced a 50% increase in demand: underwriters and financial consultants. While the demand for underwriters may wane, some financial services firms are accelerating their hiring plans for financial consultants during the COVID crisis.

What does this mean for your business?

Pay attention to all parts of your talent strategy — acquisition, retention and development. Key competitors have made a push to hire this talent and your current employees may be targeted. When it comes to recruiting and sourcing, the need for tailored content and talent marketing strategies will be paramount.

3. Slowdown in the automotive sector.

As Europe became the epicenter of the pandemic in early March, the U.S. automotive sector put in place preventive measures in its plants. Major players including, GM, Nissan, Hyundai and Toyota, limited production or closed their sites completely to protect their workers. This resulted in a gradual slowdown in recruitment for industry-relevant skills, dovetailing directly with the decline in manufacturing engineering and mechanical engineering openings too.

Although general hiring activity has plummeted, the aerospace and defense industries propelled recruitment for certain key roles, such as electrical engineers.

What does this mean for your business?

If you're hiring automotive talent, you're up against less competition at the moment than usual. However, if the talent you're seeking would be based at a manufacturing plant, or other high-risk location, we recommend you consider the steps outlined on slide 11 to ensure a safe onboarding for new hires and return to the workplace for your current workforce.

4. Spike in retail store management.

Essential retail stores have put an emphasis on assistant manager roles, increasing the demand by nearly 40%. The reason stems from more workers being staffed as retailers recognize new scheduling demands to accommodate special needs and elderly shoppers, increased sanitation duties, the need to manage guests to ensure social distancing/masks and inventory management. These responsibilities are essential to help reduce the spread of COVID-19 and ensure employees complete individual tasks.

What does this mean for your business?

Retail store management will turn into an evergreen requisition until the pandemic is over, requiring your talent pooling strategy to accommodate this skill set as well.

This talent group has become highly sought-after in the COVID-19 era, meaning your engagement approach needs to be tweaked, including your policies and safety measures taken in order to protect employees' health. Further information on this can be found on slide 11.

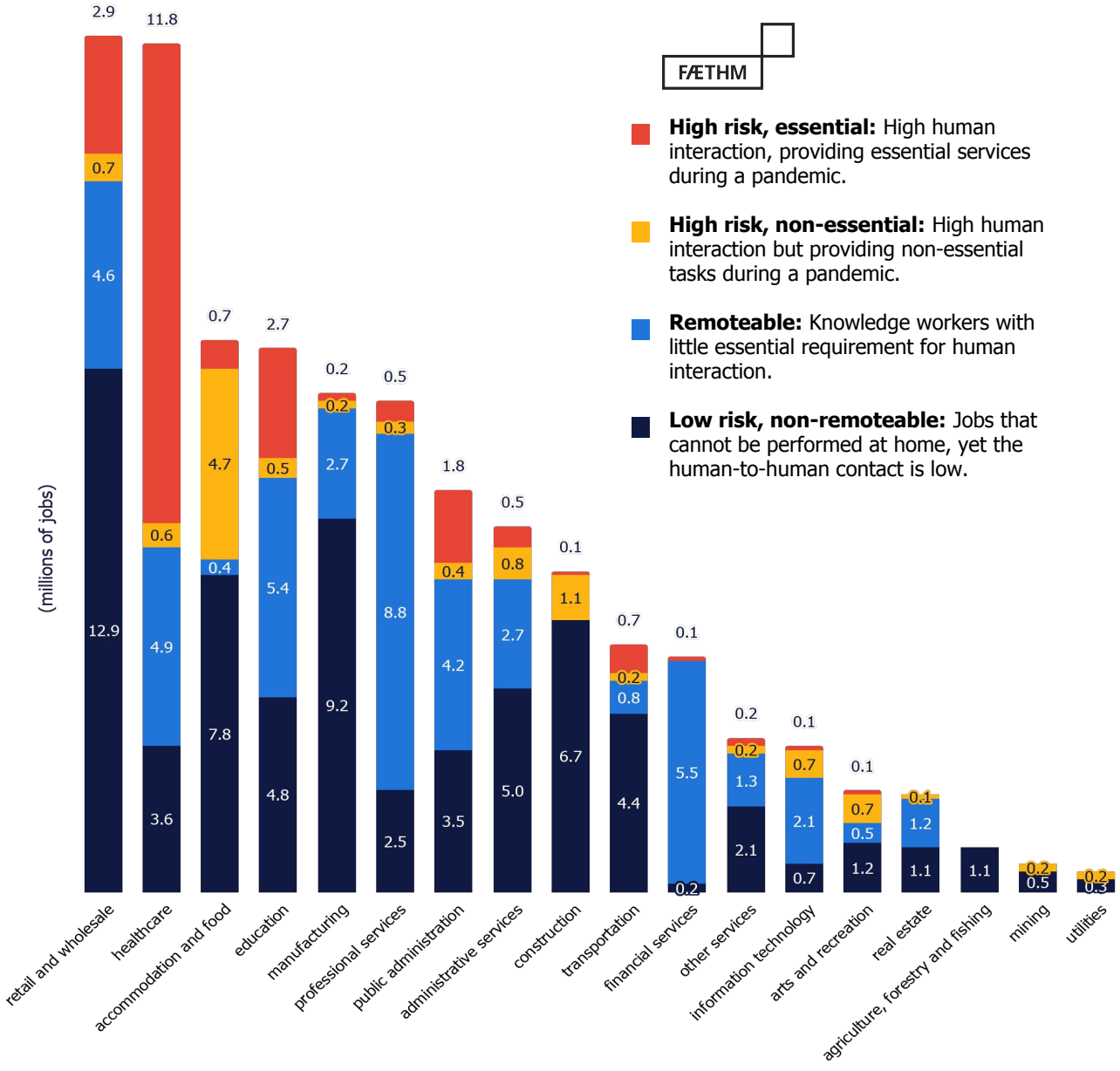
the new normal after COVID-19

What is the degree of human interaction and "remoteability" across your functions?
What measures should you consider when returning to the office?

Seeking the answer to these questions keeps decision-makers across the globe busy in the COVID-19 era. Our goal in this section is to support this often speculative conversation with hard data, ensuring the breadth of our research can help your strategic conversations with your leadership team.

1. What is the degree of human interaction and remoteability across your functions?

Our predictive analytics partner, Faethm, deconstructs employment data across thousands of jobs into their constituent tasks and categorizes which of those tasks require close human interaction, the degree to which the tasks are essential during a pandemic (including healthcare, government services, vital legal functions, police, as well as food delivery, distribution and production) and how remoteable they are in terms of being effectively performed from home or outside the office. The bar chart below indicates the degree of human interaction, and the risk it involves, across key U.S. industries.



The **high risk, essential** portion of the workforce, predominantly healthcare (56% at risk), education (43%), public administration (19%) and retail/wholesale workers (14%), are exposed to a high degree of human interaction at their workplace. This can be attributed to the circumstances of the job, such as healthcare workers' direct interaction with COVID-19 patients, teachers being in the same room with large groups of people and cashiers touching thousands of items every day on the conveyor belt. Only a fraction of the workforce in this category can work remotely, by nature of their job.

Groups that can work from home, such as teachers, already do so across the majority of the United States. For those job functions that need to go to their workplace every day, the highest level of protection needs to be provided (masks, gloves, etc., as suggested by the CDC) in order to lessen the potential risk of catching or spreading the virus.

Jobs in the **high risk, non-essential** category deserve extra attention as they easily slip under the radar compared to jobs with an essential output. However, workers in the accommodation and food/hospitality (36% at risk), arts and recreation (29%), and construction (14%) categories require an amount of protection similar to construction workers specializing in activities requiring direct contact with other workers.

As soon as COVID-19 started to impact the U.S. economy (March 2020), companies across the country felt an increasing pressure to review **remote working options**. Relying on our partner's data (Faethm), our analysis has shown the financial services (84% remoteable), professional services (78%) and IT/telcom (75%) industries conduct activities that are the easiest to carry out from home. Other sectors find it impossible to generate output from home, such as construction where only 6% can work from home.

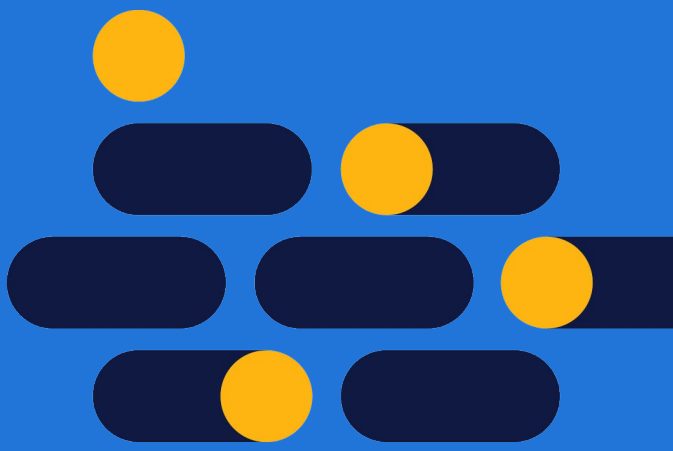
The final category, **low risk and non-remoteable** employees work in an environment where they can easily keep distance from other workers, provided there's a policy in place that helps them do so. The majority of these professionals are active in the construction (86%), transportation (85%), manufacturing (77%) and retail/wholesale (63%) spaces.

2. What measures should you consider when returning to the office?

Our analysis has shown companies consider the guidelines provided by the CDC and WHO as the baseline for their efforts, but these high-level steering documents need to be translated to each and every organization individually. Below we highlight the measures your company should consider in order to ensure a safe return in the "new normal." For a complete overview of best practices please read our safely back to work protocols.

- Has your office building been sanitized by a professional vendor?
- How can your employees access their workstation? Do they have to take the stairs or an elevator? It's likely your site has both elevators and stairs — which one is safer? Is the elevator large enough to keep distance? Does it have a constant flow of clean air? Do your workers need to touch door handles to open doors when taking the stairs? How many? Answering these can help you come up with the safest policy about how to enter the office space.
- What PPE (personal protective equipment) should you provide to employees? Masks and gloves? Only masks? Disposable or washable? How long can a worker potentially wear a mask without feeling uncomfortable? If you choose disposable masks, do you have biohazard containers to dispose of them?
- Where can employees enter the office space? Where will most of them enter? Will they need to queue up? How can the queue be prevented?
- How many doors do you have within the office space? Can they be left constantly open without breaching fire safety or other protocols?
- How would you ensure your employees can keep a safe distance? Would they work "A" and "B" weeks? Do employees return to work in batches?
- What meetings cannot be held virtually? If there are any that require a face-to-face presence, do your meeting rooms have windows? Can the door be left open? How many people are allowed in the room? Do they have to wear masks?
- How are common areas such as kitchens, restrooms and lobby areas used? How many people can be in these areas at once?
- Where to place hand sanitizing stations? Which zones do you consider to be touch-sensitive (printers, microwaves, water dispensers, etc.)? Who sanitizes these, how often and with what equipment?
- Can all interviews be done online (visit Randstad's Digital Toolkit if you need help with virtual technology)? If you need to have candidates come into your office, what policy do you communicate to them in advance? Do they bring a mask? Do you give them a mask? They need to get a copy of the same sanitization policy your employees follow, and possibly a dedicated meeting room with good airflow.
- How many cleaning shifts will you have? Do your employees have private things on their desks/workstations, or do you already have a clean desk policy in place? How will you ensure the cleaning staff can do an efficient job by removing all potentially contagious items?
- What vendors and delivery services interact with the office? What policy should they follow?

job family analysis



This section details COVID-19's impact on key jobs in the United States. Based on the collection of underlying skills, the positions have been grouped into six families:

- customer service
- engineering
- finance
- pharma R&D
- sales
- software development

For each of these, you'll find an overview of demand trends on a job family, role and skill level, competitive intelligence, and how your candidate groups behave during the pandemic.

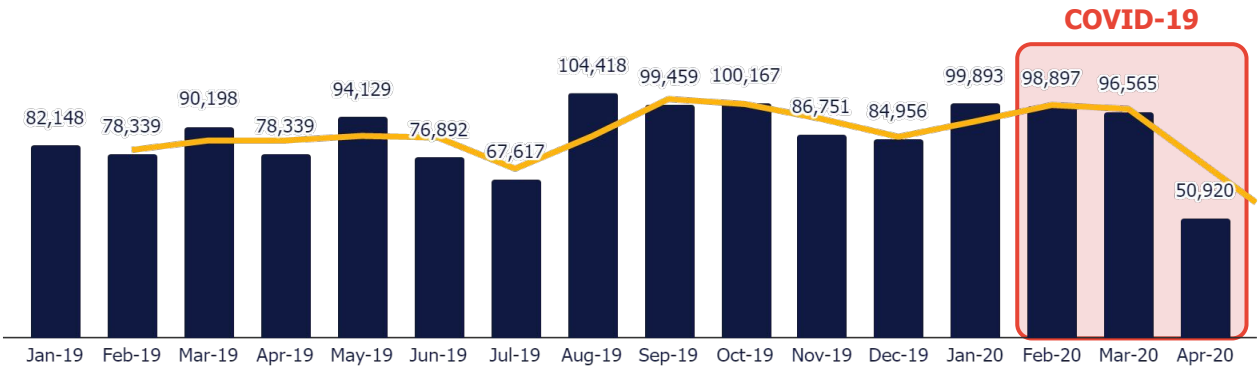
Keep these factors in mind before diving into the data:

- the first case of COVID-19 in the U.S. was registered January 24, 2020 (CDC)
- sweeping measures to combat the pandemic in the U.S. were introduced in March 2020
- the economic impact of the virus hit the U.S. in the middle of March (World Economic Forum)

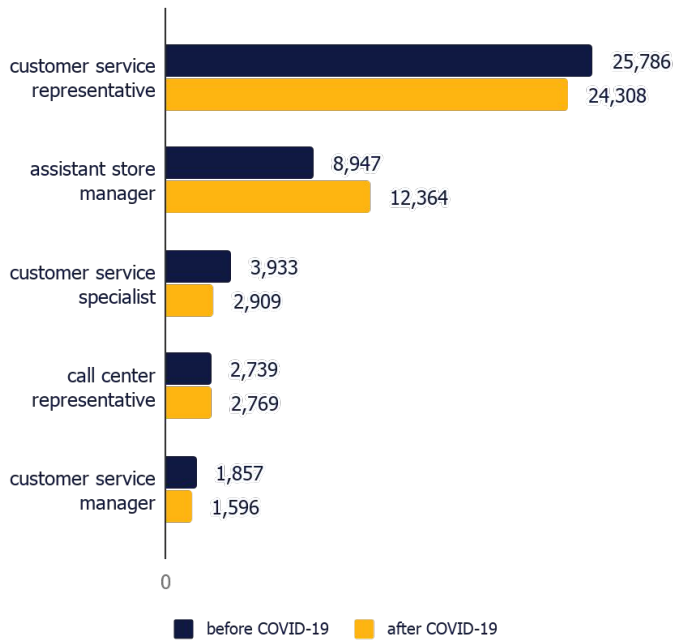
customer service

the change in demand under COVID-19

In order to explore how customer service jobs have been impacted by the pandemic, our research team analyzed the most common customer service job titles and the skills required in this field. This two-step approach ensured a realistic overview of the market. Although the first case of COVID-19 in the U.S. was registered as early as January 24, 2020, the economic impact of the virus only hit the country in the middle of March. This statement will be relevant throughout this report when comparing hiring demand for each segment, and it explains why we only see a minor drop in jobs from February to March, followed by a significant slump of 47% through the end of April.



This is the steepest decrease in demand out of all segments covered in this report, followed by engineering with a plummet of 34%, 13% less than that of customer service. This means if your organization is currently hiring customer service professionals, you will compete with fewer companies than you normally would.

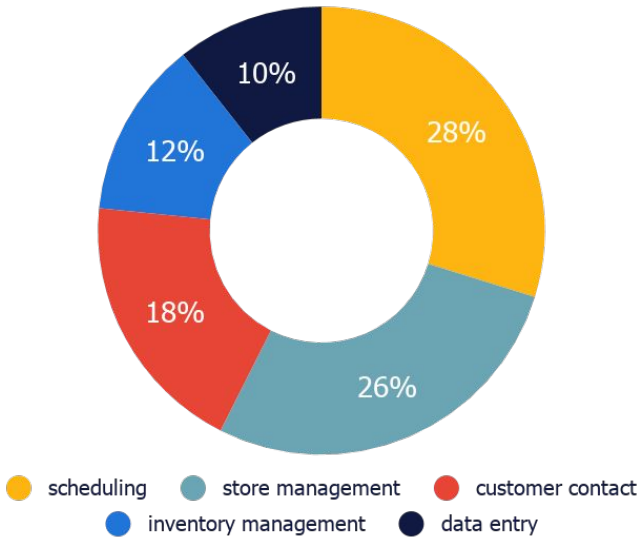


impact on key customer service jobs

The more standard customer service jobs — representatives, specialists and managers — have only seen a minor decrease in volume from March to April. This means the remaining volume is concentrated on a few typical jobs that companies are still hiring for. It's interesting to highlight that the only retail/wholesale customer service job that made it to the top 5 (considering volume), assistant store manager, actually saw a 38% increase in demand, a spike we attribute to the pressure on retailers/wholesalers to ensure customers receive their groceries and other products ordered online or purchased in stores.

key roles: underlying skills profile

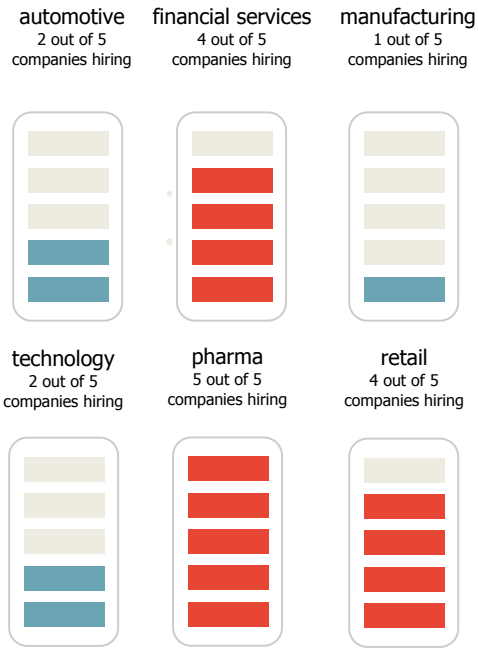
Our analysis shows 66% of the skills needed during the pandemic are related to managerial tasks — scheduling, store management and inventory management. This is in close correlation with the rise in job volume for the assistant store manager roles. For many essential businesses, stores are opening at least an hour earlier to accommodate elderly shoppers. Additionally, due to the increase in demand for customer service representatives, there's a need for additional management to ensure employees are fulfilling individual tasks, merchandise meets standards and customers leave satisfied. Lastly, inventory has increased as state governments have strongly encouraged citizens to stay home and self-quarantine, resulting in shoppers spending more to last longer and to acquire essential products that are selling out.



competitor activity in the customer service space

Financial, pharmaceutical and retail job families all require a larger staff skilled in customer service roles. Financial services need customer service representatives to respond to the demands of account holders and investment managers. Pharma R&D needs to respond to the demands of healthcare patients. Retail stores need to respond to the increased demands for essential products such as food and household goods.

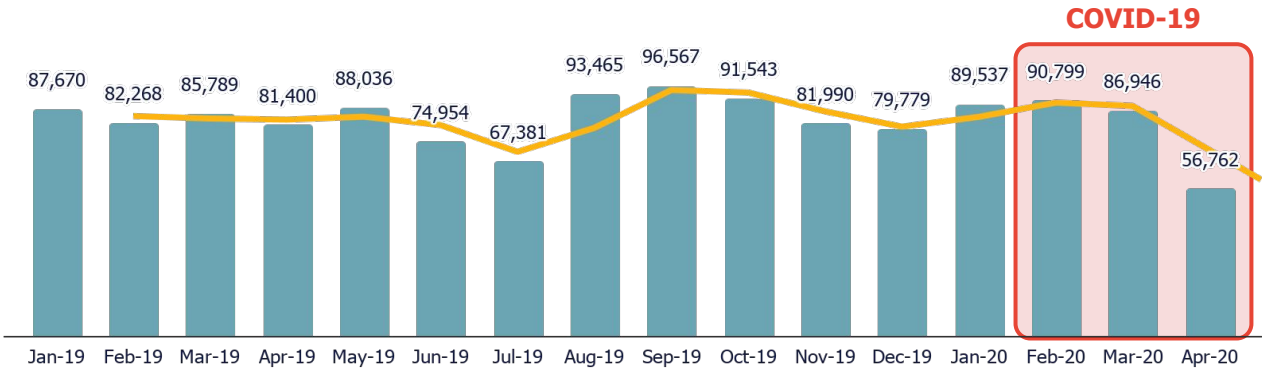
Automotive, manufacturing and technology are production focused and many factories are temporarily shut down in response to the outbreak. Thus, the demand has dropped dramatically for customer service employees in those industries.



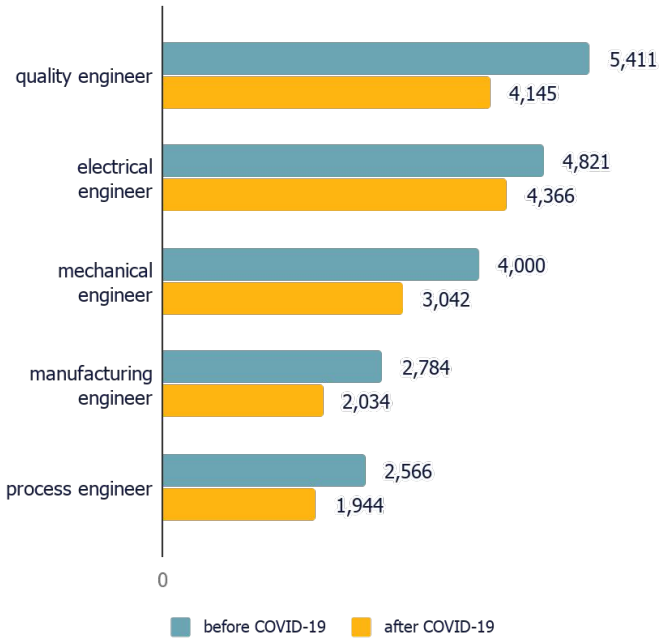
engineering

the change in demand under COVID-19

For this job family we focused on all professionals with an underlying skill set in production, industrial, quality, mechanical, electrical, manufacturing and process engineering. The pattern identified in the customer service section shows itself here as well: a minor decrease from February to March followed by a dramatic fall in numbers, 34% in total, by the end of April. As a result, engineering is the second most heavily impacted segment in this report. There are two angles that make this finding interesting. On the one hand, engineers are considered niche talent across the disciplines mentioned above and roles are moderately hard to fill. On the other hand, engineering talent is a high-cost talent group.



Although engineers are challenging to recruit, and this means recruitment teams are more reluctant to remove ads for this talent group, they are also among the first roles to be impacted by cost-cutting measures, explaining the plummet in demand. During the current pandemic there is less competition for engineers.



impact on key engineering jobs

Among the top hired engineering jobs, 4 out of 5 have seen a decrease in the double digits (on average 23%) from March to April.

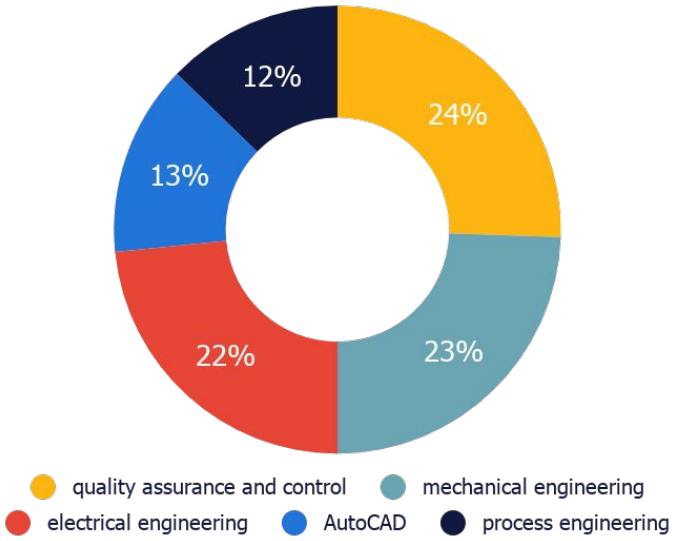
The outlier here is the demand for electrical engineering talent, which only saw a 9% decrease. This, in large part, can be attributed to the aerospace & defense sector, which actually increased hiring activity during the COVID-19 crisis.

key roles: underlying skills profile

The underlying profile of the top 5 engineering openings shows an even spread of quality, mechanical and electrical engineering-related skills. Despite the considerable drop in demand for engineers across the country, hiring for these top skills is still competitive.

Although AutoCAD is the most widespread design platform for engineers, not all jobs require familiarity with the toolkit, which explains the low representation.

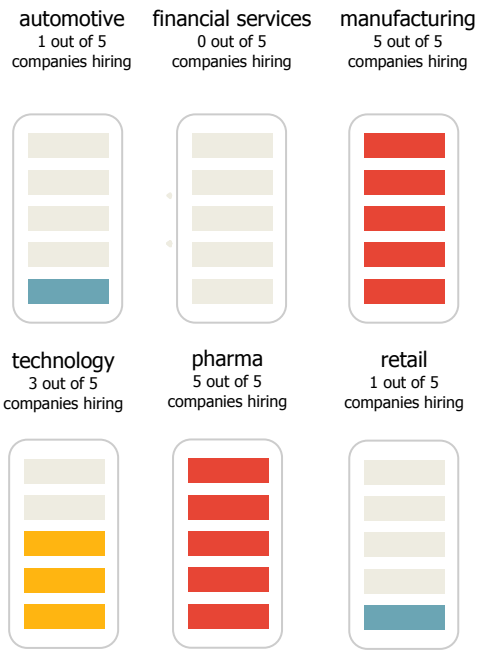
Process engineering-related skills were the least represented among the top jobs hired for, translating to lower levels of competitor activity.



competitor activity in the engineering space

If you are in either the pharmaceutical or manufacturing space, the impact of COVID-19 is very clear. All of your top competitors are still hiring for engineering talent. Much of this demand centers around roles related to the production process (i.e., process engineering, automation engineering, quality and reliability engineering).

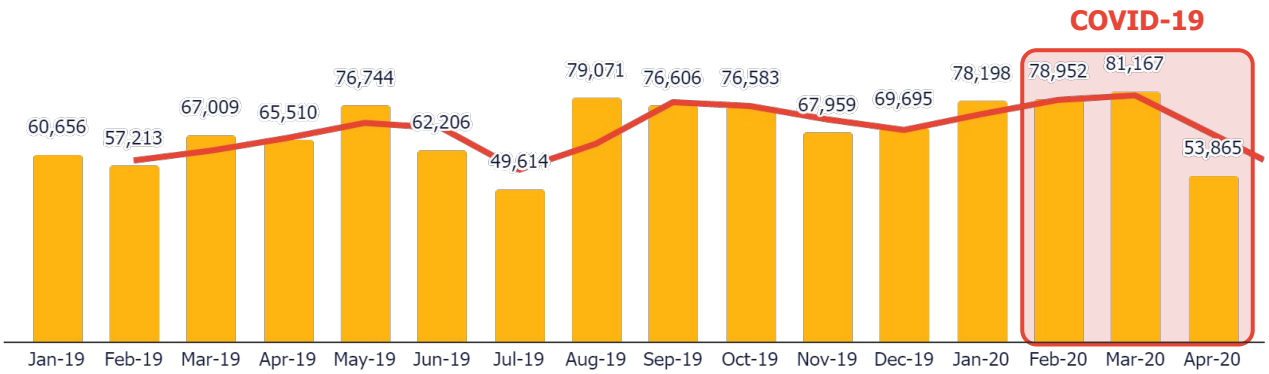
Automotive companies are shut down temporarily, resulting in a slowdown in hiring in the automotive space. Out of your top five competitors, only one is actively hiring. This also contributes to the substantial decline we saw in mechanical and manufacturing engineer hiring, both areas where the automotive industry has traditionally been a large source of demand.



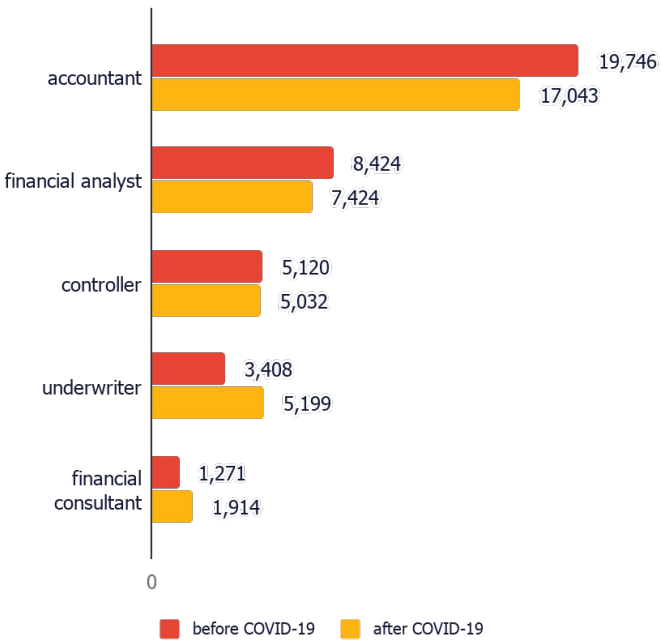
finance

the change in demand under COVID-19

We filtered the job posting data in this section for all jobs in finance and insurance. This is the first sector covered in this report that shows an increase in demand during COVID-19. The subtle, 3% increase took place from February to March when the economic impact of the pandemic had not yet not been felt in the U.S. It's worth noting, job posting volumes in March 2020 were record high even when compared to the entire year of 2019. As COVID-19 response measures started to hit the U.S. economy, the steep decline in volume seen with other sectors also hit finance, resulting in a 34% decrease in hiring relevant skills by the end of April.



It will be interesting to compare these findings with the updated figures of the coming months. For now, the finance space is more active than during a typical summer slowdown of recruitment (see July 2019, a figure 8% lower). If you're hiring finance professionals, market competitiveness is not record low for this talent.



impact on key finance jobs

The majority of the key finance jobs have each seen a moderate decrease in demand.

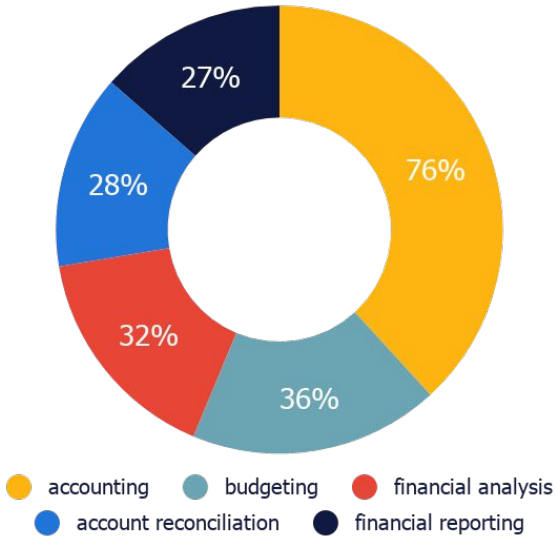
The outliers are underwriters and financial consultants, both of which are 51 to 53% higher in demand than before the crisis.

The increase in underwriting jobs is driven by U.S. citizens looking to refinance their mortgages. As demand by consumers is increasing, so is the number of job postings for mortgage underwriters specifically.

The majority of the 51% increase in financial consulting jobs can be contributed to Fidelity's ramp-up in hiring activity for this talent group.

key roles: underlying skills profile

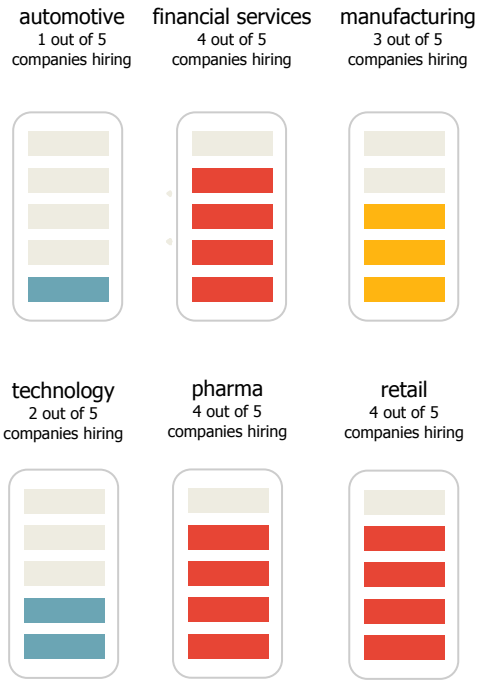
Based on the top roles that are currently in demand, we can observe an increase in the hiring of underwriters and financial consultants. Other top roles currently in demand in the finance job family are accountants, financial analysts and controllers. Among these roles, accounting is the major skill set expected from candidates. In addition, it is observed that equal importance has been given to budgeting, financial analysis, account reconciliation and financial reporting.



competitor activity in the finance space

If you're active in the financial services, pharmaceuticals and retail industries, 4 out of 5 of your key competitors are actively hiring the key finance positions described in the previous slide. Taking another look at the underlying skills above, this section shows why this makes sense. The overwhelming majority of professionals still being hired have a combination of accounting and budgeting experience, two universally sought-after skills across all the mentioned industries.

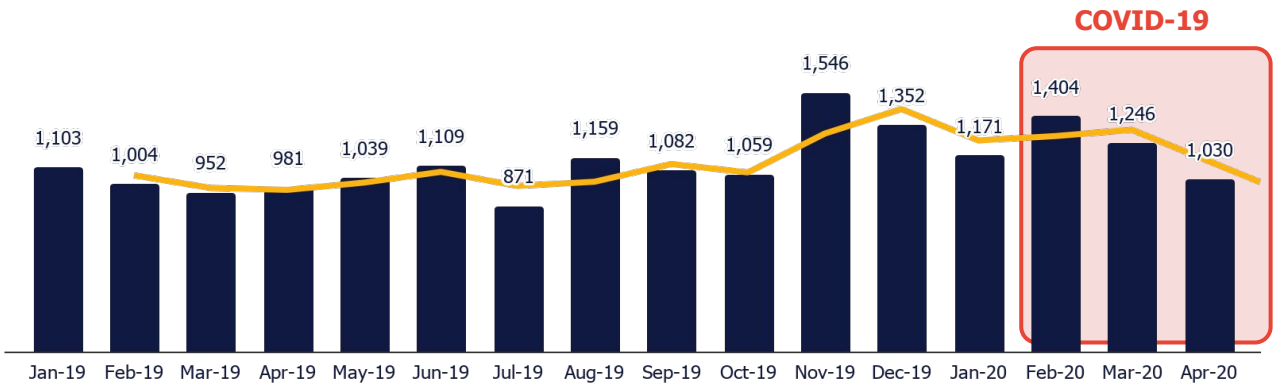
Additionally, 3 out of 5 of your key competitors in the manufacturing industry are actively hiring.



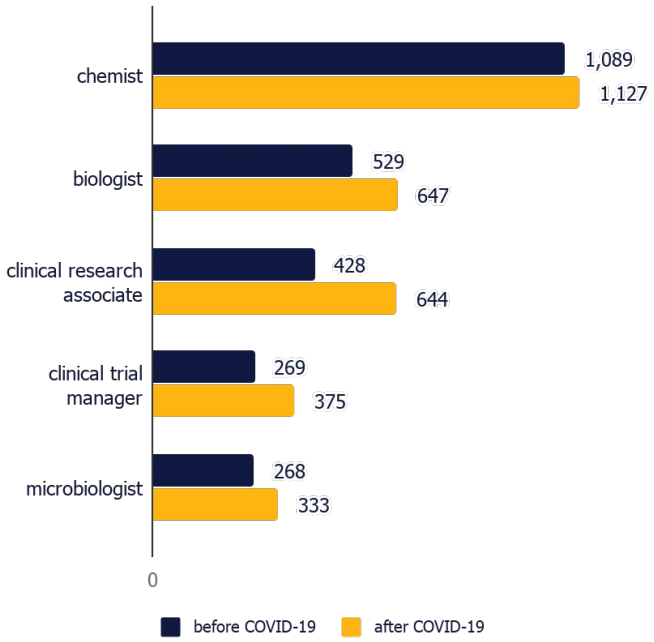
pharma R&D

the change in demand under COVID-19

This section introduces demand conditions for professionals working within the R&D function of pharmaceutical companies. It's important to note that this is the most niche demographic filter applied in the report, resulting in the fewest total job postings. After a hiring spike in February (the second highest in the past year), hiring activity decreased only moderately, by 11% from February to March, which is a 9% stronger fall in figures than observed for the other job families in the same months. It's important to note that until the very end of March, no economic impact was felt in the country, so this decrease still follows the organic curve we can also see at the beginning of 2019.



Interestingly, even March to April, where we typically see numbers plummet, job posting activity dropped by only 17%, the smallest drop of all the job families examined in this report. This can be attributed to the fact that this highly niche talent group is a very relevant skill set during the pandemic, and the roles are also difficult to fill, increasing the reluctance of recruitment teams to remove advertisements.



impact on key R&D jobs

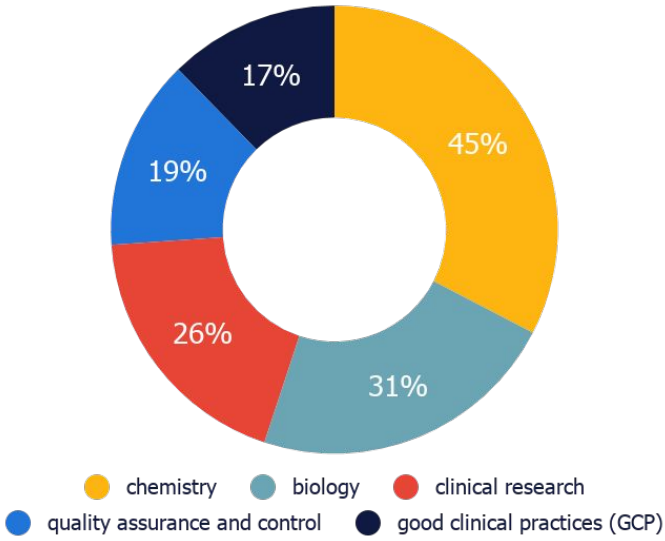
Each key job within the pharma R&D space has seen an increase in hiring activity during the pandemic, chiefly clinical trial managers and research associates (40% and 50%, respectively).

A combination of activities has driven this substantial spike in recruitment, including the testing of pre-existing drugs for COVID-19 treatment, COVID-19 test and antibody development, and vaccine development efforts.

key roles: underlying skills profile

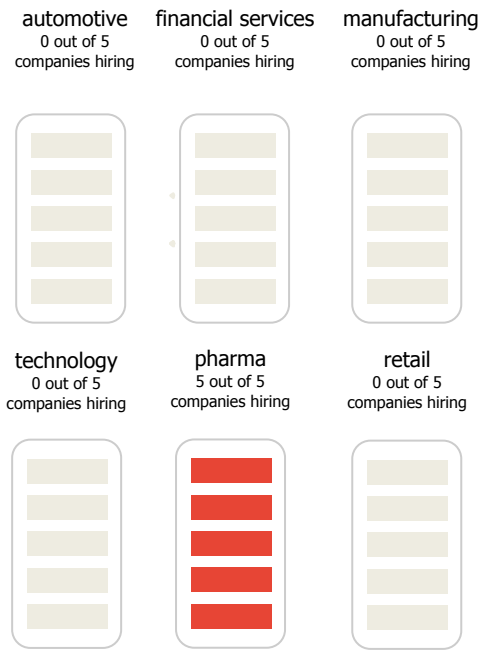
COVID-19 has had a major impact on the pharma industry, increasing consumer demand for medications and directly resulting in increased hiring activity in this space. This can best be illustrated in the previous section, which shows the top roles that are currently being hired. We can see an increase in all five roles in the post-COVID-19 crisis.

The top skills required for pharma R&D roles have been displayed on the right, and these skills are much needed for a pharmaceutical organization to carry out R&D activities and find a vaccine for COVID-19.



competitor activity in the R&D space

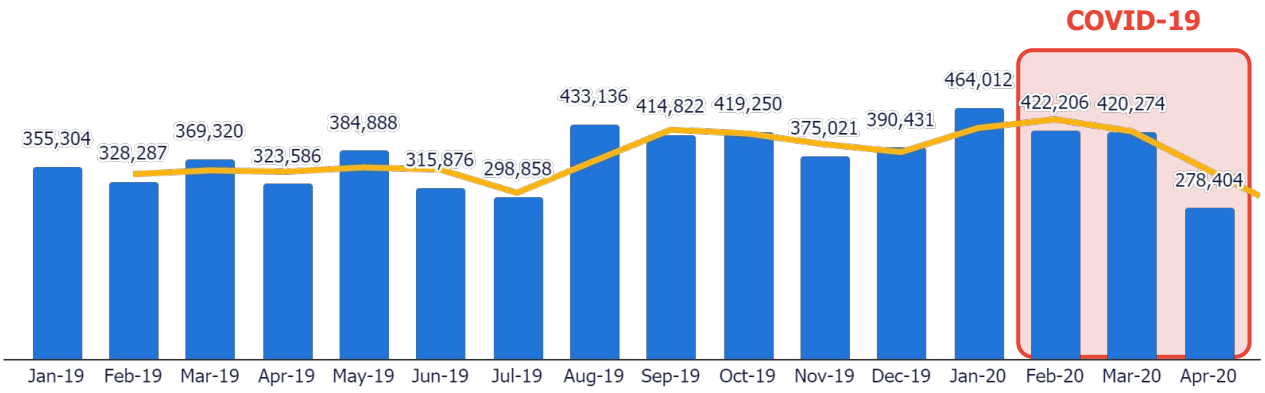
The changes in the bio/pharmaceutical industry are being accelerated and catalyzed by the current COVID-19 crisis. The pandemic is showing bio/pharmaceutical R&D needs to be more streamlined, to shift the focus to faster R&D and speed-to-market. As a result, the industry is witnessing a high number of clinical trials for COVID-19 across multiple countries. As per FDA latest data, the U.S. alone registered for over 100 clinical research trials for COVID-19. This will accelerate the challenges and shortages of talent with expertise and experience. Therefore, companies are in a race to hire professionals in the pharma R&D space, which will lead to increased recruitment activities in this sector. Our analysis shows that all of your top 5 competitors are actively hiring candidates for the roles mentioned in the previous section.



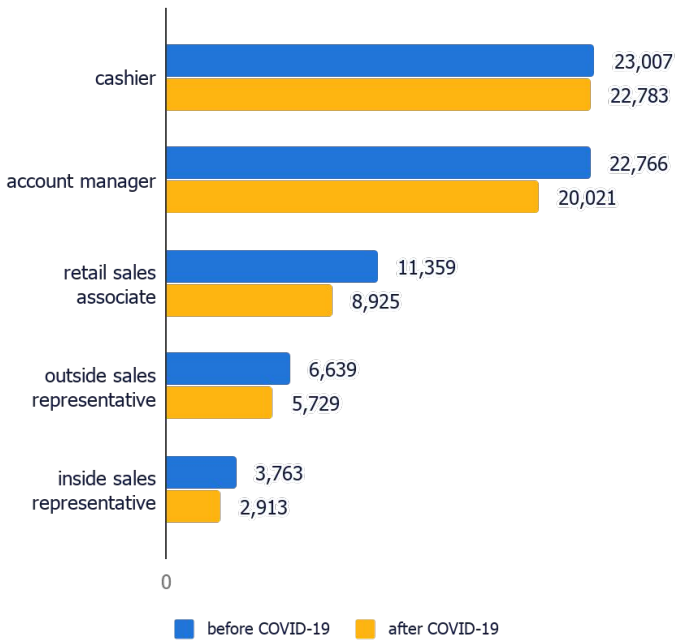
sales

the change in demand under COVID-19

We have observed the highest demand (an annual 4.5 million openings) for sales jobs. Considering the first case of COVID-19 was identified in January 2020, and strict measures were introduced across the U.S. in March, most other job families covered by our analysis showed a tendency to gradually cut job openings in March, followed by a steep decrease in figures in April. Sales jobs have followed this trend, showing a 34% decrease in jobs through the end of April.



Data suggests demand for sales professionals will not increase in the coming months, considering the general reduction in hiring skills deemed non-essential by the state and federal governments due to the pandemic.



impact on key sales jobs

All sales jobs discussed in this section have seen a 10-20% decrease in hiring activity, with the exception of cashiers.

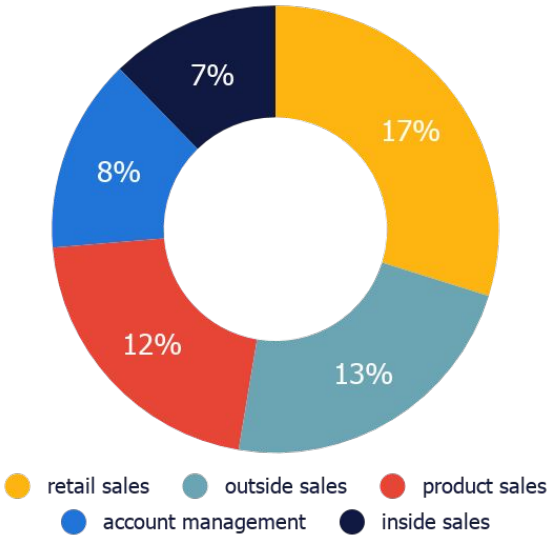
The minor drop of 1% can be attributed to companies switching to evergreen requisitions or turning on talent pooling solutions, and "class hiring" (i.e., one job requisition opened for several stores).

The increase in hiring in essential sectors may be offset by closings in other non-essential businesses so the net change is insignificant.

The transition to more virtual, online shopping and delivery also has a strong impact on cashier jobs.

key roles: underlying skills profile

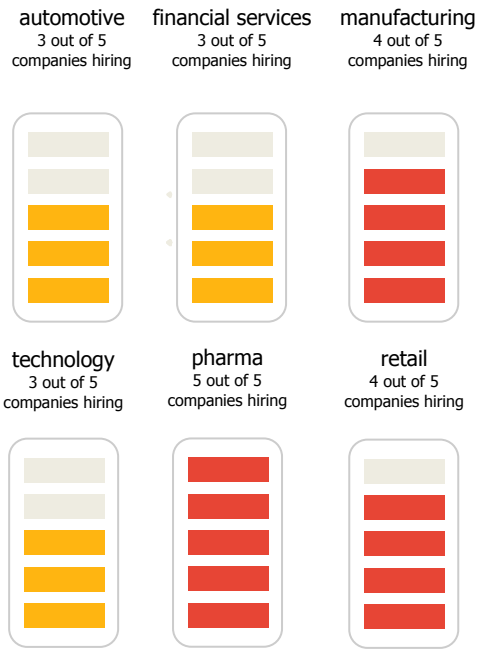
Sales is still an important role for most organizations. Due to the lockdown and social distancing activities in place, there is a drastic decline in field sales and retail sales activities across the whole world. As per our analysis, hiring activity has slowed in the post-COVID-19 crisis. And the two major skills that are currently in demand are retail sales and outside sales. When the lockdown is lifted, companies will still need their sales force to cater to surging consumer demand.



competitor activity in the sales space

There is still healthy demand for sales roles as all of the industries analyzed show hiring activity. This is especially true if you find yourself in the pharmaceuticals space, where all of your top competitors continue to seek sales talent during the COVID-19 pandemic.

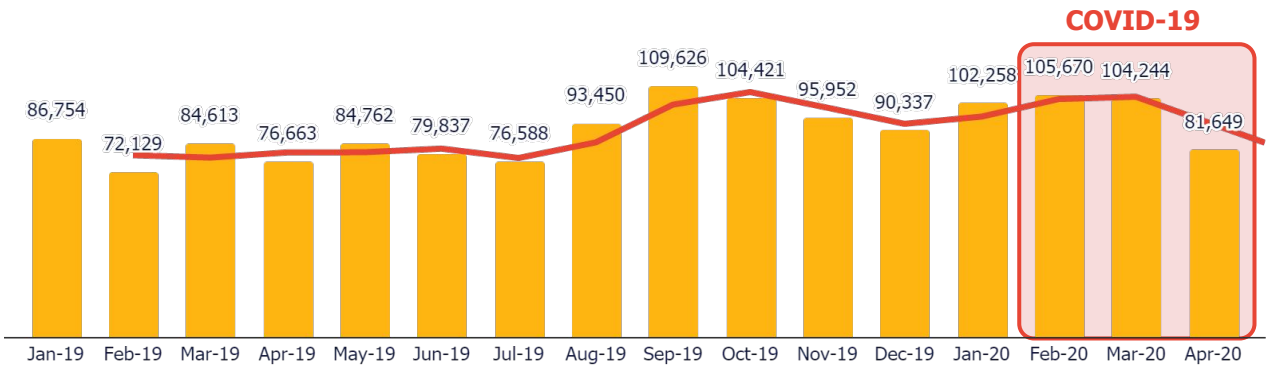
The competition still puts a high value on obtaining new sales talent and maintaining their sales force. Hence, hiring activity has merely slowed down rather than coming to a complete stop. This trend is expected to continue as companies are positioning themselves for the eventual ramp-up as the COVID-19 crisis ends.



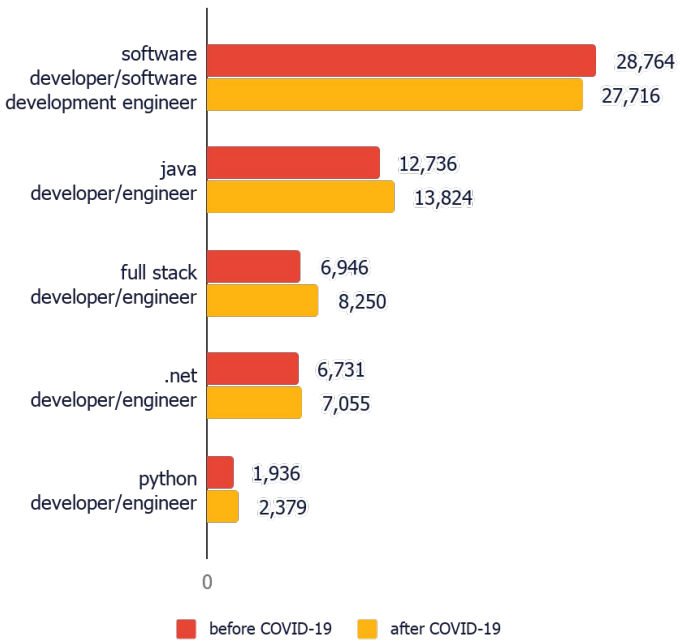
software development

the change in demand under COVID-19

The software development job family has proven to be one of the steadiest in the report from a demand perspective. When comparing hiring volumes from February 2020 with those from a year before, we can see a 47% increase in posting activity. The decrease following February 2020 is gradual, starting off with a subtle 1% drop, followed by a steeper 22% slump. It's important to recognize that although we observed a stronger decrease in hiring volume for software developers than for pharma R&D (22% and 17%, respectively), the former is a much broader job category than the latter.



This highlights how stable the wider software development market behaves. In return, it's just as difficult to hire developers now as it was before the pandemic.



impact on key developers jobs

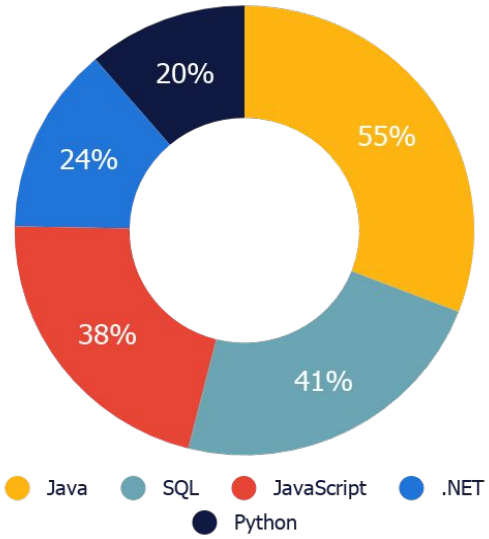
The majority of software developer job postings are advertised by cloud giants such as Amazon (Web Services), Microsoft (Azure) and Google (Cloud). This spike in cloud hiring is driven by COVID-19 forcing more virtual work, and in turn pushing companies to hire more relevant talent.

Even as COVID-19 affects the overall job market, there is still strong demand for key developer roles. For example, job postings for Java and full stack developers rose 8% and 18%, respectively.

key roles: underlying skills profile

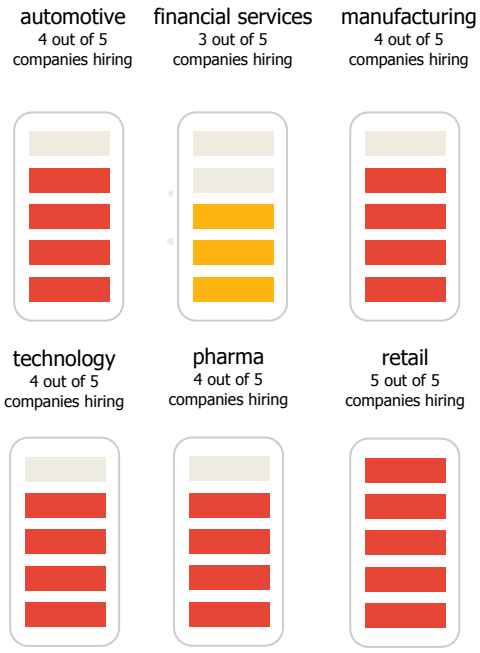
Considering JavaScript and Java are among the top 5 most popular programming languages (source: Stackoverflow survey 2019), high demand for this skill set is not surprising. It is surprising, however, that Python was a required skill in only 20% of the job listings. Python is an easy language to work with and is becoming a rising star among programming languages.

We dug deeper and saw that the percentage is considerably higher (28%) when looking at the data space, as Python is the foundation of many data analysis and data science-related libraries (Pandas, NumPy, etc.).



competitor activity in the software development space

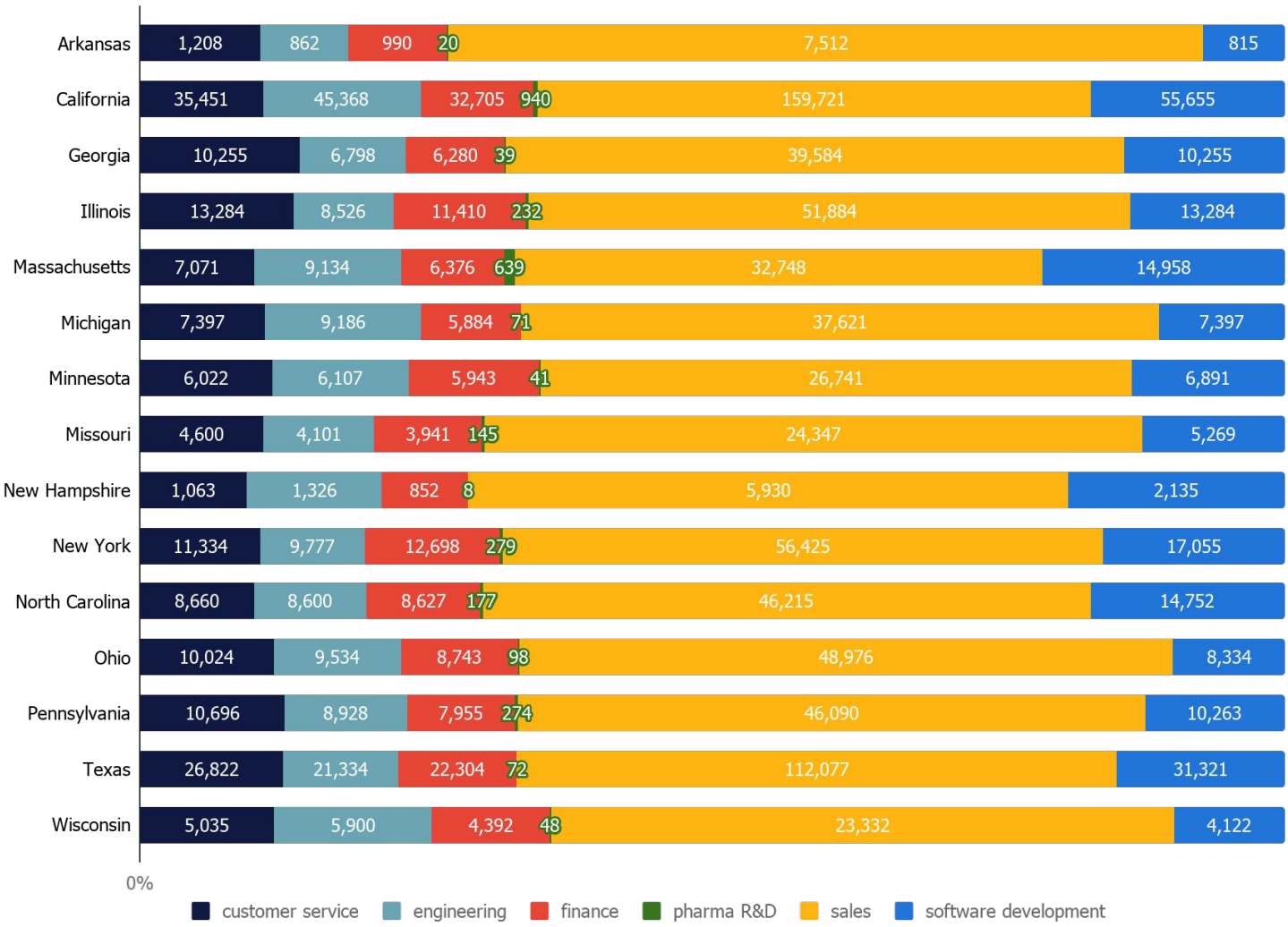
Each of the 6 key industries highlighted on the right shows strong hiring activity for developers. This can be attributed to the need to always fill the niche developer and software engineer roles — and the reluctance of recruitment teams to remove job ads for these — and the easily remoteable skill set, which means hiring and onboarding can progress despite the pandemic.



location deep dive

state-level analysis

In this section, we've compared the hiring activity of each sector focusing on the 15 states displaying the highest demand metrics.



randstad sourceright

human forward.