Talent 2020:

Surveying the Talent Paradox from the Employee Perspective

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Talent 2020 is a longitudinal survey series conducted for Deloitte Consulting LLP by Forbes Insights exploring changing talent priorities in all industries, at large businesses worldwide in the Americas, Asia Pacific, and Europe, the Middle East, and Africa. The *Talent 2020* series follows the Managing Talent in a Turbulent Economy series from 2009 and 2010.

Talent Edge 2020: Redrafting Talent Strategies for the Uneven Recovery

The latest executive perspective *Talent Edge 2020* edition is based on a survey of 376 global senior executives and talent managers. Findings from this study highlight how companies are tackling the evolving talent challenges and reshaping their talent strategies in uncertain economic times (January 2012).

Read *Talent Edge 2020: Redrafting Strategies for the Uneven Recovery*

Talent Edge 2020: Building the Recovery Together—What Talent Expects and How Leaders are Responding

This report probes divergences between the attitudes and desires of three generations of employees and the talent strategies and practices being utilized by employers. This report features results from a March 2011 survey that polled 356 employees at large businesses around the world.

Read *Talent Edge 2020: Building the recovery together—What Talent Expects and How Leaders are Responding*

Talent Edge 2020: Blueprints for the New Normal

This inaugural report features results from an October 2010 survey that polled 334 senior business leaders and human resource executives at large global businesses. This report explores talent strategies and unfolding employee trends related to retention and the new challenges posed by the recession.

Read *Talent Edge 2020: Blueprints for the New Normal*

Key findings

THE economic turbulence of the past few years has created a Talent Paradox: Amid stubbornly high unemployment, employers still face challenges filling technical and skilled jobs. Deloitte first uncovered this modern contradiction from the employer side in *The Talent Paradox: Critical Skills, Recession, and the Illusion of Plenitude.*[1] In this *Talent 2020* report, we turn our focus to the employee perspective on the talent paradox.

Companies cannot neglect their talent and retention strategies out of a false sense of security that employees have few options in a tight job market.

Through the lens of the employee, this paradox produces some interesting findings. In Deloitte's most recent global survey of employees, 80 percent indicated they planned to stay with their current employers in the next year—a significant 45-point swing compared to our 2011 survey. Yet, at the same time, nearly a-third (31 percent) of surveyed employees reported they were not satisfied with their jobs.

These findings highlight the fundamental question in the employee talent paradox: Are employees truly satisfied? Or are they simply accepting their fate by "making do" with their current employers because of a difficult job market?

Companies seeking to thrive, given today's competition for talent, cannot give way to complacency in the face of seemingly high retention numbers. Nor can they neglect their talent and retention strategies out of a false sense of security that employees have few options in a tight job market.

Instead of addressing broad concerns about turnover—as seen in previous surveys—employers now face a more targeted challenge. They need to adjust their talent management initiatives to focus on retaining employees with critical skills who are at a high risk of departure and capable leaders who can advance their companies despite continuing global economic turbulence.

To help employers gain a better understanding of the latest employee attitudes and emerging talent trends, Deloitte Consulting LLP teamed with Forbes Insights to conduct a survey of employees of large companies worldwide. The September 2012 report, the fourth in Deloitte's *Talent 2020* series, surveyed 560 employees across virtually every major industry and global region.

Based on the survey results and on Deloitte's analysis of the talent market, Deloitte identified three emerging challenges:

Engage employees with meaningful work…or watch them walk out the door:

Employees value meaningful work over other retention initiatives. Survey respondents who reported their companies use their skills effectively are more likely to report they plan to stay with their current employer.

- A majority (42 percent) of respondents who have been seeking new employment believe their job does not make good use of their skills and abilities. Moreover, surveyed employees who are planning to switch companies cited the lack of career progress (37 percent) and challenge in their jobs (27 percent) as the two top factors influencing their career decisions.

Focus on “turnover red zones”:

Turnover intentions appear to be concentrated among specific groups of employees at certain points in their careers, creating “turnover red zones” or employee segments at high risk of departure. Effective retention strategies should be aligned with the needs and desires of critical talent, especially when they belong to groups with a high risk of turnover.

- Employees less than two years on the job expressed the strongest turnover intentions, with 34 percent indicating they expect to have a new job within a year. Keeping high-performers and high-potentials beyond two years appears to increase the likelihood of their pursuing a career—or part of a career—with your company.

- Just over one-quarter of all Millennials surveyed (26 percent, age 31 and younger) reported that they plan to leave their employers at some time in the next year—the highest among all generational groups.

When it comes to retention, employees are telling us that leadership matters:

A workforce is far more engaged and committed when it trusts its leadership, receives clear communications about corporate strategy, and believes its leaders have the ability to execute on that strategy. In other words, employee retention is not simply an HR function; it should be driven by business leaders.

- More than six in 10 employees (62 percent) who plan to stay with their current employees reported high levels of trust in their corporate leadership, while only 27 percent of employees who plan to leave express that same trust. In addition, 26 percent of those who plan to leave their jobs in the next year cited lack of trust in leadership as a key factor.

Engage employees with meaningful work…or watch them walk out the door

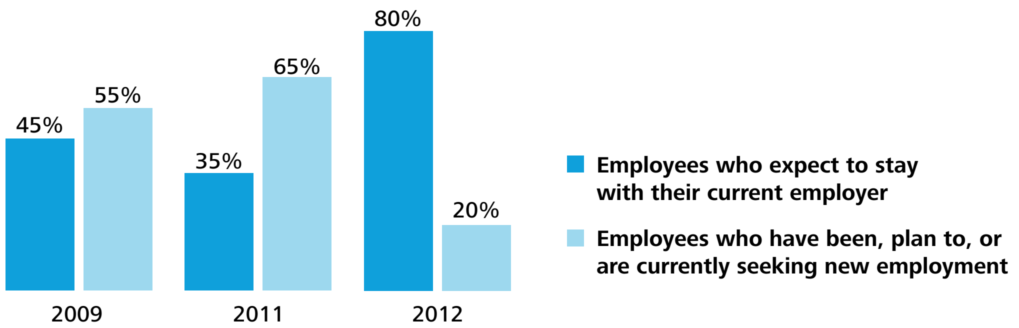
As high unemployment persists and the global economic recovery remains uneven, the "resume tsunami" appears to have been reduced to a "resume riptide."

DELOITTE'S employee surveys in 2009 and 2011 revealed a growing "resume tsunami"—a spike in employee turnover among critical segments of workers as they took confidence from an improving economy and began testing the job market.[2] These findings were consistent with research by Deloitte that found an inverse relationship between the unemployment rate and the rate at which employees voluntarily leave organizations. In other words, when unemployment goes up, employees cling to their current jobs; and when unemployment drops, employees tend to head for the exit.[3]

But as high unemployment persists and the global economic recovery remains halting and uneven, the "resume tsunami" appears to have been reduced to a "resume riptide." In 2011,

Digging deeper: Could the downturn in employee turnover intentions be the result of proactive retention measures taken by executives? According to Deloitte's January 2012 executive report, many organizations began making talent and talent development top priorities. In fact, 30 percent of executives surveyed ranked developing leaders and succession planning as a top talent priority. [4] It is unclear whether there is a direct relationship between employer retention strategies and rising employee retention levels, but the connection raises interesting questions.

Figure 1. Are you staying or going?



Sources: *Managing talent in a turbulent economy: Keeping your team intact,* September 2009, Deloitte Consulting LLP; *Talent Edge 2020: Building the recovery together,* April 2011, Deloitte Consulting LLP.

Graphic: Deloitte University Press | DUPress.com

nearly two in three (65 percent) employees surveyed were planning to leave their organizations. Today, four in five (80 percent) plan to stay with their employers over the next year—a significant 45-point swing (figure 1). However, 46 percent of surveyed employees have either moved to new jobs (9 percent), received a promotion (22 percent), or changed roles (15 percent) with their current employers during the past year—all factors that might make them less inclined to move during the next 12 months.

What can persuade employees to remain with their current organizations?

Employees who believe their employers make effective use of their talent and abilities appear to be overwhelmingly committed to staying on the job, while respondents who said their job does not make good use of their skills are looking to leave.

Of the surveyed employees who plan on staying with their current employer, 72 percent feel that their talents are being utilized. Of the employees who plan to leave, 42 percent do not believe their talents and abilities are being used effectively.

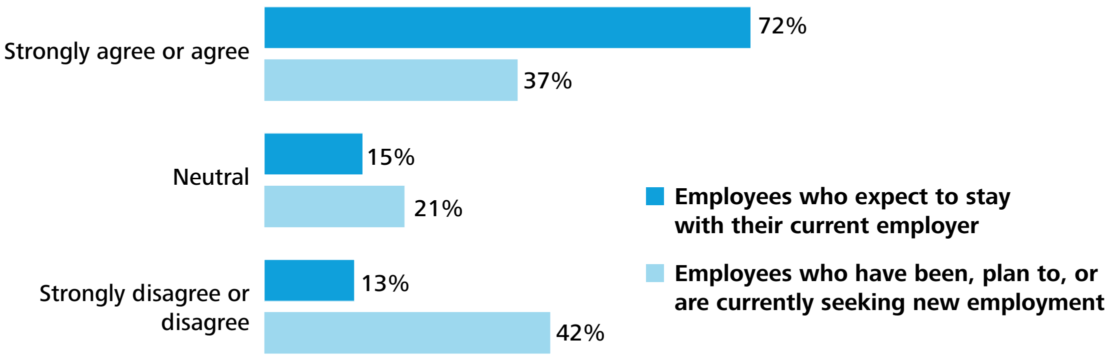
Effective employee engagement translates into a satisfied workforce. Overall, a strong majority of employees (69 percent) reported being satisfied with their current jobs.

But are all of these employees truly satisfied? Or are they merely "making do" with their current employers because of a difficult job market? With 31 percent unsatisfied and only 20 percent planning to leave, there is an 11 percent delta of unsatisfied employees planning to stay. To ask the question another way: Have pent-up turnover intentions been exhausted—or are they being suppressed because employees see no choice other than remaining in their current jobs?

Of the surveyed employees who plan on staying with their current employer, 72 percent feel that their talent is being well-utilized.

Digging deeper: Employee turnover intentions vary by industry. According to survey results, the financial services industry runs the highest risk of losing talent, with 25 percent of employees expressing turnover intentions. Just behind are technology, media, and telecommunications (23 percent) and life sciences and health care (23 percent).

Figure 2. My job makes good use of my talents and abilities



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Digging deeper: Which industry has the most satisfied employees? Based on the survey results, workers in the energy and resources industry express the most satisfaction with their jobs, with more than three quarters agreeing (59 percent) or strongly agreeing (19 percent) that "overall, I am satisfied at work."

Rather than letting relatively high employee satisfaction rates lure them into complacency, executives need to understand exactly why employees are satisfied.

Not surprisingly, financial incentives help drive employee satisfaction, with nearly seven in 10 (68 percent) highly satisfied employees reporting that their organizations deliver a "world-class" or "very good" pay package. But the quality of a company's non-financial incentives is also a strong indicator of overall satisfaction.

According to the survey, 57 percent of workers who reported their overall satisfaction as "strong" believe their companies are "world-class" or "very good" when it comes to providing flexible work options. This is 24 percentage points higher than the total respondents (33 percent).

The best retention strategies focus on "turnover red zones"

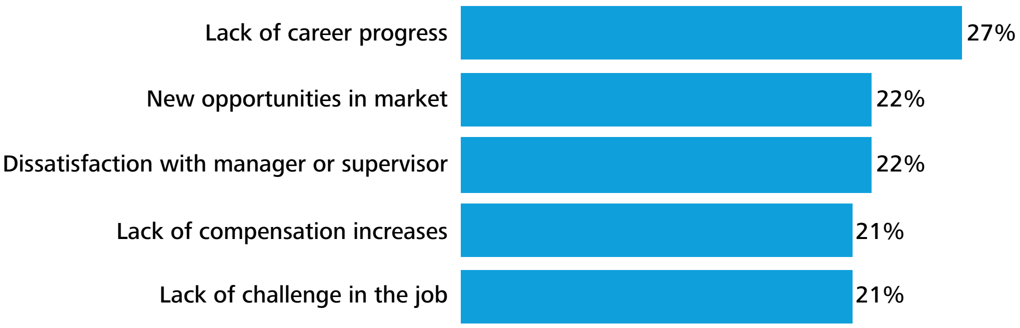
As turnover intentions have shifted from a broad-based to a more targeted concern, employers should also shift their retention strategies to focus on specific employees who present high turnover risks. Employees who possess skills critical to organizational goals are often in high demand and short supply even in a turbulent economy. Furthermore, with leadership development and succession planning being a top concern for employers, they should target retention strategies toward high-potential employees as well.

In conjunction with looking at populations with turnover risk, companies need to focus on the clear turnover red zones emerging with respect to rates of turnover in certain cohorts of employees, where there is a high risk of departure primarily for both those under two years on the job and those in the Millennial generation. Employees who have been less than two years on the job expressed the strongest turnover intentions (34 percent indicating they expect to leave within a year) and just over a quarter (26 percent) of Millennials reported that they plan to leave within the next year.

> As turnover concerns grow more targeted, executives are asking two critical questions: Who is leaving? And how do we hold on to key employees?

In our most recent survey, Deloitte asked employees to choose the three most significant factors that would cause them to seek new employment. Responses clustered around five issues—only one of which is related to money. Lack of career progress topped the list at 27 percent, followed by new opportunities in the market and dissatisfaction with the manager or supervisor, each at 22 percent, and lack of challenge in the job and lack of compensation increases at 21 percent (figure 3).

Figure 3. What would encourage you to look for new employment?



Note: For Figure 3 and Figure 4, survey participants were asked to pick their top three choices.

Graphic: Deloitte University Press | DUPress.com

Interestingly, the incentives to get employees to stay are not exactly the same as the factors that would cause them to leave. The top five retention incentives for employees are additional bonuses or financial incentives (44 percent), promotion/job advancement (42 percent), additional compensation (41 percent), flexible work arrangements (26 percent), and support and recognition from supervisors or managers (25 percent) (figure 4).

As turnover concerns grow more targeted, executives are asking two critical questions: Who is leaving? And how do we hold on to key employees?

Turnover red zone: Tenure

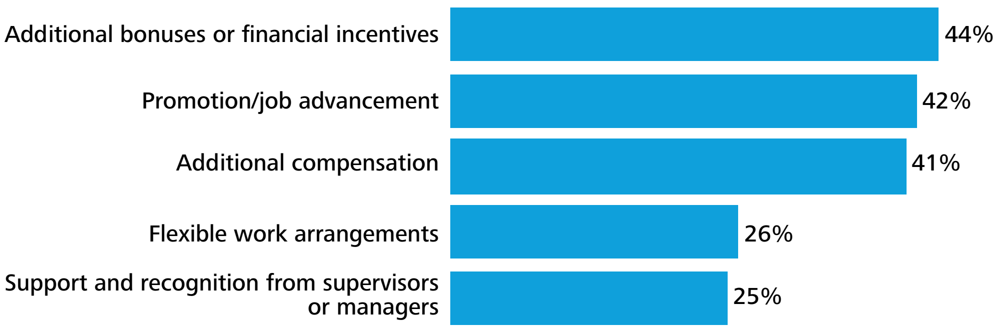
The survey results suggest that employee tenure is negatively correlated to turnover intentions. Simply put, the longer employees stay with a company, the less likely they are to look for a new job. A full 85 percent of employees who have been with their current employers for five years or more plan to stay with their organization. Perhaps not surprisingly, newer employees—those who have been with their organization two years or less—are most likely to express intentions to leave their current job. Just over a third (34 percent) of surveyed newer employees said they do not plan to stay with their employer for the next 12 months, compared to 15 percent of surveyed employees who have been with their employer for more than five years (figure 5).

As companies prepare their retention strategies, it might also be worthwhile to pay attention to satisfaction levels in the early years of an employee's tenure. According to the survey, satisfaction seems to dip during the one-to-three year range, with 27 percent of employees in their first year strongly agreeing that they are satisfied, compared to only 13 percent in the one-to-two year range and 18 percent in the two-to-three year range.

This data on satisfaction levels positively correlates to other data in the survey on how employees feel their skills and abilities are being used (29 percent in first year, 13 percent in the one-to-two year range; and 18 percent in the two–to–three–year range). Both metrics, for satisfaction and for use of talent and abilities, jump up to 19 percent after both five–and 10–year periods. These patterns also extend to trust in leadership. Surveyed employees report much higher levels of trust after five years on the job.

Given that employees with shorter tenures are more likely to leave, organizations should consider effective onboarding programs that can increase long-term employee commitment. *(See the call-out box on page 10 for additional ideas on effective onboarding programs.)*

Figure 4. What would keep you with your current employer?



Graphic: Deloitte University Press | DUPress.com

Turnover red zone: Generations

Companies should also carefully tailor their strategies for engaging, developing, and retaining key employees to each of the four generations currently in the workplace. (While Deloitte's current survey was sent to employees in all four age groups around the world, the number of responses from veterans [age 65+] was not statistically representative; so they are not covered in this report.)

While turnover intentions among employees surveyed were fairly stable across generations, Millennials appear most likely to test the job market, with 26 percent planning to leave their current employers over the next year, compared to 21 percent of Generation X employees (ages 32–47) and 17 percent of Baby Boomers. This represents a significant shift from 2011, when Generation X employees appeared to be most aggressive in testing the job market.

Figure 5. Do you expect to stay with your current employer for the next 12 months or longer?

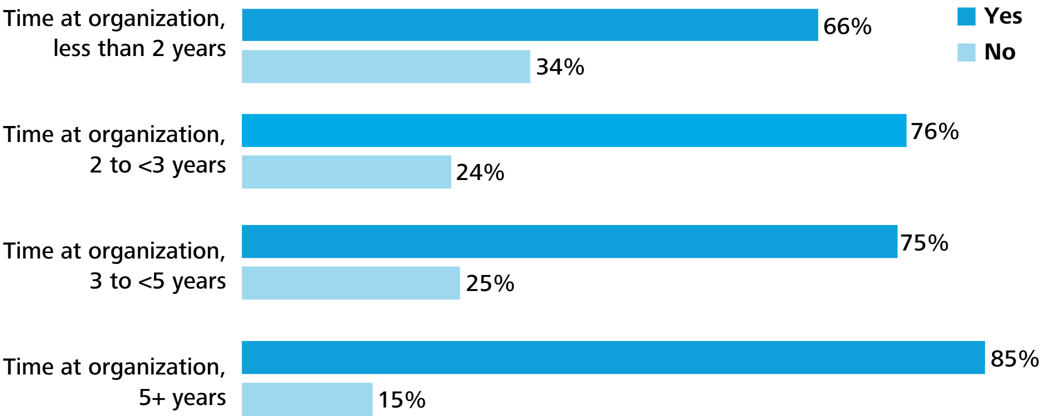
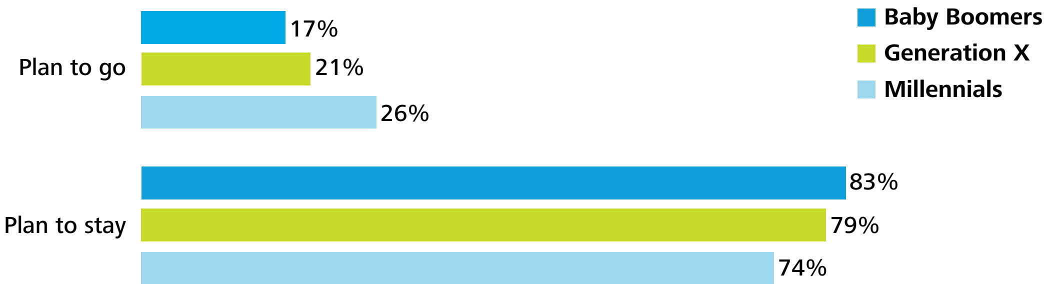


Figure 6. Employees seeking new employment by generation



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Effective onboarding programs

Strategic onboarding practices have been shown to increase employee retention, engagement, and commitment. From day one, new hires should have the appropriate tools and resources to help become productive quickly and effortlessly. Well-choreographed interactions and informal experiences with colleagues and leaders, for example, can shape their perspective on the organization they have just joined. Effective onboarding ensures employees are ready in less time and with a greater impact than employees who must find their own way and seek ad hoc support.

The best experiences in orientation and onboarding build relationships and networks that rapidly integrate new hires and give them the core capabilities (both behavioral and technical) that will enable them to be effective employees within particular corporate cultures. Strategic onboarding is accomplished, in part, by:

- **Focusing on connecting employees:**
  - To other people to enhance performance
  - To a compelling sense of purpose and shared commitment
  - To nurture their sense of belonging to the organization
  - To enable individuals to identify their individual strengths and shape their personal brand
  - To vital resources such as knowledge, technology, time, budget, and physical space
- **Tailoring onboarding activities to their specific industry, business and people strategy, organization, culture, and values**
- **Supporting new executives and managers by connecting them to other leaders for coaching and mentoring**
- **Training and holding managers accountable for their role in creating an effective onboarding experience for new hires**
- **Measuring the effectiveness of onboarding activities with tangible metrics**
- **Integrating new hires and giving them a sense of belonging, by helping them make connections to their peers, leaders, and the larger organization. As you develop strategies to navigate the talent paradox, it is worth asking: What are you doing to create strategic onboarding? What is your organization doing to impact new hires in the first 30, 60, 90 days?**

New hire connect activity	Deloitte's suggested steps
Connect new hires early and often; partner them with people from whom they can learn	• Appoint a "buddy" for new hires • Select a mentor for new hires
Help new hires develop network maps; these should include specific people to meet and influence	• A manager should: – Help new hires create a network map to connect with specific people – Meet with new hires to discuss progress made on the network map
Help new hires gain legitimacy in eyes of peers	• A manager should: – Help new hires create a development plan to achieve "quick wins" – Meet with new hires to discuss progress made on the development plan – Promote the use of onboarding wikis/blogs to encourage questions – Encourage new hires to observe and ask questions before jumping into projects

Graphic: Deloitte University Press | DUPress.com

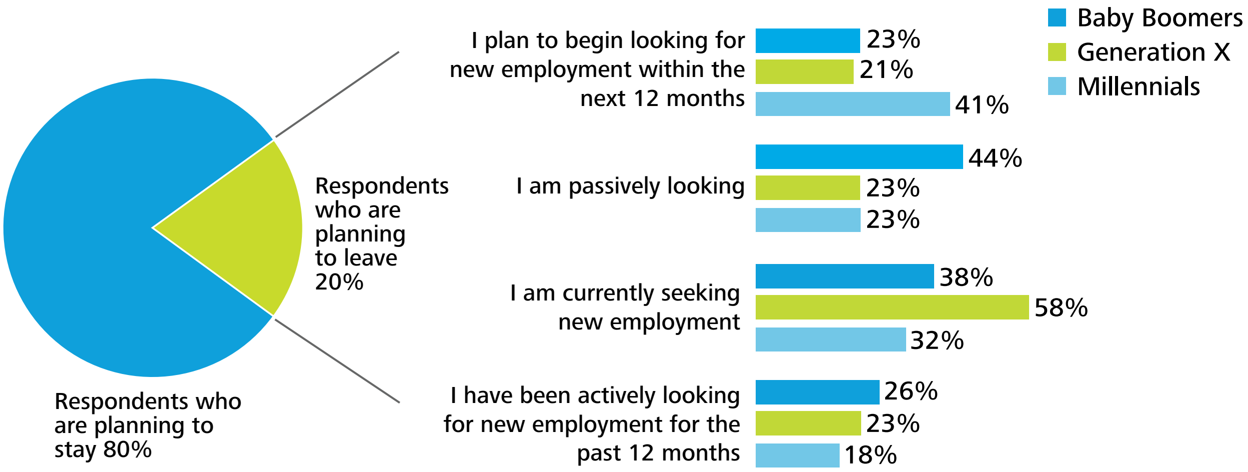
According to the 2011 employee survey results, nearly two in five (38 percent) Generation X employees reported that they were seeking a new job or had been actively looking over the past year. In addition, only 28 percent expected to stay with their current employer (figure 6). In our April 2011 report, we surmised that Gen Xers were frustrated with bumping against "the grey ceiling" and not getting promoted,[5] but it appears these frustrations may have subsided, as 21 percent of Generation X employees surveyed in 2012 report that they received a promotion in the last year.

While Millennials have the strongest turnover intentions, they are not the most aggressive job seekers. Generation X employees are the most active in the talent market, with 58 percent of those who intend to leave reporting that they are currently seeking new employment and another 22 percent reporting they have been looking during the past year. In comparison, of the surveyed employees planning to leave, 41 percent of Millennials plan to begin looking for new opportunities in the next 12 months (figure 7).

Given the emergence of turnover red zones, employers will have to be adept at narrowly targeting their retention strategies to various groups of employees. Yet, despite the challenge, there is good news: Employers appear to have both a strong understanding and a clear sense of what is driving talent out the door.

Digging deeper: Millennials appear to be advancing up the career ladder faster than their co-workers. Nearly half (44 percent) report that they received a promotion over the past year, compared to 21 percent of Generation X employees and 16 percent of Baby Boomers. This could, however, be a result of Millennials entering their organizations at lower, entry-level positions and thus having a number of shorter stages through which to advance.

Figure 7. Employee turnover intentions by generation



Note: Survey participants who were planning to leave were asked to choose all responses that applied.

Graphic: Deloitte University Press | DUPress.com

In figure 8 below, current employee attitudes toward exit triggers are compared to what executives believe to be top retention incentives. With some important exceptions in the Baby Boomer generation, employees and employers appear to be aligned on top retention priorities. However, despite this alignment, executives underestimate how important some retention priorities are to employees. For example, 33 percent of surveyed executives chose "promotion/job advancement" as one of the top three retention initiatives for Millennials, while 47 percent of the surveyed Millennials chose "promotion/job advancement" as one of their top three retention initiatives (with almost the same intensity gap for Gen X). Surveyed executives also underestimate the importance of "additional bonuses and financial incentives." It was chosen as a top retention incentive by 44 percent of surveyed Gen X employees but by only 31 percent of surveyed executives.

Figure 8. Top three most effective retention initiatives by generation: Executives vs. Employees

Ranking	Gen Y/Millennials (31 and younger)		Generation X (ages 32-47)		Baby Boomers (ages 48-65)	
	Executives*	Employees	Executives*	Employees	Executives*	Employees
1	Promotion/job advancement (33%)	Promotion/job advancement (47%)	Promotion/job advancement (32%)	Promotion/job advancement (47%)	Additional benefits (e.g., health and pensions) (42%)	Additional bonuses or financial incentives (45%)
2	Individualized career planning (within your company) (27%)	Tie: Additional compensation (41%) and Additional bonuses or financial incentives (41%)	Additional bonuses or financial incentives (31%)	Additional bonuses or financial incentives (44%)	Additional bonuses or financial incentives (33%)	Additional compensation (44%)
3	Additional bonuses or financial incentives (25%)	Leadership development opportunities (31%)	Tie: Leadership development programs (29%) and Flexible work arrangements (29%)	Additional compensation (38%)	Flexible work arrangements (32%)	Promotion/job advancement (34%)

*Source: *Talent Edge 2020: Redrafting talent strategies for the uneven recovery*, January 2012, Deloitte Consulting LLP.

Graphic: Deloitte University Press | DUPress.com

Uneven global economy creates geographic turnover red zones

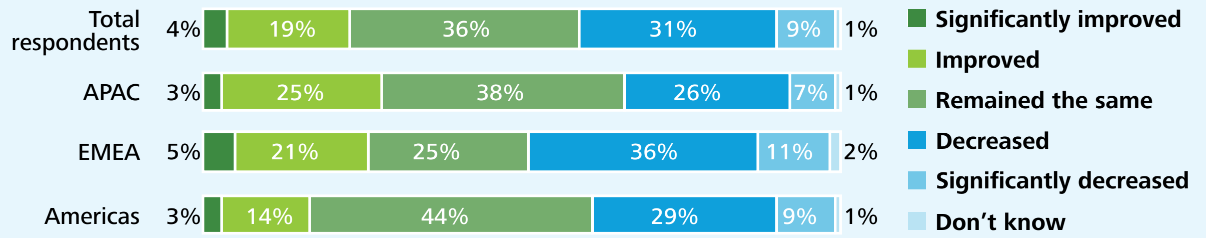
Employee morale has been declining in the Europe, Middle East and Africa (EMEA) region as Europe struggles with debt crises, the future of the euro, and increased borrowing costs. Almost half of EMEA employees surveyed (47 percent) reported that morale has decreased or significantly decreased over the past year, compared to 38 percent in the Americas and just 33 percent in Asia Pacific (APAC) (figure 9).

Across EMEA, employees reported far greater layoffs over the last six months than their counterparts in other regions. According to the survey results, over half (54 percent) of EMEA workers reported layoffs at their companies, compared to 32 percent in the Americas and 38 percent in APAC. Looking forward, employees do not expect the picture to brighten. Nearly half of surveyed EMEA workers (47 percent) predict more layoffs over the next six months, compared to about one in four in the Americas (26 percent) and close to four in 10 in APAC (38 percent).

Amidst layoffs and suffering morale, EMEA employees appear to yearn for leadership development opportunities. When asked to rank their top retention initiatives, 33 percent of surveyed EMEA employees cited leadership development, compared to just 15 percent in the Americas and 19 percent in APAC.

While EMEA employees appear to be less satisfied in their jobs compared to the APAC and the Americas, money does not seem to be the predominant factor. Although surveyed EMEA employees have received fewer bonuses (66 percent) compared to their APAC counterparts (82 percent), EMEA employees are happier with the bonuses they did receive. Nearly seven in 10 (68 percent) surveyed EMEA employees report they are either satisfied or very satisfied with their bonuses, compared to just over half (53 percent) of APAC employees who rate their bonuses satisfactory—perhaps a signal that Europe's economic crisis has led employees to lower their compensation expectations.

Figure 9. Examining employee morale from a global perspective



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When it comes to retention, leadership matters

THROUGHOUT the current survey, trust in leadership emerged as both an important retention factor and a critical component of employee job satisfaction. The implications of this finding are clear: Retaining key employees is not simply an HR function. Instead, retention starts with the C-suite and extends through virtually every level of management, down to line managers and supervisors. In fact, 22 percent of respondents cited dissatisfaction with their manager or supervisor as a top reason to look for a new job.

Strong leadership can make the difference between an employee who is committed to his or her current job and one who is constantly searching for the next career opportunity. The current survey results reveal three interesting trends among employees who are planning to leave their current employers (figure 10):

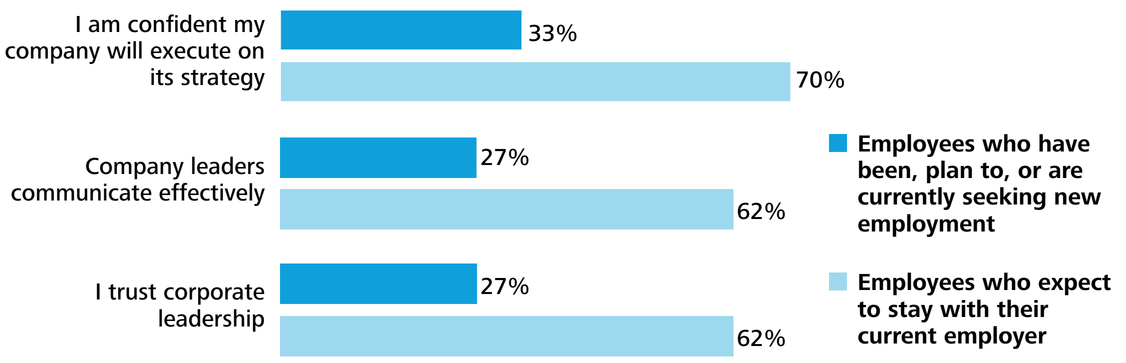
- **Trust in leadership:** Of employees who plan to leave, just over one in four (27 percent) trust their corporate leadership, compared to almost two in three (62 percent) of those who plan to stay.

Digging deeper: As they move up in their careers, Millennials trust their leaders most, with 62 percent reporting they trust their corporate leaders, compared to about half of Generation X (52 percent) and Baby Boomers (54 percent). For Boomers, this lack of trust in leaders in nothing new. In the 2011 employee survey, 41 percent of Boomers labeled their companies' ability to inspire trust and confidence in leadership as "poor."[6]

- **Ability to execute:** If employees think their organization has the ability to execute on its strategy, they are far more likely to stay on the job. Of those surveyed, 70 percent who plan to stay feel their organization has the ability to execute, while only 33 percent of those who plan to leave believe the same.

- **Effective communications:** Almost two out of every three (62 percent) employees who plan to stay report their employers communicate effectively, while 66 percent of those who plan to leave feel that communications have been ineffective.

Figure 10. Employee turnover intentions based on strength of corporate leadership



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Overall, the question of whether employees trust their leaders was split nearly down the middle in the current survey. Slightly more than half (55 percent) of employees surveyed expressed trust in their companies' leadership, while a strong minority of 45 percent lacked that trust.

Digging deeper: While men and women were generally in agreement in their responses to questions in the survey, female employees responding to the survey are more likely to trust their companies' leadership than their male colleagues. Nearly two-thirds (64 percent) of women surveyed "agree" or "strongly agree" that they "have trust in my organization's leadership,"12 percentage points higher than males at 52 percent.

So what can companies do to inspire trust in leadership?

One important factor is communication. Nearly all (95 percent) surveyed employees who strongly trust their corporate leadership reported that managers do an effective job communicating their company's future plans. At the same time, lack of trust in leadership and poor communications appear to go hand-in-hand. Of the surveyed employees who strongly distrust their corporate leaders, 85 percent do not feel their company effectively communicates its corporate strategy.

Employees also have greater trust in corporate leaders when their talents and abilities are effectively utilized. By a nearly four to one margin (39 percent to 10 percent) surveyed employees who strongly believe their employers make good use of their talent and abilities indicated a high level of trust in leadership versus those who strongly disagree that their talents are being appropriately leveraged.

Strong talent programs that enhance employees' work experience (for example provide competitive compensation, challenging job opportunities, develop leaders, and inspire confidence in leadership) also appear to be connected to higher trust in leadership. A third (33 percent) of all employees with a high level of trust in leadership rate their corporate talent programs as "world-class," compared to just 5 percent of all survey participants. On the other hand, of the surveyed employees who expressed little confidence in their companies' leadership, 89 percent reported that their organizations' overall talent efforts were "poor."

Nearly all (95 percent) surveyed employees who strongly trust their corporate leadership reported that managers do an effective job communicating their company's future plans.

Lessons for leaders: Retaining the best team amid the talent paradox

DELOITTE'S September 2012 *Talent 2020* report reveals significant shifts in the talent market over the past year, particularly when it comes to turnover intentions. The employee perspective on the talent paradox is becoming clear. With the economic uncertainty following the Great Recession, more and more employees see their best career option as developing their skills with their current employer, and they are rewarding companies that focus on employee job satisfaction.

Rising employee satisfaction creates an important window of opportunity for companies. They can reap the benefits of greater employee productivity and engagement by improving their talent strategies, developing leadership opportunities, and tailoring their retention practices. Yet, if companies see satisfied employees as a reason to become complacent, they run the risk of losing critical talent to competitors, especially among younger employees who will become the next generation of corporate leaders.

The September 2012 report delivers three clear takeaways for corporate leaders to address emerging turnover red zones and to retain top talent:

1. **Focus on utilizing, engaging, and developing employee skills:** The most satisfied employees are those who believe their talent and skills are being well utilized by their employers. Companies that neglect development challenges and promotion opportunities run an increased risk of losing their best employees.

2. **Emphasize—and reward—authentic leadership:** Trust in leadership translates into a more satisfied, committed, and engaged workforce that is likely to stay. Leaders who do not build trust, or cannot demonstrate a commitment to execute strategy, may not be building an organization that is an employer of choice.

3. **Don't underestimate the returns on communication:** Companies that communicate effectively and transparently are far more likely to engender trust, strengthen employee job satisfaction, and retain top workers.

Survey demographics

FOR Deloitte's September 2012 *Talent 2020* employee report, Forbes Insights surveyed 560 employees of large companies with annual sales of over $500 million. More than four out of five (84 percent) surveyed employees worked at companies with more than $1 billion in annual sales (figure 11).

Approximately seven out of 10 survey participants were men (71 percent) and 29 percent were women (figure 12). Approximately four out of five survey respondents were from either the Baby Boomer generation (41 percent—ages 48 to 65) or Generation X, (45 percent—ages 32 to 47) while about one in 10 were Millennials (12 percent—age 31 or younger) (figure 13). While Deloitte's current survey was sent to employees in all four age groups around the world, the number of responses from veterans (age 65+) was not statistically representative; so they are not covered in this report.

Figure 11. Company revenues during the most recent fiscal year

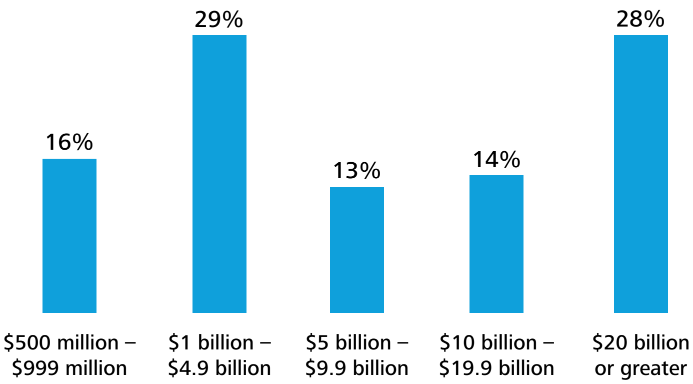
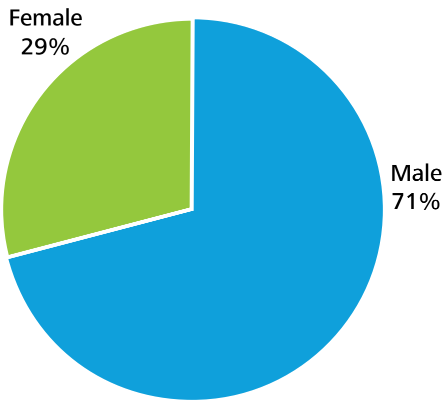


Figure 12. What is your gender?



Graphic: Deloitte University Press | DUPress.com

Participating employees were also distributed across hourly (22 percent) and salaried roles (78 percent) (figure 14).

Participating employees were fairly evenly dispersed throughout the world's major economic regions: 39 percent in the Americas, 27 percent Asia Pacific, and 34 percent in Europe, Middle East, and Africa (figure 15).

Every major industry was represented, led by consumer/industrial products (20 percent) and life sciences/health Care (20 percent), followed by technology/media/telecommunications (19 percent), financial services (18 percent), and energy/resources (14 percent) (figure 16).

Figure 13. To which generation do you belong?

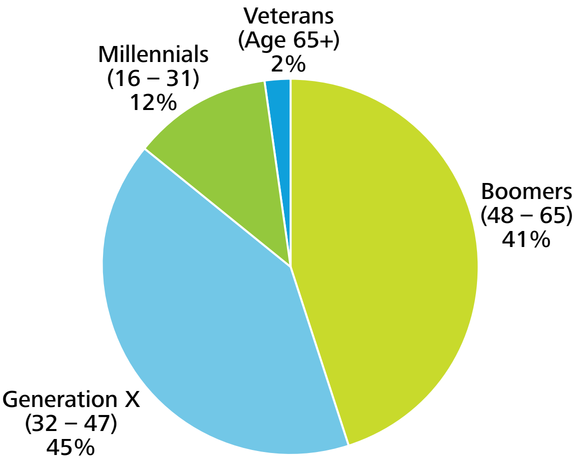


Figure 14. What best describes your role?

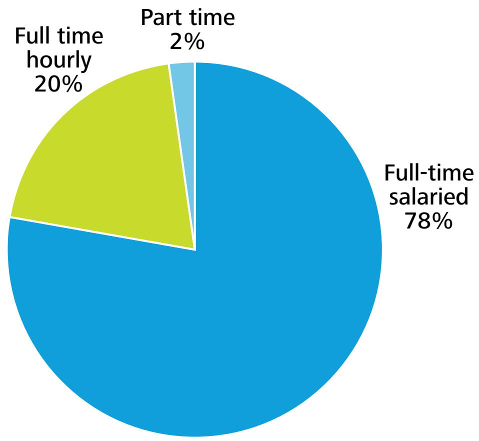


Figure 15. Respondents by location

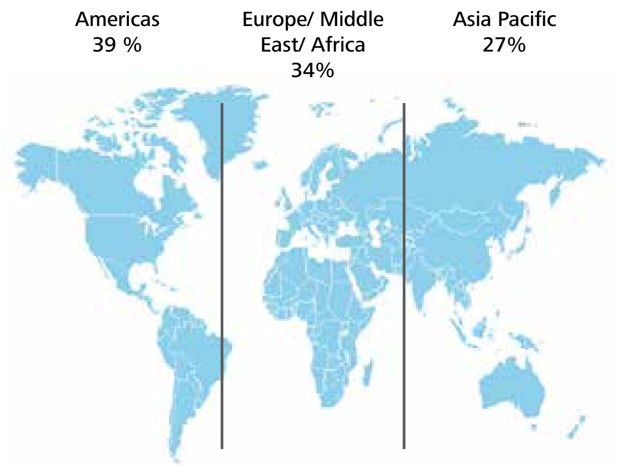
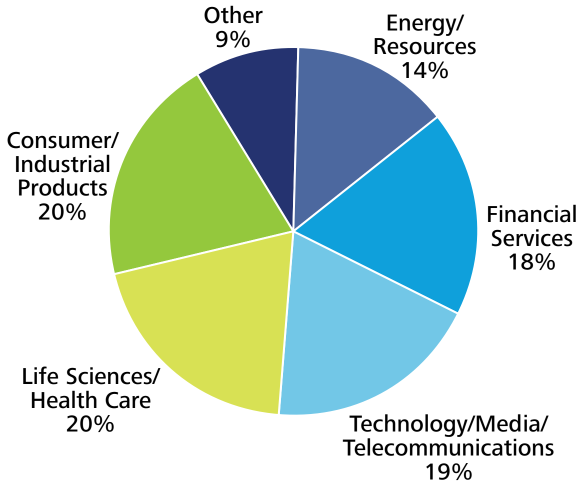


Figure 16. Company industries



Graphic: Deloitte University Press | DUPress.com

Endnotes

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