2019

# Global Talent Trends

The 3 trends transforming your workplace



# The employeremployee relationship is evolving

The relationship between employers and employees is fundamentally changing, but your hiring and HR practices may not have caught up yet.

People expect more from you as an employer—more transparency, more accountability, and more trust. And you need more from your employees—not only their technical skills, but also their ability to think creatively, collaborate effectively, and adapt quickly. In response, many companies are starting to embrace a more equal employer-employee relationship—not just because it looks good, but because it's good for business.

After interviewing company leaders, speaking with experts, and observing activity on the LinkedIn platform, we've identified the following three trends that demonstrate this emerging dynamic: soft skills, work flexibility, and pay transparency. This report combines a survey of over 5,000 talent professionals in 35 countries with behavioral data from LinkedIn and useful advice to help companies take action on these trends.

# The 3 trends transforming your workplace

Percentage of talent professionals who agree these trends are very important to the future of recruiting and HR



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# Soft skills

Where machines can't compete



66 77

While hard skills may get a candidate's foot in the door, it's soft skills that ultimately open it.



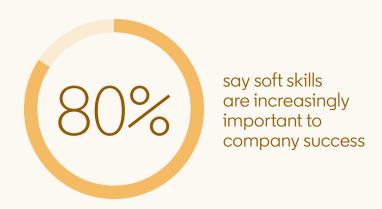
Lydia Liu
Head of HR, Home Credit Consumer Finance Co. Ltd.

# Getting serious about soft skills

Soft skills have always been important, and they're increasingly vital today. The rise of automation and artificial intelligence means that hard skills alone are no longer enough to be successful.

And while the half-life of many hard skills is shrinking, soft skills stay relevant: a particular programming language may go out of fashion, but creativity, adaptability, and collaboration skills will always be valuable.

Many companies still struggle to accurately assess soft skills, despite their growing value. If companies want a hiring strategy for the future, they need to change how they identify and hire for soft skills.



# Creativity is crucial in the age of automation

According to LinkedIn behavioral data, creativity is the most in-demand soft skill in short supply. While many people only associate creativity with art or design, it's a skill that's applicable to almost any role. Creativity is simply solving problems in original ways—a skill that machines can't easily replicate.

This trend will likely continue: a recent McKinsey study predicts that as automation transforms the skills companies need, demand for creativity will rise sharply by 2030.<sup>2</sup>

# Soft skills companies need, but have a hard time finding

Soft skills in high demand relative to their supply, based on LinkedIn data

- 1. Creativity
- 2. Persuasion
- 3. Collaboration
- 4. Adaptability
- 5. Time Management



# Most hiring and firing decisions come down to soft skills

Let's be clear: hard skills matter.

A programmer needs coding skills and a translator needs language skills to succeed at the most basic level of their jobs. But since there are often clear, consistent ways to evaluate these hard skills, there's less of a chance that someone without them could slip by and get hired.

Identifying poor soft skills, however, is much harder, which is why they're often discovered too late, after a hire has been made. As the data to the right shows, bad hires are almost never a matter of hard skills. alone. Talent professionals know this, which is why they prioritize soft skills alongside hard skills during the hiring process.

# It's more important to hire for:



Soft and hard skills

8%

Hard skills



## Bad hires usually lack:

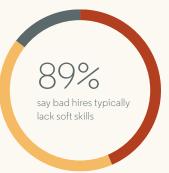


Soft skills

Soft and hard skills

11%

Hard skills



# Companies struggle to assess soft skills without a formal process

In a typical job interview, you mostly ask the candidate about their hard skills and experience to see if they're a fit.

Soft skills are often approached less directly. In fact, 68% of talent professionals say the main way they assess soft skills is by picking up on social cues in interviews. She seemed upbeat, so she's probably a good collaborator; he seemed nervous, so he's probably not a good leader.

The problem is that these perceptions aren't predictive, and worse, they're often unconsciously biased.<sup>3</sup>
Unfortunately, this unstructured approach is extremely common—which is probably why so many struggle to assess soft skills accurately and consistently.

# Only All O have a formal process to assess soft skills

struggle to assess soft skills accurately

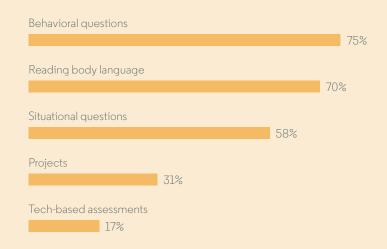
# The go-to assessment methods don't measure up

Despite the importance of soft skills, the most common ways to measure them haven't changed over the past few decades. Companies overwhelmingly rely on asking interview questions and observing candidates' body language. While behavioral and situational questions can be effective if applied consistently, they're susceptible to bias and often elicit well-rehearsed answers.

Other methods that go beyond the interview aren't as popular yet, but could lead to less biased assessments. Projects let you see candidates' soft skills in action; techbased assessments like Koru, Pymetrics, and Plum use AI to measure candidates' soft skills more systematically.

# The most common ways to assess soft skills

Percentage of talent professionals who say their company uses the following methods to assess soft skills



6 tips
to help you
assess soft skills



## Tip 1

# Determine the soft skills valued most at your company

Interview leaders and discuss the soft skills your organization needs to succeed. See what skills your top performers share and also consider what skills you'll need to navigate any future challenges. A tool like LinkedIn Skills Insights can give you details of where your employees excel or fall short.



## Tip 2

# Identify and define the skills needed for the role

Along with looking for skills needed company-wide, make sure your hiring managers and recruiters agree on the most important soft skills for a given job. Be sure to clearly define any soft skills you'll be assessing: since they're less tangible than hard skills, it's important to confirm everyone is on the same page.

# Tip 3

# Consider online tools to prescreen candidates

Tools like Koru, Pymetrics, and others let candidates take quick online assessments as they apply. By analyzing the way candidates answer questions or play games, these tools assess their soft skills systematically and with less bias (ideally). These insights can help guide your interviews to the candidate's strengths and weaknesses.

# Tip 4

# Be mindful that bias can creep in

When it comes to soft skills, inconsistent, unstructured interviews are highly susceptible to unconscious bias. For example, you might prefer a candidate because they remind you of yourself (similarity bias), but chalk it up to their "leadership potential" without defining or measuring it.4

### Tip 5

# Standardize your interview questions

There's nothing wrong with asking behavioral and situational interview questions, so long as you're using them consistently. Train interviewers to ask a standard set of questions suited to the skills you're targeting. This allows you to easily compare evaluations, even if they're done by different interviewers.

# Tip 6

# Ask problem-solving questions to see soft skills in action

First, ask the candidate to solve a problem with their hard skills (e.g., outlining a 90-day plan to launch a new product in Germany). Then introduce new constraints and conditions (e.g., only give them 30 days, or double their budget). See how they adapt to change, build on your feedback, and communicate their approach.<sup>5</sup>



# Case studies in soft skills



# Citi screens for potential with Al-powered assessments

66 77

We want to be more data-driven, but we're not removing relationships or humans from the interview process. When students accept our offers, they say it's because of the people here.



#### Why

As the competition for graduate talent heats up, Wall Street firms are talking to students earlier and earlier—often before they've developed the required technical skills. That's why Citi puts a greater focus on hiring for potential by assessing soft skills and recently added new elements to their graduate hiring process.

#### How

Problem-solving case studies and group exercises showcase candidates' collaboration, communication, and leadership skills. Citi is also piloting Koru, an online soft skills assessment, for their graduate hiring. The AI-powered tool lets them assess a wider pool of applicants and enables interviewers to ask more in-depth questions about a candidate's strengths and weaknesses.

#### Outcome

Putting a premium on soft skills has allowed Citi to significantly expand their entry-level talent pipeline beyond their usual core schools—creating a more diverse workforce and reducing bias.

# White & Case focuses on six core competencies

66 77

We're not just looking for the 'best talent,' we're looking for the best talent for White & Case, and those are two different things.



Antonia Choi Global Director of Recruiting and Employer Branding Leader

#### Why

Over the last few years, the law firm White & Case has made soft skills fundamental to their hiring process. While in the past they followed a looser approach to interviewing, the firm recently decided to start measuring soft skills more consistently and put a plan into action.

#### How

As a first step, the firm interviewed teams across multiple regions to determine its "core competencies"—the six soft skills and behaviors that make someone successful at White & Case. Interviewers were then trained to identify the competencies through behavioral questions and encouraged to dig deeper with incisive follow-ups.

#### Outcome

Since putting more weight on competencies and behaviors, White & Case has made better hiring decisions: candidates who may have otherwise flown under the radar have become some of the firm's best and brightest.

# BYTON standardized its interview questions

66 77

You always need the right hard skills to get the job done, but you need the right soft skills for outstanding performance.



### Why

BYTON, an electric car startup headquartered in China, valued both soft and hard skills—but only measured the latter consistently. This meant that people with the right technical skills and experience sometimes lacked critical soft skills like decision making and accountability—significantly impeding the speed and quality of projects.

#### How

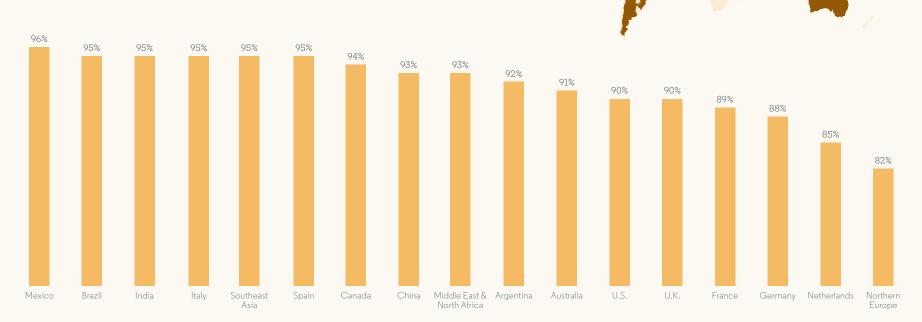
In growing to over 1,300 employees in two years, BYTON has gotten rigorous about soft skills. They now use hiring panels with a standardized set of situational interview questions to systematically assess soft skills. BYTON recruiters also pay special attention to any behavioral red flags they might notice throughout the candidate journey.

#### Outcome

Since BYTON started systematically assessing candidates' soft skills, the company has been making more accurate evaluations and fewer bad hires: there has been significant decrease in turnover during probationary periods.

# Importance of soft skills around the world

Percentages of talent professionals who say soft skills are very important to the future of recruiting and HR



# Work flexibility

Empowering employees to work when and where they want



# 66 77

Work flexibility is becoming the norm. The challenge is how fast can organizations provide it. Those that can are going to be in a far better position to retain top talent over the next three to five years.



**Jason Phillips**VP Digital HR & Global Chief of Staff, Cisco

# Flexible is the new normal

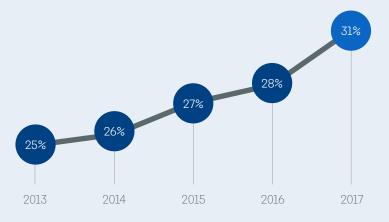
Today, it's perfectly normal to instant message a coworker on another continent, answer a work email while waiting in the grocery line, or finish up a presentation at home after dinner.

Technology has taken work beyond the traditional workplace and office hours—for better, and for worse. In response, employees expect to reclaim their work-life balance through flexibility: the freedom to work where and when they want, within reason.

It's now often a top priority for candidates when choosing a job, and employers increasingly promote their flex policies in job posts. Flexibility can improve productivity and retention, but brings a new set of challenges—like difficulties in collaboration and bonding.

# More employees want flexibility

Percentage of LinkedIn members who say flexible work arrangements are very important when considering a job





# Flexibility varies by industry, with tech leading the way

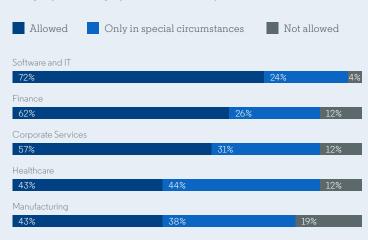
While the majority of talent professionals say their company offers some work flexibility (remote work or flexible hours), that isn't the case in every industry.

Some jobs are impossible to do remotely or outside of regular hours. A factory worker or surgeon, for example, can't easily work from home or change their schedule at will—but a software engineer can.

So it's no surprise the industry with the most flexible working conditions is tech, while the least flexible are manufacturing and healthcare. Just 43% of talent professionals in manufacturing and healthcare say their companies allow remote work at least some of the time, compared to 72% of those in the software industry.

# Remote work allowed by industry

Percentage of talent professionals in each industry who say their company allows employees to work remotely at times



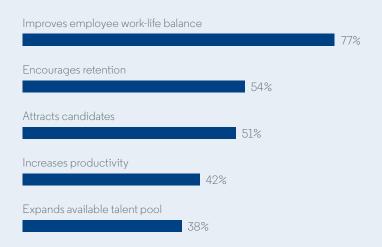
# What's good for employees is good for business

While the clearest benefit of flexibility is greater worklife balance for employees, it also helps employers attract and retain talent while boosting productivity.

A recent Stanford study in China showed that letting employees work from home increased productivity by 13% and reduced turnover by 50%. The results were so successful that the company, Ctrip, rolled out the policy to all 16,000 employees—and saw even greater productivity gains: an increase of 22%.6

# Top benefits of work flexibility

Percentage of talent professionals who say the following are among the main benefits of work flexibility



# Greater flexibility can lead to greater diversity

Different lifestyles require different degrees of flexibility. If you aren't offering flexibility, you're missing out on a diverse range of candidates.

For example, women are 22% more likely than men to cite flexible work arrangements as a very important factor when considering a job, with those ages 36 to 45 being the most likely to do so.<sup>7</sup>

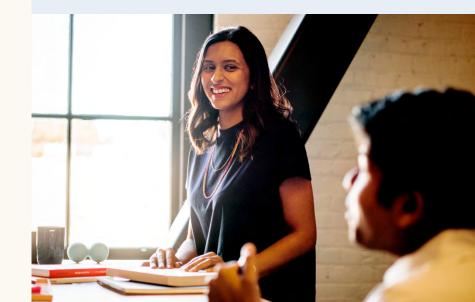
"It's not just working moms," adds Sara Sutton, founder of the organization 1 Million for Work Flexibility. "It's people with disabilities, military spouses, people with health problems, caretakers, and people living in rural or economically disadvantaged areas. People need and want work flexibility for a lot of different reasons."

# Flexibility matters when choosing a job

Percentage of LinkedIn members who say flexible work arrangements are very important when considering a job

36%
Women

29%



# Remote work has downsides, but these tools can help

A few companies, like IBM and Yahoo, have publicly moved away from flexibility in the past, citing the difficulties of collaborating remotely. While many talent professionals agree those are real challenges, they also believe they can be overcome with the help of increasingly popular tech tools.

Companies are rapidly adopting instant messaging platforms like Slack and Microsoft Teams, and video conferencing platforms like GoToMeeting, Webex, and Skype are already in wide use. These tools help recreate the immediacy and informality of being in the same room, while allowing colleagues to work at different places and times.

# Top challenges of remote work

Talent professionals say the following are the main challenges of employees working remotely

- 1. Team bonding
- 2. Collaboration
- 3. Work oversight

# Top ways to overcome remote work challenges

Talent professionals say the following solutions help them overcome the challenges of employees working remotely

- 1. Instant messaging
- 2. Audio conferencing
- 3. Video conferencing

6 steps
to building
a flexible
work culture

# Step 1

# Know what types of flexibility your employees want

Survey your workforce to see what they need. The most in-demand types of flexibility are the ability to work remotely at times while keeping an assigned desk, the autonomy to step away for a few hours for personal reasons, and the freedom to shift hours (e.g., to avoid rush-hour traffic).<sup>10</sup>



## Step 2

# Partner with teams outside of HR

Equipping flex workers with the right technology can make them more productive, and optimizing your office space for a semi-remote workforce can help you save money on real estate. Work with your IT and facilities teams from the beginning to ensure you're supporting employees and efficiently using your space.

## Step 3

# Help employees connect through technology

Remote workers can often feel isolated or left out. Video conferencing and instant messaging can recreate the real-time availability of walking up to someone's desk or chatting around the proverbial water cooler. These tools aren't just useful for collaborating—they're helpful for team building, too.

# Step 4

# Talk up your flex policies

HR teams often find that employees don't know the company's policies. Promote your flexibility policy in job descriptions, candidate interviews, and employee meetings. Set expectations, answer questions, and clear up common misconceptions.

# Step 5

# Train leaders to manage flexible workers

It's not just a matter of changing policies or technology: your work culture needs to adjust, too. Organize training sessions to help managers lead flexible teams. Training should focus on technical aspects as well as cultural ones, like keeping remote workers engaged.

## Step 6

# Be flexible about flexibility

You can tailor your flexibility policies to fit local cultural contexts, needs, and goals. And as technology progresses and makes flexibility more feasible for more employees, reevaluate your policies to see how you can make them more inclusive.



# Case studies in work flexibility

# Sodexo tailors global principles to local needs

## 66 77

It's all about creating an inclusive culture where each individual's needs are being met along the way, so long as the work gets done.



**Jodi Davidson**Director of D&I Initiatives

#### Why

When Sodexo first introduced flexible work, it did so rather rigidly—employees had to submit formal proposals just to ask for the option. After 10 years, the company has learned to go with the "FLOW" (FLexibility Optimizes Work), a business-based practice that's building flexibility into the work lives of its 427,000 employees around the globe.<sup>11</sup>

#### How

The global guidelines are enacted differently across 80 countries. In Belgium, employees are encouraged to arrive late and leave early to work from home, allowing them to avoid stressful rush-hour commutes. In India, people can work half-time jobs and take unpaid family leave for up to two years—policies that have rapidly increased the number of women working there.

#### Outcome

In a recent survey, most U.S. Sodexo employees said they feel more productive with flex arrangements. Jodi Davidson, Director of D&I Initiatives, saw how powerful flexibility can be. Her father recently passed away, but Jodi was able to be his hospice caretaker by working from her parents' house during his last months. Jodi is grateful and says she has tremendous loyalty to Sodexo.

# Dell saves millions with work flexibility

## 66 77

Work is what you do and not a place you go. Our value proposition is clear and simple: to enable our team members to do their best work regardless of the where and when.



**Mohammed Chahdi**Director, Global Human Resource

#### Why

For Dell, work flexibility is more than just a perk for employees. It's a serious business initiative with bottom-line impact. Its flexible work program, which enables employees to work remotely and at variable hours, has saved Dell an average of \$12 million annually since 2014 due to reduced office space requirements.<sup>12</sup>

#### How

Dell believes its flex program is so successful because HR partnered closely with IT and facilities teams from the very start. By making sure employees had the right training, technology, and workspaces for their chosen work style, the transformation was relatively seamless. The company's flexible policies work hand-in-hand with its culture, which prizes trust, accountability, and results over visibility and oversight. Dell makes a point of holding remote and on-site employees to the same standards—it's about performance, not appearance.

#### Outcome

Today, nearly 60% of employees work flexibly, and the Net Promoter Score of employees who work remotely tends to be 20% higher than the score of those who don't.<sup>15</sup>

# Humana expands flexibility as technology evolves

## 66 77

Recognize that work flexibility will be gradual. It takes big changes to both your technology infrastructure and your culture.



### Why

At Humana, a U.S. healthcare company, roughly half of employees took advantage of remote work policies, which were revamped and championed in 2016. The call center team, however, couldn't; their calls had to be recorded at their desks.

#### How

After a call center leader requested a way for employees to work from home, Humana launched a study to see what was possible. While at-home setups weren't feasible before, the study found a new tech solution that worked. In 2018, Humana piloted a new flexible work style—equipping call center employees with at-home technology and replacing assigned desks with more flexible shared ones

#### Outcome

When new technology became available, Humana adapted to help this group of employees enjoy the same flexibility as the rest of the workforce. Offering robust flexibility helps the company attract talent and allows them to source candidates from areas beyond their local offices.

# Appen helps flex workers connect and reduces attrition

66 77

Flexibility is a key part of our culture and contributes to effectively operating a growing global business, attracting talent, and meeting the needs of clients.



**Kerri Reynolds** SVP of Recruiting and HR

#### Why

Appen, a machine learning company, has over 350 full-time employees across seven countries and over a million contractors across the globe. Employees have flexible working options and contractors are 100% remote. After an internal survey, Appen found that while people enjoyed the flexibility, they sometimes felt isolated.

#### How

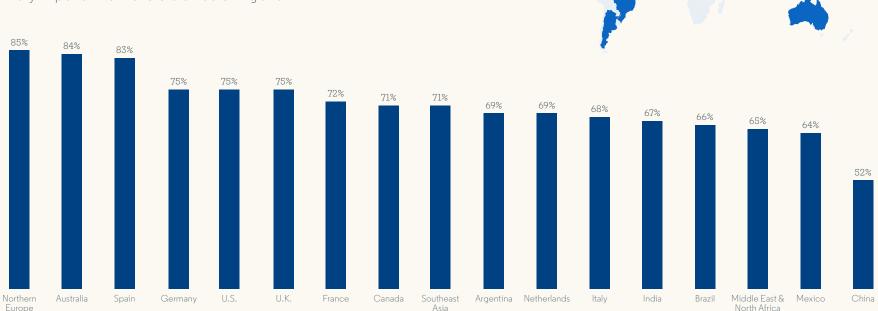
In 2017, to foster a sense of community, Appen began to invest in tools and practices to make at-home work more collaborative. The company built an internal community forum where flex workers can offer advice, troubleshoot common issues, and get to know each other. At the same time, Appen invested in video conferencing, instant messaging, and document collaboration solutions. They're also using LinkedIn Learning courses to train leaders how to manage flexible workers.

#### Outcome

Appen saw its turnover quickly decline. In just one year, the company's employee attrition rate fell by 5%. And in its most recent employee survey, 80% of Appen's core workforce said they were satisfied with their jobs.

## Importance of work flexibility around the world

Percentages of talent professionals who say work flexibility is very important to the future of recruiting and HR



## Pay transparency

Breaking the taboo to build trust



66 77

Transparency isn't the goal.
The goal is paying everyone fairly,
and transparency forces us to do that.



## Pay transparency instills trust

Pay has always been a confidential topic in the workplace. Employers fear that disclosing too much information about employee salaries could cause wage disputes, limit their ability to negotiate, and encourage competitors to poach talent.

But the benefits of pay transparency may outweigh these fears. Not only does it set salary expectations with candidates early on, transparency also clears up misinformation that could be hurting employee morale and retention. That's because when left in the dark, most people tend to incorrectly assume they're being underpaid.<sup>14</sup>

Most importantly, transparency can help ensure fair pay across gender, race, and all other demographics, creating a more trusting relationship with all employees.

+136%

increase in pay transparency content shared on LinkedIn since 2014

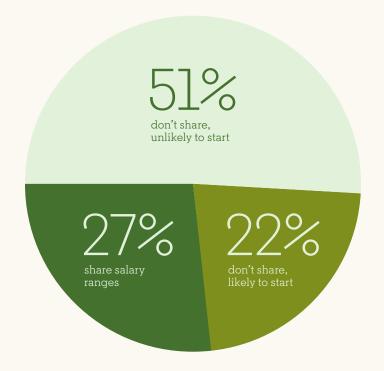
## Early adopters are leading the way

As it becomes easier for people to see and share salaries on sites like PayScale, Glassdoor, and LinkedIn, more companies are choosing to own the conversation by sharing salary information themselves.

Currently, 27% of talent professionals say their company is transparent about pay. Of those 27%, 67% of them share salary ranges with candidates early in the hiring process, 59% share ranges with employees, and 48% share ranges publicly on job posts. As the transparency trend gains further momentum, these numbers are expected to grow.

### Businesses are split on transparency

Percentage of talent professionals who say their company shares salary ranges with employees or early-stage candidates, or is likely/unlikely to start sharing in the next 5 years



### Companies fear disputes, but those who share salaries see benefits

Fear of upsetting employees is by far the most commonly cited reason for not sharing salary ranges. Companies often worry that people will immediately ask for the high end of a salary range or become unhappy after seeing what others make.

According to talent professionals who practice it, pay transparency makes the hiring process more efficient by streamlining negotiations. It also helps ensure fair pay across gender and race, which is why many governments have recently introduced pay transparency laws.<sup>15</sup>

"Pay transparency removes the distrust people have," says engineering leader Leslie Miley, who has worked for the Obama Foundation, Twitter, and Apple. "As an African American, I'm always distrustful because all the data supports that I'm going to be paid less. If you come out and say 'this is what our salary is, these are the ranges,' that's going to build trust."

### Reasons for not sharing salary ranges

Talent professionals who don't share salary ranges with candidates or employees cite the following reasons why

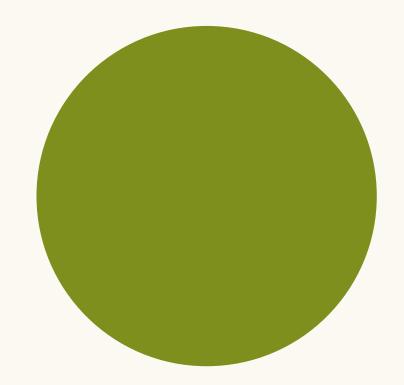


### Benefits of sharing salary ranges

Talent professionals who do share salary ranges with employees or candidates cite the following benefits



7 steps to establish pay transparency



### Step 1

# See how your pay stacks up

Conduct an internal audit to see how your pay compares to competitors and whether you have any major pay gaps across gender, race, and those in similar roles. If you do find significant inequities, detail a plan to fix them—whether by immediate raises or changes to your promotion policies.



### Step 2

# Decide how transparent you want to be

There are many types and degrees of pay transparency—you could share salary ranges on job posts, share ranges with employees (for their own role or all roles), or even publish exact salaries. Determine what's best for your company and get executive buy-in before bringing it to employees.

### Step 3

### Solicit employee input

Get your employees involved in the process. Share your proposed policy details and expected results with them across multiple channels. Give employees several ways to provide feedback and share concerns, from anonymous surveys to live Q&As and one-onone discussions.

### Step 4

### Develop clear compensation criteria

Before rolling out pay transparency, make sure you can clearly answer what factors determine an employee's pay, such as years of experience or past performance. Qualify what it takes to be at the minimum, midpoint, and maximum of the pay range.

### Step 5

# Train managers to discuss pay appropriately

Talking about salaries can be uncomfortable. Training managers how to answer questions and explain compensation policies can make it easier for employees to have these conversations and feel good about them.

### Step 6

# Take it one step at a time

A phased multi-year approach can make for a smoother transition. Consider sharing your plans and training managers in the first year, giving employees the salary ranges for their own roles the next year, and then sharing the ranges for all roles in the third year.

### Step 7

# Communicate clearly as you roll out the policy

Ensure employees have all the details they need and continue to reinforce the rationale behind transparency. Tying your policies to your company's core values can strengthen both. For example, you can connect pay transparency to values like honesty, integrity, diversity, communication, or accountability.

# Case studies

in pay transparency



### Buffer makes exact salaries public

66 77

Pay transparency has absolutely helped boost trust and morale, and productivity in general. Workplace happiness is something that we see in a lot of our employee surveys, too.



Hailley Griffis
Public Relations Director

### Why

Hailley Griffis, Buffer's PR Director, makes \$90,091. That's no secret: at Buffer, every employee's salary is publicly available to anyone online. Posting salaries online is one way Buffer lives up to its "default to transparency" core value. The company also shares revenue numbers, diversity metrics, and even layoff details. <sup>16</sup>

#### How

Before sharing salaries in 2013, Buffer got an opt-in from every employee—which was easy because there were only 12 of them. But even as the team grew to 80, only the occasional employee opted out (the salary for their role is still public, but their name is removed). Buffer was ready to answer the "why" behind the salary: they use a salary formula (also transparent) to determine everyone's pay based on experience, local cost-of-living, and the market rate of the role. They use the formula in the hiring process to avoid ever negotiating salaries.

### Outcome

While it's certainly an extreme policy, it's popular with candidates and employees alike. A month after publishing its salaries, Buffer received over twice as many applications as it had in the previous 30 days. Temployee surveys show people are happy, and since the salary formula ensures equal pay for equal work, they can rest assured that they're being paid fairly.

### CareHere shares salary ranges step by step



Right now, transparency is a competitive advantage for us. We'll enjoy that while it lasts, but I hope other employers embrace it. It's the right thing to do, and employees and candidates want it. We owe it to them and we owe it to ourselves as HR professionals.



Jeremy Tolley Chief People Officer

### Why

CareHere, a healthcare company with more than 1,200 employees, sensed something was wrong. Despite their above-market salaries, employees often assumed they were being paid unfairly—concerns that managers didn't know how to address. It was damaging CareHere's employer brand, and they felt like they were losing good people.

#### How

In 2017, CareHere adopted a three-year pay transparency plan to boost retention. In 2018, they communicated their pay philosophy to all employees. They also started telling employees the salary range for their own roles, sharing ranges with candidates, and training managers to discuss salaries. By the end of 2019, CareHere hopes to have open salary ranges for all roles internally and on job posts. Most importantly, they want employees to have open, honest discussions with their managers about pay—especially if they're thinking about leaving.

### Outcome

While CareHere's pay transparency rollout is still in progress, employees have reacted very positively thus far—and the candidate experience has significantly improved. Sharing salary ranges early makes the process more straightforward and has gotten rave reviews from candidates.

### Starbucks achieves gender and racial pay equity

66 77

Sunshine is the best disinfectant. We can't be part of the solution until we know the problem. No one expects your company to be perfect, but they do expect it to be open and honest.



**Sara Bowen**Global Leader, Inclusion, Diversity,
Equity & Accessibility

### Why

Starbucks has made transparency a core principle in the company's effort to close pay gaps across gender and race. And as part of their vision of global pay equity, it's simply the right thing to do, says Sara Bowen, Global Leader of Starbucks' Inclusion, Diversity, Equity, and Accessibility (IDEA) team.

#### How

In the past few years, the company stopped asking candidates about salary histories and started providing pay ranges to candidates who ask. For many roles, they also began using a calculator to determine salaries based on experience and set salary ranges well before candidate sourcing begins. Starbucks has also committed to publishing its pay equity progress annually.

### Outcome

In 2018, Starbucks announced that it achieved 100% pay equity for all genders and races performing similar work in the U.S., and has committed to do the same globally for employees in company-operated markets. These practices have bolstered its employer brand and helped attract top talent.

### Glitch uses transparency to ensure equality



Transparency isn't the goal.
The goal is paying everyone fairly,
and transparency forces us to do that.



### Why

When Anil Dash joined Glitch as CEO in 2016, he led a concerted effort to improve diversity and inclusion at the company. Embracing pay transparency was a clear way to assure candidates of all backgrounds that they would be treated and compensated fairly.

#### How

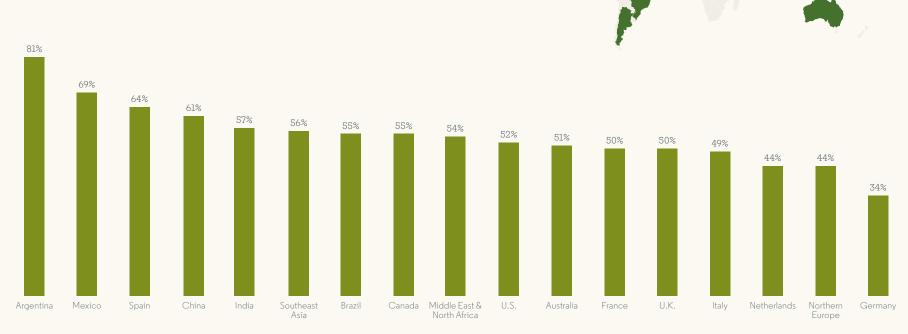
Before adopting pay transparency, Glitch conducted an audit to ensure its employees were paid fairly across gender and race. They were, but employees had no way of knowing that. After proposing transparency to employees, everyone was invited to share their thoughts in meetings and anonymous surveys. Ultimately, they decided to start by sharing salary ranges, rather than exact salaries, internally and on job posts.

### Outcome

According to Anil, transparency builds trust, and trust allows the company to keep its best talent. It has also brought unexpected benefits: reviews and raises are more predictable, candidate feedback has been positive, and job posts now routinely get hundreds of applications and social media praise.

## Pay transparency around the world

Percentages of talent professionals who say pay transparency<sup>1</sup> is very important to the future of recruiting and HR



## Methodology

### Survey

We surveyed 5,164 talent professionals and hiring managers who self-identified as either talent professionals who work in a corporate HR/TA department or hiring managers who have some authority over hiring decisions for their team. These survey respondents are LinkedIn members who were selected based on information in their LinkedIn profile and contacted via email between September 18 and October 10, 2018.

### Behavioral data

Behavioral insights for this report were generated from the billions of data points created by more than 590 million members in over 200 countries on LinkedIn today. This analysis was performed during October 2018.

#### Soft skills

The soft skills companies need most was determined by looking at soft skills that are in high demand relative to their supply. Demand is measured by identifying the skills listed on the LinkedIn profiles of people who are getting hired at the highest rates. Only cities with 100,000 LinkedIn members were included.

### Work flexibility

We conducted a multilingual keyword analysis of words that indicate remote and flexible work arrangements on LinkedIn job postings. Growth rate refers to the growth in remote and flexible job postings as a share of total job postings from September 2016 to August 2018. Employer value proposition insights were generated through analysis of LinkedIn's annual Talent Drivers Survey of over 350,000 members. Gender was inferred based on first name for 90% of respondents.

### Pay transparency

We conducted a multilingual keyword search on LinkedIn content (including articles, posts, and updates) by members and companies that mentioned "pay transparency" and related or similar topics. The growth rate refers to the growth of pay transparency content as a share of total content from September 2014 to August 2018.

### Sources and notes

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