



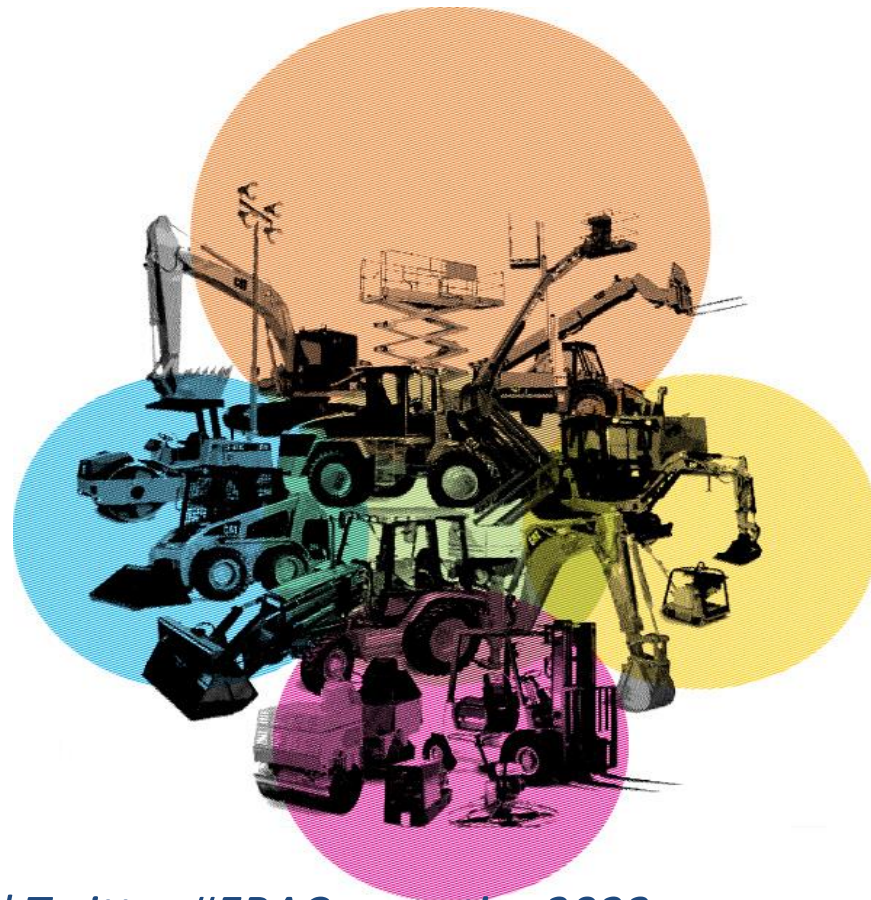
EUROPEAN
RENTAL
ASSOCIATION

Introduction to the skill and labor shortage issues

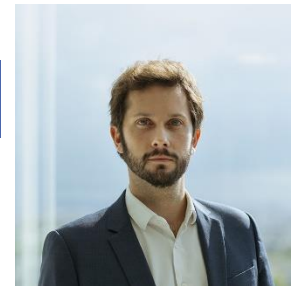
Jean-Baptiste ANNAT

Eurogroup Consulting

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ERA Convention 2023, "INVESTING IN PEOPLE", Maastricht, 7 and 8 June



Education and early career

Jean-Baptiste Annat graduated from Sciences Po Paris in 2008. He joined Eurogroup Consulting in 2010 after working in the Development Department of the Stade de France Consortium (Bouygues / Vinci).

Career path at Eurogroup Consulting

Throughout his career, Jean-Baptiste has accompanied major transformation projects, particularly in the financial sector. Since 2013, he has been leading major projects related to the deployment of new hybrid work modes, the transformation of the employee experience and the development of the attractiveness and retention of talent within organizations.

Jean-Baptiste was appointed Director in 2018, then co-opted as a Partner of Eurogroup Consulting in 2022.

ERA's priority is to promote the attractiveness of the equipment rental sector
Focusing of 3 pillars Attracting - Recruiting - Retaining employees

Eurogroup Consulting will carry out a study on the levers aiming to reinforce the attractiveness of your sector and to retain your talents.

**MARKET
OVERVIEW
&
FUTURE
TRENDS**

*Prospective studies,
benchmark*

Understand needs, motivations and expectations of employees with a focus on younger generation. Attract the appropriate profiles and retain them

Understand the trends of employments, how to recruit and retain

Advice on DEI - training and development, mental health and well being



**OUR
STUDY**

How the rental industry is perceived by employees and how to make it more attractive

Collect best practices from other rental companies on recruitment, training and retention.

How the rental industry will evolve in job positions and skills

**INDUSTRY
SPECIFIC
RESEARCH**

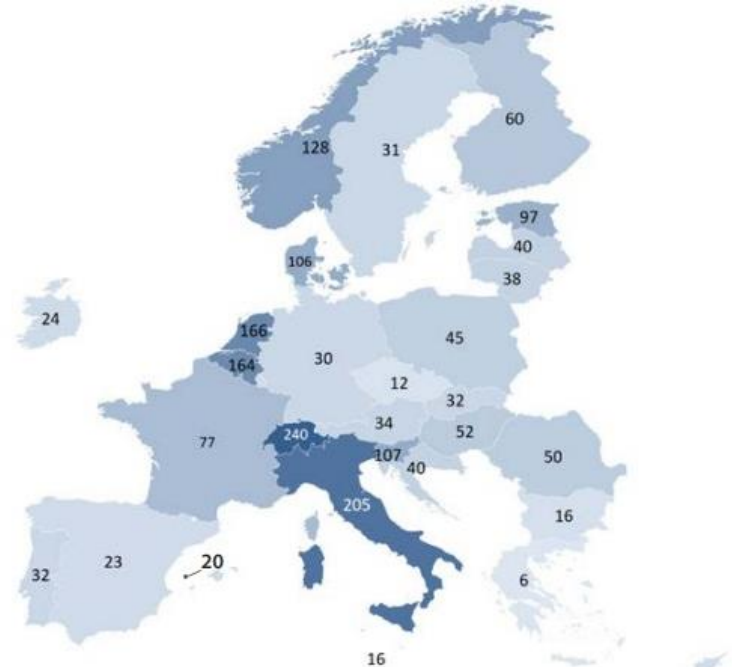
*Maastricht Convention
Interviews
Survey
Benchmark*

Introduction to the skill and labor shortage issues

WHAT'S AT STAKE?

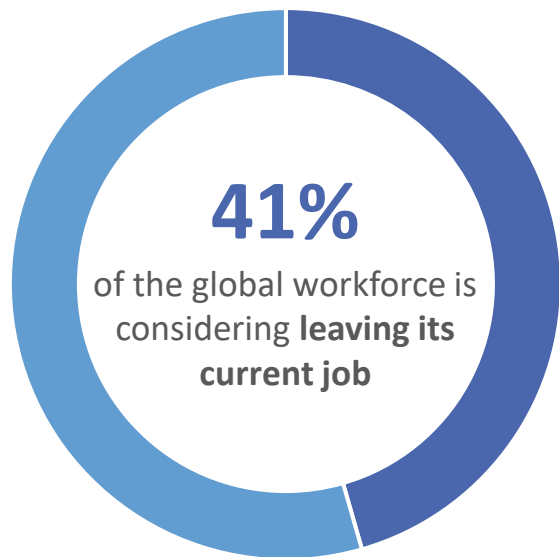
Definition and context

- Skills shortage exists when employers can't fill vacancies in an occupation
- Various sectors and many countries are currently experiencing skills shortage : **87% of companies have difficulty acquiring talent**
- Concerns around recruitment are accelerating

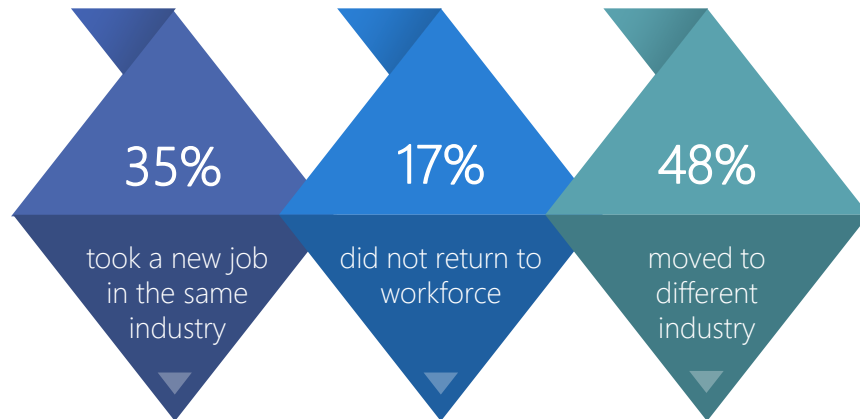
Total number of shortage occupations identified by each country, 2022

Source: Analysis of data submitted by EURES National Coordination Offices ²¹

The challenge of retention



Among workers who left their jobs between April 2020 and April 2022 :

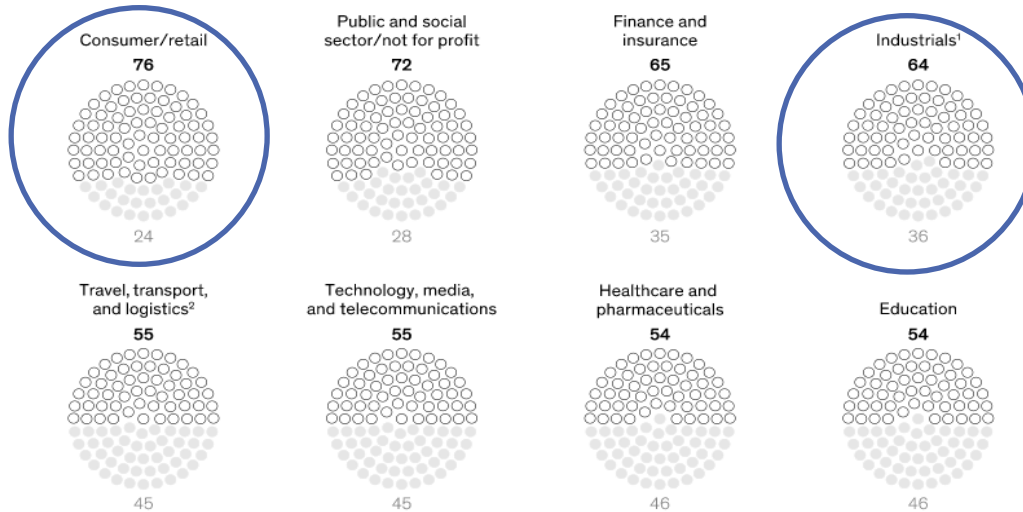


A cross sector phenomenon

Status of respondents who had quit their jobs between Apr 2020 and Apr 2022, selected industries, %

○ Did not return to same industry (moved to a different one or did not return to workforce)

● Took a new job in same industry



¹Includes advanced industries, energy and materials, and professional, scientific, and technical services.

²Includes infrastructure.

Source: Subset of respondents from McKinsey's 2022 Great Attrition, Great Attraction 2.0 global survey (n = 1,831)

Focus on three key sectors



Construction
sector

20% of construction companies across Europe face difficulties in recruiting **qualified professionals**



Service
sector

34,8% of companies in the EU reporting a skilled labor shortage in 2022



Industrial
sector

29,1% of companies in the EU reported a shortage of skilled workers in 2022

Introduction to the skill and labor shortage issues

EXPLANATORY PATHS

Mental health / burnout

50%

In the UK, **50% of the more than 400,000 employees** who left the workforce between February 2020 and November 2021 did so because of mental health problems.



49%

of international employees feel exhausted

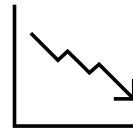
44%

In France, **44% of young people** who rate their mental health negatively attribute it solely to their work situation

Immigration

90%

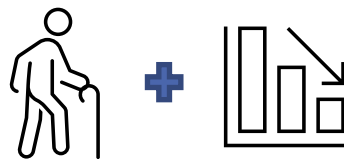
In the UK, the combination of **COVID and Brexit** has led to a **90%** drop in immigration rates by 2020.



Decrease of
immigration since
2020

Many countries are now taking steps to ease restrictions on immigrants, but it could **still take years for immigration rates to return to pre-pandemic levels.**

Demographic factor



An aging population
combined with
declining birth rates

17%

17% of the world's population will be aged
60 or over by 2023

More people are retiring than entering the
job market, and this has intensified during
the **Covid crisis**.

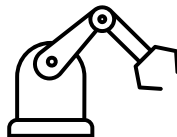
The impact of automatization



Some companies are now starting to invest more in **training their existing employees** to acquire these crucial skills.

83 million

83 million jobs worldwide are expected to be affected by automation by 2025



A growing shortage of technological skills as automation intensifies

30%

30% of current jobs worldwide could be automated by 2030

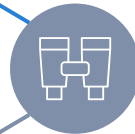
Our convictions on how to consider and address the attractiveness / retention issues

Attractiveness and retention are multifactorial



Engagement drivers are specific to individuals and resignation drivers are different from retention drivers for all employees.

The generation effect must not be overestimated



Companies have an interest in broadening the spectrum of their candidate pool.

Companies must think about an Employee Value Proposition in which each individual can flourish.

