



the global talent
supply chain evolves
as work-from-home
arrangements grow.

an expanded talent pool offers access to the best talent anywhere.

As human capital leaders grapple with so many emerging challenges during the COVID-19 crisis – ensuring safe and compliant work spaces, supporting locked-down parents who struggle with child care, delivering digital tools to remote employees – one positive development has many companies rethinking their talent strategies.

With many organizations virtualizing their workforces, the result has led to a wide range of benefits. Among these include the ability to continue to operate during the lockdown, accelerating digital business workflows, and enhancing connectivity among workers across remote locations.

The most opportunistic impact, however, may be transformation of the talent pipeline and workforce demand management. No longer bound by the physical presence of permanent and contingent talent, employers can now seek out the highest-quality workers from around the world. Companies that continue operating either partially or completely virtually can recruit skills from wherever they are bountiful and labor costs the most advantageous.



work from home arrangements become the norm.

Already, a number of high-profile companies have announced permanent or long-term remote workplaces. In May, Twitter and Square CEO [Jack Dorsey announced](#) that employees can work from home permanently. At the same time, [Mark Zuckerberg announced](#) that, within a decade, 50% of Facebook's talent will be working virtually. Other companies such as [Slack and Shopify](#) have taken similar steps to redistribute their workforces.

For many employers, the benefits of virtualization are clear. Worker safety, first and foremost, spurred on the rush to work from home. Beyond the lockdown, for years companies have explored this option to reduce their office footprint and enable job flexibility. They have leveraged work from home arrangements as part of their employee value proposition.

Over the years, technology has also enabled remote work to occur seamlessly as tools such as Zoom and Google Meet have matured. This explains why remote work arrangements have been steadily growing since 2005, according to [Global Workplace Analytics](#). The organization also found that the number of those who regularly perform their jobs at home has grown 11% more quickly than the overall workforce. The outbreak of COVID-19 has simply accelerated the work-from-home mindset even further.

[A survey of entrepreneurs](#) from The Kung Group found that 70% would continue to let some or all of their employees work remotely after offices open. Additionally, two-thirds are reconsidering their investments in office space, which may have long-term implications on workspace sharing. Even more notable: three-quarters reported remote workforce productivity is higher or about the same as when employees are in the office.

With companies increasingly embracing virtual operations, this has had an impact on the preferences of talent. For instance, Silicon Valley has always attracted and employed millions of high-skilled workers, driving the cost of living to levels that are higher than most metropolitan areas around the world.

But [a survey of technology professionals](#) found that two-thirds would move away from the San Francisco area if they were allowed to work remotely. [Gallup](#) uncovers similar results, and other organizations show a strong desire among professionals to work from home part- or full time due to safety concerns and/or personal desire.

the talent supply chain goes global.

With so many people expressing a desire to relocate away from high-density, high-cost areas, companies have tremendous opportunities to reap the benefits of this trend. Firstly, the talent pool for many organizations will be exponentially larger as a result. Without the need to have employees physically present, companies can source, engage, screen and hire from anywhere. Of course, there are compliance considerations, such as tax and work rule regulations, but access to skills will be fundamentally changed in the future.

This will be the case for both permanent employees and contingent talent. The result is the ability for businesses to locate “[purple squirrel](#)” talent more readily. The associated benefits include higher-quality candidates who will be a better cultural fit for many organizations.

Hiring times may be reduced as choices become more abundant when fulfilling difficult job requisitions. Both of these factors will also inherently help improve talent retention.

An expanded, more global talent supply chain also means [more diverse candidates](#) to choose from – racially, ethnically, culturally, generationally, ability, and in other ways. Employers can seek out talent with backgrounds to further complement their existing workforces and add ingenuity and work experience to their existing organizational knowledge.

Some countries are welcoming digital nomads by [offering working visas](#). Aimed at boosting their economies, countries such as Barbados and Estonia are issuing these visas to remote workers so that they can enjoy these countries as working tourists. For talent who want to experience living in new markets, these arrangements give them the freedom to entertain their wanderlust for up to a year without surrendering their jobs.



Some human capital leaders believe there may be additional benefits for economic development. [Katie Burke](#), the chief people officer for inbound marketing platform [HubSpot](#), notes that the talent supply chain can help regions that previously had limited access to some types of employment. In a way, virtualization is democratizing employment around the world. It also means that companies need to better demonstrate why they should be considered an employer of choice.

“The opportunities are significant. Remote creates an immense opportunity, not just for companies but for the world. It creates more economic opportunity in areas that really need it and for people who might not otherwise have access to work in tech, for example,” Burke says. “It also means everyone can compete for talent everywhere, which puts the onus on employers to really think about how they deliver on their employee value proposition.”

Burke explains that the company was focused on creating a remote workforce even before the pandemic struck. Coronavirus concerns only helped to accelerate the company’s strategies. As part of its journey, Hubspot hoped to demonstrate its employee value proposition by leading with empathy and transparency during the crisis and others, [supporting the Black Lives Matter movement](#), for example.

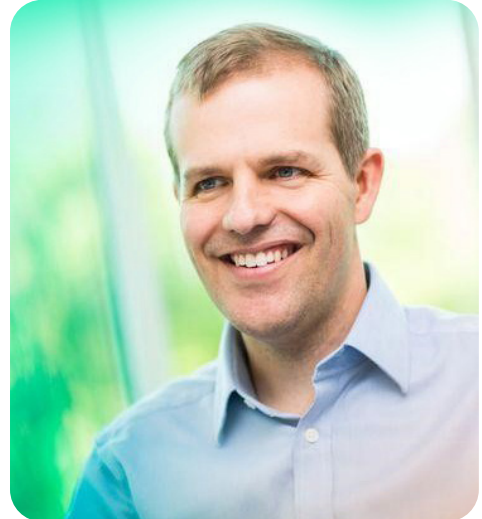
At the same time, it also earmarked resources to support working parents, as well as overall mental health in this stressful time. All of these measures are taken in conjunction with listening and reacting to the needs of its workforce.

recruit differently under a new paradigm.

Reconsidering the employee value proposition and [employer brand](#) may be one of the important shifts associated with today's transformed talent supply chain. Local activation has always been critical to supporting a company's employer brand. But as talent and the workforce become more dispersed around the world, companies will need to re-examine talent marketing strategies and how they recruit in general.

"As an employer, the sudden shift to work-from-home arrangements will have far-reaching implications for talent acquisition in the future. I am seeing organizations re-evaluate their talent strategies more now than any time in the past five years. Companies that embrace permanent work-from-home arrangements can expect a much more bountiful talent pool to select from. The challenge, however, is learning to recruit in this new paradigm," says [James Stovall](#), senior vice president of Global Strategic Accounts at Randstad.

Stovall explains that companies will need to develop more sophisticated sourcing, screening and interviewing capabilities as they expand the scope of their recruitment efforts. This will require that they identify markets where in-demand workers tend to congregate – the Silicon Valley for technology workers, for example. To reach the best around the world, companies will need to [acquire local market knowledge](#) in the hubs where their target talent resides.



While there may be additional costs to building a global capability, the additional spend may be offset by potential savings. Labor arbitrage has always been a low-hanging fruit many organizations have dabbled with, but they couldn't always be assured of acquiring the highest quality workers. As more excellent talent considers relocating away from cities where the cost of living is lower, companies may be able to hire them at a lower cost. This could have major economic consequences for businesses.

In announcing its permanent work-from-home policy, Facebook's Zuckerberg has said the [company plans to pay salaries according to the cost of living](#) for the area in which talent resides. Localizing pay rates, in addition to reducing facility costs, could drive significant cost savings for any company that pursues a permanent remote workforce, while still giving talent a great quality of life.

Will this become the accepted practice as more workforces are dispersed in-country and around the world? According to the [Financial Times](#), experts are unclear how the work-from-home shift will impact labor costs around the world. As virtualization accelerates, many future developments may affect employers' ability to localize pay rate.

These factors include: future regulations aimed at curbing localization measures, competition for top talent around the world and whether companies reverse course on working from home once a COVID-19 vaccine has been developed.

For now, however, the talent supply chain appears to be expanding rapidly as more employers and workers embrace the remote workforce. That means companies should be prepared to recruit and hire under a new talent acquisition strategy.

learn to recruit remotely to access to great talent.

In the time since COVID-19 forced billions of people into lockdown around the world, organizations have had to learn to operate remote workforces. This includes recruiting and hiring talent remotely – an uneasy proposition for companies used to in-person interviews and face-to-face meetings. With the right tools and a willingness to embrace change, however, any company can successfully acquire the top talent they seek for their business.

Hubspot's Burke says the ability to recruit talent anywhere has had a positive impact on the organization.

"For HubSpot, there's a sense of community and shared experience to be sure, and certainly less of an impact on the environment with no global travel or commuting," she adds. "Access to great talent anywhere has significant upside for us. In some ways, the experience has made us more global-first in our approach and more inclusive of the ideas and inputs of our introverted employees."

Burke advises organizations to become more effective at remote recruiting and creating a positive candidate experience in the process. Burke recently [penned an article](#) outlining three considerations for doing so in a remote environment, advising companies to continuously recruit, and become more adept at interviewing and challenging biases.

Even as companies learn to become more proficient at remote recruiting and workforce demand management, a growing toolbox of technologies is helping them to accomplish this. You can learn more about some of the offerings [here](#).



about Randstad Sourceright

Randstad Sourceright is a global talent solutions leader, driving the talent acquisition and human capital management strategies for the world's most successful employers. We empower these companies by leveraging a [Human Forward](#) strategy that balances the use of innovative technologies with expert insights, supporting both organizations and people in realizing their true potential.

As an operating company of Randstad N.V. — the world's leading global provider of HR services — Randstad Sourceright continuously builds and evolves talent solutions through recruitment process outsourcing (RPO), managed services programs (MSP) and total talent strategies.

Read more at randstadsourceright.com.