



talent trends, COVID-19 & the future of work.

**how human capital leaders  
are leading corporate response.**

If there was ever a moment in recent history where human capital leaders were challenged to play a strategic part in their organization's survival and growth, that defining moment is now.

In just a few months, the once-thriving global economy has been toppled by the pandemic. Millions of cases have been confirmed around the world, and in just one quarter, many organizations witnessed the state of their business decline from thriving to endangered as COVID-19 forced extensive shutdowns on all but essential operations. Helping these organizations safely return to work sites will be critical to their survival, as well as global economic recovery. This is why human capital leaders are more crucial to their organization's well-being than ever before.

Remember when talent scarcity and skills gaps dominated the attention of your talent leaders? Today, HR and procurement leaders are scrambling to address much more pressing needs, such as safely operating in a post-outbreak world, preparing for new waves or a sudden spike of the virus, identifying what resources they must retain, and informing and responding to the C-suite's recovery plan.

Meanwhile, many of the workforce challenges that were priorities at the beginning of the year have not disappeared; they've only been moved down the list. And as more businesses and markets begin to reopen, it won't be long before human capital leaders have to address those challenges again.

For example, talent scarcity may re-emerge as sectors that continue to operate during the shut-down — including some technology leaders — look to expand their workforces. The healthcare sector, whose services have been most critical during these times, acutely needs more skilled workers in hard-hit countries, such as the United States.



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For farmers across Europe, [the demand for seasonal workers is urgent](#), but with many borders locked down, it's unclear how they will get these resources this year. And in other countries such as Singapore, professional services, IT and healthcare [businesses continue to hire](#).

So far during the crisis, human capital leaders have clearly risen as star performers. They have determined how to communicate with talent, what policies would help keep everyone safe and enabled, and how to [upskill talent in a hurry](#).

They have created clear guidelines and [reacted quickly](#) to the virtualization of their workforce where possible. They have uncovered ways to keep workers safe, assured and engaged. But as the crisis enters a new phase — one in which the focus now shifts to a [safe return to work sites](#), instead — how will HR step up again?

In Randstad Sourceright's 2020 [Talent Trends research](#) — a global survey of more than 800 human capital and C-suite leaders that was conducted at the end of 2019, just before the COVID-19 pandemic — business agility was expected to be key to thriving this year. Even before 2020 began, signs of economic slowing appeared in Europe, Asia and North America. Now, this trend is increasingly important as business and workforce agility remain critical to the recovery stage in the months ahead.

Facing an uncertain road ahead, human capital leaders will need to adapt their workforces in ways that can respond to any market conditions. Operating in an environment without precedence, you will need a new toolkit to successfully lead your organization back on course – resources that will give you greater insight, operational flexibility, collaborative powers and accelerated results. More than ever, you will have a strategic influence on how your company will operate for the foreseeable future.

At the same time, [technology remains pivotal](#) to getting society back to work. Video conferencing, messaging apps, collaboration tools and other enabling technologies have helped organizations of all sizes to continue to operate at home. Many companies were already pursuing a digital-first approach in their business plan, and the pandemic has simply accelerated how they embrace these tools.

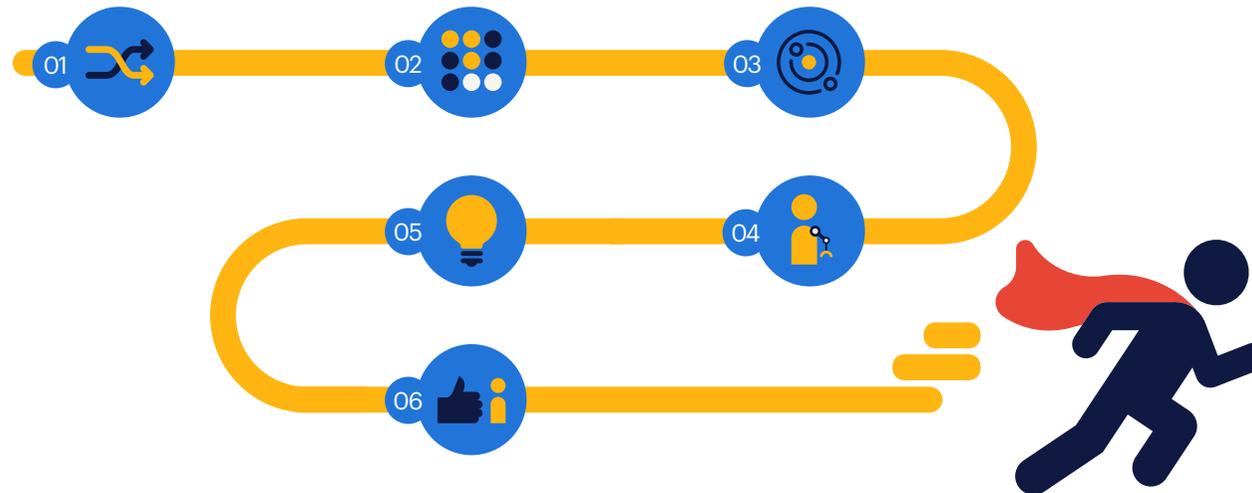
In the future, organizations will likely further speed up the use of artificial intelligence (AI), automation and virtualization to buffer against this or any other contingencies that may arise. According to a survey conducted by [Gartner](#), 74% of CFOs plan to shift some employees to remote work on a permanent basis. Nearly a quarter expect to move at least 20% of their on-site employees to permanent remote positions.

Will such a strategy be right for your organization? Does your company need to further digitalize your business model in the aftermath of the crisis? What will talent agility look like for your organization in the months and years ahead? The trends that follow will likely have the greatest impact on your workforce and help you not only get back to business, but also lead to a competitive advantage.

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# the trends.



01. build an agile organization with an agile workforce.

02. data defines the labor market.

03. digital transformation reshapes workplace culture.

04. HR tech is critical to both business continuity and the talent experience.

05. hire for today; upskill for tomorrow.

06. manage your employer brand for the near and long term.



lead to  
a competitive advantage.



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# 01 build an agile organization with an agile workforce.

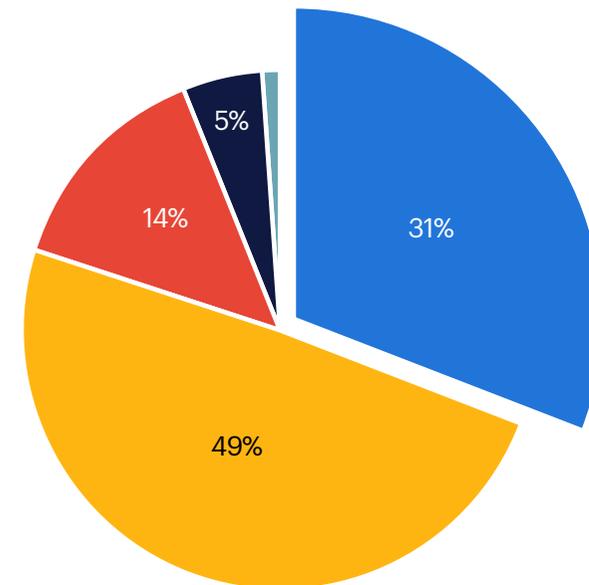
If one word could sum up the state of the global market, it would be “uncertainty.”

No one knows for sure what is around the corner, and that is what’s keeping human capital leaders up at night. Uncertainty also means businesses have the opportunity to emerge stronger, remain in the pack or risk failing all together. For this reason, your workforce should be ready for any changes the markets will bring your way in the months and years ahead.

Already at the end of last year, human capital and C-suite leaders around the world were tempering their expectations about 2020 economic conditions. Randstad Sourceright’s 2020 [Talent Trends](#) research revealed that 47% expected slight growth in the 12 months ahead, while 22% expected growth to be flat. What’s more revealing is that only 31% of those surveyed said their organization was completely prepared for a downturn in the economy. At the same time, a mere 1% said the business climate was their biggest concern for 2020; it’s clear the crisis caught virtually everyone off guard.

But there is a silver lining for companies everywhere: an opportunity to gain market share and overtake competitors. In a [Harvard Business Review](#) article that focuses on strategy following the 2008 global financial crisis, the Boston Consulting Group highlights how companies that are tentative early on in a crisis tend to overreact later.

If the economy were to worsen in the coming year, how prepared do you feel your organization would be to adapt?



- completely prepared
- somewhat prepared
- neither prepared nor unprepared
- somewhat unprepared
- completely unprepared



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This response ultimately costs the business more. While the natural tendency for many companies is to lay workers off, research from past recessions shows that when companies continue to make strategic investments in talent, they emerge stronger in the long term.

Creating an agile workforce that is capable of executing business leaders' plans will be critical to emerging intact as an organization. Ensuring the right human capital is available when your company is ready for growth again should be your key to long-term success. To do this, you will have to choose the most cost-effective and expedient work arrangements — contingent, permanent or procured services — for the work at hand.

The ability to mobilize into a virtual workforce has empowered some employers even further. It has helped them create a borderless organization with permanent and contingent resources operating in flexible shifts. Such an arrangement means companies can dedicate resources in parallel around the world to tend to urgent and critical projects, creating new ways of working that improve productivity. IT service provider TCS, for example, plans to transition 75% of its workforce out of the office environment by 2025 under a model called Secure Borderless Workspaces (SBWS). The company expects such an approach can produce a 25% gain in throughput.

At a time when no one can predict how or when the current crisis will resolve, the best strategy is to build an agile organization. You can do this by ensuring your workforce is ready when economic conditions improve and people can return safely to work sites. Developing talent pools, managing your employer brand, using people analytics in predictive ways and total workforce management can help sharpen your company's readiness when economic recovery begins.



### 3 questions you should ask right now:

1. Do we have a flexible blend of permanent and contingent talent that can be redeployed and scaled according to our business needs?
2. Are we able to decisively provide the resources our business leaders need to execute on their response to rapidly evolving market conditions?
3. Are we continuing to invest in talent strategies so we will have rapid access to resources when hiring resumes in volume?



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## 02 data defines the labor market.

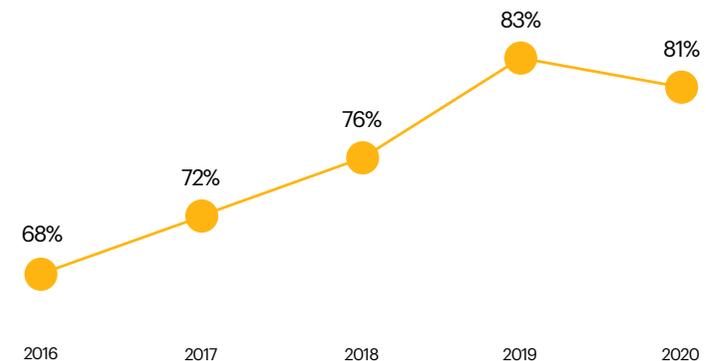
One of the most important exercises corporate leaders have been conducting during the pandemic is following data.

During this exceptional time, they've quickly learned to understand and respond to everything from infection rates to unemployment figures to sales and bookings. For many executives, following macro and local numbers has been a nerve-racking, yet necessary, part of their daily routines.

It's also something that human capital leaders must continue to do as we move into the next phases of the pandemic. More than ever, your workforce strategies need to be informed by business initiatives, as well as market developments. Leading indicators provide the critical insights you will need to prioritize which operations to reopen, which to delay and which you'll need to modify to not only comply with local regulations, but also drive the best outcomes for workers and customers alike.

Without question, successfully bouncing back from the current crisis will require deep analytical capabilities. Organizations that prioritize their data strategies will be best positioned to understand how to triage damage and identify opportunities for growth.

Percentage who say talent analytics play a critical role in sourcing, attracting, engaging and retaining talent.



Even before the crisis unfolded, employers around the world reported that they wanted to invest more in data competencies. In Randstad Sourceright's 2020 [Talent Trends](#) research, nearly half (47%) said they were spending more on predictive talent analytics. Additionally, 64% indicated that they were already investing significantly or moderately on analytics capabilities. The vast majority (81%) viewed analytics as critical in their ability to acquire talent — a sentiment that has been steadily rising since 2016.



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Looking ahead, analytics will play a major role for employers when they are ready to get back to work. This is especially true for sectors that have been shut down as they reassess how much human capital will be needed to support business demand. As a result, it will be important to have a more comprehensive view of workforce utilization to determine how demand has shifted during lockdowns.

The challenge for most employers, however, is the uncertainty of the months ahead. While most corporate leaders are hoping for a V-shaped recovery — a rapid economic decline followed by an equally rapid rise in demand — early indicators suggest such a trajectory may be difficult to achieve. For the hardest-hit sectors where demand has fallen sharply, revenue streams may be permanently altered, resulting in business model transformation.

Talent analytics will allow employers to rapidly deploy talent based on anticipated demand, availability and other market factors. Those that incorporate the new economic indicators in their analysis, such as mandated closures, health indices and other insights, as part of their modeling will gain a competitive advantage. Furthermore, talent analytics will enable companies to redeploy resources from declining parts of their operations to those on the rise. For this reason, expect that your competitive advantage will depend more heavily on data and analytics going forward.



### 3 questions you should ask right now:

1. Do we have sufficient internal talent and business data to conduct stronger workforce planning for the months ahead?
2. How can we leverage market insights and business intelligence to address the skills gap that may occur as a result of the pandemic crisis?
3. How regularly are we assessing the impact of talent analytics and metrics on business performance?



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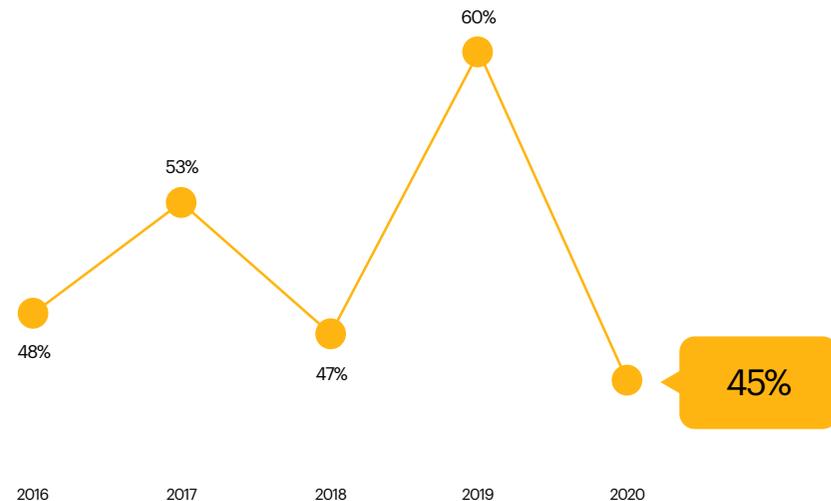
## 03 digital transformation reshapes workplace culture.

If there is one lesson all businesses have learned during the pandemic, it's how critical digital transformation is to business continuity.

Whether transformation has been accelerated to enable remote working or to provide service to customers virtually, organizations have embraced digital workflows and solutions as a lifeline, while those that have hesitated are falling behind.

Digital transformation will continue to have a profound impact on workplace culture as companies adapt to working from home, conduct business over video chats and develop new terms in digital fluency. There are now over 300 million participants meeting on Zoom. And, according to one study, online streaming services will grow at an annual rate of 18% through 2024. "Cloud raves" (online dance parties), ABS media (used in 3D printing) and telemedicine are quickly becoming part of mainstream vocabulary as examples of entertainment, home product, and health and medical services are ushered in by digital transformation.

Percentage who say digital transformation is moving too fast and they are not keeping up with these shifts.



For human capital leaders, this rapid digital transformation has been both challenging and empowering. On one hand, overcoming the initial difficulties of a virtual workforce posed significant strains on company infrastructure, organizational security, communications and the like. Productivity and engagement — which are often concerns for HR and hiring managers — are also being monitored in different ways as a result of the lockdown.



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Companies that have adapted quickly also experienced less disruption. Others found that enabling remote work — as well as recruitment and onboarding processes — was more challenging. These organizations likely experienced productivity losses as a result.

The start of the crisis also drove businesses to quickly determine how they could deliver their services in safe and sustainable environments. For example, companies activated digital processes, apps and other online media to transition processes and work shadowing. The encouraging news is that, over the past few years, employers around the world have been growing more comfortable with digital transformation, following earlier apprehension about the speed of change.

In Randstad Sourceright's 2020 [Talent Trends](#) research, just 45% of human capital and C-suite leaders said that digital transformation was moving too fast and they couldn't keep up. This was a significant decrease from our 2019 research, when 60% were troubled by the pace of change. With demand for online and digital services likely to rise in the months and years ahead, HR leaders will need to understand and optimize how this trend will transform not only their business model, but also company culture.



### 3 questions you should ask right now:

1. What training and workforce upskilling would enable our talent to accelerate the digitalization journey?
2. Do we have a clear visibility around which people resources we need to invest in, as well as those that will need transitioning support?
3. What are the roadblocks in our company culture and processes that will make it difficult to ensure adoption of new technologies?



## 04 HR tech is critical to both business continuity and the talent experience.

Throughout the crisis, the companies that have been most successful at normalizing disruption are the same ones that have had a sharp focus on technology enablement and training.

The virtual workplace has allowed many companies to quickly ramp up their remote capabilities and achieve a degree of continuity that ill-prepared businesses have lacked.

Whether you're using video conferencing platforms to conduct business online, or providing virtual training and support for workers, robust toolkits are allowing businesses to meet country lockdowns restrictions with effective solutions for both employees and job candidates.

These investments can support a stable, innovative and forward-thinking brand, as well as talent attraction. In a volatile business environment, talent will likely seek work with companies that can operate and flourish in any situation.

Percentage who are investing in technologies to enhance talent attraction and engagement.



According to HR Executive magazine, 76% of HR information and technology managers say the current crisis has had a severe or medium impact on software projects. Conversely, remote work has also made HR projects more productive. The data, provided by consulting firm Willis Towers Watson, shows that investments made in HR portals and well-being platforms can directly improve the employee experience while working remotely.



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Creating a stronger talent experience will be critical in the months ahead as some businesses slowly bring their workforces back into the office. At the same time, there will be many workers who will permanently remain in their home offices for safety or cultural reasons.

HR leaders will need to continue to invest in tools that help talent engage with colleagues, effectively manage day-to-day tasks, and support mental and physical well-being. For example, wellness platforms and fitness trackers can help workers feel valued and motivated to invest in their health. Creative use of internet platforms and video technology can help employees feel respected and connected. And AI can also help detect signs of depression and even suicide among healthcare workers, [according to Psychiatric Times](#).

Investments will not only focus on a strong employee experience, but on the candidate experience as well. Randstad Sourceright's 2020 [Talent Trends](#) data shows that 80% of human capital and C-suite leaders plan to enhance their talent experience. With talent availability increasing and some markets shifting back to employers, many will lean on automation to help speed candidate screening processes without delivering a brand-damaging experience. In fact, 49% of those surveyed said they are investing in candidate assessment tools, while half are buying candidate relationship management (CRM) platforms.

On the other hand, essential industries that are facing unprecedented talent demand will need greater innovation to engage with job seekers and create a more positive candidate journey. [Automated workforce scheduling, video interviewing and onboarding](#), talent analytics, cloud infrastructure and others are likely to be prioritized as we move forward.



### 3 questions you should ask right now:

1. How can technology enable our organization to efficiently and effectively engage with, market to and identify critical talent?
2. Do our talent tools provide a distinct and clear advantage in the race to win over the right people in the marketplace?
3. Do these technologies create a memorable and positive experience for internal talent and external recruits?



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# 05 hire for today; upskill for tomorrow.

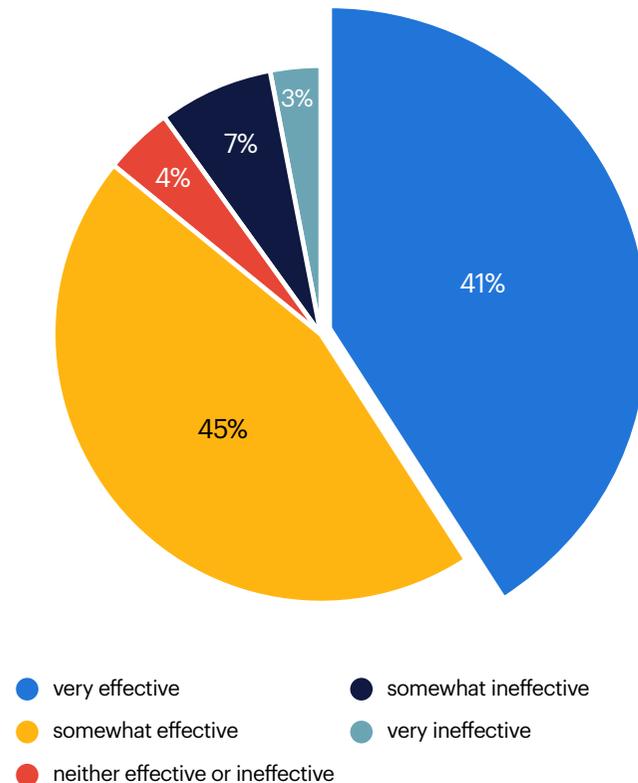
While hiring in general has slowed across the world as a result of the current economic climate, some sectors are still looking to attract talent.

Walmart, for instance, said it has hired 200,000 new associates in the U.S. alone since March. Amazon planned to hire 100,000 globally during the crisis as a result of a surge in demand. In markets such as the Czech Republic, 90% of business services companies continued to recruit during the pandemic crisis. Indeed, many organizations are still facing pressure to find good talent, and in a market where some individuals will be hesitant to return to work sites.

While some of the hiring is a temporary measure, these companies will likely consider a long-term approach to meeting talent needs. If agility is critical for organizations during these challenging times, then talent flexibility will be key to achieving it.

Excellent problem-solving abilities, empathy and communication skills are now among the most in-demand skills. Employers are also seeking individuals with digital skills, and training and development were already important to talent strategies prior to the pandemic.

How effective is talent reskilling at your organization?





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Randstad Sourceright's 2020 [Talent Trends](#) research showed that 48% were upskilling their employees, while 38% were reskilling workers for different roles. Two-thirds of companies have offered learning and development opportunities for fewer than three years, and just 16% have had a program in place for more than five years, indicating that most employers started their efforts recently.

Reskilling is not only valuable to companies that are still hiring; it's also an important strategy for companies that have to reduce headcount. A reduction may mean that some work will not be completed, and retained employees may be asked to take up additional responsibilities. Giving them the requisite tools and skills will be critical to sustaining operations with a limited staff.

Reskilling is also important to workforce virtualization. In a virtual environment employees will need to develop both soft skills — such as communication, [virtual leadership](#) and time management — and digital skills that will help them make effective use of new technologies. You can help them develop the skills needed to balance their work and personal lives, complete tasks more easily, manage projects, and effectively collaborate with and manage people using technology. While these skills may come naturally to some, others will need greater training and guidance.



### 3 questions you should ask right now:

1. How can reskilling and upskilling programs enable our organization to redeploy talent that is made redundant by the current crisis?
2. Are we making smart investments in learning and development tools to keep our workforce relevant and valuable to the business?
3. How can we sustain investments in skilling even if we need to cut costs?



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## 06 manage your employer brand for the near and long term.

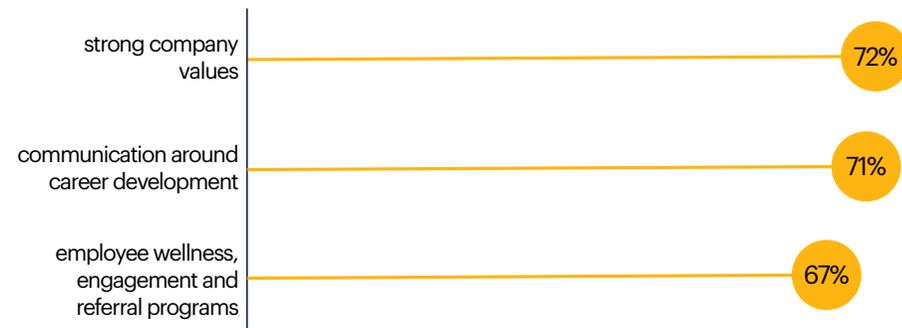
With millions unemployed around the world, why should you take extra care of your employer brand now?

When the global economy was healthy and expanding, companies were forced to nurture their reputation or risk losing out on great talent. In the current labor market, where the balance of power has shifted again to employers, is it necessary to exert the same effort?

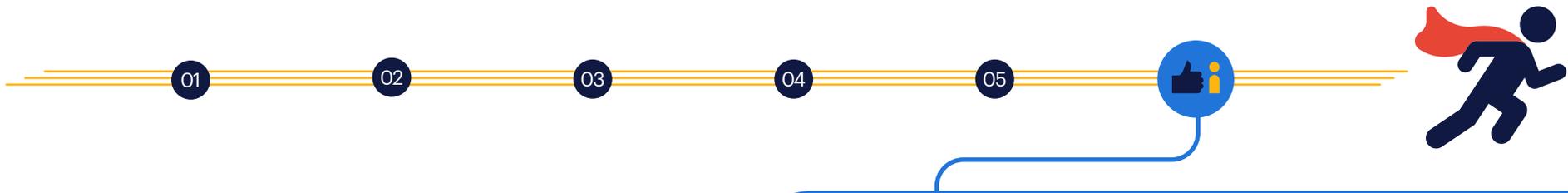
Ensuring access to talent is a priority that has not gone away. In fact, during the global lockdown, essential businesses, [big-box retailers](#) and [online companies](#) have been expanding their workforces at a record pace. But while this has not been enough to make up for the loss of jobs, a rebound is on the way as economies everywhere begin to reopen. According to Staffing Industry Analysts, [one survey shows](#) that more than 38% of recruiters expect to see a rise in job requisitions within 90 days. Among all sectors, healthcare recruiters are most optimistic about the recovery ahead, with 46% predicting a growth in job orders to come.

Beyond an anticipated pick up in hiring, tending to your employer brand is necessary for acquiring in-demand skills. Digitalization has only accelerated rather than slowed during the outbreak, and that means companies need to shift their business models and operations now more than ever. Having the required resources to do this is a challenge as competition is still fierce. Many companies are still seeking digital specialists, including app developers, analytics specialists and [other skills involved in the digital revolution](#). Your employer brand will be critical for attracting these highly sought after individuals to your organization.

The top 3 non-compensation factors that support employer brand, according to human capital leaders.



How can you [manage your employer brand during these stressful and uncertain times](#)? In two words: talent experience. Caring for your permanent and contingent talent, the way you handle job applicants and your overall strategy for communicating with all other stakeholders all influence your talent experience. Even before the crisis, 93% of human capital and C-suite leaders viewed a positive talent experience as critical to attracting talent, and 80% had plans to improve this aspect of their operational strategies.



During the outbreak, many organizations have been focusing on the importance of safely continuing operations, enabling a remote workforce and planning for a compliant return to the workplace. As some companies reduced their workforces, made budgetary cutbacks and regularly surveyed the well-being of workers, they demonstrated their employee value propositions through leadership and how these were handled. With many of them now settling into a new normal and adapting to the conditions within their local markets, the actions they've taken and will take have a lasting impact on how talent perceives their employer brand.

Adding to these challenges, during this time of contraction, your company may be short on resources to prioritize employer branding. Even still, you will need to find ways to uphold your company values, protect your reputation and let talent know they are valued. Simple measures, such as regularly surveying the well-being of your workforce — including those that have been outplaced — or coaching managers and support teams, can help you identify and address talent stress and respond to needs. Other strategies, such as career transition programs, can help displaced workers upskill or reskill to find new opportunities within or outside of the organization.

Whatever you decide for your organization, remember these efforts should be inclusive, impactful and genuine. Pursuing measures that are out of place within your culture or leave many stakeholders out will only hurt, not help, your employer brand. When effectively executed, your employer brand activation during these uncertain times will deliver long-term results on talent attraction and workforce engagement.



### 3 questions you should ask right now:

1. How can prioritizing the needs and desires of our talent over short-term organizational gains help us achieve long-term goals?
2. What steps can we take to ensure our employer brand is protected when communicating potential bad news during these difficult times?
3. What role does our talent experience play in overall productivity and our company performance?

# looking — and getting — ahead.

As the global economy contends with the economic impacts of coronavirus, human capital leaders will be a key to getting the workforce back to normal. Having the benefits of a robust economy before the start of 2020, you now face a murky path ahead.

While there are many uncertainties in the future (a second wave of the virus, the lasting impact on small and big business, and more), companies can harness the power of technology, reskilling, employer branding and agile talent strategies to build a stronger, more galvanized market than before. Now is the time to get people, processes and technologies in place to lead your business forward, no matter what the future holds.

A large, dark blue silhouette of a hand holding a yellow key. The key has a red button in the center of its shaft. The background is a solid blue color.

For more information on these trends,  
contact us at [randstadsourceright.com](https://randstadsourceright.com).

contact us

# how can you foster a safe return to work sites?



The COVID-19 health crisis and continued lockdowns in many markets are posing unparalleled challenges to people and economies around the world. To limit the economic downturn and impact on people's ability to earn a living, the labor market and all its stakeholders are working to quickly adjust to a new reality.

Randstad NV has partnered with additional HR services industry players to apply our collective experience, foster connection between stakeholder groups and support the sharing of best practices. Get your copy of our "Best Practice Health and Safety Protocols" booklet for more than 100 collected measures that are being implemented in markets around the world. We hope these insights will help complement the country- and sector-specific protocols that your organization must follow right now.

get your booklet

## Talent Trends methodology

Randstad Sourceright's Talent Trends research is a survey of more than 800 C-suite and human capital leaders across 17 markets. Conducted in late 2019 by a third party on behalf of Randstad Sourceright, the research is designed to help our clients and the broader business community understand the top HR trends for 2020.

Online surveys are conducted via external panels. Interviews are self-administered and can be taken across devices (including mobile phones, tablets, desktops and laptops).

Survey samples include C-suite and talent business leaders at international and regional organizations in Australia, Belgium, Brazil, Canada, China, France, Germany, Japan, India, Italy, Mexico, the Netherlands, Poland, Singapore, Sweden, the U.K. and the U.S.

## 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 technology 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 management strategies.

Read more at [randstadsourceright.com](https://randstadsourceright.com).