

Battery Employer Report 2022



Arvensis Partners Ltd

www.arvensis.org



Foreword

The battery sector is at the core of global decarbonisation efforts. As an industry it is innovating at fast pace, growing exponentially and facing the associated challenges of funding, scaling production, securing raw materials and developing as well as attracting talent.

As the founders of Arvensis Search (Arvensis) we are passionate about talent climate technology and sustainability-led recruitment. Arvensis is a purpose-led talent search and research firm, partnering with clients in core climate technologies.

This stems from our desire to provide value to our clients and candidates alike. This report evidences our commitment to enable clients make better decisions about their talent strategies.

Business leaders across the battery value chain have described to us their lack of clarity about their issues to fill crucial roles as well their inability to galvanise what is an industry wide issue and what is specific to their business.

We tell them that talent acquisition is an area of business that can be full of ambiguities however that as a trusted advisory we observe common trends across business of all business models and sizes.

We have responded to this challenge by running the first ever battery employer survey to produce a quantitative and qualitative research-based report for HR leaders and hiring managers to provide insights into the competitive landscape as it relates to talent.

The Battery Employer Report 2022 is based on robust and proprietary data sets and reveals the state of the competitive landscape in the battery industry. Crucially, it compares the views of employers to the views of the talent and therefore provides the ability to proactively create competitive advantage when hiring talent in the most sought-after talent pool in this sector, the mid-career technical professionals.

With this research and report we will empower business and HR leader with an understanding of the key trends and drivers across the industry as it relates to talent. It will enable leaders to understand key trends to be able to gain advantage to respond and better recruit, retain and lead this rapidly expanding workforce

We are delighted to bring to market our first employer report and trust you find the insights valuable.

This report is dedicated to Kimon.

Regards,

Julia Reichel

Partner

Dermot O'Mahony

Partner



Scope of Research

Over 100 leaders from HR and the main business functions from within the battery value chain responded to the survey and provided interviews during H1 2022. The respondents ranged from raw material, material refining, cell design and development, component & battery manufacturing and recycling through to downstream car manufacturing.

The geographical scope of the research was global and with a focus on ensuring a good balance between constituents of all business sizes.

Respondents were selected from two main constituencies within this scope: Business leaders and HR leaders.

The research focused on 6 key areas:

1. Business Growth
2. Skills shortage
3. Employer Branding and Talent Attraction Strategies
4. Talent Retention Strategies
5. Cost of talent
6. Diversity, Equality and Inclusion

The insights gained through this research are compared with the sentiments and views of the talent pool. (See Battery Talent Report 2021)

It will enable employers in the battery value chain to make informed decisions and support data driven talent acquisition strategies.

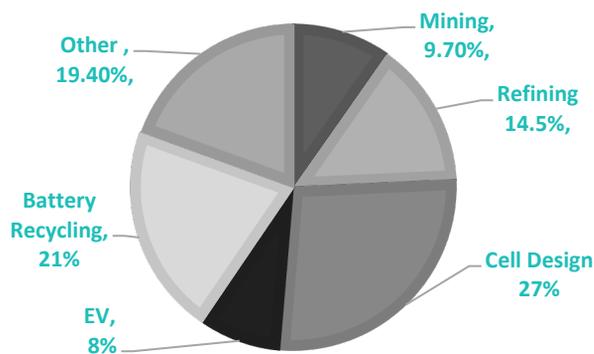


Scope of Research (Continued)

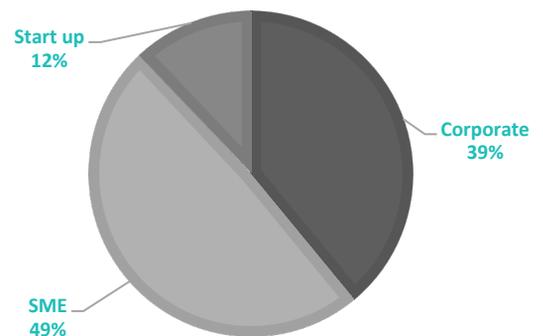
Outlined below is the scope of the research in relation to the business sizes, location of their headquarters and the seniority level of respondents.

The majority of respondents were from the European SME sector (between 50 and 500 employees) with an even split between Director and Executive level respondents.

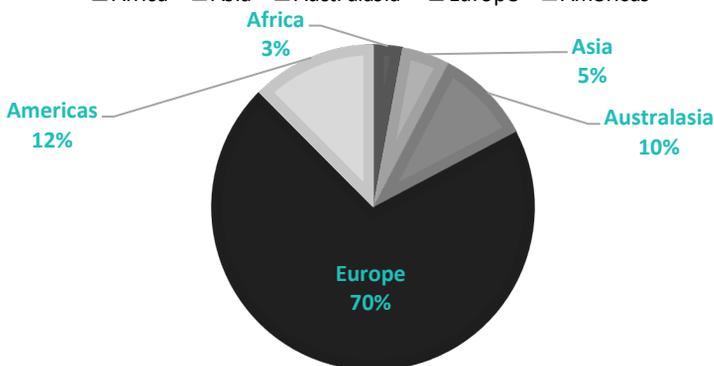
■ Mining ■ Refining ■ Cell Design ■ Evs ■ Battery Recycling ■ Other



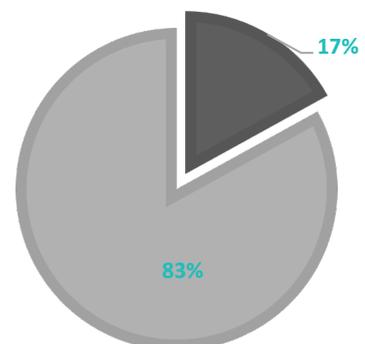
■ Corporate ■ SME ■ Start up



■ Africa ■ Asia ■ Australasia ■ Europe ■ Americas



■ HR ■ Business



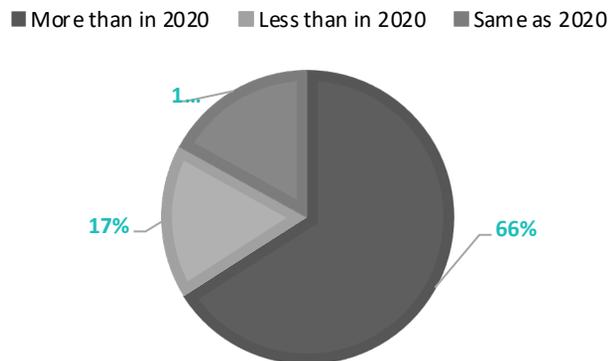
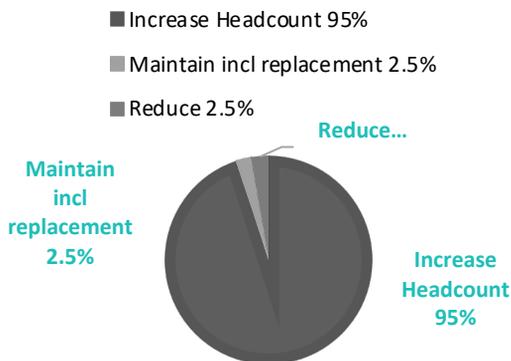


1. Business Growth

This section exploring business growth and provides insights into the main trends across the battery value chain in relation to growth plans as it related to hiring talent.

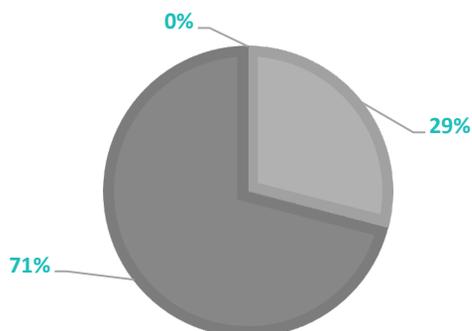
Employment Trends - Plans for headcount increase

The overall trend for headcount increase is on of growth across all three segments with 95% of respondents stating that they were planning to increase headcount over the coming two years. 66% of respondents stated this was more headcount openings compared to 2021.



Employment Trends - Average time to fill:

■ Under 4 week 0% ■ Under 10 weeks 29% ■ 11- 20 weeks 71%



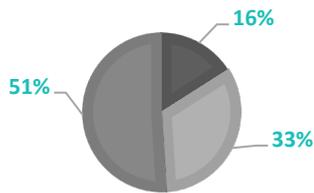


1. Business Growth

Respondents were asked about key metrics related to recruitment as below.

Employment Trends – Time on career page

- Less than 2 months
- up to 4 month 33%
- 6 months and longer

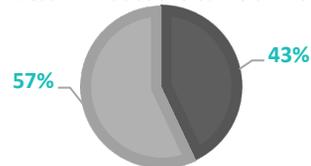


Employment Trends – Average Responses

- 1-10 29%,
- 11-20 42%,
- up to 50 29%



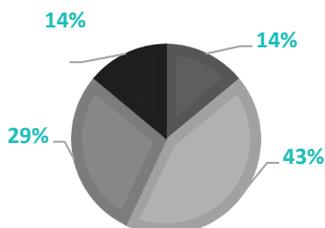
- Less
- About the same or more



Employment Trends - Suitable for interview

- Less than 10%
- Between 11 and 25%

- Between 25% and 50%
- Above 50%

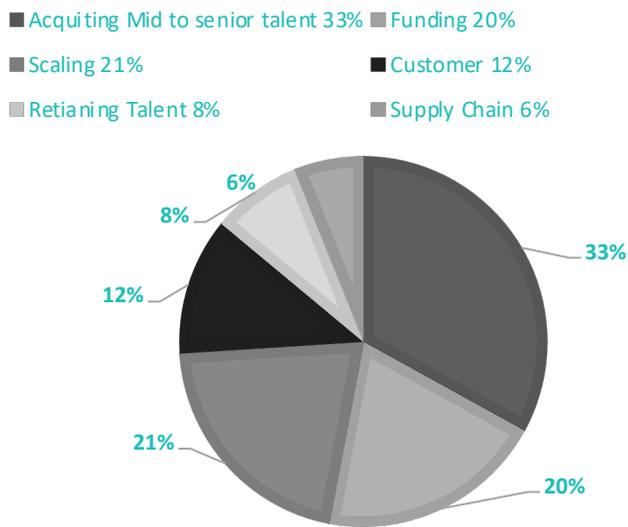




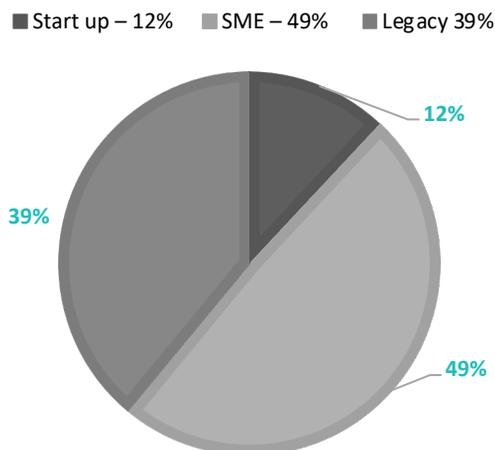
1. Business Growth

Restraints for growth

The main reason for restraint growth across all sectors was cited as the acquisition of talent. 27% of all respondents chose this as the main reason for limited growth. This was followed by 'securing funding' and 'ability to scale'.

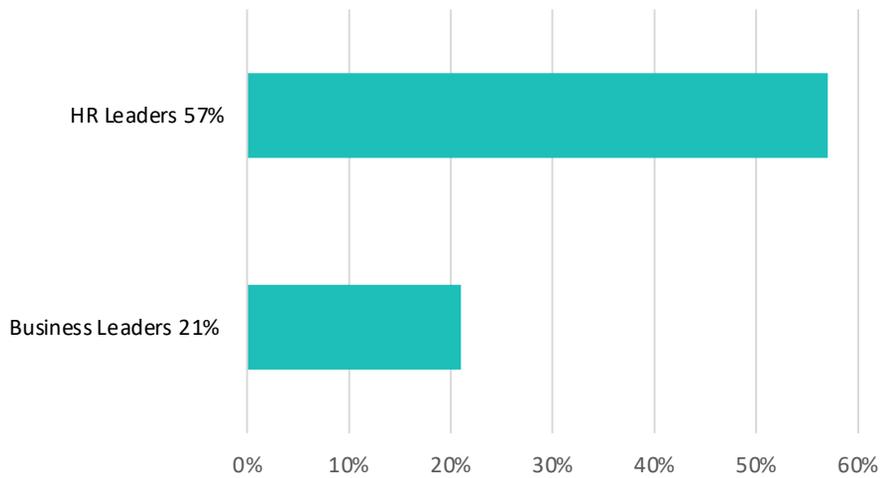


When broken down by segment, the businesses most affected by this issue were SMEs where 49% of respondents cited talent as the number 1 growth restraint.





An interesting divergence of viewpoints emerged within the different types of respondents. Overall, confidence levels about finding talent were higher on the business side than on the HR side. Only 21% of Business leaders cited talent as the number 1 issue compared with 57% on the HR side.





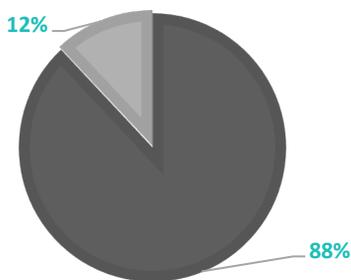
2. Skills Shortage

This section provides insights into the main trends in relation to the skills shortage now and in years to come. The sentiment that the battery sector experiences a skills shortage is well documented so the aim is to provide data to substantiate this.

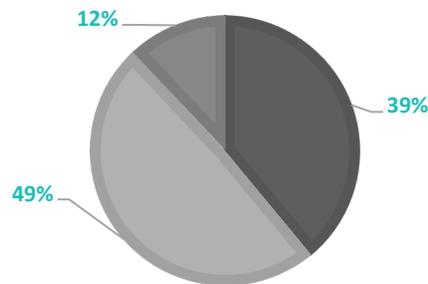
Identifying the skills shortage

88% of overall respondents cited that they experience a skills shortage in their business. The largest business segment is the SME sector with 49% of respondents.

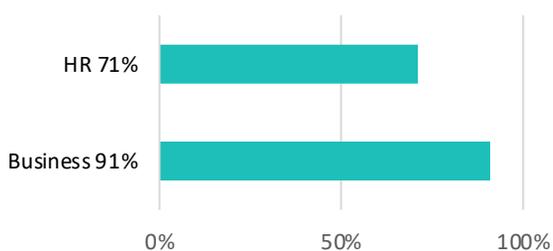
■ 88% AGREE ■ 12% Disagree



■ LEGACY 39% ■ SME 49% ■ Start up 12%



A difference in opinion is observed here between business leaders and HR leaders with 91% of business leaders responding that they agree their business suffer from a skills shortage compared with 71% of HR leaders.





2. Skills Shortage

Reason that hiring takes too long

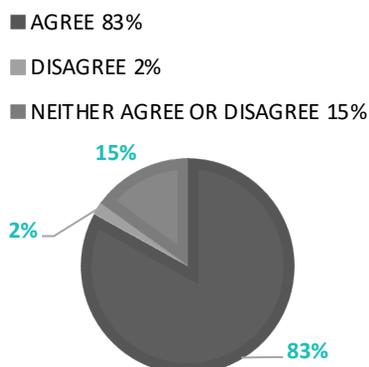
Businesses of all sizes and all types of leaders agreed that the reason hiring takes too long is a sign of the lack of talent, with 81% of respondents citing the lack of talent as the main reason for delays in filling crucial roles. This evidences that leaders experience the skills shortage in real terms.

Development of the skills shortage

When asked about their views regarding skills shortage trends, 83% of all respondents stated that they believe that the skills shortage will worsen in the years to come. The split by business type and leader function is outlined below.

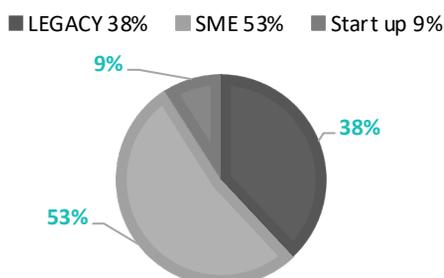
Split agree / disagree

When asked if they believe the skills shortage will worsen, 83% said they agree.



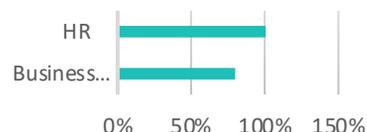
Split business size

The highest proportion of agreement came from SME sector with 53%.



Split function

The highest proportion of agreement came from SME sector with 53%.





3. Employer Branding and Talent Attraction Strategies

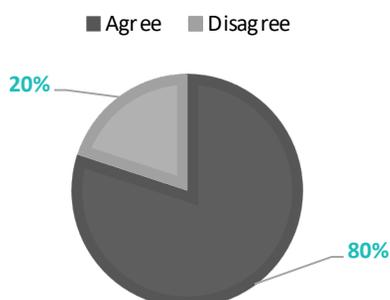
Talent Attraction Trends:

This section examines the experiences and opinions of HR and business leaders in relation to attracting talent now and in the future.

Talent Attraction Trends - Current:

When asked if attracting talent was more difficult in 2021 than in 2022, 88% of respondents agreed. Notably business of all sizes agreed on this, with a slightly higher score in the SME segment than in legacy or start up.

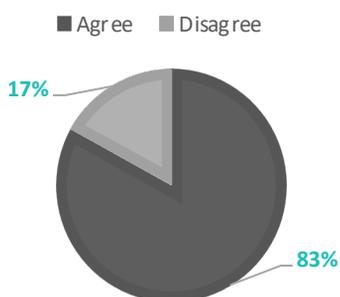
More difficult in 2021 than in 2020



The answers yielded no significant difference between the different sizes of business or type of leaders.

Talent Attraction Trends - Immediate future:

When asked about the future, 83% of respondents overall said they anticipate that attracting talent will become more difficult in 2023 and beyond.



Business leaders in all segments agree with exception of one outlier: 60% of HR leaders in the SME segment, believe that hiring in the immediate future will be more difficult.

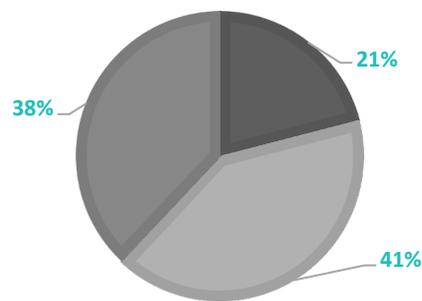


3. Employer Branding and Talent Attraction Strategies

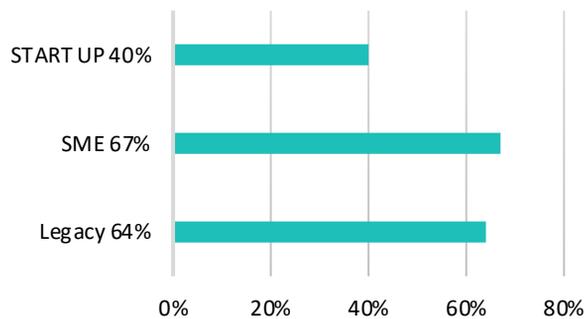
Sourcing strategies: Networking

Sourcing via the personal network has traditionally been a reliable source for talent. When asked about their success with this sourcing strategy, a total 62% of leaders stated that this was not successful at this point in time.

■ Used to but not anymore 21% ■ No 41% ■ Yes 38%



When investigating the differences in the business sizes, the following allocation by business size was found:





3. Employer Branding and Talent Attraction Strategies

Joining the business

Respondents were asked their views as to why talent is joining their businesses and answers highlighted a focus around technology and leadership.

Overall, 46% of respondents believe that talent joins their business because of the leading technology their business provides.

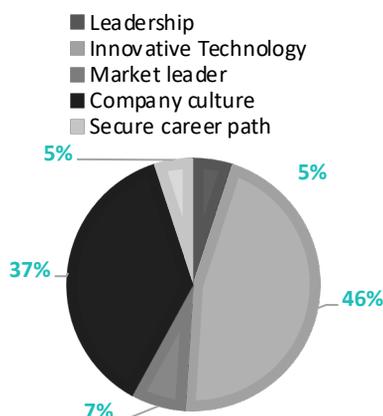
37% of respondents believe that it is their positive company culture that attracts talent.

When these employer responses are compared with the responses from battery sector employees, as published the Battery Talent Report 2021, there is clear disconnect.

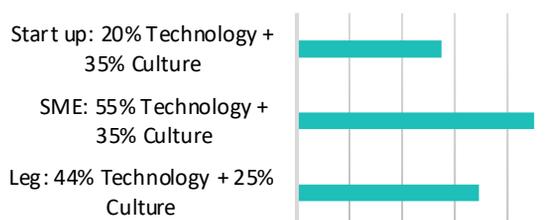
The demand (employer) side of the workforce equation versus the supply (candidate) side illustrated divergent views. Please see section 7 for a direct comparison.

The data detailed in the chart below are both extracted from the employer research.

This pie chart details the employer views of why talent joins their company:



The chart below shows employer believes= about talent’s reasons for joining by combining the two most popular answers and comparing the total by business size. It appears that the SME sector has the most respondentz who believe that their technology and culture are their top attractors.





3. Employer Branding and Talent Attraction Strategies

[Speed to hire](#)

Respondents were asked their view on why hiring takes too long. An interesting split in the viewpoints emerged.

80% of all respondents stated that hiring talent takes longer than anticipated. These respondents also cited that an acute lack of talent coupled with the inability to get talent to proactively apply are the main reasons for long hiring times.

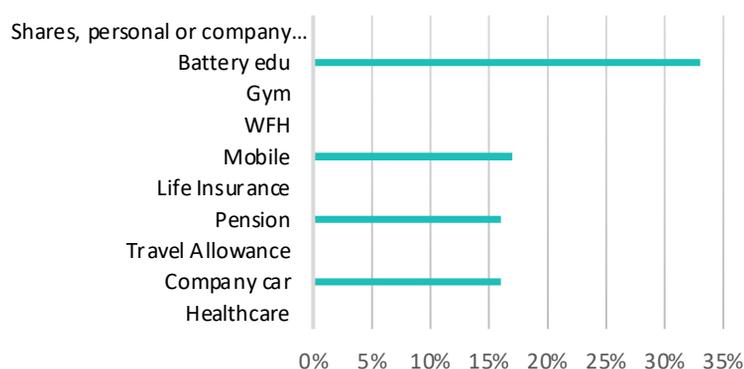
Whilst this viewpoint is shared by all business sizes overall, a difference in opinion is revealed when comparing the views of business leader and HR leaders.

17% of HR leaders agreeing, compared with 83% of business leaders that hiring takes too long.



[Benefits as a talent attraction and retention strategy](#)

This section explored the benefits packages offered by respondents' companies.



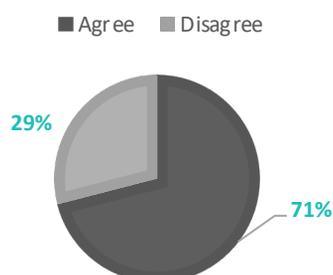


3. Employer Branding and Talent Attraction Strategies (Continued)

Training as a differentiating benefits

Respondents were asked their views on training and mentoring as a key part of talent retention and counterbalancing the skills shortage.

71% of respondent sited that they considered training and mentoring a key mitigation strategy to help business bridge the gap between talent demand and supply.



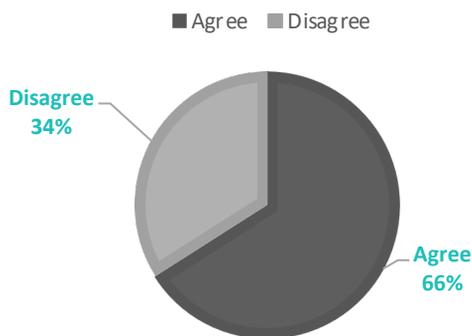


3. Employer Branding and Talent Attraction Strategies (continued)

Aligning Internal stakeholders: HR and business

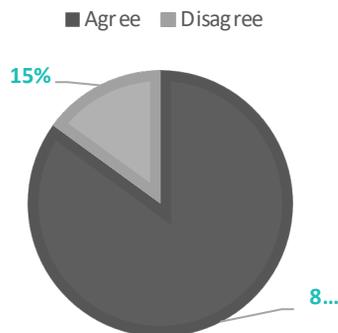
Respondents were asked if they involved business leader in creating job description on their respective teams.

66% said that they did, 34% said they did not.



Aligning Internal stakeholders: HR:and Marketing

Respondents in HR were asked if they worked with Marketing on employer branding and 85% said they did, 15% said they did not.





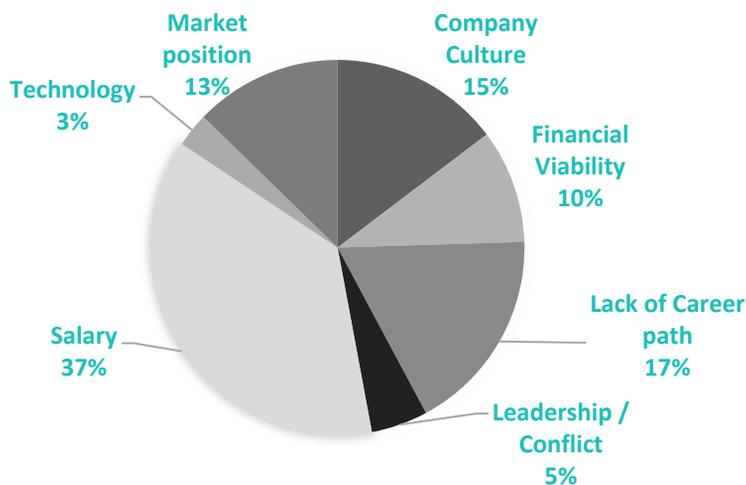
4. Talent Retention Strategies

In this section, the perception of why talent leaves their business was explored with the respondents.

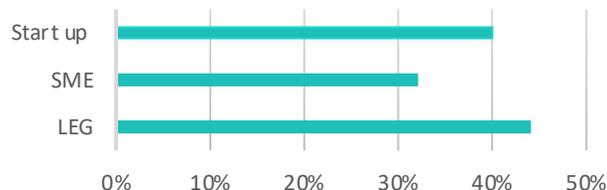
Reasons for leaving the business:

Overall, leaders believe that talent leaves the business because of a 'better salary' elsewhere with 38% of respondents choosing this option. This was followed by 'Lack of career path' (18%) and 'Company Culture' (15%).

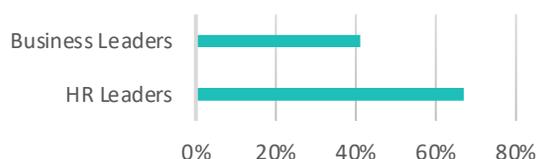
Notably there is a significant difference in opinion between business and HR. This is especially significant in the segment of legacy businesses. Here, the majority of business leaders thought the reason talent leave is a 'better salary', when 67% of HR leaders believe that company culture is the key reason.



Broken out into the different business segments the perception of salary as the main reason to leave is as follows:



The difference in opinion between HR and business leadership in relation to this it worth noting with 67% of HR professionals siting salary as the main reason to for talent to leave whilst only 41% of business leaders believe this case to be.

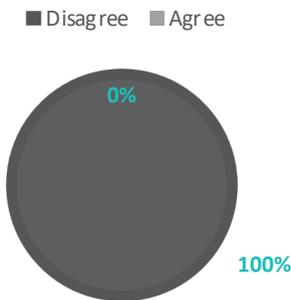




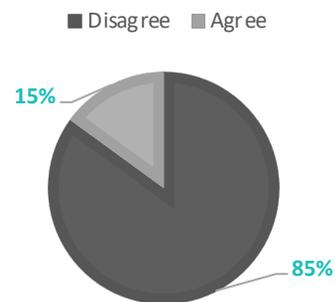
5. Cost of talent attraction

The following section reveals how comprehensively respondents measure the direct and indirect cost of hiring talent.

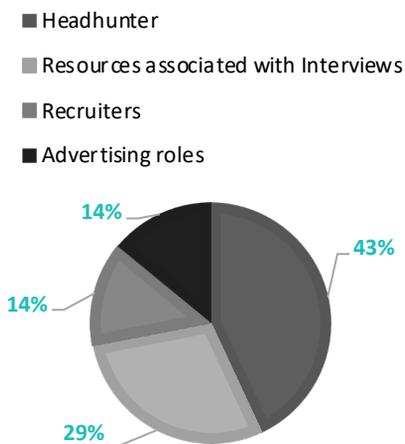
Calculation of the cost of an empty seat*



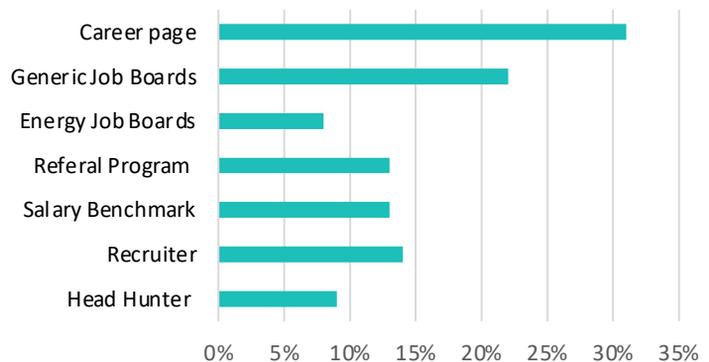
Calculation of cost if a position remains open longer than anticipated.*



Expenditure areas



Sourcing Strategies deployed



* Please ask for details on how to calculate



6. Diversity, Equality and Inclusion

Diversity, Equality and Inclusion is a key driver for joining a business as revealed in the Battery Talent research in 2021.

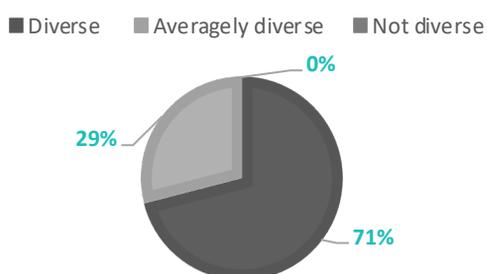
This section explores employers' sentiments and policies related to the diversity, equality and inclusion to allow the reader to refer to market standards and compare their own business.

Diversity, Equality and Inclusion Policies

Respondents were asked if they had clear policies related to diversity, equality and inclusion. 100% of respondents agreed with this statement.

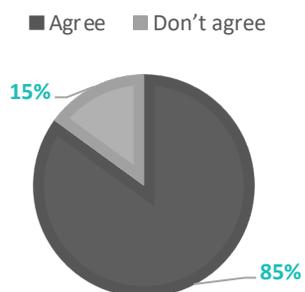
Diversity ranking – own business

Respondents were asked to rank their own businesses diversity.



Diversity, Equality and Inclusion is crucial to attract top talent

Respondents were asked if they believed that diversity, equality and inclusion were crucial to talent attraction.





7. Comparison to results from talent research

Employer POV	Talent POV
<p>Reasons to join: The majority of leaders (46%) believe talent joins the business because of the leading technology their business provides. Another 37% believe that it is positive company culture that drives talent.</p>	<p>Reasons to join: The majority of respondents chose salary and excellent leadership as reason to consider a new employers.</p>
<p>Reasons to leave: Leaders believe that a better salary is the main reason talent will look for new opportunities followed by a lack of career path.</p>	<p>Reasons to leave: 51% are satisfied or very satisfied with their employer, the leading reasons for the rating being sited as bad leadership and lack of purpose.</p>
<p>Training 71% of leaders believe that training is part of solving the skills shortage, 29% either don't agree or disagree.</p>	<p>Training : 80% wish to pursue further education despite being highly educated with over 70% holding masters and PhDs. 58% believe the employer should support or provide further training, 89% believe it is highly valuable</p>
<p>Benefits and Culture Less than 20% of respondents answered that their business offer benefits such as car, pension, mobile or share options to employees. 57% stated increased requests for working from home but 0% offered working from home as an option.</p>	<p>Benefits and culture The average rating from employees for their satisfaction level with regards to benefits is 2.7 out of 5, with 83% stating justy satisfied or not satisfied, with only 17% stating they are very fully satisfied with their benefits package.</p>
<p>Diversity, Equality and Inclusion The majority of leaders stated that their business had clear policies on diversity and 76% stated that driving diversity is a clear advantage when attracting talent. However, at the same time the majority of 58% stated that they believe that their own employer is only moderately diverse.</p>	<p>Diversity, Equality and Inclusion Only 31% rate their employers as diverse or very diverse but rate diversity and inclusion as crucial when choosing a new employer.</p>
<p>Need to hire: 95% of business leaders responded that the need to hire will increase in 2023 and beyond. 71% stated that it takes up to 20 weeks or more to fill positions. 82% of leaders stated that their business do not track the cost of hire or the cost of empty roles.</p>	<p>Desire to move jobs 66% of respondents had applied for 0-3 jobs in the last 12 months., although 76% check career pages weekly or monthly. This is a highly untapped talent pool that needs active attraction.</p> <p>Willingness to look for a new role 23% of respondents had not checked any job advertising in the last 12 months, 52% only monthly, but 49% had not applied for any roles</p>



8. Summary and conclusion

In summary, the research into both sides of the market, supply (talent) and demand (employers), highlights that there is a lack of understanding on the demand side that contributes to some roles remaining open for longer than industry average.

Coupled with the emergent nature of this talent and skillset, the market is driven by the talent / supply side.

Almost all business respondents stated they will increase hiring, when the talent stated that only 23% have looked at a careers page in last 12 months. Compare to 33% employers stating that roles were on their career pages for more than a year, it highlights that the market suffers from low talent movement.

What make the 23% of surveyed talent become active in the job market is the search better leadership in the first place and better financial rewards later. However, it is true that talent that is actually engaging in a job search will be looking for increased financial and other rewards.

The focus for the talent is leadership, diversity and benefits. This highly technical talent is looking for empowering, decentralised leadership (See Battery Talent Report 2021), diverse businesses, flexibility and benefits such as additional training. There is a high demand for flexible working, training and other ancillary benefits which it appears are not offered as standard at this point. This is appears currently not to be met by the employer side with only a very low section of employer offering additional benefits.

Employers have a clear opportunity to differentiate themselves to become attractive employers which is currently not explored completely.

This should focus on communicating modern leadership styles, flexibility in working conditions and benefits such as training as well as diversity. Clear, concise employer branding that focuses these aspects is a way differentiate.

The research highlights however that the success of current sourcing strategies largely depends on the size of the business with SME sector reaching best results via advertising and headhunting firms, whilst start-up can still source talent via personal networks. Given the fast rate of scaling and maturation, leaders should be aware of this trend as their business grows.

From the business perspective, there is in general room for improvement to measure the cost of hiring and the cost of unfilled roles to connect the HR teams better with the business teams. Also the collaboration when creating job descriptions and employer branding materials appear to have room for improvement.

For further information please visit www.arvensis.org.