



**FINDING OPPORTUNITY
IN UNCERTAINTY**

**WORKFORCE SOLUTIONS
MARKET OVERVIEW**

EUROPEAN MARKET STUDY: FALL 2023

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For three and a half years, the world of work has been gripped by uncertainty.

Its causes are rooted in both economic fluctuations and societal change. In the United States, the unemployment rate has hovered at or near a 53-year low for months, even as employers grapple with the ongoing impact of inflation and high interest rates.¹ A similar picture is playing out across Europe, where macroeconomic factors have combined with geopolitical instability to sow further doubt into the continent's future. Still, the eurozone's unemployment rate fell to a record low in April as employers continue to hoard workers to combat the region's persistently tight labour market.²

Times are changing, too. Across Europe, offices have reached a post-pandemic milestone: on average, more than two-thirds of all workers are back at their desks.³ These workers are returning to workplaces that are forever changed — not only by the new normal of hybrid and remote work, but by emerging technologies. Artificial intelligence is here, and it has business leaders around the world sprinting to figure out what to make of it. So far, they are cautiously optimistic. For example, 47 per cent of respondents to a recent survey believe that AI will outperform humans in assessing all job applicants through an equal lens, compared to a significantly smaller percentage (15 per cent) who think AI would fare worse.⁴

In the European Union,
1 in every 7 employees



is a temporary — or contingent — worker, a share that is expected to rise as more people take advantage of the flexibility offered by contingent worker arrangements.⁵



over 70% of workers in Europe

are finally back at their desks.³

47% of respondents



believe that AI will outperform humans in assessing all job applicants through an equal lens.⁴

About This Report

Underlying it all is a generational shift that promises to upend a half century's worth of norms. Over the next decade, the rest of the baby boomer generation will surpass retirement age. In their place is a generation whose expectations for work are far different than those of their parents and grandparents. They are motivated less by profits and more by social impact. Though they value work as a central component of their identity, they are ultimately searching for jobs that guarantee a healthy work/life balance.⁶ And, perhaps most importantly, they are fewer in numbers than those who they are replacing. This will inevitably create challenges for countries like Germany, which needs to welcome an estimated 400,000 new workers each year just to keep up.⁷

As a single source for comprehensive workforce solutions, AgileOne is positioned to help companies succeed in changing times like these. That is why we are pleased to present *Workforce Solutions Market Overview: August 2023 Edition*. This report combines the latest economic data and insights from around the world with leading solutions to help companies find opportunities amid the uncertainty — and, ultimately, come out ahead.

Germany needs
400,000
new workers

each year to keep up
with retiring workers

About AgileOne

One world. One workforce. One provider. AgileOne.

In rapidly changing times, AgileOne is at your side. We are the one workforce solutions provider to offer comprehensive solutions leveraging the best of the best, combined with our technology expertise, consulting services, and exceptional delivery teams to meet all your talent attraction and management needs.

Why AgileOne?

We provide unparalleled value to our clients by delivering:



End-to-end total
talent management



Workforce solutions
technologies coupled with
unparalleled services



Single-country,
multi-country, and
multi-region talent
management solutions



Industry-leading
supplier management,
optimization, and
development programs



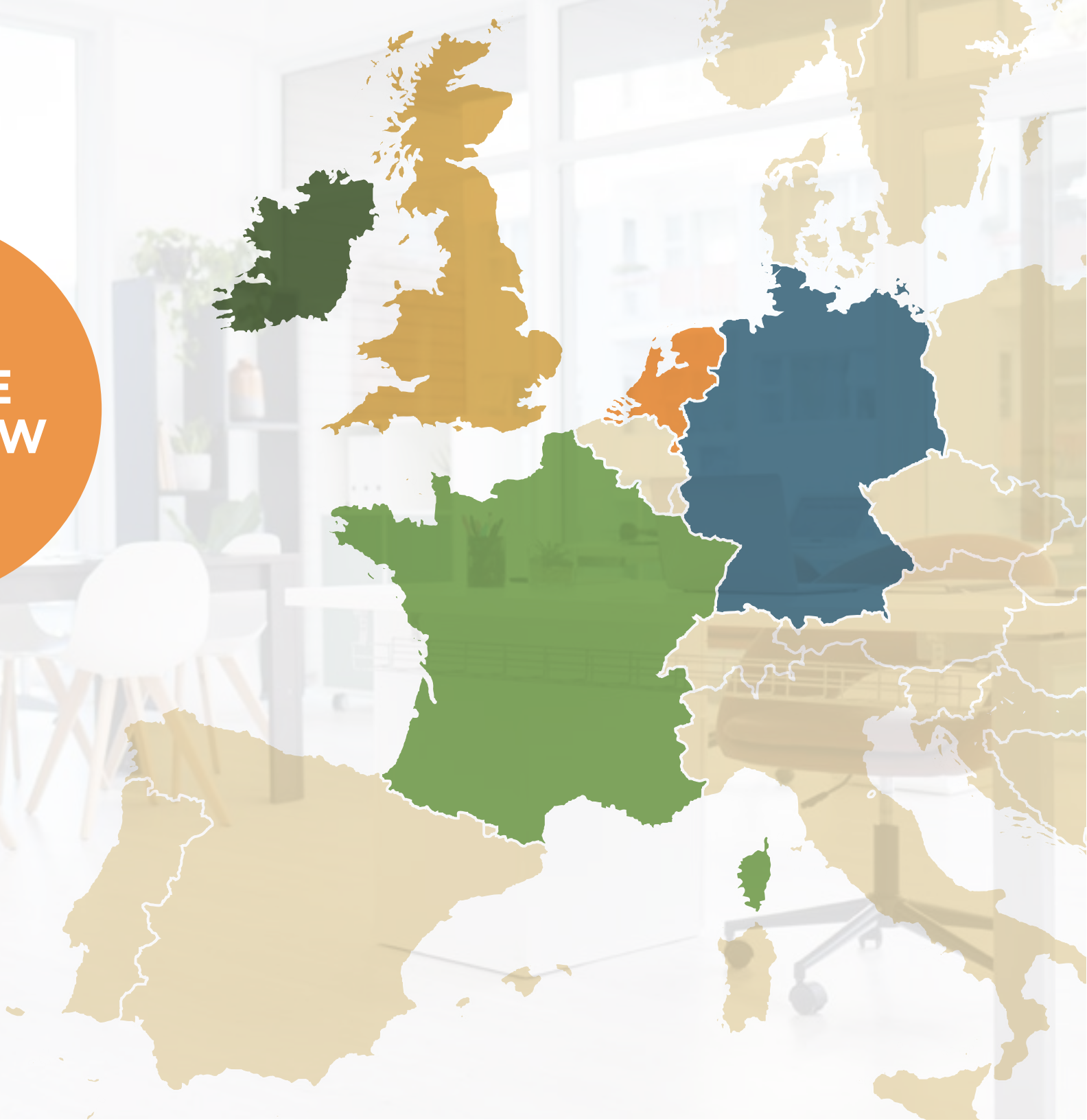
Integrated or
stand-alone MSP and
RPO administration



Industry best VMS,
SOW, and ICC
software

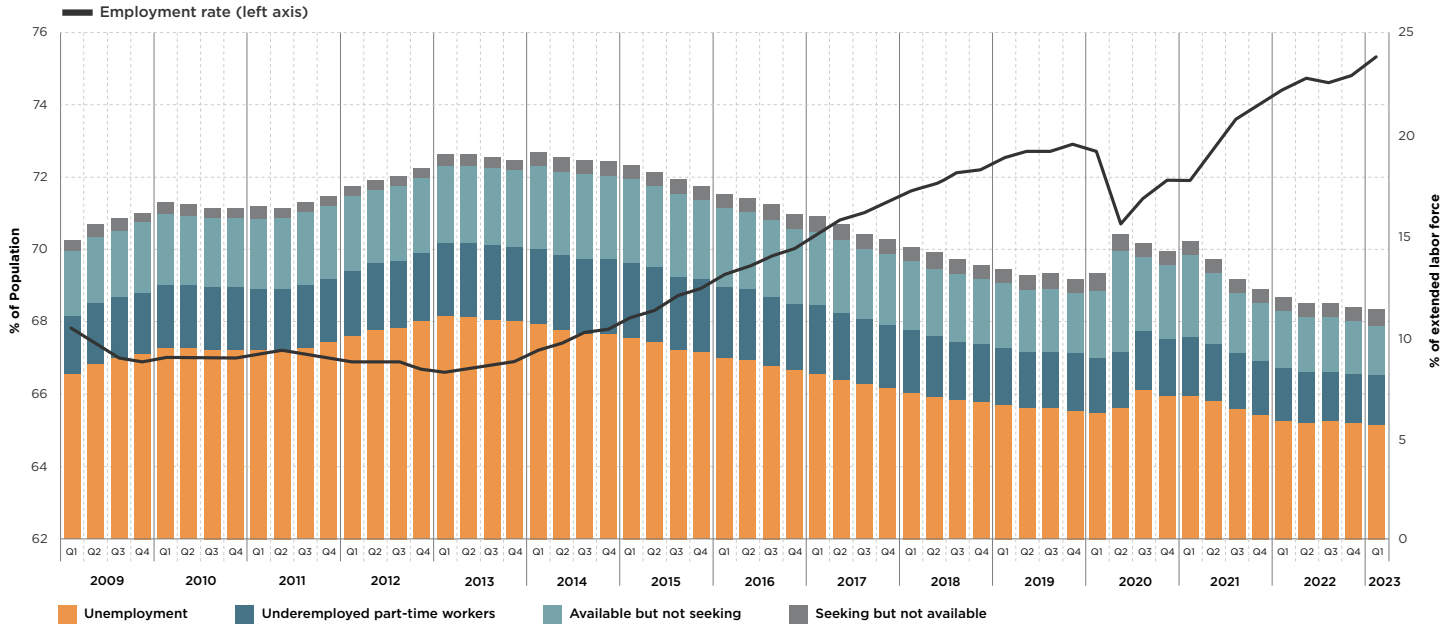


EUROPE OVERVIEW



Employment rate and labor market slack in the EU²¹⁸

(Q1 2009 to Q1 2023, population aged 20-64, seasonally adjusted data)



Employment across Europe has continued to tick up for the fourth consecutive year. In the first quarter of 2023, the employment rate in the European Union (EU) for people aged 20-64 years increased to 75.3 per cent, a half-point increase from the final quarter of 2022. This represents the highest share of employed persons since the beginning of the time series in 2009 and translates to an unemployment rate of 5.8 per cent.⁹ In the same period, the job vacancy rate sat steady at 2.8 per cent, down slightly from a series high of 3.2 per cent in the second quarter of 2022.¹⁰



Europe Overview

As countries throughout Europe confront the reality of enduring labour market tightness, recent data indicates that they are increasingly resorting to contingent – or temporary – labour to address workforce gaps. Among these countries, the Netherlands and Germany stand out, reporting some of the highest job vacancy rates in the continent, surpassing 4 per cent in the first quarter.¹² Notably, these countries also rely on temporary employment more extensively than 18 other EU27 nations and the UK. With more than a quarter of its workforce contingent, the Netherlands sits at the top of this list, the result of labour laws that make the overall costs to hire and dismiss permanent workers higher than for temporary workers.¹³

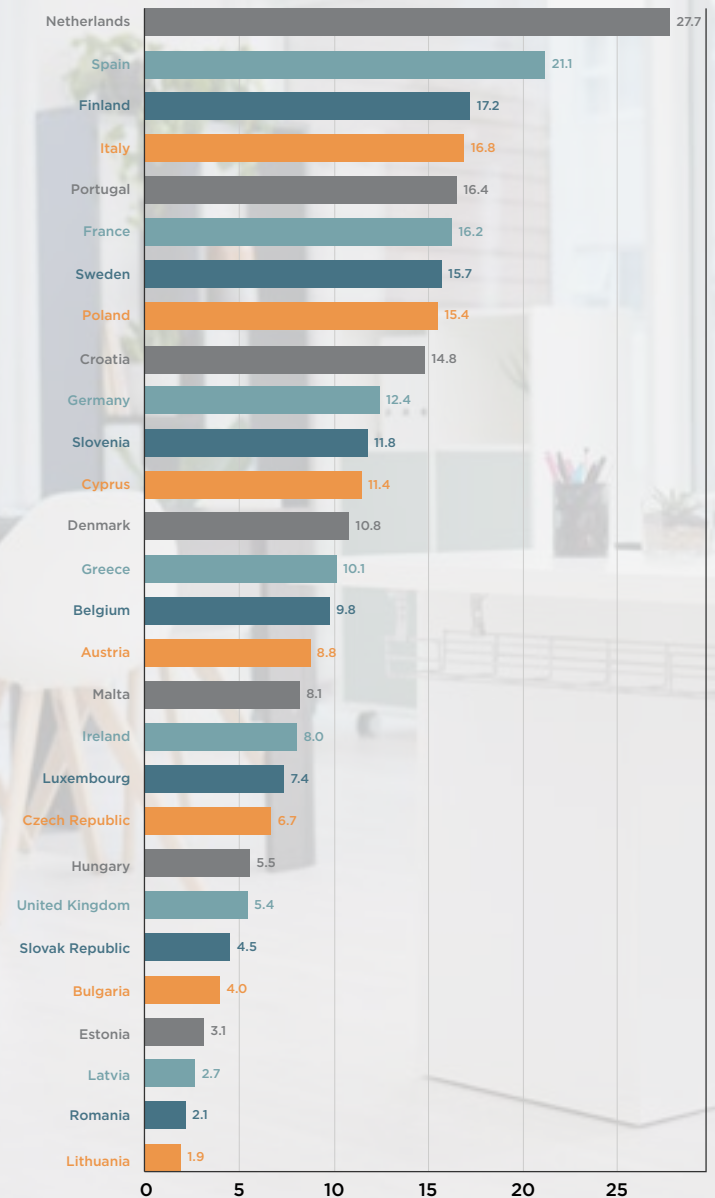
The Netherlands and Germany report some of the highest job vacancy rates in the continent, surpassing 4 per cent in the first quarter.¹²

How European countries respond to the elevated rates of job vacancies, not to mention the ongoing impact of high inflation, an ageing working population, and the ongoing impact of Russia's war in Ukraine, will set the tone for generations to come. For many, opportunities may emerge out of these challenges. Across the EU, more than one in eight people in the labour force could not work the hours they desired in 2022.¹⁴ Reskilling or upskilling these employees could decrease the share of the so-called labour market "slack," a term describing the unmet demand for paid labour within a given population. The influx of Ukrainian refugees also presents an opportunity: European countries have collectively resettled roughly 6 million immigrants from the war-torn country, with countries such as Germany, the UK, and the Netherlands, all in need of labour, receiving significant portions of these refugees.¹⁵ Training and mobilising workers from within this population will help ease the demand for talent.



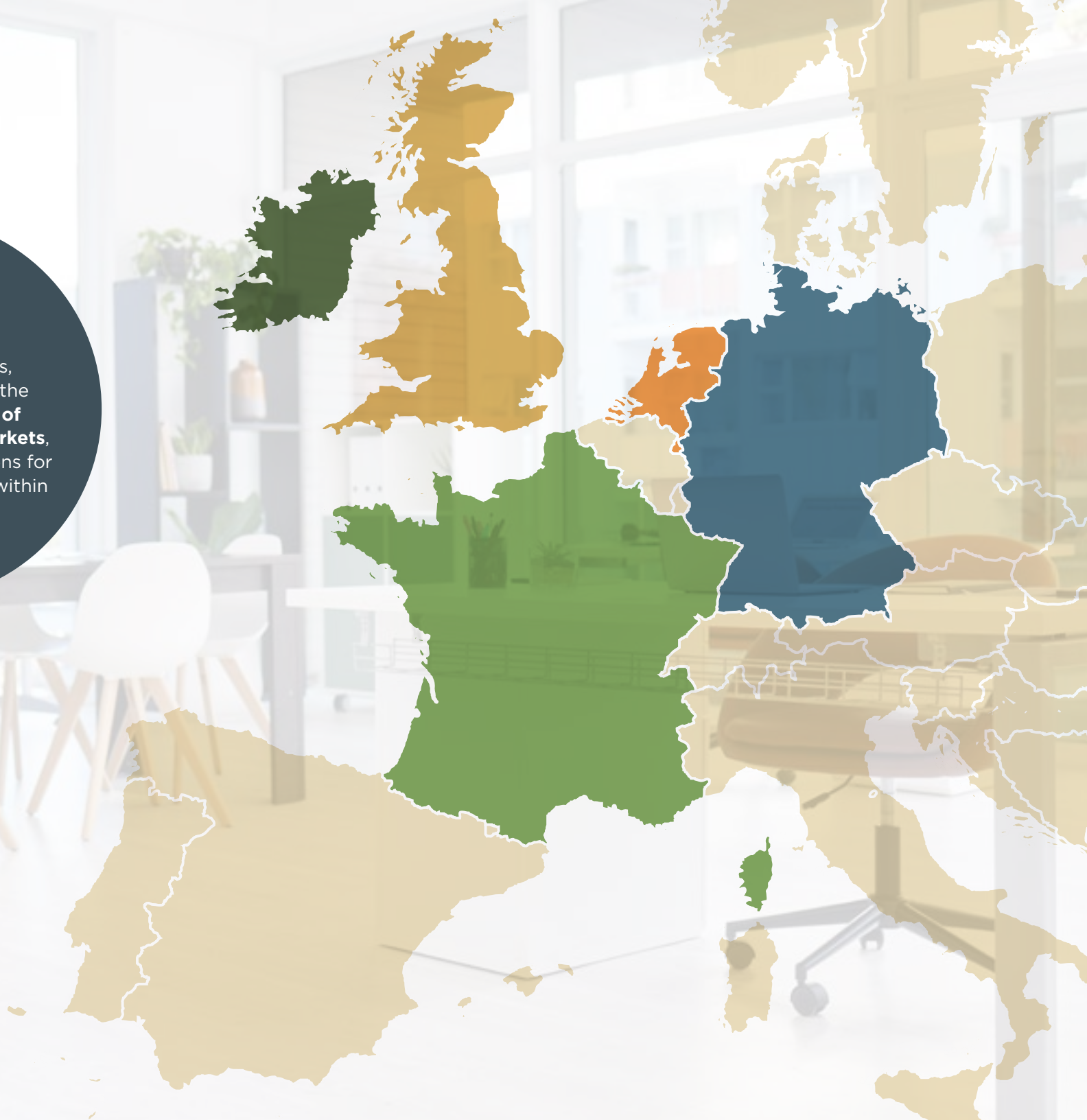
*Across the EU, more than **one in eight** people in the labor force could not work the hours they desired in 2022.¹⁴*

Reliance on temporary employment by EU27 nations and the UK, as a share of overall employment¹¹





In the following pages, we offer a snapshot of the **labor situation in five of AgileOne's European markets**, along with leading solutions for companies that operate within each country.






**THE
NETHERLANDS**



The Netherlands

The Dutch economy is poised to make a slow, but steady, rebound in 2023, thanks in part to the government's implementation of a price cap to mitigate the impact of surging energy prices. According to the latest projections, the economy is expected to grow by 0.8 per cent in 2023 and 1.6 per cent in 2024.¹⁷ While employment continues to grow — the unemployment rate sat at 3.6 per cent in July, near its historic low — the tight labour market and high inflation will limit significant economic growth and have real implications for job opportunities.¹⁸

Facing high prices, companies are grappling with reduced demand, leading to a decrease in production volumes and efforts to sell off existing stock. The European Central Bank has raised interest rates multiple times to counter inflation, yet a decrease is not expected until the end of 2023.¹⁹ As a result, the labour market in the Netherlands will likely remain tight for some time, which is causing companies to explore alternative strategies to tap into workers who are emerging in the workforce. Recognising the unique expectations of these audiences — which includes Gen Z and Millennials — is critical to the continued growth of the nation's economy. This trend creates an opportunity for freelance or contingent work, allowing individuals to have more influence over their work-life balance, which is highly valued by these generations.

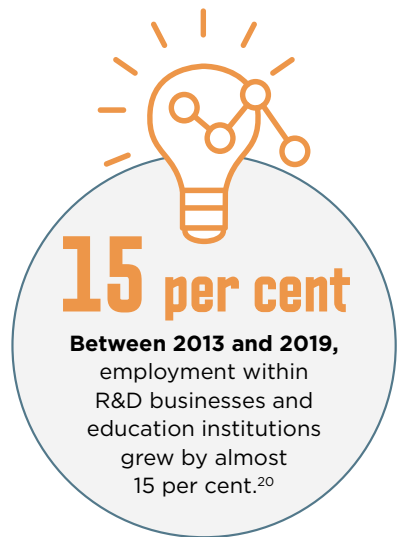
 **0.8%** expected economic growth

According to the latest projections, the Dutch economy is expected to grow by **0.8 per cent in 2023 and 1.6 per cent in 2024.**¹⁷

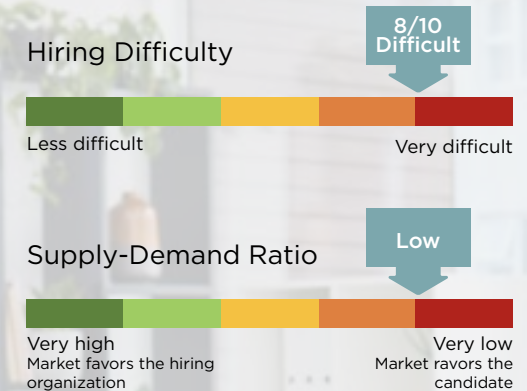


The Netherlands

A shift is taking place within the country's industries, too. The Netherlands has become a global magnet for science due to its strong research and development capabilities, which is driving significant employment growth. Between 2013 and 2019, employment within R&D businesses and education institutions grew by almost 15 per cent – roughly twice the pace of general employment. R&D sectors such as life sciences and health have received significant private investment, while medical technologies, pharmaceuticals, and biotechnology experienced pronounced growth despite the pandemic. Proximity to academia and start-ups brings benefits for firms, allowing agile collaboration, resource sharing, and access to cutting-edge technology. Leiden, Amsterdam, and Utrecht are the primary locations for life science academics, renowned for international medical, biomedical, and pharmaceutical research and teaching.²⁰



Netherlands Life Sciences Talent Supply/Demand Snapshot²⁰



Top Job Titles In Demand

- Operator/ Process Operator
- Production Worker
- Logistics Operator
- Project Manager
- Quality Assurance Officer

Top Companies Posting

- SIRE
- Bilfinger
- Young Engineering
- Eurofins
- Merck



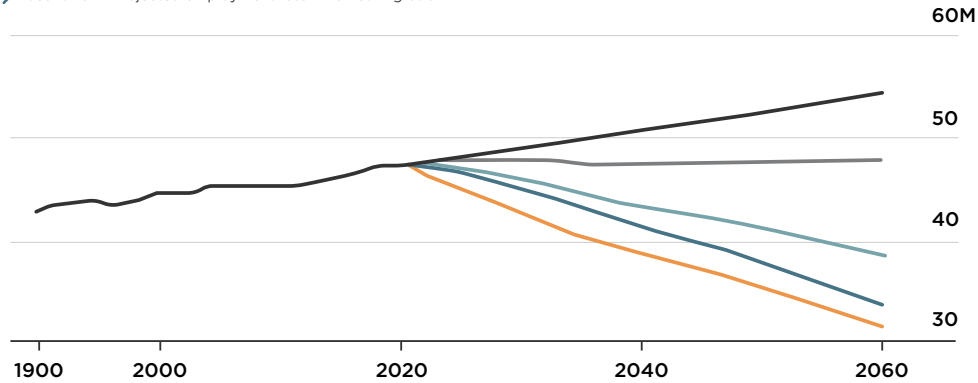


GERMANY



Total labour force potential under different modeled scenario²¹

- / **Baseline:** If 1990-2020 average trendline continues
 / **Scenario 3:** Projected employment rate + 100k annual net migration
- / **Scenario 1:** Constant employment rate + no net migration
 / **Scenario 4:** Projected employment rate + 400k annual net migration
- / **Scenario 2:** Projected employment rate + no net migration



Source: Institute for Labor Market and Vocational Research

Note: Projected employment rate includes increased labor participation rates among older people and women.

The German economy could use a new baby boom. According to modelling, the country’s workforce of 47 million people is due to stop growing at any moment — if it hasn’t already. Unless something changes, Germany’s labour supply is projected to decrease by 3 million people over the next decade, which will have negative implications for economic growth and inflation pressures. That’s the equivalent of a 7 per cent reduction in the German workforce.²²

The cause: baby boomers are ageing out of the workforce. The largest cohorts — born between 1957 and 1969 — are set to retire in the next 15 years. According to Germany’s Federal Statistical Office (Destatis), around 12.9 million economically active individuals will have reached retirement age by 2036. This accounts for nearly 30 per cent of the economically active population available in 2021 for the labour market. Meanwhile, there simply aren’t enough younger workers to replace those who are retiring. An analysis of people aged 15 to 79, grouped in 5-year intervals, reveals that more people in the older age groups are economically active than those in the younger age groups.²³ In short, in order to reverse the decline, Germany will need to look elsewhere for workers.



According to estimates, Germany needs to recruit roughly 400,000 skilled migrants each year just to preserve flat growth.²⁵ In the short term, the economy is benefitting from an influx of Ukrainian refugees, which helped boost the country's population by 1.2 million people in 2023.²⁶ Beyond that, the country must get creative. Companies that are able to tap into audiences at either end of the working-age population — and especially the next generation of workers — will be better positioned for growth. To do that, employers should follow the trends, embracing technology, providing mentorship and continuous learning opportunities, and promoting diversity and inclusion to manage and empower Gen Z. Working with partners like AgileOne, companies can leverage Managed Service Providers (MSP) and Vendor Management Systems (VMS) to effectively manage and optimize the contributions of Gen Z through streamlined processes, compliance, efficiency, and real-time visibility.



400,000
skilled migrants

According to estimates, Germany needs to recruit roughly 400,000 skilled migrants each year just to preserve flat growth.²⁵



**THE U.K.
AND
IRELAND**



GDP growth²⁷

% change in real GDP

	% change on previous quarter				% change on a year ago			
	Q3 22	Q4 22	Q1 23	Q2 23	Q3 22	Q4 22	Q1 23	Q2 23
UK	-0.1	0.1	0.1	0.2	2.0	0.6	0.2	0.4
EUROZONE	0.4	-0.1	0.0	0.3	2.4	1.8	1.1	0.6
USA	0.8	0.6	0.5	0.6	1.9	0.9	1.8	2.6
JAPAN	-0.4	0.1	0.7	..	1.6	0.4	1.8	..
GERMANY	0.4	-0.4	-0.1	0.0	1.2	0.8	-0.3	-0.1
FRANCE	0.2	0.1	0.1	0.5	1.2	0.7	0.9	0.9
G7	0.5	0.3	0.4	..	1.9	0.9	1.4	..
OECD	0.4	0.2	0.5	..	2.5	1.3	1.6	..

Sources: OECDstat and Eurostat

The UK has experienced stagnant growth in the past year, although it has managed to avoid a technical recession. In the second quarter of 2023, the UK's GDP grew by 0.2 per cent compared to the previous quarter. By comparison, the U.S. saw growth of 0.6 per cent and the eurozone experienced 0.3 percent growth.²⁸ Meanwhile, the Bank of England continues to raise interest rates in response to persistent inflation, which shows no significant signs of dropping. In fact, the National Institute for Economic and Social Research predicts that inflation will remain well above the target range, with levels around 4 to 5 per cent in 2024 and only falling back to 2 per cent in 2025.²⁹



Contributing to the UK's economic challenges is the issue of missing workers, with millions of people ceasing employment during the pandemic. There are currently 400,000 more individuals not employed or seeking employment compared to pre-pandemic levels. This phenomenon may be attributed to various factors, including mental health conditions, physical ailments like back and neck pains potentially linked to remote work, and an increase in post-viral fatigue associated with so-called "long COVID." The UK's Office for National Statistics highlights that the rise in work-limiting health problems predates the pandemic, with the percentage of individuals aged 16 to 64 reporting such issues increasing from 15.4 per cent in 2016 to 18.1 per cent in 2022, encompassing approximately 7.5 million people.³¹

In Ireland, the economic outlook remains positive. Economists are cautiously anticipating reduced inflation, although high prices and rising interest rates may continue to hinder growth. The unemployment rate in Ireland reached a record low of 3.8 per cent in May and is predicted to remain low, too, but labour shortages will continue to be problematic.^{32 33} Meanwhile, GDP is projected to continue growing solidly, with a growth rate of 5.5 per cent in 2023 and 5.0 per cent in 2024, driven primarily by net exports and resilient private consumption. Inflation, which peaked at 8.1 per cent in 2022, is anticipated to gradually decrease to 2.6 per cent by the end of 2024.³⁴ Ireland's strong economic performance is attributed to the expansion of manufacturing, particularly in the life sciences sector, which is dominated by major U.S. multinational companies.³⁵ Lower corporation taxes and investment incentives have also helped, leading companies to relocate from the UK and other countries.³⁶

To address the shortfall in the current and future workforce needs in the UK and Ireland, companies should conduct a mapping and skills exercise of their existing workforces. This will help identify the gaps and enable the utilization of non-permanent staffing to fill any shortfall. Additionally, establishing better and faster channels to access talent, planning for long-term talent acquisition, reviewing the total employment package, and introducing flexibility to the business matter, too.

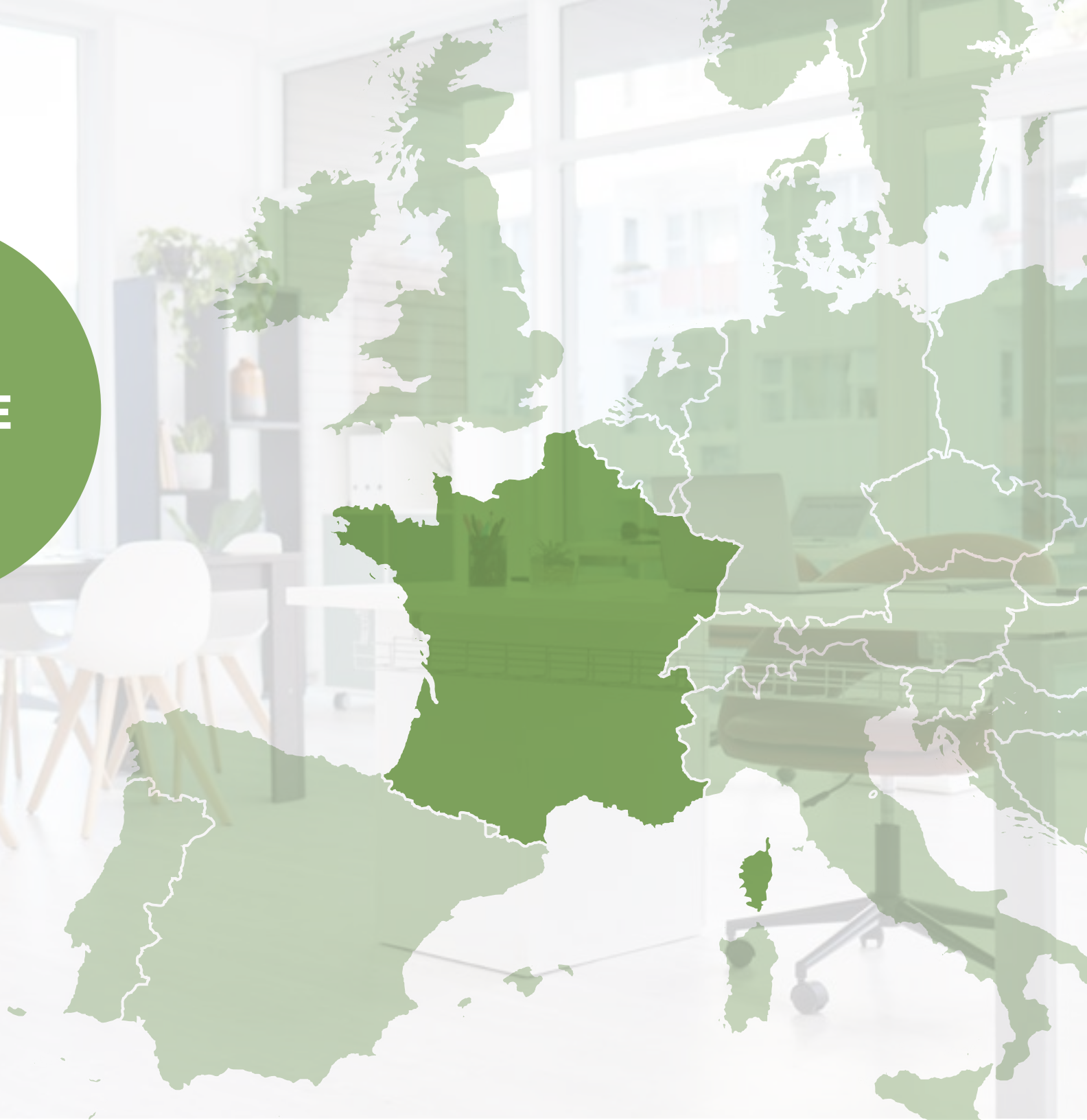


400,000
more individuals
not employed

There are currently 400,000 more individuals not employed or seeking employment compared to pre-pandemic levels.³⁰



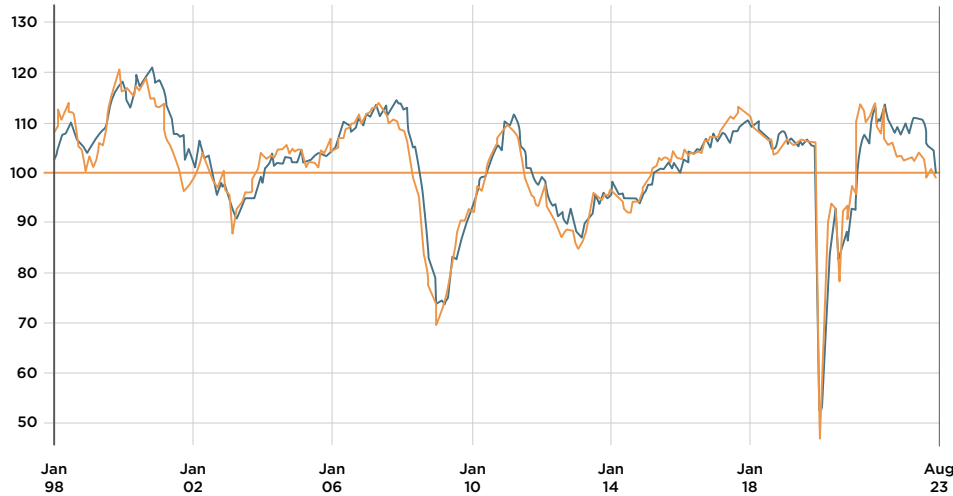
FRANCE



The climate for business and employment in France remains stable³⁷

- Business climate indicator - All sectors
- Employment climate indicator - All sectors

Normalized to 100 with a standard error of 10



The business climate in France remains stable, according to a survey of French business managers by INSEE, the nation’s statistics bureau. Since its peak near 114 in June 2021, the indicator that measures how businesses perceive the state of the French economy has slowly declined over a two-year period to 100, in line with the long-term average.³⁸ This trend reflects mixed movements across different sectors in recent months: while the business outlook has improved in the manufacturing and retail trade sectors, it has experienced a continued decline in building construction, where companies are forecasting a small dip in construction-related activities. Meanwhile, the indicator for the employment climate stands at 106, above the long-term average. Fueled by the confidence that French employers have shown in the post-pandemic recovery, the unemployment rate in France stands at 7.2 per cent, one of the lowest readings on record.³⁹



France

Like in most major economies around the globe, French employers face continued and prolonged labour tightness. On track to recruit roughly 4.5 million workers in 2023, French companies have responded by making their recruitment processes more fluid, shorter, and faster.⁴¹ Still, according to a survey of French companies, 61 per cent of recruitment in 2023 is expected to be difficult — the highest share in a decade.⁴² Health, low-carbon mobility, building renovation, logistics, and technology are among the sectors facing the greatest recruitment challenges. The French healthcare sector will also be impacted. Faced with staffing challenges, at least 120 hospital emergency departments had to pare back or temporarily suspend operations in 2022 as healthcare professionals transition to working outside of hospitals in search of better working conditions. This represents roughly 20 per cent of the country's emergency rooms.⁴³

With the market for labour staying tight for the foreseeable future, momentum continues to favour workers, who make up one of the world's most disengaged workforces. According to a recent survey, only 6 per cent of employees are committed in France.⁴⁴ The contentious — yet, ultimately, successful — attempt by the French government to raise the retirement age as a means of expanding the labour pool is likely responsible for at least some of workers' widespread disconnection from work. Furthermore, the post-pandemic shift toward teleworking has reduced the amount of time that employees spend together, building social bonds and corporate spirit through co-creation. Searching for a happy medium, many French companies have reduced the sizes of their offices, opting instead for smaller, more flexible 'third places' where employees can spend part of their weeks. This has led to a boom in such spaces; there are at least 3,500 third places across the entire country, according to projections.⁴⁵ Companies are also placing renewed emphasis on values, articulating a focus on becoming mission-driven in an effort to improve the candidate and employee experience.



7.2%
unemployment

The unemployment rate in France stands at 7.1 percent — its lowest level since early 2020 and one of the lowest readings on record.⁴⁰





INDUSTRY SPOTLIGHT



Jobs on the Rise

Earlier this year, LinkedIn released its 2023 Jobs on the Rise study.⁴⁶ Using exclusive data from users of the social media site, the study identifies the job titles that have experienced the highest growth over the past five years and offers valuable insights into the direction of the job market and emerging employment trends.

Key takeaways from LinkedIn's 2023 Jobs on the Rise study:



Consistent with trends from before the pandemic, technology continues to be the fastest-growing industry worldwide. In 24 of 28 countries examined, data engineers were listed among the fastest-growing careers.



20 of the 28 countries listed sales development representatives among their fastest-growing jobs, while 13 listed business development representatives. This is a strong indication that companies are poised for growth.



Cybersecurity positions were among the fastest-growing jobs in 17 countries. In a digital economy where data breaches are becoming more common, people who can help companies protect themselves are more employable than ever.



Sustainability roles are becoming increasingly sought-after around the world. This is especially true in Europe, where companies take extraordinary measures to achieve low-carbon targets and discover innovative solutions to climate change.



Jobs on the Rise

10 Roles That Are Growing In Demand Across Europe and the U.S.⁴⁷

According to LinkedIn's 2023 Jobs on the Rise study

	FRANCE	GERMANY	UNITED KINGDOM
1	Responsible Growth Marketing	Sales Development Representative	Customer Success Consultant
2	Commercial Development Manager	Growth Manager	Sustainability Manager
3	Client Success Manager	Employer Branding Manager	Product Operations Manager
4	Key Account Manager	Sustainability Manager	Sales Development Representative
5	Energy Broker	Enterprise Account Executive	Chief Growth Officer
6	Engineering Manager	Customer Success Manager	Enterprise Account Executive
7	Lighting Artist	Deal Manager	Growth Marketing Manager
8	Site Reliability Engineer	Cloud Engineer	Cloud Engineer
9	Sustainable Development Consultant	Product Analyst	Business Development Representative
10	Admissions Officer	Data Engineer	Chief People Officer



Planning for Growth in Pharma

Driven by an ageing population and rising rates of chronic diseases, the pharmaceutical industry is poised for rapid growth over the next decade. In the United States alone, the demand for medical scientists, who are responsible for developing treatments to improve overall human health, is projected to grow by more than 17 per cent between 2021 and 2031 – more than three times greater than the average for all occupations. That translates to approximately 10,000 job openings per year on average.⁴⁸

The expertise of those in pharmaceuticals will be crucial in conducting research on various diseases, such as Alzheimer’s and cancer, as well as addressing issues related to treatment, such as antibiotic resistance. Furthermore, the growing global population and the resulting spread of diseases will require medical scientists to continue their research efforts. This will fuel a growing trend to move clinical trials out of hospitals and medical offices and into pharmacies in order to reach wider, more diverse audiences. In fact, by 2026, more than 60 per cent of retail pharmacies are expected to engage in clinical research.⁵⁰ The availability of national funding for medical research grants will play an important role in determining the scope and number of research projects undertaken.



The demand for medical scientists is projected to grow by more than 17 percent between 2021 and 2031, more than three times greater than the average for all occupations.⁴⁹



Planning for Growth in Pharma

The pharma industry is facing a complex network of forces.

Operating environment

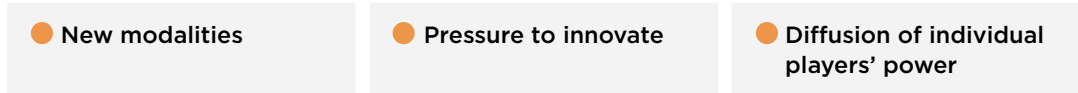
- Growth enabler
- Constraint
- Both

Activities influencing industry



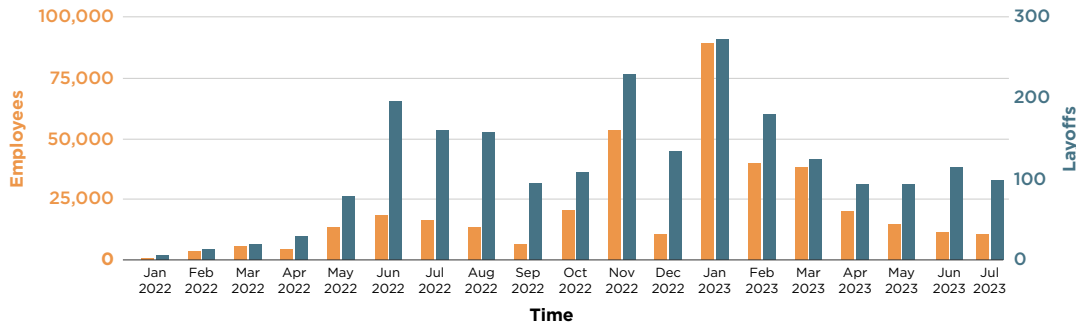
PHARMA INDUSTRY

Industry influencing environment



Emerging From a Reshuffling in Tech

Tech layoffs, 2022-2023⁵¹



High costs, supply chain issues, and geopolitical uncertainty all converged at the end of 2022 to create one of the most tumultuous periods on record for the technology sector. However, following months of highly publicised layoffs, recent employment data indicate that conditions are stabilising. In July, tech companies around the world let go of the fewest employees since December. Meanwhile, 96 companies reported laying off staff in July — one of the lowest numbers in nearly a year.⁵²



Emerging From a Reshuffling in Tech

Driven by cost-cutting measures, this episode can best be described as a reshuffling. According to an analysis conducted toward the end of last year, 79 per cent of laid-off employees found a new job within three months.⁵⁴ And while hiring has slowed across the tech sector, the impact hasn't been felt in the same way across all positions. Total employment in the information technology industry sat at 5.33 million in May — down just 2.3 per cent from a year prior. During the same period, engineering jobs actually increased by 2.86 per cent.⁵⁵

Innovations in artificial intelligence, cloud computing, cybersecurity, and other high-tech focus areas underscore the need for continued investment in skilled talent — especially in the context of a competitive global marketplace. Countries in Asia are leading the way. Since 2017, China has incorporated education in science, technology, engineering, and mathematics (STEM) subjects into all its primary school curricula. In India, major international companies are sponsoring efforts to create hands-on robotics programs and support 15,000 STEM educators.⁵⁶ Private industry in the United States and Europe has an obligation to play a part in fostering the next generation of technology leaders, supporting STEM education, and building its own programs to reskill and upskill workers.

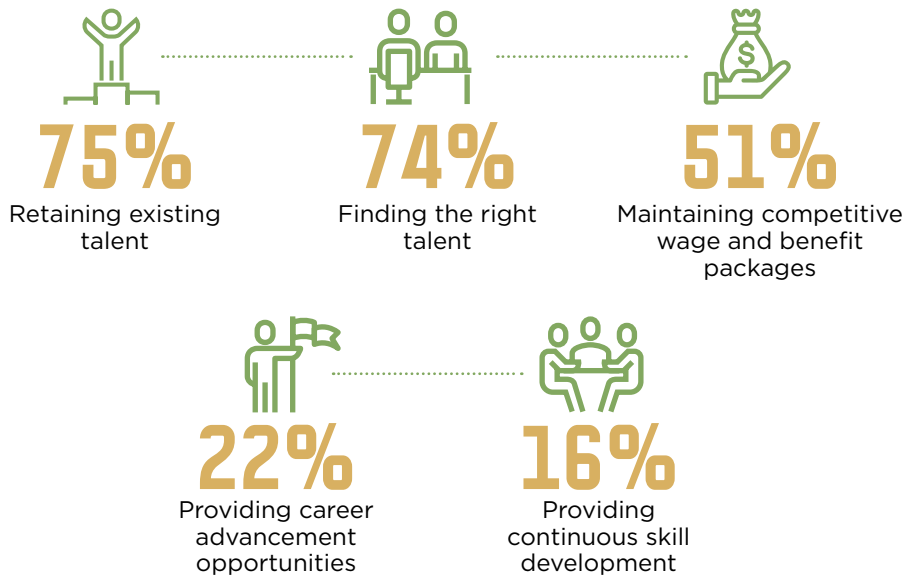


Total employment in the information technology industry sat at 5.33 million in May down just 2.3 percent from a year prior. During the same period, engineering jobs actually increased by 2.86 percent.⁵³

Driving Success in Automotive Manufacturing

Global manufacturers spent the first half of 2023 confronting the dual challenges of high prices and labour market tightness. In the United States, there are approximately 676,000 openings sector-wide — a significant drop from a year prior, when there were more than one million openings, but still indicative of a market in which workers are hard to find.⁵⁸ Meanwhile, hiring has been flat, with manufacturers adding just 4,000 jobs across the first five months of 2023.⁵⁹

Top 5 challenges of respondents for managing the production workforce⁵⁷

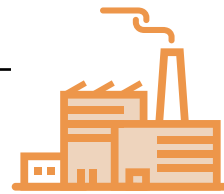


Driving Success in Automotive Manufacturing

The problem is especially pronounced in Germany, where the country’s automotive industry is battling to maintain its status as a global leader in the manufacture of motor vehicles. The VDMA, the largest network of machinery and equipment manufacturers in Germany, estimates that 70 per cent of companies in the manufacturing sector are currently experiencing “severe worker shortages” as a result of the country’s ageing population.⁶¹ Germany is also struggling to maintain its competitiveness with countries like China, which has slowly chipped away at the global market share for the production of motor vehicles. In just two decades, the country has dropped from third to sixth place in annual output, and a recent survey suggests that 55 per cent of Germans do not believe that the best cars in the world will still come from Germany in the next 10 or 15 years.⁶²

Facing macroeconomic forces in Europe and the United States, automotive companies must shift their focus toward building resilience into their business models. This includes planning for a shift toward new technologies, such as electric and autonomous vehicles, which will require reskilling and upskilling employees on a massive scale. To better understand their breadth of available talent, companies are turning to total talent solutions, a term describing the management employees under one umbrella with the support of a single provider, like AgileOne. Total talent solutions offer a strategic, holistic approach to an organization’s workforce fulfilment needs, integrating a singular model inclusive of multiple worker types — from temporary workers and freelancers to permanent staff and even robots.

70 percent
of companies



in Germany’s manufacturing sector are currently experiencing “**severe worker shortages**” as a result of the country’s aging population.⁶⁰

30% by '30 How the Workforce Solutions Industry Can Prepare for a Shift in the Working Age Population

The Zoomers are coming. In the U.S. alone, Gen Z — which comprises people born between 1996 and 2010 — will account for roughly 30 percent of the workforce by 2030.⁶³ Against the backdrop of an aging working population, the success of the global economy will be staked on how effectively companies can tap into the next generation of workers.

Here are six key takeaways to help companies prepare for the coming shift⁶⁴:

1 **Employers have made significant progress in work/life balance, flexibility, DEI, social impact, and sustainability.**

Amid economic uncertainty, maintaining and furthering this progress is vital. Gen Z values job security, but data indicates they are more likely to stay with employers that share their commitment to these causes.

2 **Gen Z expresses financial concerns and hesitates to discuss raises or promotions during economic uncertainty.**

However, organizations are still responsible for supporting employees' financial well-being by offering competitive salaries, flexible benefits, equitable pay, and growth opportunities. Open communication about compensation can empower younger generations to have candid discussions with their employers, benefitting employee happiness and boosting talent retention.

3 **Flexibility is key.**

Leaders should prioritize the design of the work itself as a basis for determining the appropriate balance between in-person vs. remote work. Hybrid work strategies should address concerns and consider the importance of in-person collaboration for delivering work and fostering social benefits. Clear communication of expectations — along with flexibility in work hours and career advancement opportunities — is essential to meet the growing expectations of Gen Z.

4 **Stress, burnout, and the stigma around mental health factor heavily into Gen Z's decisions about accepting — and keeping — a job.**

Although efforts have demonstrated progress, mental health resources remain underutilized, and employees often hide their true reasons for taking time off. To create a supportive environment, inclusive and empathetic leadership is crucial, along with addressing work-related factors contributing to stress.

5 **Gen Z values inclusive work environments and is mindful of how employers protect their workers from non-inclusive behaviors such as harassment and microaggressions.**

This starts with providing education to ensure a shared understanding of these issues. Additionally, fostering a culture of trust is crucial, where employees feel comfortable reporting any problems they encounter, knowing they will be addressed promptly and effectively.

6 **Employers have a crucial role in preparing workers for the transition to a low-carbon economy.**

More than half of Gen Z believe their employers provide the necessary skills training for this shift. This focus should continue, as research suggests that seizing the decarbonization opportunity could create over 300 million additional jobs by 2050. Moreover, there is a significant demand among younger generations for affordable, sustainable products and services, offering businesses opportunities across industries.



TOP SOLUTIONS



Facing ongoing economic uncertainty and social change, companies are in need of cutting-edge ideas to power a strategic approach to workforce solutions. To help, AgileOne has compiled five leading solutions that apply to companies of any size or scope.

1

Appeal to every generation with contingent hiring

Times are changing, and more workers are seeking temporary — or contingent — arrangements. In fact, by 2050, up to half of the U.S. workforce could become contingent.⁶⁵ The flexibility of contingent arrangements appeals to every generation of workers — from Gen Z, which is highly motivated by opportunities to learn new skills, to those approaching retirement age who might be searching for a better work/life balance in a nontraditional work environment. Contingent hiring has an added benefit for companies, too: it's cost-effective and comes without the rigid commitment of a traditional hire.

2

Diversify and deepen your talent pool

Companies around the world have pledged to prioritize diversity. It's a winning strategy for employers that are looking to tap into a deeper talent pool amid continued labor market tightness. According to one study, companies that hire so-called “hidden workers” — people from diverse backgrounds who are often cut out of traditional hiring processes — were 36 percent less likely to face talent and skills shortages compared to companies that stick with traditional candidates.⁶⁶ Diversity is AgileOne's greatest strength. From mentoring to recognizing our “best of the best,” we ensure our suppliers are not only diverse but well-equipped to deliver the service and quality you can come to expect from us.

3

Plan ahead by building talent communities

In the never-ending search for quality workers, more companies are turning to talent communities. The premise is straightforward: companies that incorporate strategic workforce planning during economic uncertainty will be better positioned to come out ahead. By bringing together groups of candidates interested in working for a company but not yet ready to commit, employers can keep a pipeline of candidates engaged until the time is right for both parties. This cuts down on costly search processes that are too often driven by tight timelines and pressing needs.

4

Harness the power of technology

Today, there are over 450 technologies that assist with the attraction and management of both external and full-time talent. At AgileOne, we make selecting and integrating these tools easy, combining the power of vendor management, statement-of-work (SOW) processes, independent contractor compliance, and more within a single suite of connected systems. But that's just the start. Our team works at the cutting edge of emerging technologies to understand the impact of artificial intelligence (AI) and other tools, helping businesses of any size and scope understand the complete range of benefits and risks — from opportunities for capacity building to considerations around security and ethics.

5

Don't give up on company culture

From 'Great Resignation' to 'quiet quitting,' the historically tight labor market has delivered a dictionary's worth of new phrases that underscore a common theme: culture counts. Even as economic conditions eventually settle, employers must remain steadfast in their commitment to constantly improving company culture. Research shows that leaders have made progress in recent years; yet, only 2 in 10 employees feel connected to their company's culture.⁶⁷ To stay competitive, employers should double down on proven strategies, fostering an environment that embraces open communication, allows ideas to flourish, and, above all, places the worker at the center of important decisions.



Conclusion

Workforce planning is a cornerstone of success in business. Yet, in the first half of a decade that's already borne witness to a global pandemic, geopolitical turmoil, technological revolution, and a generational shift, planning for the future can feel like a daunting task. Against this backdrop, it's never been more important to have a partner you can trust at your side.

At AgileOne, we are your one workforce solutions provider. By providing visibility into supplier performance, we help companies strategically plan around skills gaps — and more. Through our managed services program, we streamline the talent acquisition process and provide insights into supplier and temporary labor performance. And using data from AccelerationVMS, we automate everything from requisitioning and sourcing to managing and off-boarding for our clients' temporary workforce.

Changing times call for a change in approach, and at AgileOne, we're with you every step of the way as you navigate today's complex, changing marketplace.



From cutting-edge technologies to award-winning services, AgileOne has the expertise to provide true total talent management with access to world-class workforce solutions and technologies configured to meet your unique enterprise needs. We are minority/woman-owned, with operations across the globe.

Services:

- Managed services program (MSP)
- Recruitment process outsourcing (RPO)
- Vendor management system (VMS)
- Direct sourcing
- Science, technology, engineering, math (STEM) recruiting
- Payroll & contractor validation services (AllSourcePPS)

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