



TALENT:

How to adapt to the global megatrends reshaping the business landscape

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How to adapt to the global megatrends reshaping the business landscape

The economic environment and the way we work are changing. The implications of these changes are far reaching, and leadership and HR teams must adapt with more strategic and flexible talent management practices to help shape future growth.

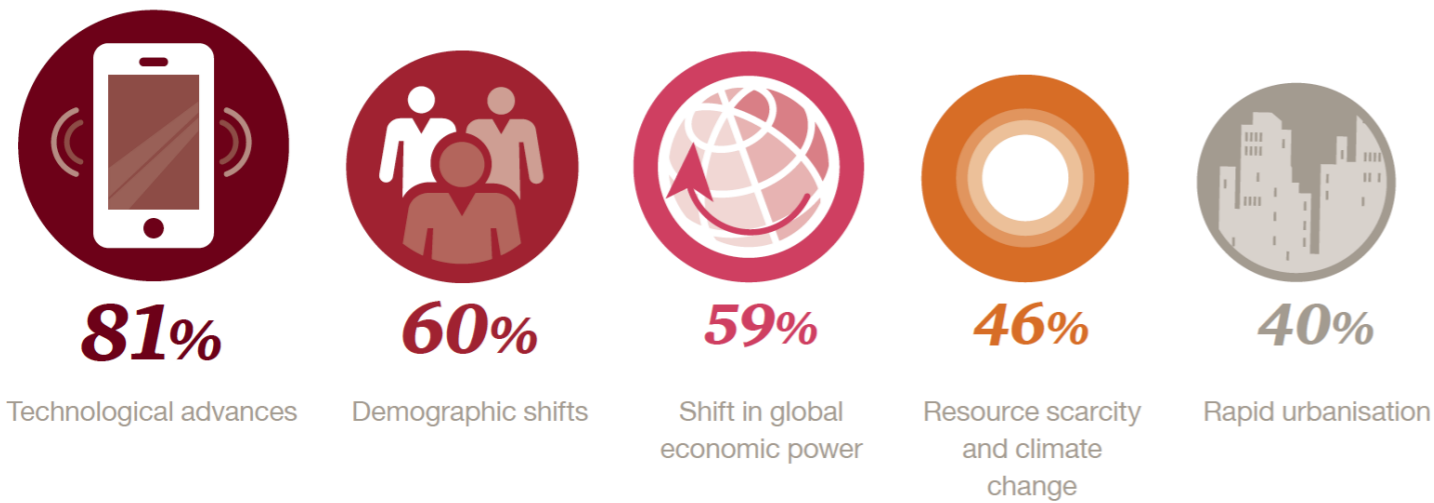
The 17th Annual Global CEO Survey conducted by PricewaterhouseCoopers highlights how the current business mood has now shifted from survival to growth. Leadership has always involved identifying and taking advantage of the latest global trends, however it has become increasingly important for organisations to adapt to these trends at every level of the business. Whilst change is inevitable, the way in which

businesses operate must become more agile if they are to survive in a world where dramatic changes, for example economic events or political unrest, can force a rapid change of plan.

Here are four global megatrends which could spell trouble for the unprepared, but also create winning opportunities for organisations willing to re-evaluate their talent management strategy.

Figure 2: CEOs focused on five megatrends that are reshaping the business landscape

Q: Which global trends do you believe will transform your business the most over the next five years?



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01 Demographic shifts

The demographics of the workforce are rapidly changing, and today's workforce consists of a wider cross-generational mix than ever before. This will only intensify during the next few years. As employers battle with skills shortages in the evolving and ever shifting global economy, it has never been more important for organisations to attract, retain and develop talented people.

Generation Y are set to make up around 75% of the global workforce by 2025 [1], and these resourceful, technologically-savvy individuals are smart and quick to learn, bringing a whole new set of skills and expectations to the workplace. These individuals are already rising quickly through the management ranks and some have already secured leadership positions. However, if the right opportunities aren't in their career pathway, they'll move on.

In order to retain and develop your workforce, it's important to gain a good measure of your talent's ability to quickly acquire new knowledge and skills. Therein lies a true picture of employee potential. The right career development opportunities are essential for engagement and retention, regardless of generation. Granting employees 'new experiences', and using talent mobility initiatives which allow individuals to move across an organisation, both geographically and cross-functionally, can help bolster skills as well as accelerate personal and business growth.

02 An improving economy

CEOs see better times ahead, with 44% believing the global economy will improve over the coming year, compared with just 18% in 2013. However, the improving marketplace brings fresh challenges for the future of businesses and their workforces. According to Bersin by Deloitte, businesses are in a war for capabilities [2], as the recovering economy drives a need for new technical and professional skills in the workplace.

US businesses alone are currently spending more than \$110 billion on talent acquisition [2], competing for top talent across the board. However acquiring talent is just the beginning, as retaining high potentials and focusing on the development of future leaders is now vital. Employers must go beyond hiring for technical skills and should also consider the mind-set, adaptability and partnership-capability of each candidate throughout the recruitment process.

As the economy continues to pick up, individuals will no longer crave security and will not hesitate to seek better roles and a higher wage. It's important to recognise and reward high performers in today's fierce talent marketplace, however businesses must remain competitive.

03 Rapid urbanisation

A fast rise in urbanisation means that talent strategies must rapidly adapt in order to support growth in emerging markets. PwC research shows that cities currently generate about 80% of global economic output, however regions that are at a relatively early stage in their economic development are at risk of overcrowding, poverty and poor schooling – which are unlikely to attract or nurture talent.

The world's population is predicted to reach 8 billion by 2025[3]; however this growth is far from uniform. The working population in some countries is slowing, in others it's booming. What essentially is required is a massive redistribution of the world's workforce, as a steady supply of talent must be moved where it is needed, when it is needed.

As part of today's talent management and succession planning strategies, talent mobility offers a powerful weapon for attracting, engaging, developing and retaining high performers, and helping to build a more adaptable, agile and enduring organisation. Employees are helping to drive this growth in talent mobility, with many wanting, and even expecting, an overseas assignment during their career.

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of CEOs say that they recognise the need to change their strategy for attracting and retaining talent

[3]

04 Advances in technology

Technology is driving change in all areas of business, especially talent management. It's changing where and how we work and how organisations source, develop and manage their workforce.

Technological advances are rapidly reshaping employee skill-sets, as competition for individuals with tech-based skills increases and the shelf-life of employees' skills are effectively shortened. Employers are being asked to predict where technology will lead us and, in turn, must attempt to establish a solid technology-savvy talent pipeline.

Whilst technology is helping to shape the future, it is essentially an enabler – it doesn't make the decisions, it's there to support the decision-making process. For example, in succession planning, it's very difficult to identify successors if you don't know who they are, where they are, what their current skills are, and what their potential may be. To make good decisions you need to have good information, and technology holds the key to achieving this. Without technology-enabled insight, talent can remain hidden in the organisation.

In conclusion..

Organisations are increasingly turning to software systems that integrate learning and development, talent management, performance management and succession planning to streamline their business strategies, align core objectives and help maximise talent agility and business performance. With fully integrated processes, HR analytics can be used to create effective development plans and leadership pipelines which are so essential for future growth.

Now is the beginning of a new phase of growth for most organisations. Think about what you can do today to adapt to these key megatrends which are redefining the post-recession business landscape. Business performance, growth and prosperity will depend on your ability to adapt with a more flexible and creative talent management solution.



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References

1. BPW Foundation's Gen Y study published in April 2011 - www.bpwfoundation.org
2. <http://deloitte.wsj.com/cfo/2014/10/22/improving-economy-may-make-attracting-retaining-talent-tougher/>
3. 17th annual global CEO Survey: The Talent Challenge –PwC

About Kallidus

Kallidus is an award-winning provider of learning and talent management solutions. Our software, e-learning and consultancy services help ensure that you have the right people in the right roles with the right skills, knowledge and competence. Our mission is to maximise talent through empowering your workforce and your organisation to develop continually, learn effectively and improve performance.

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