

TALENT — — WARS



WHAT PEOPLE LOOK FOR IN JOBS AND LOCATIONS — IN THE AGE OF COVID-19

..... dci **Q** REPORT

QUARTERLY RESEARCH TO RAISE
YOUR ECONOMIC DEVELOPMENT IQ

2020: Q3

INTRODUCTION



People need the opportunity of a new job, new career or new place, now more than ever.”

This time last year, employers and economic developers were facing a talent crisis due to the lowest national unemployment rate in 50 years. Today, America is in a different type of workforce crisis—one inflicted by the coronavirus (COVID-19). While the U.S. unemployment rate fell to 11.1% in June, an optimistic direction given the pandemic’s initial blow in April, when unemployment exceeded 14% (Source: Bureau of Labor Statistics), there are still a record-breaking number of Americans filing for unemployment. Talent has faced mass layoffs, furloughs, hiring freezes and cutbacks. For those who still have the opportunity to work, they face a “new normal” of remote work or working with health and safety risks.

How has this pandemic changed the talent mission for economic developers and the places they represent? Laid-off residents need open jobs and upskilling resources. Employers with hiring surges need talent fast. Remote workers are searching for new locations. In short, people need the opportunity of a new job, new career or new place, now more than ever. Place marketers can help.

As the leader in marketing places, Development Counsellors International (DCI) helps communities market themselves to attract investment, visitors and talent. Since 2017, DCI has surveyed thousands of people across the country on how they choose jobs and locations. For the third edition* of its “Talent Wars” research report, DCI conducted a survey in the summer of 2020 of 1,600+ people (ages 21-65) across the U.S. representative of different industries and educational levels—ranging from a high school degree to master’s degree or higher—to answer the following questions:

- What are the top factors talent takes into consideration when presented with a new job opportunity?
- How frequently does talent search for new job opportunities?
- What resources do people use when interested in learning about a new location?
- How has COVID-19 affected talent’s job and relocation priorities?

Understanding how people decide where to live and work—and how exactly COVID-19 will influence talent’s decision-making process—will enable communities to position themselves to retain current residents and win over prospective talent.

*DCI’s national research report “Talent Wars” was conducted in 2017, 2019 and 2020.

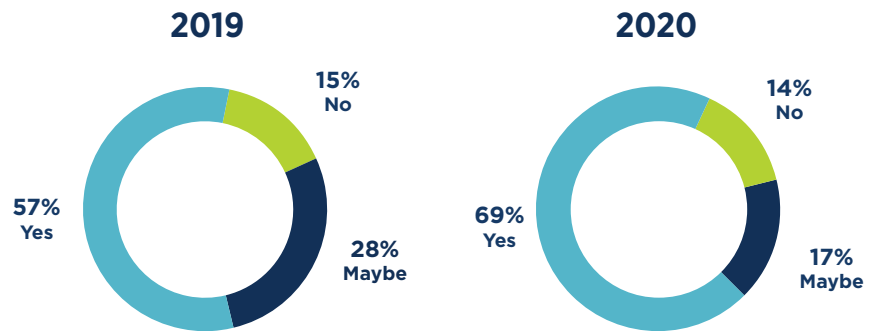
THE TALENT ATTRACTION OPPORTUNITY



Nearly 70% of respondents said ‘yes’ they would be willing to relocate.”

Notable amidst a global pandemic, there was a significant increase in not only how frequently people have been searching for new employment opportunities from 2019 to 2020, but also talent’s willingness to relocate for a new job opportunity. Fifty percent of respondents answered that they actively search for new employment opportunities either daily or weekly (compared to 40% in 2019 and 29% in 2017). There was also an increase in talent’s willingness to relocate—with nearly 70% indicating they would be open to relocating for the right opportunity (a 12% jump from the previous year). In 2019, migration rates were the lowest since the U.S. Census Bureau started keeping track (the 1940s) and migration tends to fall during a recession. Whether or not talent is actually moving more or less during this pandemic, it is clear that a majority of talent is open to relocation.

If a better job opportunity that matched your skills and salary requirements were offered to you and was located more than 100 miles from your current residence, would you be willing to relocate?



TOP JOB FACTORS FOR TALENT



Talent is increasingly prioritizing diversity policies when considering careers.”

Employer-related factors continue to outweigh location for talent when they consider a new job opportunity. Salary, work-life balance and company benefits have ranked as the top three factors, respectively, in this category since 2017.

While the order of factors that talent considers when relocating for a new job has not changed in the last year, each factor’s value increased by an average of 5% since 2019, indicating that these factors are even more important to talent during a pandemic.

Compared to previous years, talent is increasingly prioritizing diversity policies when considering careers. On a scale from one to 10, talent rated diversity policies at a company as a 7 out of 10—a half point increase compared to 2019, and almost a full point increase since 2017.

On a scale from 1 (not important) to 10 (very important), please rate each of the following factors if you are/were considering a new job opportunity?

■ Q3/2020 ■ Q2/2019 ■ Q1/2017

Salary



Work/life balance



Company benefits



Meaningful work



TOP JOB FACTORS FOR TALENT

Location of new job



Advancement opportunities at company



Company culture



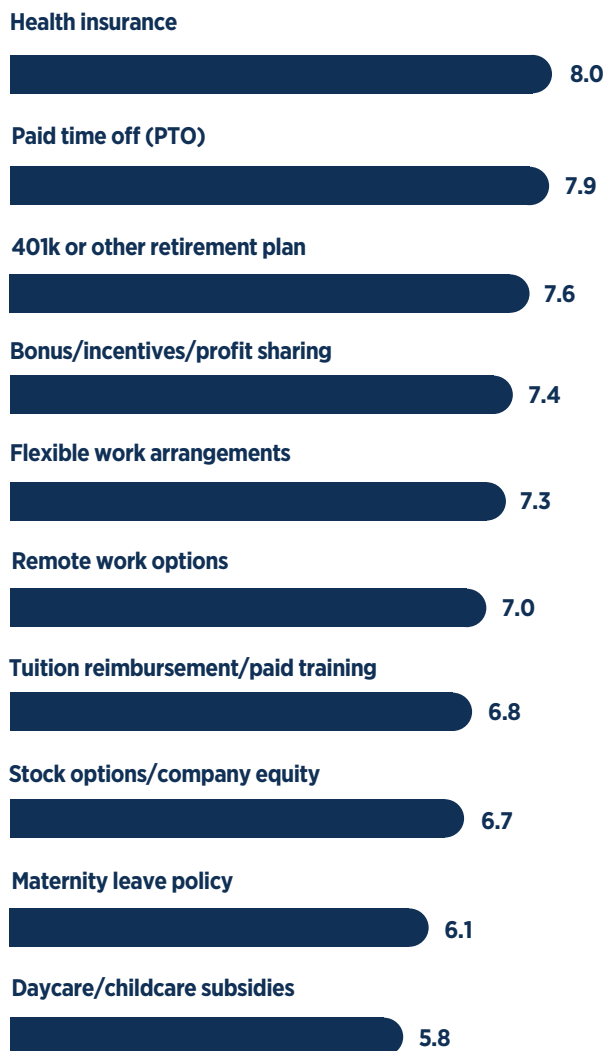
Diversity policies



IT'S ALL ABOUT THE BENEFITS—BUT WHICH BENEFITS?

Since company benefits have consistently been ranked as a top three factor for talent's job consideration, it is critical to understand which benefits resonate most with talent. Given the rise of work-from-home options, this is the first year "remote work" was listed as an option. Surprisingly, the pandemic has not changed the order that talent prioritizes certain benefits—health insurance, paid time off and 401k/retirement plans were also the respective top three benefits in 2019. Remote work as a company benefit is still very important, but health, balance and financial security still come first.

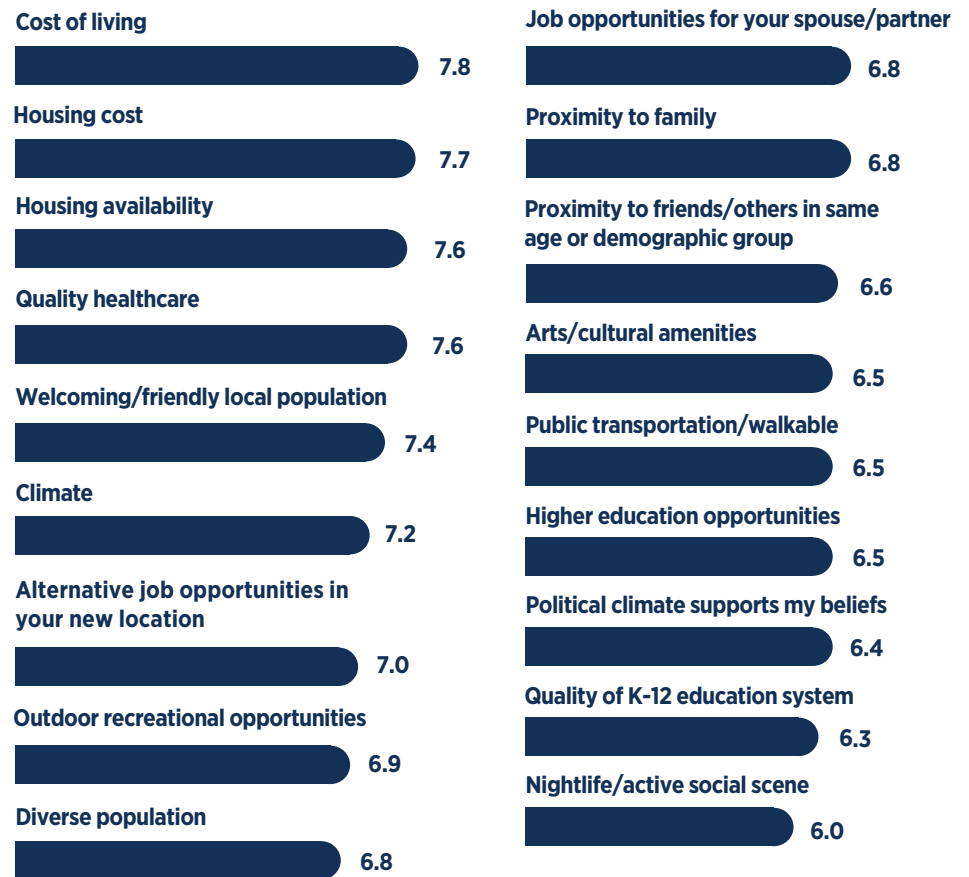
On a scale from 1 (not important) to 10 (very important), how important are the following job benefits when considering a new job opportunity?



TOP LOCATION FACTORS FOR TALENT

Just as salary remained the top factor for talent's job choices, cost of living remains a top factor when talent considers relocation. While there were no major changes in priority, every single factor's rating has increased in importance.

Please rate the following factors on their importance if you are/were to consider relocating for a new job opportunity (1=not important and 10=very important).

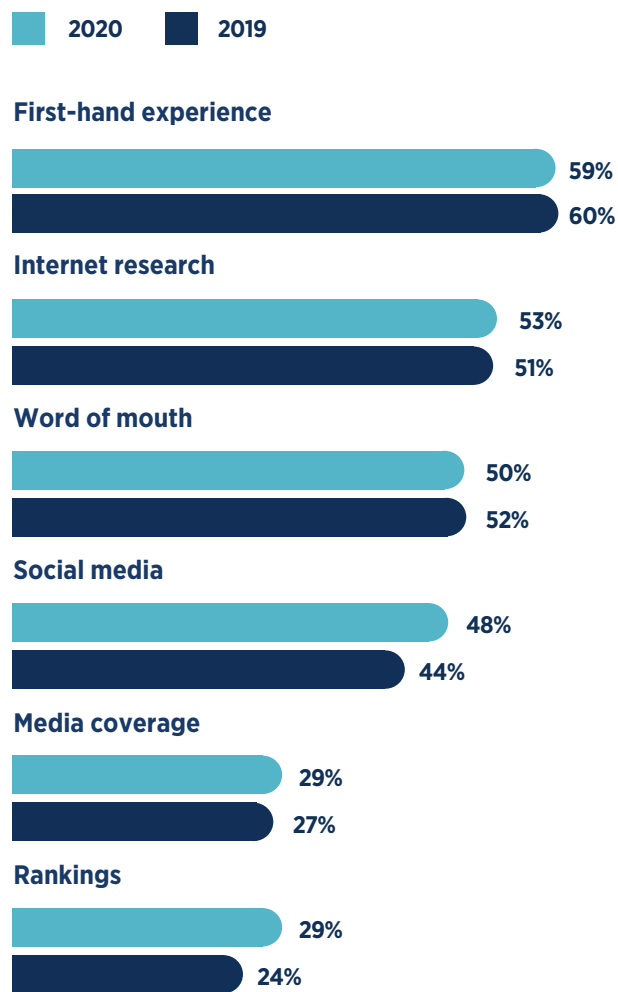


Does the pandemic's effects on work mean that talent no longer cares about factors like arts/cultural amenities, transportation/walkability, or nightlife/active social scene? Not necessarily. In fact, the importance of nightlife/active social scene slightly increased when compared to the previous year. This increase may mean that talent is bullish on recovery and hopes to still access and enjoy place amenities post-pandemic, even if they are not taking advantage of these factors right now.

HOW TALENT LEARNS ABOUT JOBS AND LOCATIONS

Understanding how people form impressions of locations helps communities market themselves to talent effectively by meeting them where they are. First-hand experience remains the strongest influencer, however internet research is a close contender, overtaking word of mouth this year. Additionally, social media, media coverage and rankings all increased in significance.

How are your impressions of communities formed? (Please choose all that apply)



A high percentage (86%) of respondents said that access to a dedicated website that provides information about living and working in that area is important or very important (when asked to rate on a scale of 1 to 10 with 10 being the most important).

JOB SEARCHES ARE DIGITAL

The top three sources talent turns to for job searches are all digital—the same as in 2019. Online job board sites ranked as the top third-party source talent uses when searching for employment opportunities. While most talent frequently uses digital job search sources, it is noteworthy that if combined, family and friends total 52%, making those two choices the most influential.

What third-party sources do you utilize frequently when looking for new job opportunities? Select up to three sources.

Online job board sites



Social media



Company websites



Friends



My professional network



Family



Industry specific website (i.e. Dice.com, Mediabistro etc.)



Community websites



Executive search firm/staffing agency (recruiter)



Alumni network

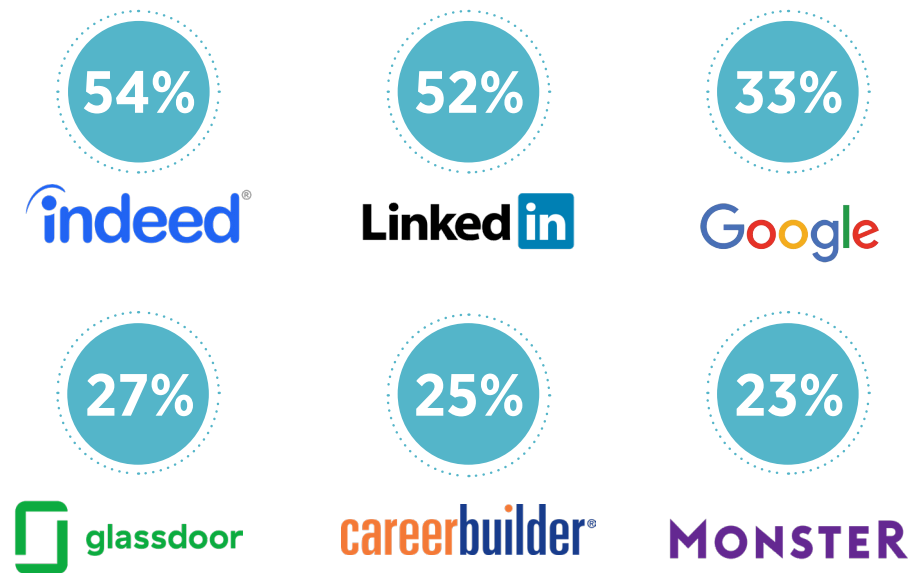


MOST-USED ONLINE JOB BOARD SITES FOR NEW JOB SEARCHES



Indeed and LinkedIn are the top two online job board sites.”

When asked what online job board sites do you most frequently refer to when looking for new job opportunities, more than half (54%) of respondents indicated Indeed, which retained its top spot from 2019. This was the first year, however, that LinkedIn was listed as a job board site and not just a social media network due to its job posting breadth and depth—putting LinkedIn at a near tie with Indeed.

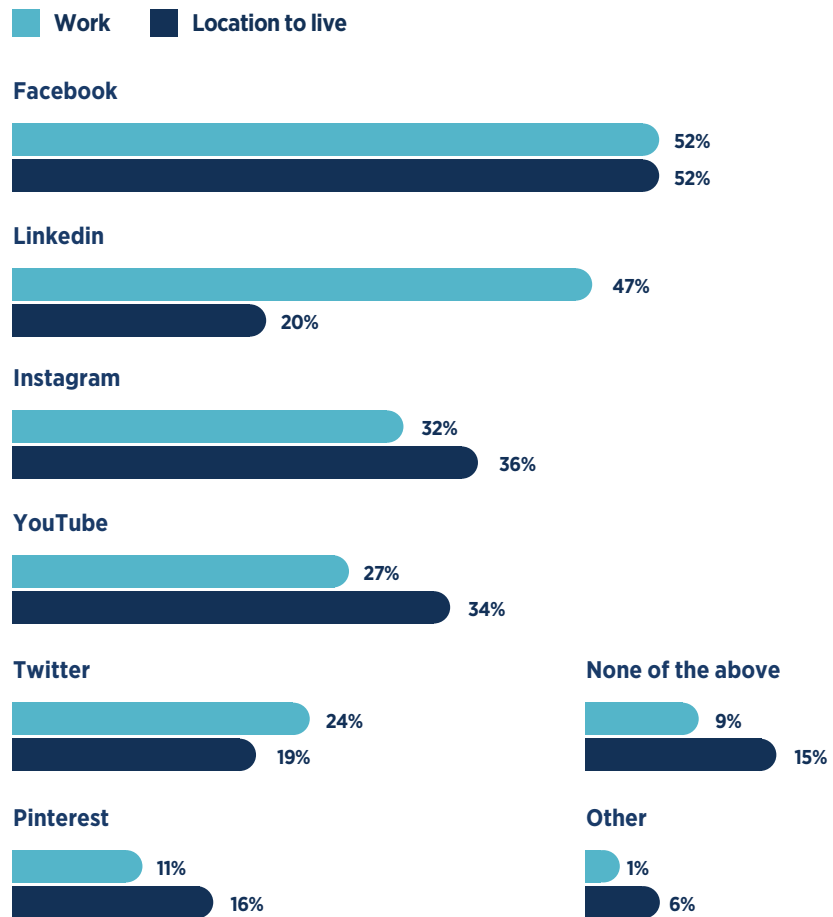


WHICH SOCIAL MEDIA PLATFORM IS THE BEST FOR TALENT MARKETING?

Social media has become an increasingly popular tool to help talent search for a new job or size up a new place to live. Facebook remains the top tool for both. This may be due to Facebook’s user base—the platform is the world’s largest social network, with more than 2.6 billion monthly active users (Source: Statista). Another consideration may be that Facebook is geared to connect friends and family, which are top influencers for both job searches and location decisions.

Notably, YouTube is the third most popular social media source talent uses when learning about a new place to live, which underscores the importance of incorporating video in talent attraction initiatives. Not only is YouTube a tool that allows talent to “experience” a location before (or without) visiting, it is also the second-largest search engine behind Google. A location’s searchability is critical during this time where people are increasingly online and searching for new locations in which to live.

Top social media sources for work (new employment opportunities, places to work) vs. for locations (new places to live)

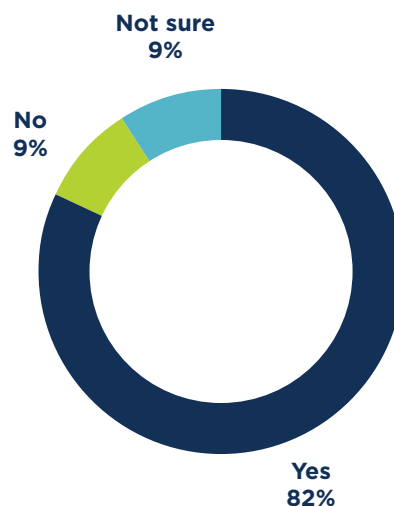


TALENT TRAINING

Prior to the pandemic, major companies from Amazon to JP Morgan were already investing in training to make the skills of employees today meet the demands of the future. The pandemic has pushed companies and entire industries into digitization, consolidation, and sadly in some cases, entire elimination. Meanwhile, certain industries experienced rapid growth and as a result, urgent hiring needs. Employers and economic developers' mission to make the path clear for reskilling and upskilling is no longer a forward-thinking goal, but an imperative action to save the workforce and help companies meet demand. But, is talent willing to train?

We discovered that 82% of respondents would be willing to undergo additional training or education in order to shift their career path. Moreover, talent would be willing to relocate to access free training, and some may even be willing to foot the cost if it meant access to new job opportunities.

Would you be willing to undergo additional training or education if it allowed you to shift your career path?



In the short term, finding skilled and semi-skilled talent may not be as challenging as it has been. Once the pandemic is over, the continued implementation of AR, AI and digitization will spark high demand for skilled and technical talent.”

—Jay Garner, President Garner Economics, LLC

IS TALENT WILLING AND AWARE OF TRAINING OPPORTUNITIES?

On a scale from 1 (strongly disagree) to 10 (strongly agree)

I would be willing to relocate to a new region/state to access free training that allowed me to upgrade my career or job prospects



I'm aware of training programs available locally or online that would enable to upgrade my career or job prospects



I would be willing to invest (at my own expense) in additional training if it allowed me to upgrade my career or job prospects



WHAT COVID-19 MEANS FOR TALENT ATTRACTION



One third of respondents are either more likely to relocate post-COVID-19 or have already relocated as a result of COVID-19.”

While it is too early to determine some of the permanent changes that the pandemic will have on the world of work and relocation, DCI's research shows that talent continues to prioritize the same job and location factors as the previous year: costs (salary, cost of living), housing and security (healthcare/health insurance).

While talent's priorities may remain consistent, COVID-19 is already causing major changes in the talent landscape. Nearly 33 million Americans were getting jobless benefits as of June (Source: U.S. Labor Department).

In addition to our standard “Talent Wars” questions that we have asked since 2017, we also wanted to understand to what extent, if any, the pandemic impacts talent relocation decisions.

A SNAPSHOT OF RESPONDENTS DURING COVID-19



of respondents are working remotely either fully or partially during COVID-19, with **56% working remotely 100% of the time.**



of respondents stated they became **unemployed as a direct result of COVID-19.**

THE PANDEMIC AND RELOCATION

Are you more or less likely to consider relocating to a new location (more than 50 miles from your current residence) as a result of the COVID-19 pandemic (once stay at home mandates are lifted)?

I am not more or less likely to relocate to a new location following the COVID-19 pandemic



I am more likely to relocate to a new location following the COVID-19 pandemic



I am less likely to relocate to a new location following the COVID-19 pandemic



I already relocated as a result of the COVID-19 pandemic and would like to stay in my new location

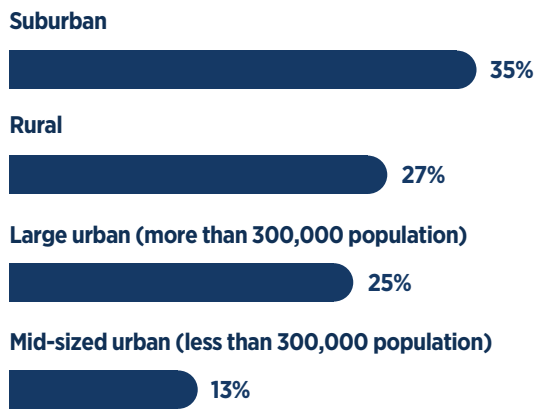


I already relocated as a result of the COVID-19 pandemic and would like to return to my previous location



For the 30% that stated they are more likely to relocate following the pandemic, we wanted to understand what type of location they found most intriguing. Similar to what DCI discovered with site selection consultants, when it comes to company or personal relocations, suburban is the leading location type of interest during/post pandemic. Interestingly, rural and large urban are nearly a tie—which may indicate that there are portions of respondents who are drawn to the unique advantages of each.

What type of area are you most interested in relocating to post COVID-19?



Is there a specific region or part of the country that you would be most interested in relocating to post COVID-19?



HAVE STAY-AT-HOME MANDATES MADE TALENT LOVE OR HATE REMOTE WORK?



75% would like to keep work-from-home options.”

Many theories have been headlining media outlets surrounding remote work—whether it’s here to stay and if talent will demand it when considering new opportunities. Will talent refuse to work from a non-home office ever again? Regardless of whether employers keep remote work options or do away with them completely, we wanted to see what talent wants for work-from-home options. A majority 75% of respondents would like to keep working from home in some capacity, whether that is a combination of home and office or fully remote.

What would be your preferred work arrangement once stay at home mandates are fully lifted?

A mix of working from home and in the office



Working from home full-time



In the office full-time



AGE BREAKOUTS ON JOB, LOCATION + COVID-19

Do only millennials care about nightlife? Do only more mature generations care about maternity leave policies? Or, is age just a number when it comes to talent? On most survey questions, there was no major difference between ages on responses—similar to previous years.

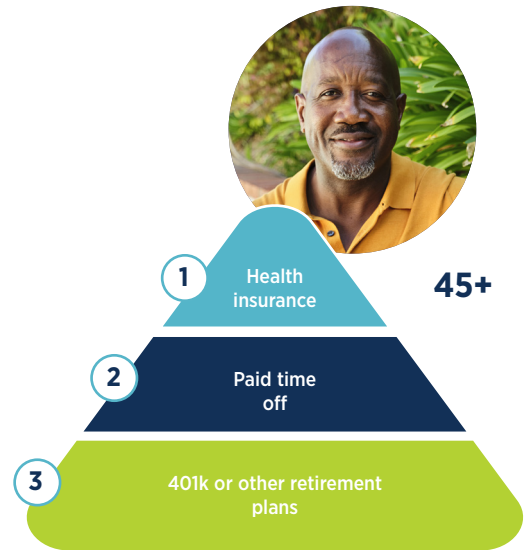
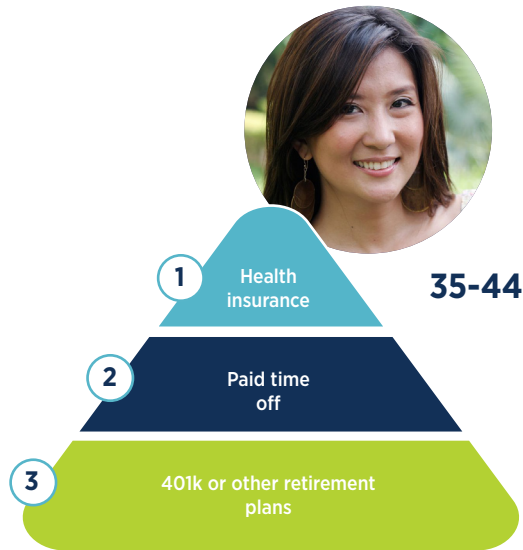
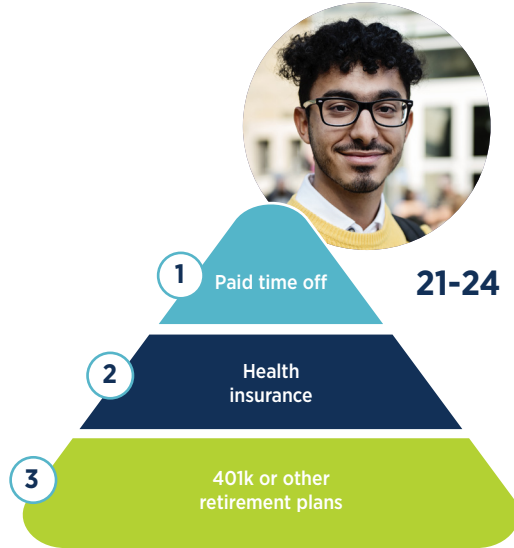
Age groups, however, did differ on a few key points:

TOP 4 JOB FACTORS BY AGE



AGE BREAKOUTS ON JOB, LOCATION + COVID-19

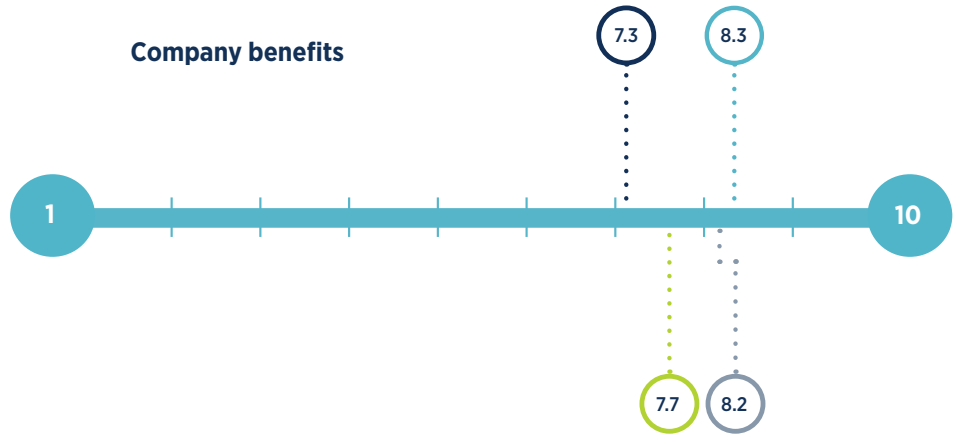
TOP 4 COMPANY BENEFITS BY AGE



AGE BREAKOUTS ON JOB, LOCATION + COVID-19

On a scale from 1 (not important) to 10 (very important), please rate each of the following factors if you are/were considering a new job opportunity?

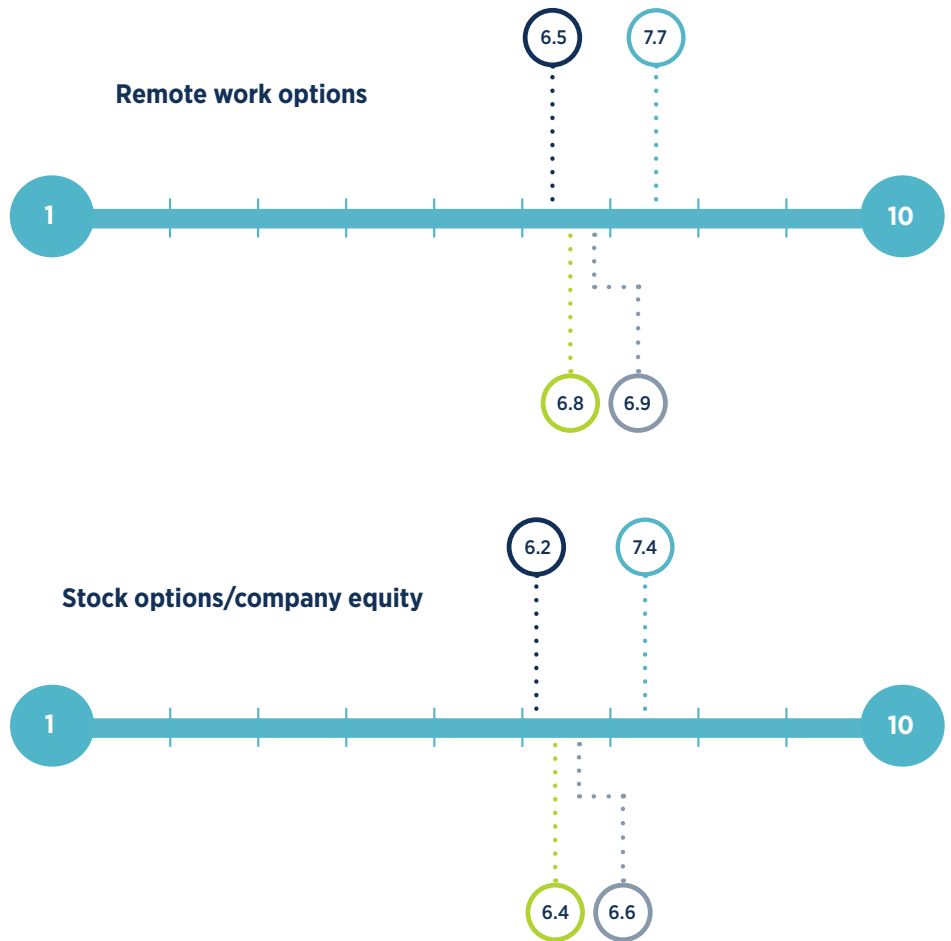
■ 21-24 ■ 25-34 ■ 35-44 ■ 45+



AGE BREAKOUTS ON JOB, LOCATION + COVID-19

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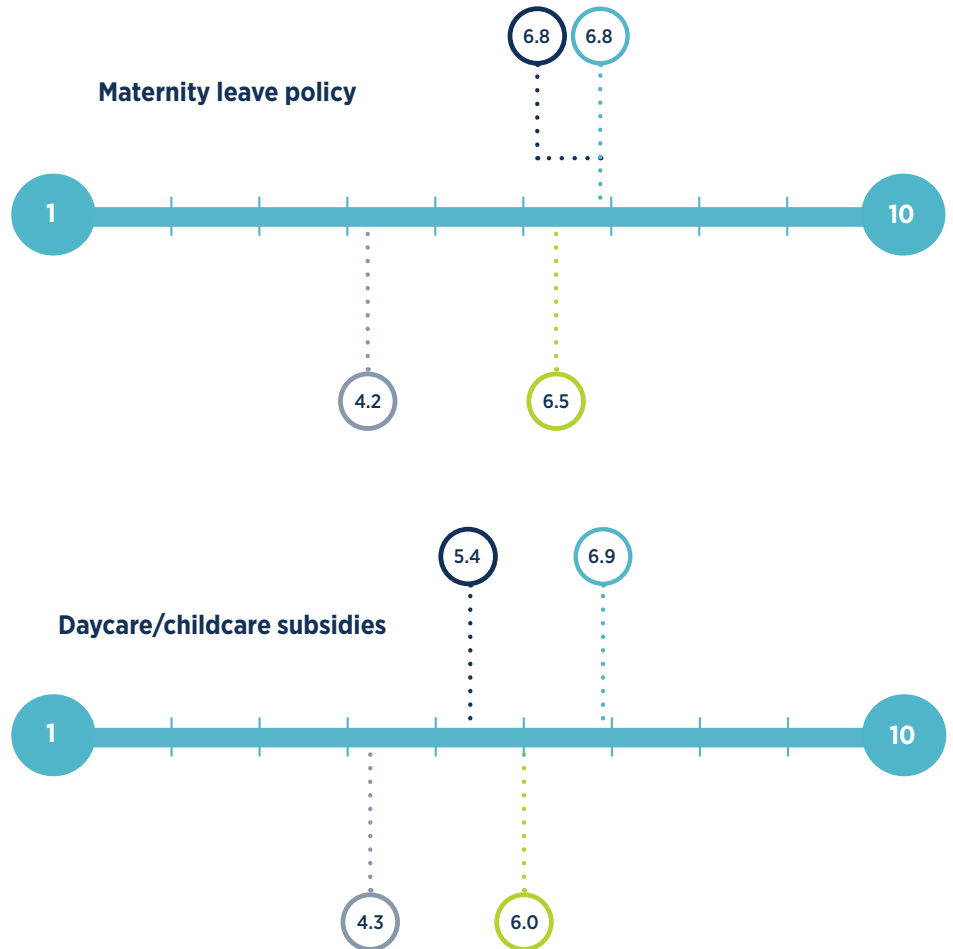
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AGE BREAKOUTS ON JOB, LOCATION + COVID-19

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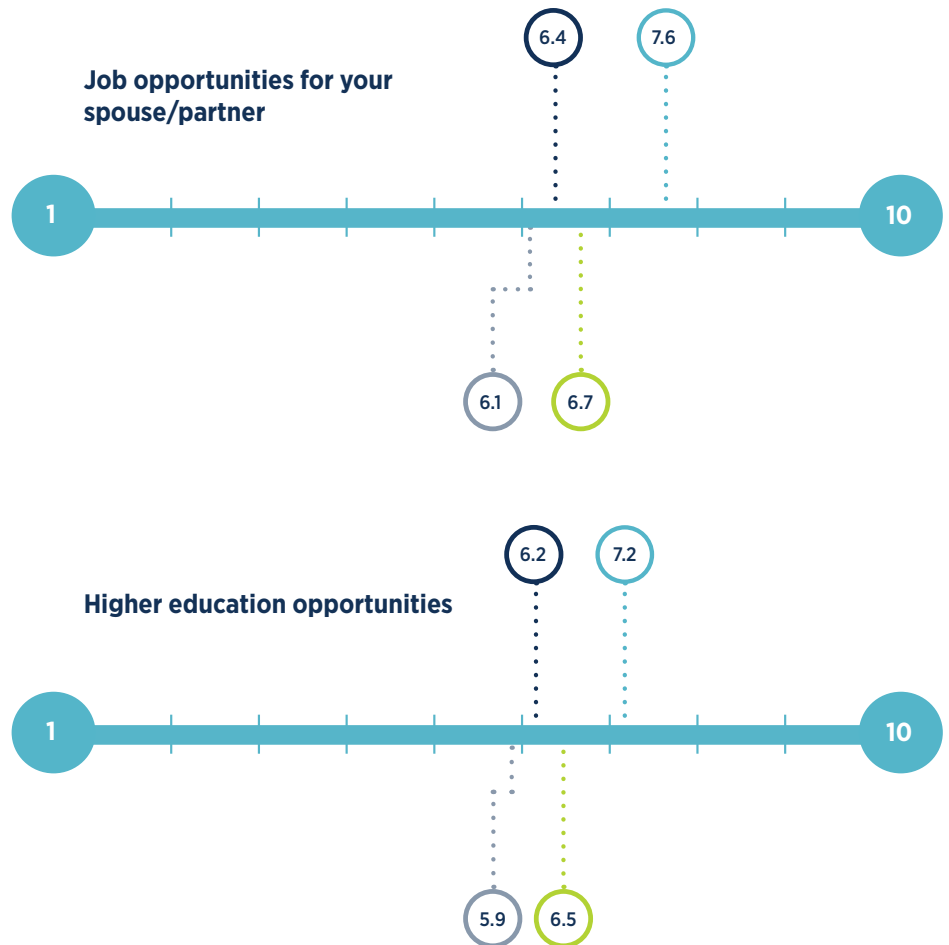
21-24 25-34 35-44 45+



AGE BREAKOUTS ON JOB, LOCATION + COVID-19

Please rate the following factors on their importance if you are/were to consider relocating for a new job opportunity (1=not important and 10=very important).

21-24 25-34 35-44 45+



AGE BREAKOUTS ON JOB, LOCATION + COVID-19



53% of 21-24 year-olds use social media to form impressions of a community compared to only 32% of those 45+

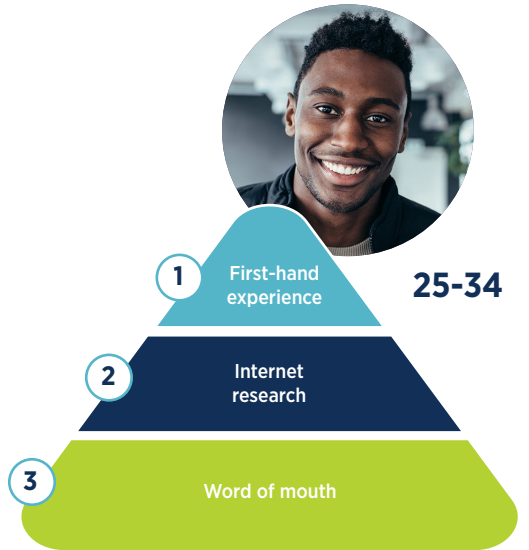
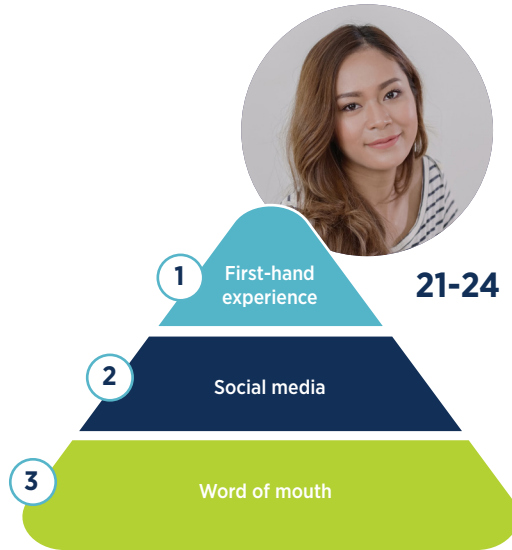
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21-24 25-34 35-44 45+



AGE BREAKOUTS ON JOB, LOCATION + COVID-19

TOP 3 SOURCES FOR FORMING LOCATION IMPRESSIONS



AGE BREAKOUTS ON JOB, LOCATION + COVID-19

I am more likely to relocate because of COVID-19



NEW GRAD
(21-24)



EARLY CAREER
(25-34)



MID CAREER
(35-44)



ESTABLISHED
(45+)

I already relocated as a result of COVID-19, and would like to return to my previous location



21-24



25-34



35-44



45+

SIX TAKEAWAYS ON TALENT

1. **Talent is More Willing to Relocate. They Just Need the Right Offer.**

The encouraging news for regions looking to attract workers: talent is more willing to relocate than they have been in the past. The majority of survey respondents answered a resounding “yes” when asked if they would be willing to relocate for a better job opportunity, coming in at 69% (notably higher than in years past)—and that’s not including the additional 17% of respondents who were undecided answering “maybe.” And 30% of respondents said they would be more likely to relocate because of the pandemic. But will talent move just because? Most respondents still said salary and cost of living are top job and location factors, respectively. If your location can make the sell on either, or both, of those factors, you may have a great shot.

2. The Hunger for Upskilling is There. Perhaps due to a combination of mass layoffs and an increased amount of time at home, talent’s willingness to undergo additional education and/or training to shift their career paths is prevalent. Eighty-two percent of survey respondents are willing to undergo additional training or education, and the majority would even relocate if access to training was free of cost. Communities should actively promote existing upskilling resources in the area, if not consider creating new programs to help reskill residents. South Carolina and Singapore have launched programs that alleviate the costs required to upskill by providing a statewide program offering free coding classes and supplying residents with annual stipends allotted for reskilling, respectively.

3. Diversity Policies Make a Difference. It is each community and company’s responsibility to work toward an increasingly inclusive and diverse population. Talent’s consideration of diversity policies as a factor when presented with a new job opportunity is the only factor that has steadily increased year after year. With 10 being “very important,” talent ranked the importance of diversity policies as a 6.1 out of 10 in 2017; that number increased to 6.5 in 2019 and 7.0 in 2020. For locations, talent values a welcoming/friendly local population (7.4) and diverse population (6.8). While it’s clear that talent values a diverse workplace and community, there is no one-size-fits-all approach here. Authenticity, self-evaluation and proactivity when it comes to diversity and inclusion are imperative.

4. Digital Was Important for Job and Location Searches Before, But Now it’s Critical. Online job boards, social media and company websites are talent’s top three third-party sources when looking for new job opportunities. These results emphasize the importance of a strong digital presence when promoting your region’s job opportunities to talent. Keep in mind that 86% of respondents said that access to a dedicated website that provides information about living and working in that area is important or very important.

SIX TAKEAWAYS ON TALENT

5. **Talent Prefers Some Version of Remote Work, But It's Not a Dealbreaker.**

For those who now can work from home due to the pandemic, remote work may be a dream come true or a living nightmare, depending on your preference. Despite the conclusions employers or media may try to make, the truth is that talent has a variety of feelings on remote work. Flexibility in remote work options will be enticing to talent after the pandemic, as 75% of respondents answered that they would prefer a work arrangement working from home either full-time or a mix of working from home and in the office once stay-at-home mandates are fully lifted. Countries like Georgia and Barbados are capitalizing on this trend, with initiatives solely aimed to lure talent to live and work remotely from their idyllic locations for the next six months to a year. So yes, a majority of talent wants a remote work option, but keep in mind company benefits like health insurance, paid-time off and 401k plans still outweigh remote work.

6. **Cities Are Not “Over,” But the Suburbs are Appealing.** While there have been many articles since March with anecdotal accounts of talent fleeing cities like New York City and San Francisco, this may not be the situation for most talent. Only 5% of respondents stated they relocated as a result of the pandemic. It should be noted that some who have left a location because of COVID-19 may not have considered it a “relocation” but a temporary visit or stay somewhere else. For types of locations, suburban was king, but large cities and rural areas were at a near tie. So does the pandemic mean the end of talent attraction in big cities? Not necessarily. But it may mean, other types of locations like suburban and rural areas may be even more appealing to talent than they were before. Ultimately, it is up to every location to attract talent proactively.

The future is still an unknown in many regards, but we do know one thing to be true: COVID-19 will undoubtedly affect talent's plans for the future. The research proves that most talent is actively seeking jobs now more than ever and they are willing to relocate. Communities have an opportunity to create solutions to connect talent to jobs and places that will bring opportunity when talent needs it most.

About DCI

Development Counsellors International (DCI) specializes in economic development, tourism and talent attraction marketing. DCI combines our place marketing expertise with our deep research on your target audience to create a strategy that attracts talent. Our tailored approach gives employers the tools they need to tout location, as well as build awareness, change perceptions and generate interest among talent.

Our areas of expertise include:

- Customized Research/Perception Studies
- Virtual Speaking Engagements
- Virtual Career Fairs
- Website Design
- Digital Media
- Media Relations
- Content and Collateral Creation
- Marketing Strategy
- Brand Development

Headquartered in New York City and with regional offices in Los Angeles, Denver and Toronto, DCI has worked with more economic development groups and destination marketing organizations than all other marketing agencies combined.

Interested in learning more? Have specific talent questions? We'd love to explore how we might assist your community.



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