

Randstad Sourceright

2016 Talent Trends Report



*Speed, agility, endurance:
Is your company fit for talent?*





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Speed, agility, endurance: *Is your company fit for talent?*

What does it take to transform your workforce into a high-performance endurance team? Like Formula One racing teams, you need tremendous drive to be the best, a clear vision on how to get to your goal and the survival instincts to withstand a fiercely competitive field. Most importantly, you need expertise to guide your talent strategy and a passion for execution that gives your business a winning edge.

Since 2006 Randstad has been the official partner of the Williams Martini Racing Team. Unlike many other Formula One racing teams, Williams performs most of its work in-house, which means having the right individuals on board is paramount and individual contributions are highly valued. Did you know ...



F1 engines rev to more than 18,000 rpm. Talk about high performance!



During an F1 race, drivers will experience up to 5Gs of force. That's pressure at work.



The Williams Martini race car has 500 sensors, generating approximately two gigabytes of data per car, per race that is transmitted back to the Williams engineers in real time. Clear insights create opportunity.



A pit stop tire change takes less than three seconds in F1, with the average being around 2.05 seconds. This requires the best talent lineup on a highly agile team.



F1 had a total global television audience of 425 million people during the 2014 season. Wouldn't you like to build that kind of talent attraction?

As global economies heat up, your organization is racing ahead with a strategy for growth. You have aggressive plans to win market share and to stay ahead of the competition. The problem is, do you have the talent and the strength to push your strategy forward?

Many businesses are left spinning their wheels simply because they lack critical talent. Our 2016 Talent Trends Survey of nearly 400 HR, talent and business leaders around the world revealed some worrisome developments:

- 72% say talent scarcity has negatively affected their business
- 45% believe it has threatened leadership continuity and succession
- 82% say business leaders have therefore made talent acquisition a priority

You may already be struggling with the effects of skills shortages: spending on talent acquisition is rising, hiring managers regularly express their frustration with finding good workers and the C-suite wants to know why their business plans aren't moving forward. They have challenges and are turning to you for answers. So how will you navigate the course?

You could turn to the growing contingent talent pool to meet your resourcing needs. You might also try enhancing your employer brand to engage and win critical skills. Or how about expanding your definition of the "perfect" talent to create a more inclusive approach?

There are many ways for you to adapt to today's talent scarcity challenge, and you can read about them in this year's Randstad Sourceright Talent Trends Report, one of the most extensive explorations of

global workforce trends and the opinions of market thought leaders. We've created this report to give you a comprehensive view of key developments in the world of work and to hear from your peers on how they are meeting the demands of today's talent challenges.

We've identified 30 of the most important trends affecting talent, employers and business. These dynamic forces are likely affecting your operations today and certain to influence them in the future. By familiarizing yourself with these latest market developments, you will be better prepared to speed through winding twists and turns in the road ahead.

How will the sharing economy and "uberization" of talent affect your engagement strategy? How can global talent mobility both help and hinder your business plans? Can embracing an integrated talent approach lead to greater organizational agility? Our report helps to unlock the answers for your business and enables you to formulate a more effective talent strategy.

With input from respondents in more than 60 countries, our Talent Trends Survey captures the outlook of your peers, enabling you to benchmark how your strategies and execution stack up against fellow talent leaders. The survey results are a holistic view of how organizations around the world deploy talent, the challenges they face and the solutions they embrace to keep moving forward. By sharing the thoughts of leaders from around the world, we believe it will stimulate ideas and create greater dialogue within your organization.

Talent challenges today are universal, but how you address them requires a tailored approach. To do this, you need concise market insights, subject matter expertise and a well-considered strategy. Our 2016 Talent Trends Report is a great reference tool to support your efforts and keep you on track to the finish line ahead of your competitors.

What does it take to be a high-performing talent organization?

Global talent leaders share their 2016 outlook

How are organizations adapting to the talent trends of 2016? Thought leaders at three global organizations shared their outlook with us on topics critical to their strategic success, ranging from talent diversity to employer branding to adaptability. What they have to say will help you understand why their organizations are winning in today's heated competition for talent and how to navigate the challenges and opportunities on the road ahead.

Focus on talent diversity

“ The impact and speed of technology innovation for our business, our people and our clients are happening at a faster pace than we’ve ever seen before. [This is] impacting our business operations and how we support client needs. With this change, our future workforce needs to be significantly different to today’s and will consist of a rich mix of people with different skills, knowledge, expertise and experiences, and coming from all sorts of backgrounds. Preparing for our future workforce is something we think about every day. Preparing for skills we don’t even know we need yet and considering attraction strategies, work arrangements, career paths and employee benefits are just a few of the things we’re thinking about. Exciting times are ahead of us to meet these needs. ”

— Phil Raymond, Head of Recruitment UK, PwC



Focus on talent branding

“ Supporting employer brand development is one of the things that all of our executives at the table agree on. It just makes sense. Our business leaders understand that we have to be able to effectively position the company to stand out from our competition. We all understand talent is a priority, whether that’s managing it internally or going to market to acquire it. ”

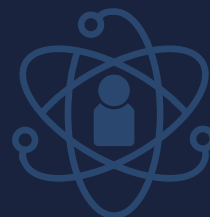
— Anouska Ramsay, Talent Director, Capgemini UK



Focus on talent adaptability

“ Because of changing regulations and greater workplace flexibility, workers no longer have to be tied to an organization as permanent employees. This allows people to truly manage their own careers. Those in non-traditional work arrangements are actually pretty happy so we’re trying to put this into practice. We are thinking about how and where we can outsource, or where we can hire consultants and contractors. We are also thinking about job sharing. Our workforce has to be way more diverse than in the past, and it’s not just about gender or racial diversity. It’s about different work arrangements too. That is absolutely part of our talent strategy. ”

— Senior Director, Talent Acquisition, global insurance and asset management firm

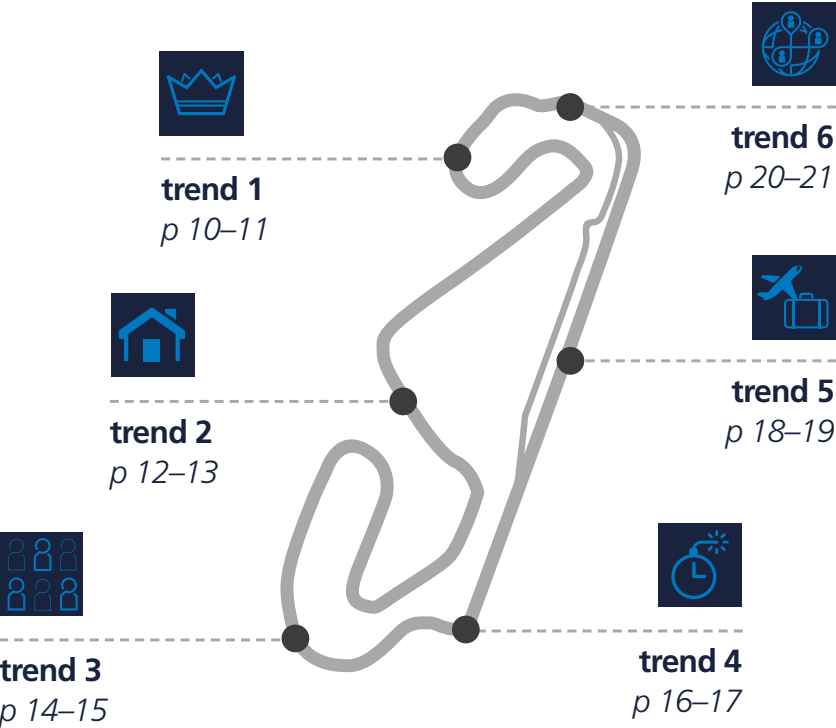




theme 1

Navigating a dynamic course

The race for talent superiority isn't just about beating competitors; sometimes it's about conquering the track. High-performing talent organizations need agility and vision to speed through unexpected curves that come their way. By tackling rapidly developing workforce trends head on, these organizations stay at the front of the pack.





TREND 1

Talent is king

Worker protection and higher pay rates are the focus of lawmakers around the world

Governments around the world are ushering in greater protection for workers as the world of work evolves. With the use of freelance and contract talent on the rise, many lawmakers are becoming more concerned with how companies are using this class of talent during a tremendous period of change. As a result, they are giving workers more power to negotiate higher wages and gain greater protection.

For instance, last year regulators in the Netherlands enacted significant labor law reform under its Work and Security Act, restricting the number of consecutive contracts an employer may offer temporary workers before they have to be considered permanent. Also, employees with at least two years of service became eligible for severance pay.

Elsewhere in Europe, efforts to protect the rights of workers are increasing. The European Court of Justice recently ruled that the time spent traveling to and from first and last appointments by workers without a fixed office should be regarded as work time, a reversal from previous practices. The ruling meant firms employing workers who have to travel to service clients — such as healthcare workers — may be in breach of EU working time regulations.

Around the world, governments have become more concerned with the increased use of contingent workers. Some national and local authorities have started to crack down on misclassification of workers. In Europe and North America, government agencies have tried to ban some of these services, and legal battles continue to move through the courts in many countries.

Aside from regulating new forms of labor, some authorities are looking to give workers pay raises. Throughout the US, for instance, federal and local governments are debating whether to raise the minimum wage. A few have already increased mandatory hourly wages to as much as USD \$15, while others are seeking to pass double-digit increases. In the UK, George Osborne, the chancellor of the Exchequer, has proposed paying staff a [minimum of £7.20 an hour](#) by this April and raising wages by 6% a year on average to around £9 an hour.

In other parts of Europe, political leaders have called for a common minimum wage; currently some workers make less than €500 a month, while others take home €1,000 per month.

With so many authorities taking steps to broaden worker rights and privileges, talent across the world can expect to command more power in the relationship with employers.

“It’s important for employers to really understand the impact that recent changes in government regulations have on worker rights and wages because the labor market is changing rapidly. Companies need to either cultivate that expertise internally or seek consultation to ensure compliance.”

Scott Fraleigh, President MSP and PICS, Americas
Randstad Sourceright



Five tips for aligning your talent practices with local markets



Develop local insights

Are your compensation rates competitive? Can you more easily acquire skill sets you need in the contingent talent pool than with permanent hires? Does the successful hiring model you employ in one market work in another? Make sure you have a good understanding of your local markets.



Follow regulatory developments

You can get insights on labor market trends by following what lawmakers and regulators are proposing. In many circumstances, they will dictate the terms that ultimately impact your recruitment and hiring practices.



Get input from suppliers

Talent suppliers can lend knowledge about what’s happening locally. Tap into their ability to sharpen your talent practices.



Consult with your service providers

RPO and MSP service providers are very much in tune with the leading edge of market trends. They can help you make sense of forthcoming regulations and how they affect your organization.



Survey existing talent

Seek feedback from workers coming into your organization to understand the issues most important to them. They can also provide valuable feedback on your employer brand.