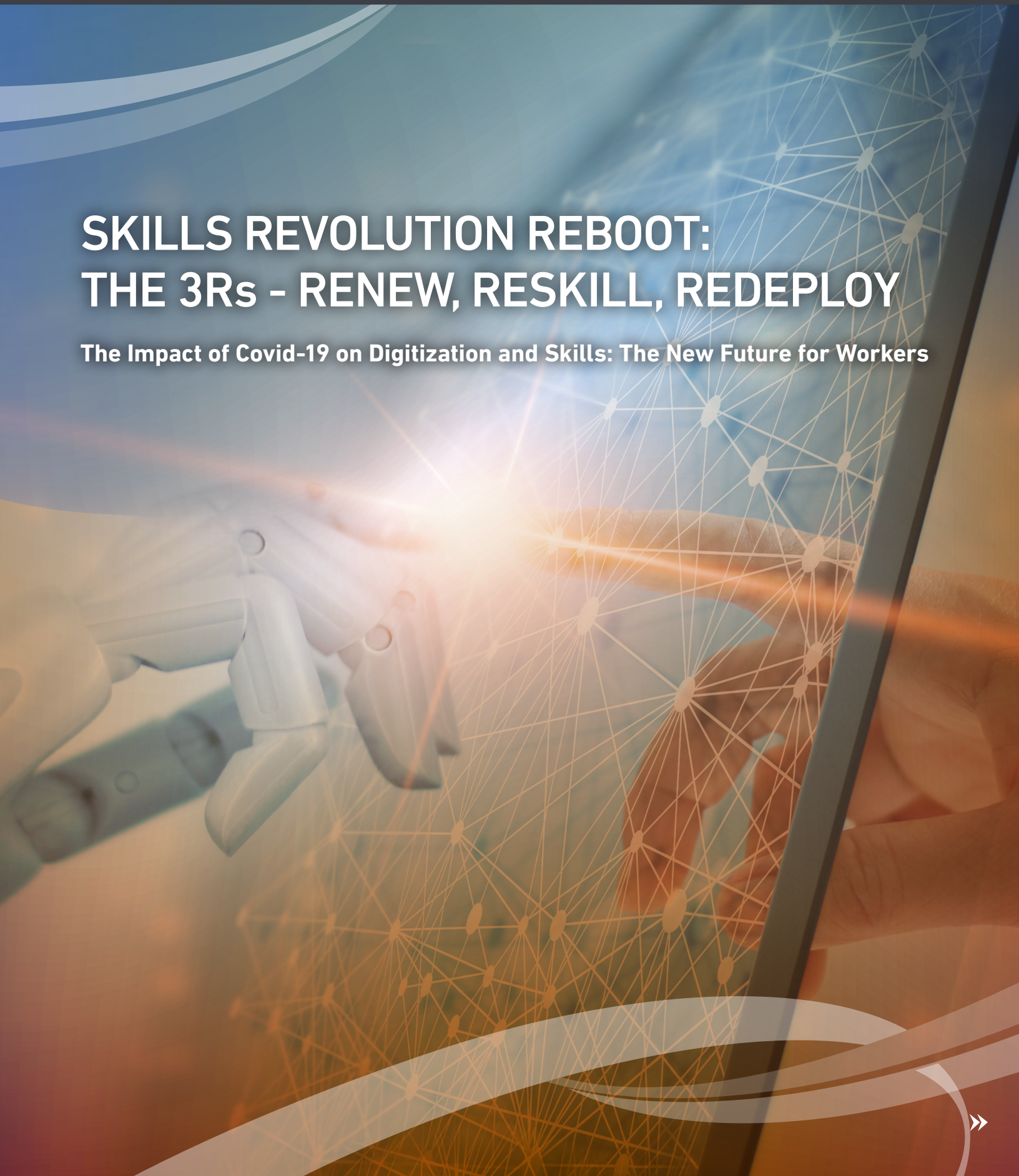
2021: SKILLS REVOLUTION SERIES

ManpowerGroup



SKILLS REVOLUTION REBOOT: THE 3Rs - RENEW, RESKILL, REDEPLOY

The Impact of Covid-19 on Digitization and Skills: The New Future for Workers



The huge workforce transformation that took place at speed in 2020 started as a health crisis and rapidly evolved into an economic and social crisis. *Initially whole industries like hospitality, travel and even manufacturing froze overnight while others including technology, healthcare, logistics and grocery saw an immediate and sustained demand for workers. At the same time, companies digitized at a speed and scale they could never have imagined while 93% of people had the way they work, live and consume changed dramatically at the same time.*[1]

Many of the trends we have been predicting for some time have accelerated significantly: adversity can often be a force for rapid change and for societies to advance. *Digital transformation is occurring at an unprecedented pace – creating jobs and driving sweeping change with the potential to improve people's lives and create a more connected world. Today tech breakthroughs are driving mass vaccination programs, workforce transformation and flexibility, plus a call for better work-life blend, more upskilling and greater autonomy over how, when and where work gets done – all welcome upsides of the pandemic.*

One year on though, we are seeing the emergence of a K-shaped, two-speed recovery. *Some industries and people are bouncing back faster and better – those in growth sectors and those with high demand skills – while others are at risk of falling further behind. We are seeing an acceleration in the polarization of the workforce between those that Have the skills and those that Have Not. And increasing social tensions are playing out more and more as people feel disenfranchised – from the workplace, from their communities and from people with differing views from them.*

Now maybe more than ever in our living history, we have an opportunity and a responsibility to predict, prepare and support. At ManpowerGroup we are fully committed to partnering with all our stakeholders – our employees, candidates and associates, clients, partners and the communities in which we operate – to be a part of the solution. ***Helping people to pre-skill, upskill and reskill for in-demand roles in this Skills Revolution remains the defining challenge of this decade. It was important before the pandemic and is even more critical now – to create a better workplace where everyone is able to unleash their full human potential and have a more equitable share of the prosperity.***



Jonas Prising
Chairman & CEO



[1] Talent Shortage 2020. Closing the Skills Gap: What Workers Want. ManpowerGroup, 2020.

The Findings: Skills Revolution Reboot – The 3Rs: Renew, Reskill, Redeploy

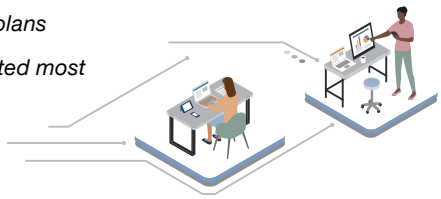
DIGITIZATION SPEEDS UP IN GLOBAL SLOWDOWN

The trends we have been predicting before the crisis are accelerating at speed and new trends are emerging too. Skills scarcity is exacerbating as demand for specific skills grows, and combined with social tension, is manifesting as growing polarization between those with skills and those without. The rise in individual choice is accelerating too – we see this from our What Workers Want research both before and during Covid-19. More than ever people want flexibility, choice and the best hybrid remote and office work. Organizations are becoming more sophisticated as they prepare to reset and adapt to a new reality with greater agility, increased focus on workforce planning, more supply chain resilience and the consolidation of vendors to manage uncertainty and risk.

Digital transformation continues to gather incredible pace so every business must now be a tech business with digitization of the consumer experience and the best blend of talent and tech front and center. Add the impact of the pandemic and we can expect to see a continued and profound transformation to labor markets and workforces.

In the latest in our Skills Revolution series we asked 26,000+ employers in more than 40 countries:

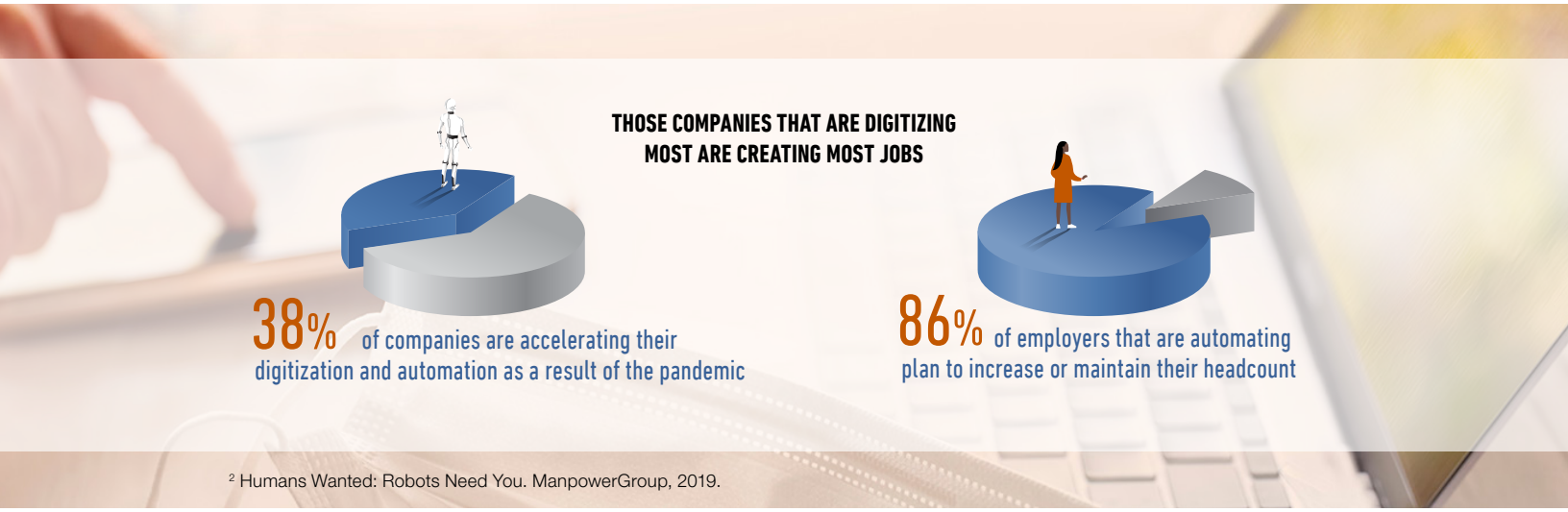
- *How the Covid-19 crisis is impacting their digitization and automation plans*
- *Which job functions, industries and geographies are likely to be impacted most*
- *How HR priorities are shifting as a result of the crisis*
- *How they are thinking about current and future upskilling plans*



WINNERS TAKE ALL: DIGITIZATION CHANGING THE OLD WORK ORDER

Companies are accelerating their digitization and automation as a result of the pandemic – 38% are speeding up while 17% have put plans on hold.

At the same time, more jobs are being created than eliminated – 86% of employers that are automating plan to increase or maintain their headcount, compared to just 11% of employers who plan to reduce or hold plans to automate.[2] Those companies that are digitizing most are creating the most jobs.



[2] Humans Wanted: Robots Need You. ManpowerGroup, 2019.

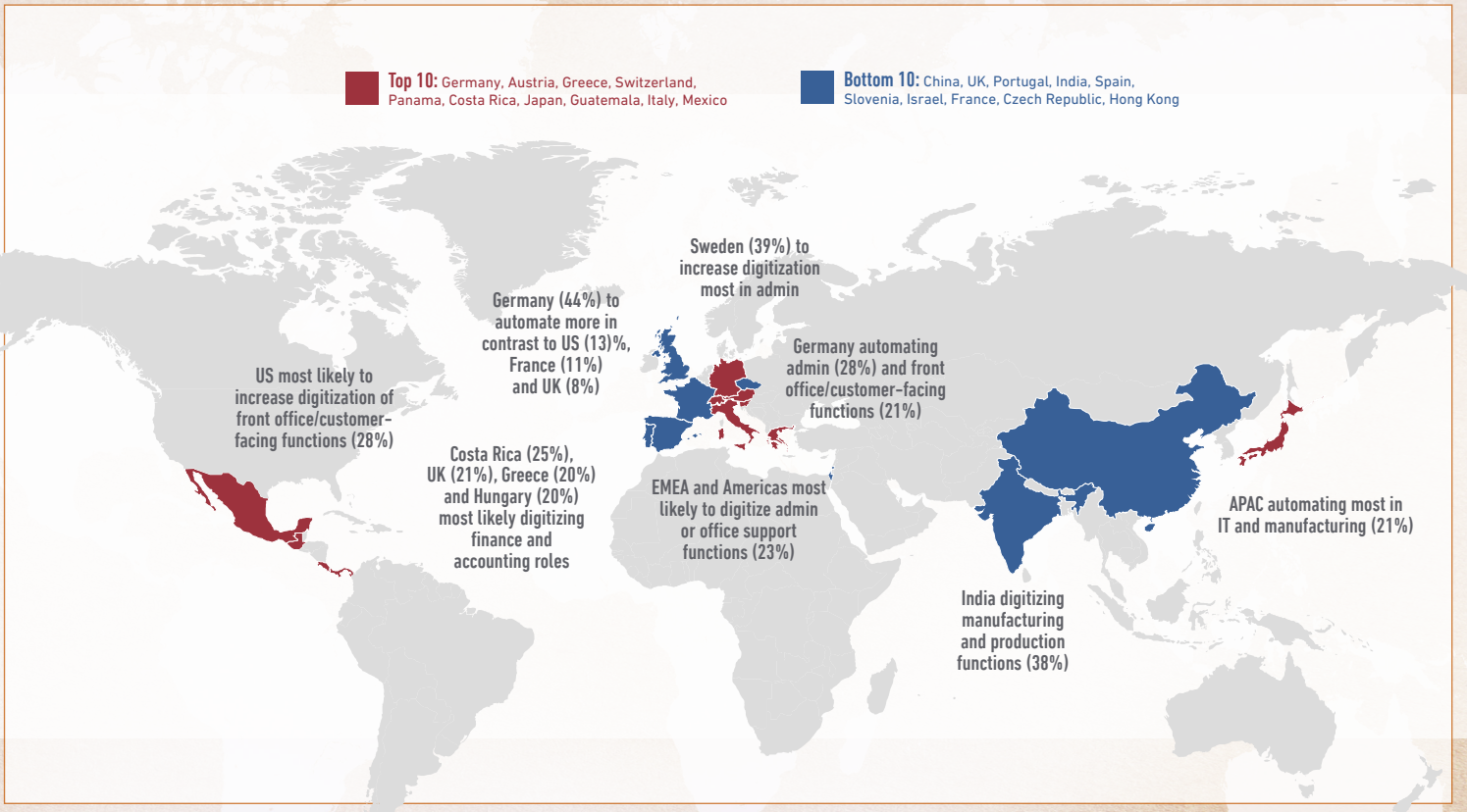
Today every company needs to be a tech company and 'Superstar' organizations that were making fast progress on digitization before the pandemic are already emerging stronger.[3] Those already investing more in digitization, workforce skills and innovation are capturing a greater market share, pulling away from peers and benefitting employees and customers as the way we work, consume, learn and socialize shifted to remote almost overnight.



...LOSERS STANDING SMALL, PLAYING BY THE OLD RULES?

Surprisingly, 45% of employers said the pandemic has had no impact on plans to digitize and automate, with those in several European and Asia-Pacific countries (Spain, Portugal, UK, China, Singapore and India) least likely to have absorbed the global shock and accelerate transformation plans. What is fast becoming evident is that organizations need to find new ways to do old things or new ways to do new things as both incumbents as well as new entrants adapt and master digital innovation and leverage online opportunities fastest.[4]

WHERE EMPLOYERS WILL DIGITIZE MOST AND LEAST

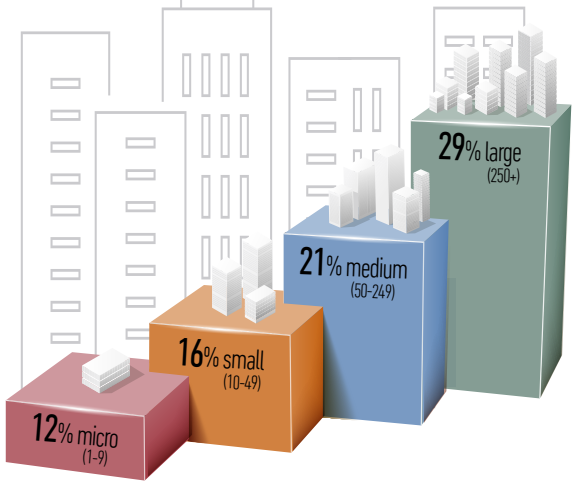


[3, 4] Survival of the Fittest. The Economist, 2020.

SIZE MATTERS – LARGER ORGANIZATIONS ARE AUTOMATING AND HIRING MOST

When it comes to digitization and the future for workers, employees may find safety in numbers. Large organizations (250+ employees) plan to digitize more and are also hiring most. Conversely, smaller organizations have been most impacted by the pandemic[5] and are more likely to have put digitization plans on hold and reduced hiring plans.

LARGER COMPANIES ARE MOST LIKELY TO ACCELERATE DIGITIZATION AS A RESULT OF THE PANDEMIC



Trends are emerging too – larger organizations plan to automate Production and Manufacturing functions first, followed by Admin, IT and Front Office. Smaller companies are more likely to be digitizing to transform support functions – Admin and Office Support, Frontline Customer-Facing and Finance.

DOUBLING DOWN ON DIGITIZATION – SURVIVAL OF THE FITTEST

Sectors that were slow to automate before the pandemic are catching up. Finance, Insurance, Real Estate and Business Services sectors are doubling down on digitization as a result of the crisis, particularly for frontline, admin and customer-facing roles. Twenty-one percent plan to automate more as a result of the crisis.

Ones to watch: Industries most significantly impacted by the crisis at the outset – including Manufacturing, Construction and Retail – are split; some automating and digitizing to adapt fast, while others take a wait-and-see approach and put plans on hold.

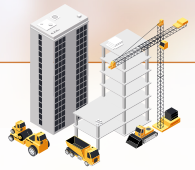
EMPLOYERS ARE SPLIT: AUTOMATE NOW? OR HOLD FOR LATER



Retail

19% Accelerate Digitization

18% Place On Hold



Construction

17% Accelerate Digitization

18% Place On Hold



Manufacturing

21% Accelerate Digitization

19% Place On Hold



Finance, Insurance, Real Estate

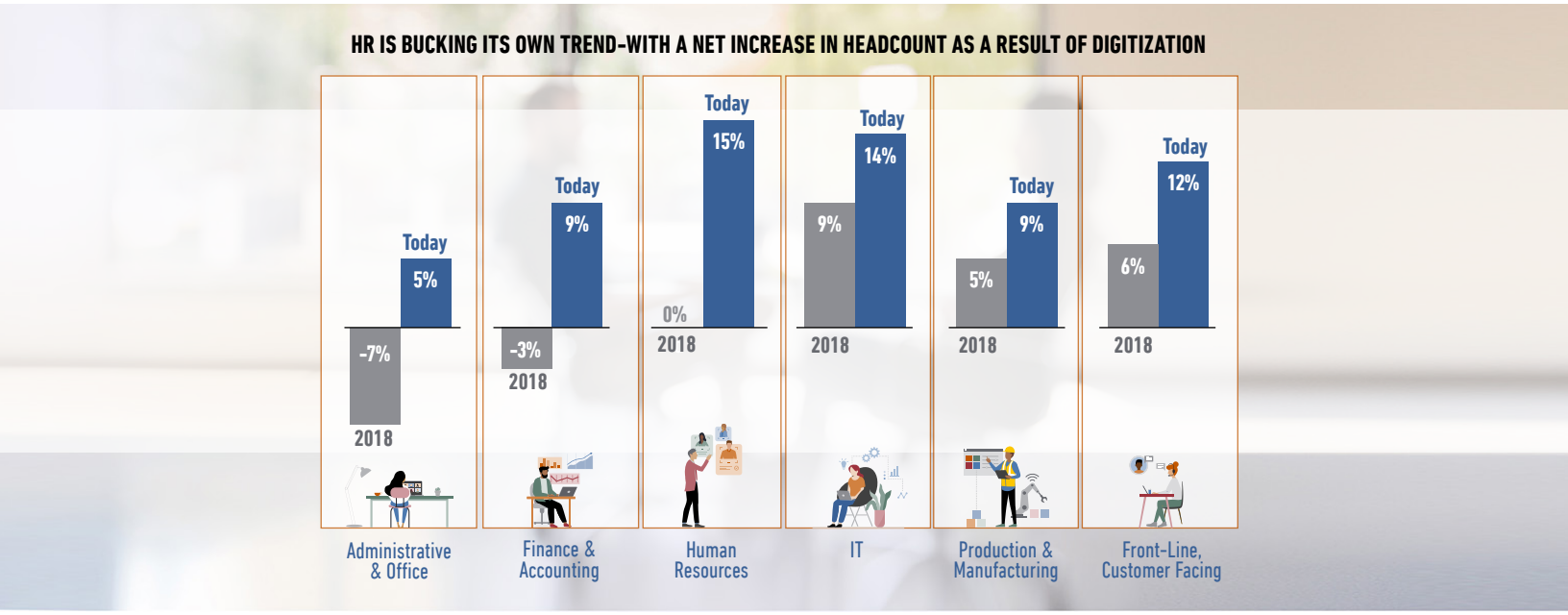
21% Accelerate Digitization

11% Place On Hold

[5] Which small businesses are most vulnerable to COVID-19—and when. McKinsey and Company. June 18, 2020.

#PEOPLEFIRST: THE ACCELERATION OF HR AS A BUSINESS PRIORITY

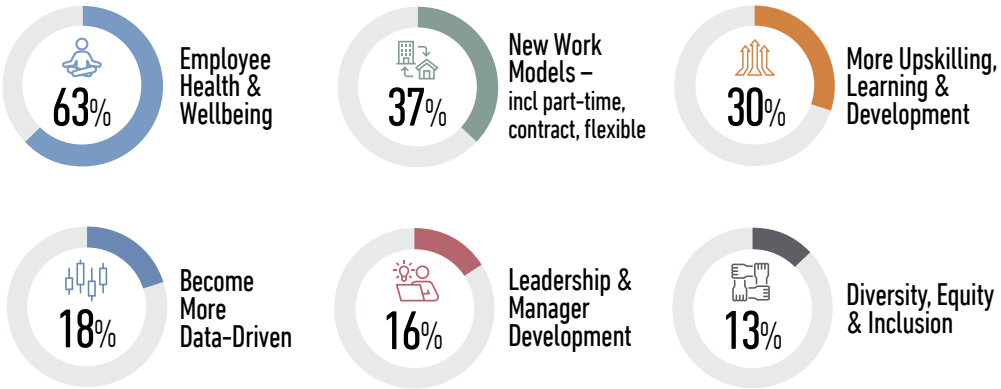
Talent + Tech: HR is bucking its own trend. In 2018 employers had no plans to increase headcount in HR functions, with some set to decrease. Fast forward two years and we see employers investing in HR tech and hiring more people too – a net 15% increase in headcount by those employers that plan to automate most.

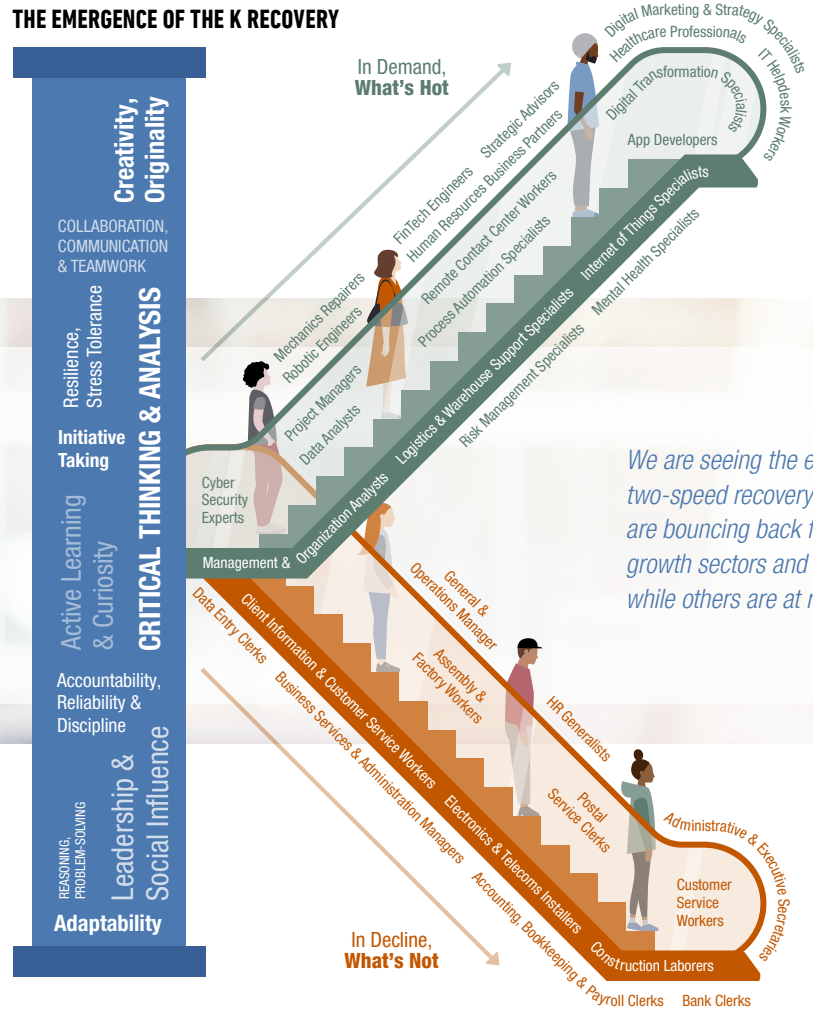


PUTTING THE HUMAN BACK INTO HR – SHIFTING PRIORITIES

The health, economic and social crisis has positioned HR more critically than ever as companies have had to take a #PeopleFirst approach and see HR firmly rooted in their business strategy. This acceleration of HR means new skills are emerging and new technology is required. Data collection, protection and analysis are in high demand as CHROs are now increasingly leading the charge in health, wellbeing and resilience, dynamic workforce planning and reimagining the workplace, plus engagement and ethics, reskilling and upskilling and broader employees-as-consumers initiatives.

For 2021 and beyond, HR leaders see employee health and wellbeing as the most important priority, doubly important to the next priority of creating new work models and driving a greater focus on upskilling, learning and development. 63% of HR leaders see employee health and wellbeing as the most important priority.





We are seeing the emergence of a K-shaped, two-speed recovery. Some industries and people are bouncing back faster and better – those in growth sectors and with high demand skills – while others are at risk of falling further behind.

Sources: ManpowerGroup Soft Skills Research 2019, ManpowerGroup Talent Solutions Insight 2021. The Future of Jobs Report 2020. World Economic Forum, October 2020.

SOFT SKILLS + TECH SKILLS = HUMAN POWER

As organizations transform and digitize at speed and scale, skills needs are transforming too. By 2025, humans and machines will split work-related tasks 50-50, while 97 million new jobs will emerge in AI, the Green economy and Care economy.[6] Our biggest challenge is to bring all people on this transformation and to protect those whose lives are impacted by the lag in job creation.

LEARNING TO LEARN: TRENDING BITE-SIZE

This Skills Revolution together with the crisis is accelerating the demand for both technical and human skills. Soft skills, like communications, time management/prioritization, adaptability, analytical thinking, initiative-taking and empathy, are more highly valued and sought after by employers than ever before – are the backbone of success.

Organizations are realizing that they need a workforce of continuous learners – agile for new tasks and ready and resilient for times of change and disruption. The massive shift to remote work means collaboration, teamwork and other soft skills are in highest demand – yet only 30% of organizations are investing in soft skilling, while one-third are planning dedicated leadership development in the next six months. Training is trending shorter and more relevant to specific roles and functions. Employees increasingly want more applicable, bite-size, curated content – they want easily accessible and relevant right now and for the near-term.

[6] The Future of Jobs Report 2020. World Economic Forum, October 2020.

ASSESSING POTENTIAL, IDENTIFYING SOFT SKILLS WITH SkillsInSight™

Employers say soft skills are both hard to identify and difficult to develop. While 38% of organizations say it is difficult to train in-demand technical skills, 43% said it is even harder to teach the soft skills they need, such as analytical thinking and communication.[7] And while technical skills matter, soft skills build employability and resilience for the long-term and continue to support an individual's appetite for all learning and development.

Assessments like ManpowerGroup's proprietary SkillsInSight™ help people identify their strengths and work preferences and help organizations to predict an individual's likely fit for the role. It also allows us to gather aggregate data that makes it possible to predict who will be more likely to acquire new skills in the future. Assessment + data + analytics = insight that supports talent decisions, reduces talent acquisition costs and improves employee mobility by aligning their capabilities and potential to the organization's skills gaps. SkillsInSight applies the LAD Model – based on Likeability, Ability and Drive.

HIGH LAD INDIVIDUALS

Take on more responsibility – even before they have the required skills

Challenge themselves – to develop new skills to succeed

Have high cognitive ability – process new information quickly, fueling their learnability

Are likeable with good interpersonal skills and empathy – more likely to seek mentors and experts, persuade others and overcome barriers

LIKEABILITY

- High intrapersonal and interpersonal skills
- Friendly
- Cooperative
- Rewarding to work with

ABILITY

- High mental capacity, intelligent
- Identify patterns in data
- Think critically
- Expertise – job-related knowledge, experience or skills
- Gains expertise quickly

DRIVE

- Ambition or conscientiousness
- Motivated
- Strong work ethic
- More drive = grow skills over time

Wait for responsibility to come to them; may be reluctant to accept

Lower cognitive ability – take longer to learn new tasks, impedes agility and progress

Low likeability – find it difficult to overcome barriers which require sensitivity or good communication

LOW LAD INDIVIDUALS

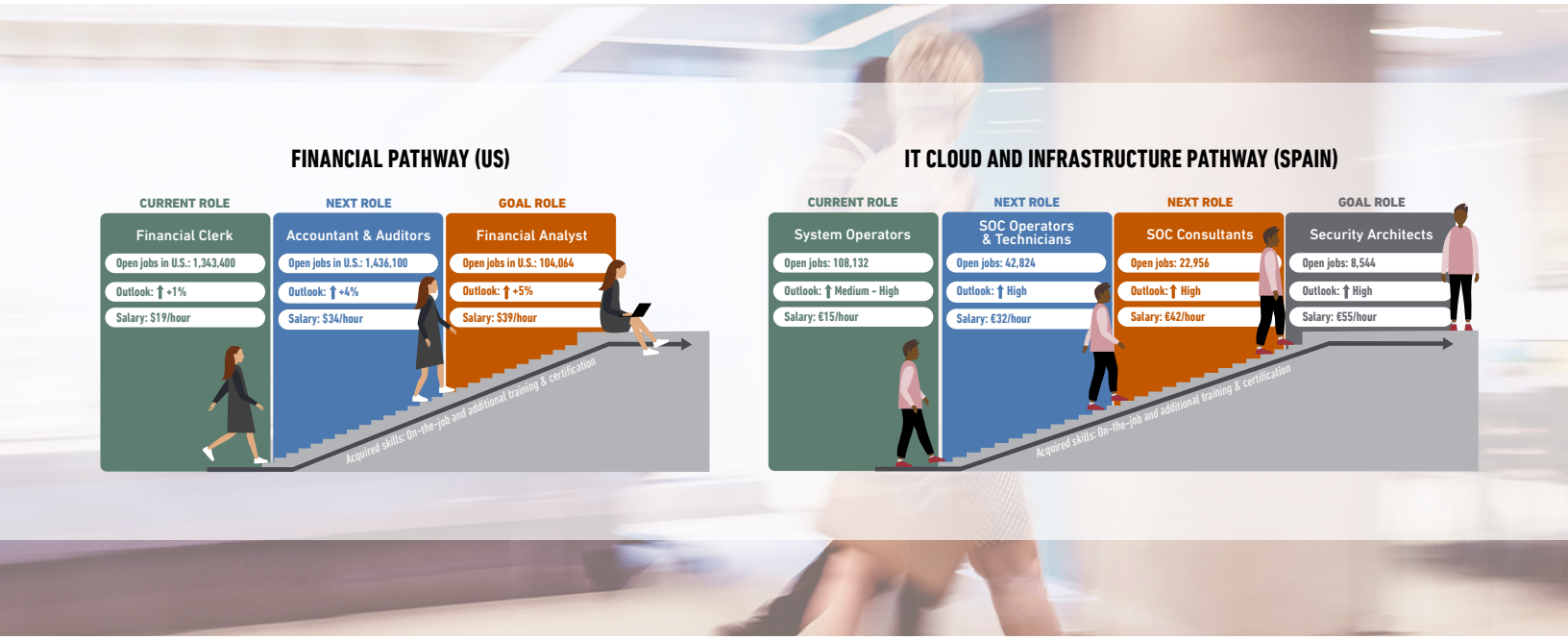
[7] Will My Skills be Obsolete in the Future? ManpowerGroup, 2020. Humans Wanted: Robots Need You. ManpowerGroup, 2019.

MAPPING CAREER ADVANCEMENT WITH MYPATH®

Companies need a clear roadmap when it comes to their reskilling strategy and individuals need clear guidance – the How and the Why. ManpowerGroup's MyPath® program helps progress talent from one role to the next, from declining industries to growth sectors, closing the skills gap, improving people's employability and helping to address the economic and social impact of the pandemic.

Now scaling to 14 markets across both Manpower and Experis brands, ManpowerGroup has upskilled more than 2,700 of our recruiters to become Talent Agents: experts in assessment, coaching and data-driven recruitment in order to provide candidates with personalized guidance to develop for future roles. Via labor market expertise, data and workforce insights we create clearly curated career pathways in growth sectors such as IT, finance, advanced manufacturing, sales and logistics.

The finance and IT pathway examples demonstrate how with acquired skills through on-the-job training and certification an employee can advance their career path from an entry-level specialist to a higher paid and more in-demand role and indicates how sustainable these skills, roles, and earnings are in the future.



Manpower and Experis associates receive badges in human behavioral skills including Achiever, Problem Solver, Learner, Producer, Team Player, Communicator – all of which help them stand out in a highly competitive job market and motivate their own learning and development pathway.



MyPath® ALUMNI ARE:

2x more likely to complete upskilling programs in the US

70% job placement success rate in the US (versus industry average 30%)

53% more likely to be reassigned a next role in MyPath certified countries

Increase earnings. In US by **15%** (compared with 3% national average)

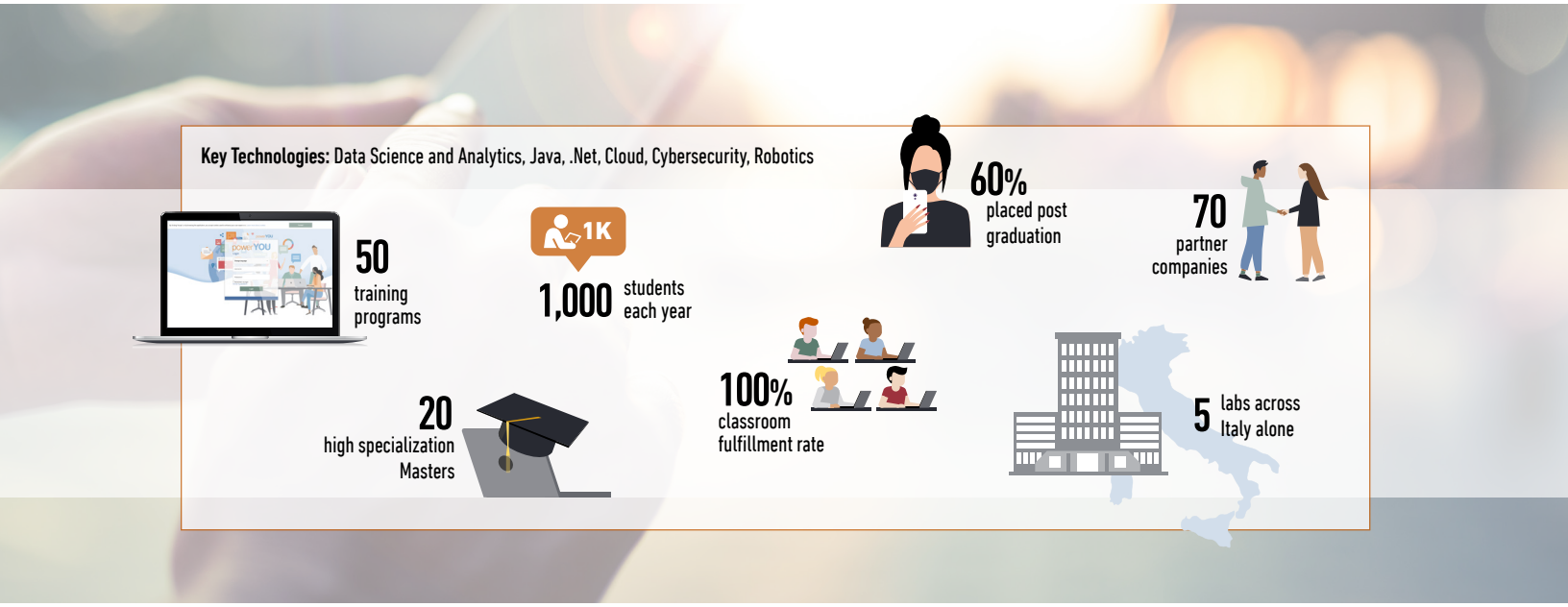
More satisfied employees with more satisfied employers (per Net Promoter Score) across all certified countries in 2020

CREATORS OF IN-DEMAND TALENT WITH SKILLS FOR TOMORROW – EXPERIS TECH ACADEMY

In growth sectors like technology, talent is scarce because skills are so new. The most innovative organizations are partnering with others – academia and even competitors – to become creators of talent, sourcing the people who can learn and develop the skills they need.

Our Experis Tech Academy works with a broad range of clients, technical schools and universities to design curriculum for learners that can be applied on the job even before the learning is complete. With industry experience combined with workforce expertise we are defining future skills requirements, identifying current gaps and mapping adjacent skills to potential career paths, then delivering upskilling and workforce management solutions.

Started in Italy with race car manufacturer Dallara, Experis Tech Academy developed a unique curriculum to train and reskill textile workers to work in high-end automotive manufacturing, achieving Masters qualifications in mechanical, electrical and aerodynamics engineering, data analysis and design. Experis Tech Academies have now scaled from motorsport to supporting recruitment and upskilling in other high-growth, well-paid sectors including IT & Engineering, Digital, Advanced Manufacturing and Defense & Aerospace, across eight countries: Spain, Germany, UK, Poland, Czech Republic, Sweden, Norway and Italy.



In Norway, Experis Tech Academy together with our Right Management career coaches are delivering preskilling, reskilling and upskilling accelerated programs for graduates and existing employees. Developed in collaboration with tech clients and the Noroff School of Technology and Digital Media, we are providing Java and .Net developers and expanding to offer cybersecurity upskilling so organizations can develop individuals ready and able to build, secure and maintain scalable, cloud-native web services.

SHAPING THE FUTURE OF NET ZERO EMPLOYMENT WITH RIGHT MANAGEMENT CAREER DEVELOPMENT SOLUTIONS

As skills needs shift faster than ever, leading employers will commit to achieving a balance of being net zero on jobs: as organizations restructure and jobs are lost, others will be created and people will be reskilled to fill new roles either inside or outside the organization.

ManpowerGroup's Right Management provides talent strategy solutions to help organizations accelerate their renewed focus on upskilling and support all their people – blue collar, white collar, new collar – in building employment security and developing the skills they need for the future of work.

In the UK we've assisted over 235,000 Service leavers with the transition to civilian life and supported thousands of organizations looking to employ ex-military talent.

- Our ***Own Your Career*** provides personalized coaching support via RightMap™, our AI-powered assessment, skills analysis and matching technology, together with group learning events, career-oriented webinars, peer-to-peer coaching and +7,500 virtual and blended upskilling programs.



85% of employees felt motivated to take on additional challenges in their role with RightMap

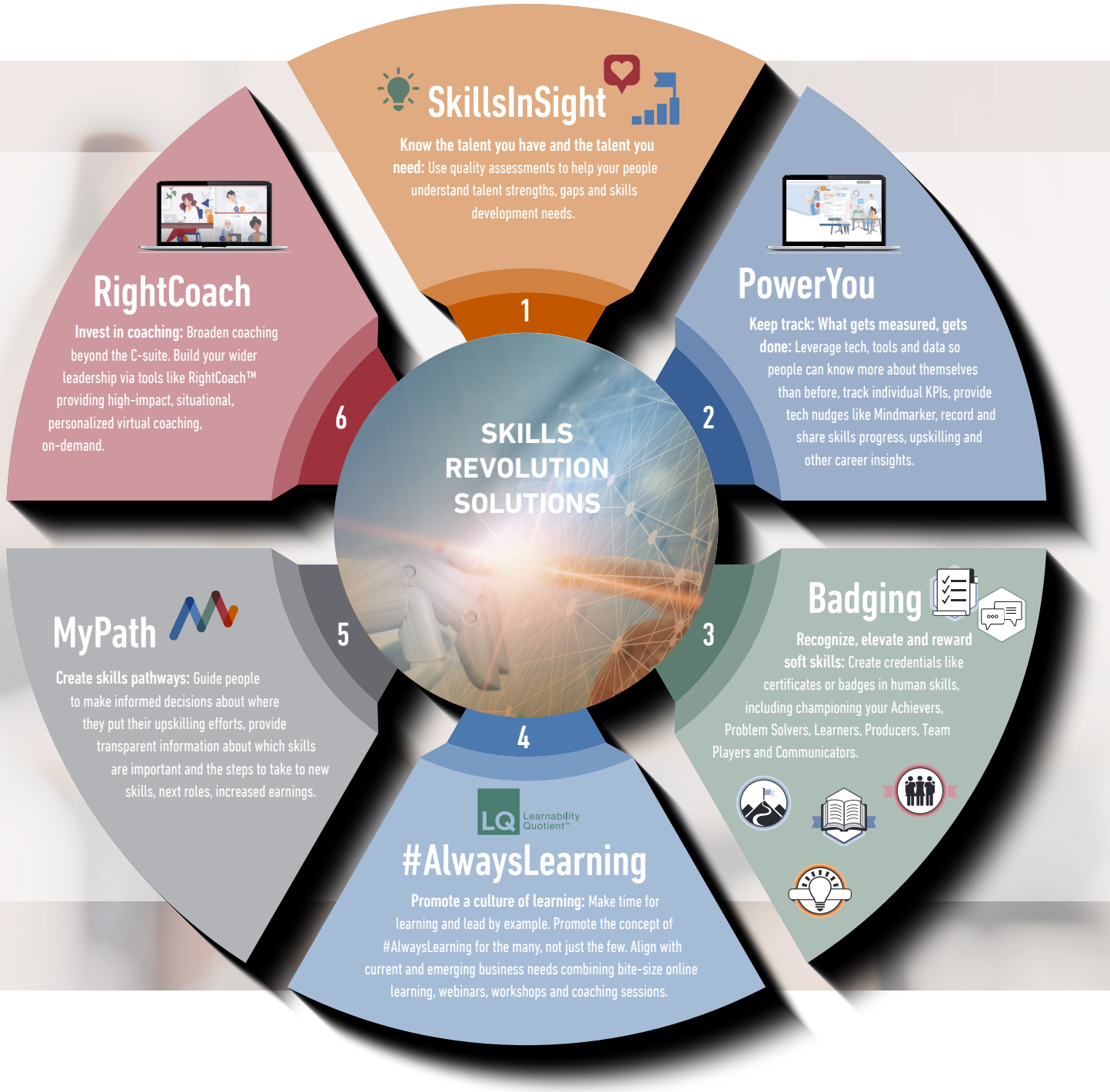
- Our ***Accelerated Career Support and Career Transition Program*** delivers upskilling and reskilling solutions, builds awareness of transferable skills and routes to alternative employment, provides outplacement programs and critical practical advice around training funds and redeployment.

This is how we are helping organizations give their employees choice and empowerment for their future careers, encouraging them to explore new futures inside the same organization or beyond.



Skills Revolution Solutions – Roadmap to Renew, Reskill, Redeploy

When skills needs are changing faster than ever and talent is at a premium, organizations need refreshed talent and workforce development strategies to attract, develop, engage and retain the best talent in this next phase of the Skills Revolution.







ABOUT MANPOWERGROUP ManpowerGroup® (NYSE: MAN), the leading global workforce solutions company, helps organizations transform in a fast-changing world of work by sourcing, assessing, developing and managing the talent that enables them to win. We develop innovative solutions for hundreds of thousands of organizations every year, providing them with skilled talent while finding meaningful, sustainable employment for millions of people across a wide range of industries and skills. Our expert family of brands – Manpower, Experis and Talent Solutions – creates substantially more value for candidates and clients across more than 75 countries and territories and has done so for over 70 years. We are recognized consistently for our diversity - as a best place to work for Women, Inclusion, Equality and Disability and in 2020 ManpowerGroup was named one of the World's Most Ethical Companies for the eleventh year – all confirming our position as the brand of choice for in-demand talent.

ABOUT THE RESEARCH ManpowerGroup commissioned Infocorp to carry out quantitative research in 2020 surveying 26,130 employers across 6 industry sectors in 43 countries. The research was conducted in Argentina, Australia, Austria, Belgium, Brazil, Bulgaria, Canada, China, Colombia, Costa Rica, Croatia, Czech Republic, Finland, France, Germany, Greece, Guatemala, Hong Kong, Hungary, India, Ireland, Israel, Italy, Japan, Mexico, Netherlands, Norway, Panama, Peru, Poland, Portugal, Romania, Singapore, Slovakia, Slovenia, South Africa, Spain, Sweden, Switzerland, Taiwan, Turkey, UK and US. Data analysis was conducted by global reputation and thought leadership consultancy, Reputation Leaders.

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