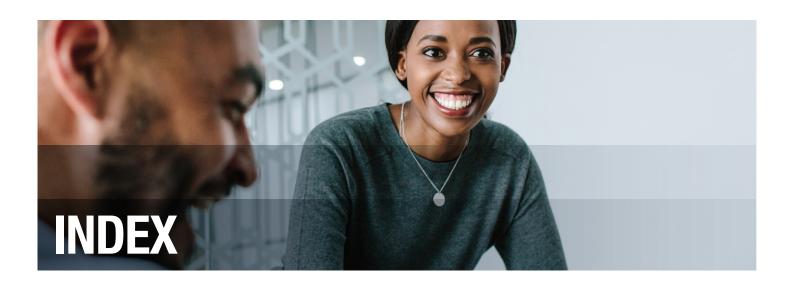


THE UNEXPLORED TALENT POOL:

How agile organisations succeed in candidate short markets

Page Outsourcing



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We need to talk about skills.

By "we", I don't just mean those of us in recruitment (though this eBook is packed with examples of how innovative talent solutions can help companies access the skills they need). I'm also urging C-Suite executives, HR departments, policymakers, thought leaders and diversity and inclusion experts to join the conversation. We all need to rethink how we identify, nurture and leverage skills in a pandemic-changed, digital-first world.

I've worked in this industry for 23+ years, but I've never known a hiring market as white-hot as this one. Talent is scarce, which means companies can't grow as fast as they'd like to. It's easy to point

the finger at the pent-up demand caused by COVID lockdowns, or at longer-term trends like digital transformation. But for many organisations, problem lies within. We are too quick to downplay the skills of our existing workforces and too slow to hire imperfect candidates with the potential to succeed.

This has to change. To succeed in the future economy, organisations must focus on:

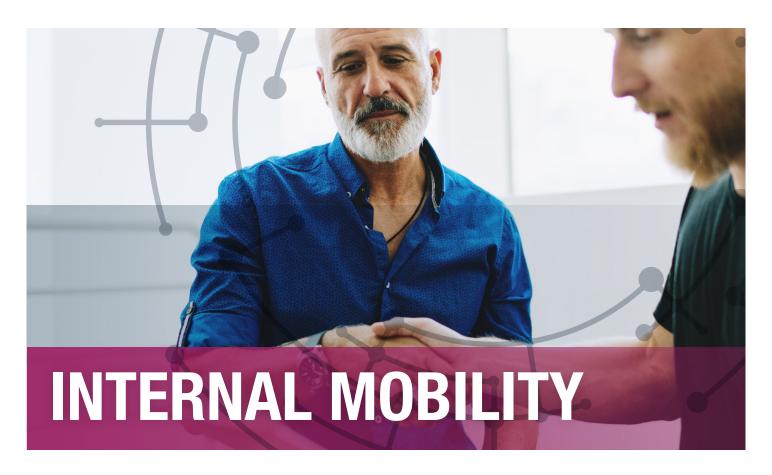
- Internal mobility Hiring from within is fast, cost-effective and rewards professionals for their loyalty and commitment.
- Upskilling and reskilling Most organisations have latent talent just waiting to be tapped into.
- Hiring for potential It's hard to find the "ideal" candidate in today's hiring market. So why not look for hidden gems who lack a stellar CV but have the intelligence and desire to be winners?

Not enough people talk about this skills trifecta, but it will

become harder to ignore as the talent shortage continues. Drawing on experiences and insights from our global network of clients and consultants, this eBook is just one of the ways Page Outsourcing is trying to kick-start the conversation and prepare our clients. Read on to find out what organisations are doing to maximise the skills at their disposal - and what they will need to do in future to succeed a fast-changing economy.



Global Managing Director, Page Outsourcing



What happens when a hiring manager identifies a skills gap? Traditionally, one of two things. Either they:

- Reach out to an external agency that will source candidates for them
- Work with their HR department or in-house talent acquisition team to craft a job posting, look at LinkedIn or tap an existing supplier list

These are the most common recruitment strategies, irrespective of industry, geography or economic conditions. The problem? They both discount internal mobility.

This tendency to jump straight to an external solution hurts organisations. Investing in the team you want is the correct strategy, but a key step in that process is investing in the team you have.

Skipping that step will cost you in terms of employee morale and loyalty. A worker may rightly wonder: Why

is someone from outside being hired for a position I could fill? Conversely, by promoting someone internally, you are motivating them to succeed, reinvigorating their morale and advancing their career. Furthermore, you know how they've performed in the past and how they align with your organisational culture. External hires are always a calculated risk, irrespective of how sophisticated your selection process is.

Given the benefits, why is internal mobility still an afterthought in so many organisations? Olly Harris sums it up: "There are too few dedicated staff focusing on internal mobility and very little technology to attract the current workforce. HR systems don't talk to each other which means that internal talent often languishes, especially in big companies operating across multiple markets. We have tech for digital signatures, video interviewing, Al sourcing and screening — but what about internal mobility?"



Looking at the four main sourcing channels — agency sourced, direct hires, referrals and internal mobility — I believe that internal mobility campaigns should meet at least 30% of our clients' hiring needs

Oliver "Olly" Harris, Global Managing Director

Page Outsourcing



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Why internal mobility matters

Most organisations are waking up to the importance of internal mobility, even if they don't yet have the technology and resources to support it. Chad Creamer, Page Outsourcing's Executive Director of North America, points to a Deloitte survey from 2019 in which 76% of executives rated internal mobility as important and 20% as one of their organisations three most urgent issues.

That was pre-COVID. "The pandemic has only increased the urgency of addressing internal mobility as organisations face the so-called Great Resignation", says Chad Creamer. "Data shows that mid-career professionals in their '30s and '40s — a core component of an organisation's intellectual capital — are resigning in the greatest numbers. A strong internal mobility programme can keep these employees engaged, reducing turnover."

Juliana Fusco Dos Santos is Talent Acquisition Manager at Vivo, Brazil's largest telecommunications company. She agrees that internal mobility is a win-win. "Talent that would have otherwise left the company is given the chance to grow here", she says. "It's good for the company because you're moving a person within the same business culture. Also, it's cost-effective because the person won't have such a steep learning curve."

The career path of Jennifer Hernand shows how these theoretical benefits play out in the real world. She's now an IT recruiter at Unosquare, one of Mexico's biggest software development companies. But she was hired as a receptionist. "I was always raising my hand, asking questions and telling my managers that I wanted more — and seven years later, I'm now one of the company's senior recruiters."



My journey was only possible because I had a great mentor who was always ready and willing to share knowledge and offer me training. Same with our COO, whose door was always open to me whenever I had any doubts or questions. My career demonstrates the value of mentorship

Jennifer Hernand, Internal Interview Coordinator

unosquare



Career lattices are the new career ladders! Our careers are individual to us so by taking this approach our employees can really personalise their professional growth within Visa

Vicki Mawson, Global Head of Career Growth



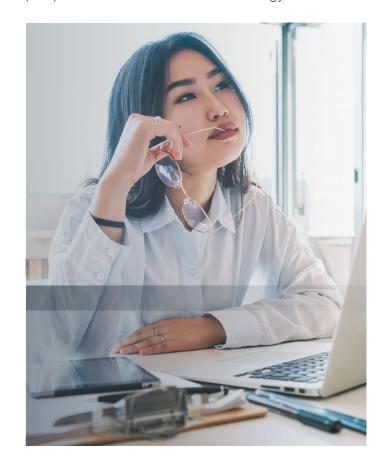
Organisations that build internal talent pipelines also enhance their ability to pivot and respond to client and market needs. We saw this during the pandemic when many companies slowed or froze hiring. Those with an existing internal mobility focus were able to quickly move staff into positions where they could make a positive impact.

This has been a winning strategy for Visa, the fintech multinational. Of the 1,000 roles the company hired in Europe in 2021, 40% were offered internally. "Our talent is one of our most important assets and supporting our employees to enjoy career fulfillment and growth is a key strategic priority", explains Vicki Mawson, Visa's Global Head of Career Growth. "Over the past two years we have focused on learning about employees' career aspirations, performance, achievements and growth potential. That allows us to prepare promising individuals in advance of roles becoming available."

Vicki Mawson is also keen to stress that internal mobility isn't only about promotions. Lateral movement is another highly effective way for organisations to build capability and bench strength. "Gaining exposure to different business challenges and models builds resilience and promotes learning agility", she adds.

Despite the obvious benefits of internal mobility, it's not the answer to every problem. Take diversity and inclusion (D&I), a top priority these days for any forward-thinking company. In this area, internal mobility can have both positive and negative impacts. On the one hand, creating an inclusive workplace with opportunities for all boosts employee loyalty and the overall employer brand, setting an organisation

apart from the competition. On the other, companies with a poor D&I record may compound the problem by focusing too much on internal promotions. In these circumstances, the better your internal mobility programme, the more chance you simply push the same types of people around the organisation. Bringing in people from outside with different ideas and perspectives could be the better strategy.

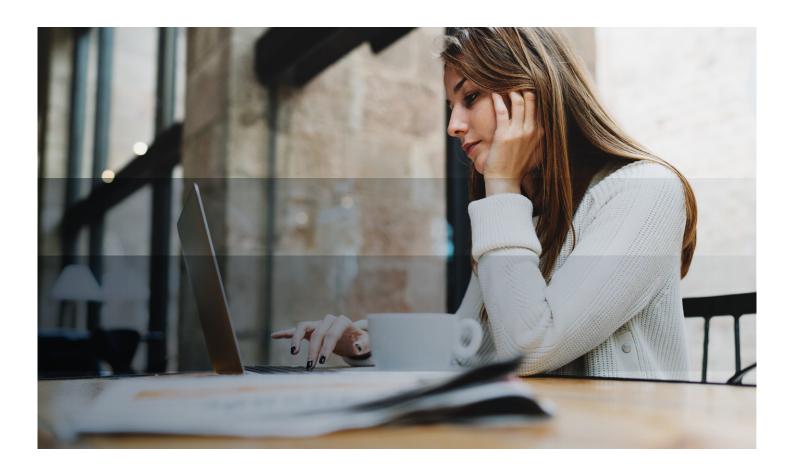




Internal mobility helps organisations retain their top talent, increase employee engagement, reduce time-to-fill and quickly respond to changes in the market. This results in an improved work culture and hard dollar savings — a win=win for employees and leadership

Chad Creamer, Executive Director North America

Page Outsourcing



How to promote internal mobility

To create an internal mobility programme, you need an internal mobility culture. Chad Creamer points out that this can be a challenge since many organisations have a culture of "talent hoarding". In other words, leaders are reluctant to relinquish their top performers and quick to accuse other managers of "poaching" talent when they identify employees who may be a good fit for their teams.

How can organisations address this negative mindset? First, the internal mobility programme must be championed and driven by senior leaders, with recognition and rewards given to collaborative managers who actively encourage team members to move into new roles.

Second, leadership needs to be proactive in mapping the organisation's current skills against those it will need in the short, medium and long term. Managers can then use this skills map to match team members' career goals with existing and potential opportunities within the organisation. An informal or formal mentorship, such as the one that supported Jennifer Hernand, can ensure top performers are not only motivated to improve but also introduced to other leaders within the organisation.



One of the most important skills of the future will be learning to unlearn and relearn

Juliana Fusco Dos Santos, Talent Acquisition Manager





Our Talent Brokering team wants everyone to have a shot at promotion. If that means giving them extra training to cover a skills gap, so be it. There's no reason not to promote someone just because they're lacking a particular soft skill

Andre Borges, Head of Talent Acquisition



Once you have buy-in from managers for the principle of internal mobility, you can introduce a structured internal recruitment process. Some talent acquisition teams advertise positions on their organisation's intranet before opening them to external applicants. Others take a more direct approach, searching their human resource information systems (HRIS) for internal candidates who may be a good fit for a position.

Juliana Fusco Dos Santos explains the process at Vivo. First, any manager with an opening speaks to HR and talent acquisition, and a decision is made about whether the candidates should be sourced internally or externally. HR then generates a link for each posting, which can be shared on LinkedIn, other social media groups or internal channels. "Since I've been here, the proportion of the job base filled with internal candidates almost doubled", says Juliana Fusco Dos Santos. "Our



next step will be to build a skills repository, so we can see what skills an employee has and match them with internal opportunities."

Andre Borges is Head of Talent Acquisition at Vestas Wind Systems, the world's largest wind turbine company. Vestas promotes internal mobility through its Regional Talent Programme (RTP), which aims to identify employees with the potential to grow. "It doesn't matter how long you've been with the company", explains Andre Borges. "If someone identifies you as having potential, you can enter the programme."

Being in the Vesta's RTP brings both privileges and responsibilities. For example, people in the programme must be prepared to move around the region, if not the world. If an employee agrees to this, Vesta's Talent Brokering team works hard to match them with open positions around the world. "Essentially, they do an internal promotion of that pool of candidates", says Andre Borges. "Our data shows that, this programme has a substantial impact on the retention of the promoted employees. So that's a powerful incentive for everyone involved in the process.

Many organisations could benefit from this kind of proactive approach. Recognising that someone just finishing up in one role may be suitable for another is one of the most powerful insights a manager or talent acquisition specialist can have. Not every employee will stay, and some level of turnover is healthy to bring in fresh ideas and promote diversity. Nevertheless, it's a mature and forward-thinking organisation that sees its role as building people's careers and offering them a way to grow within the company.



Uber has a global mobility team dedicated to helping employees move within the organisation. It can handle visas, relocation logistics, sponsorship, etc., taking a lot of the stress away from moving roles

Mónica Gutiérrez, Senior Recruiting Manager LATAM

Uber



Recent research by <u>Boston Consulting Group in partnership with Faethm</u> Al found that the increasing adoption of automation, artificial intelligence (AI) and other technologies will wipe out millions of jobs over the next ten years. Net job losses may, however, be significantly lower. Indeed, certain key occupations, such as computing and mathematics, will experience significant talent shortfalls by 2030.

The machines aren't taking over, but they are taking on new tasks. The role of humans will shrink drastically in some areas and grow just as strongly in others. And never mind 2030: in a recent McKinsey study, 44% of respondents said their company would face skills gaps

within the next five years, and 43% said those gaps already existed.

Those gaps can't be filled by recruitment alone. From podcast producer to bot programmer to cloud architect, the number of job titles that didn't exist ten years ago is astounding. Companies can offer skyhigh salaries, signing bonuses and best-in-class perks, but that won't change the fact that there isn't enough talent out there to fill these jobs.

However, organisations aren't helpless or at the mercy of market forces. They can mitigate their skills gaps by investing heavily in upskilling and reskilling their workforces. So, where do they start?



Turning potential into skills

For most businesses, 70% of their cost base is employment expenses. During downtimes (a global pandemic, for example), they aim to reduce these costs, but they may not pay close enough attention to the skills they are losing. If you don't know what skills you will need in the future, there's a real danger you will weaken yourself strategically by losing the wrong people.

A better approach emphasises skills. What skills will we need over the next five years? Which employees are smart and hungry enough to learn and apply those skills? Who can we train up?

Organisations that conduct these skills audits may be surprised at the results. They may discover, for example, that some of their most eager candidates for upskilling are among the over-55s, who were hit particularly hard by COVID-19. These employees are hugely knowledgeable and experienced, yet they are often overlooked for training. Therefore, the first principle of upskilling is to cast the widest possible net within your company when looking for people who are ready to learn.



Creating digital migrants

A transformational marketing leader with extensive experience across B2B and B2C, Tommy Foo knows all about leveraging experience and finding talent and skills in unexpected places. He's currently the Senior Director for Strategic Partnerships at Johnson Controls, a multinational that has been designing and implementing building environments since 1885. "Recent investments in digital solutions has accelerated the convergence of Internet of Things (IoT) elements across people, space and technology", he says. "Johnson Controls has been a leader in the built environment space for 135 years, classical in its approach. The challenge remains; how do you pivot from a hardware-driven past to a softwaredriven future? It's a paradigm shift, and the skills your people need to engage with your customers are completely different."

Tommy Foo outlines the steps Johnson Controls has taken to ensure its workforce has the skills needed to adapt and thrive in this software-driven future; to disrupt before being disrupted. "First, you need to articulate very clearly the problem you are trying to solve. Second, you need to frame your point of view. This informs your business model and shapes your

hiring motion to hire right rather than fast. It also informs your product development and even helps articulate your brand purpose. Third, you need to drive internal cultural transformation. Digital transformation changes companywide motions across your strategy, data, cost experience, innovation, organisational alignment, analytics and people. It requires a shift in mindset. It requires a cultural transformation. People will always say they're ready for digital transformation, but when you're running your sales cadence, are you still falling back into old habits? Organisations that don't commit to a cultural transformation will be setting up their digital transformations to fail."

Tommy Foo believes that digital transformation can be achieved and sustained by building teams of digital natives and digital migrants. "Digital natives accelerate the changes needed for the organisation, while digital migrants command the domain expertise required to make us relevant within the value-chain.", he says. "These digital migrants command decades of experience which we need to leverage. It's a combination of digital and domain that gives us the right to lead and transform."





Digital transformation isn't about having the smartest people in the room. It's about having the people who learn the quickest and being willing to commit to the constant iterations of learn, unlearn, relearn

Tommy Foo, Senior Director for Strategic Partnerships, Johnson Controls

The ancient art of reskilling

We often think of reskilling and upskilling in the context of digital transformation and the modern consumer economy. But these are age-old processes. Whenever one technology displaces another, people proficient in the outmoded technology need to reskill in the new one — or some other skill with value.

Juliana Fusco Dos Santos of Vivo believes that modern organisations will follow this pattern by taking people out of operational activities and reskilling them in roles that require more strategic thinking. "Reskilling is no longer a bet; it's a market need", she says. "We already see automation all around us. If companies automate their processes without upskilling their workforces. redundancies are inevitable."

In Juliana Fusco Dos Santos's view, the skills-centric economy will reward workers willing to unlearn and relearn. Other qualities that organisations should look for when evaluating candidates for reskilling include:

- Agility Can they shift gear and jump from one responsibility to another without getting flustered?
- Curiosity Do they enjoy acquiring new skills and knowledge?
- Ownership attitude Are they invested in the success of the organisation?
- **Embrace of technology** Do they know how to talk about data and innovation, even if they're not a coder or designer?
- Risk-taking Do they fear mistakes or view them as an opportunity to learn and improve?



Strategies for upskilling

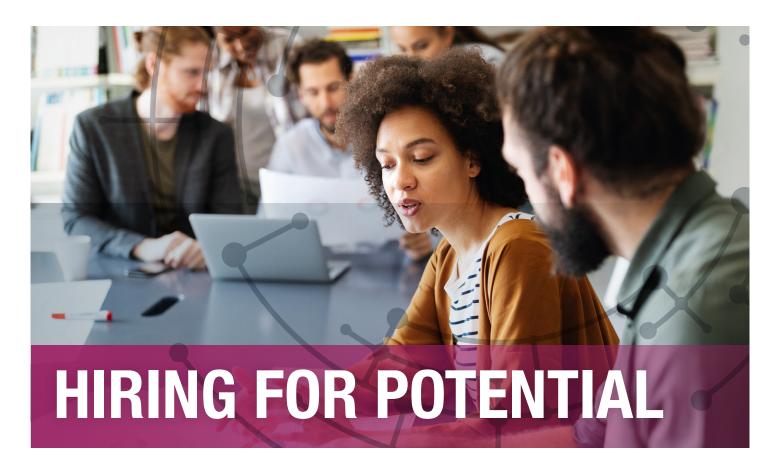
Upskilling a workforce is far from straightforward. To be effective, you need joined-up strategies that bring together your talent acquisition, learning and development and organisational design teams. Too often, these units are siloed. People looking at organisational design often work in isolation from people looking at the data analytics behind your headcount, churn rate and so on.

These teams can only collaborate effectively if the business has a real understanding of the skills it needs to acquire. With that information, talent acquisition knows who to hire and learning and development knows what to teach them. By breaking down these silos, organisations can help people think more strategically and less reactively about skills.

Once everyone is working towards the same goal, companies can implement upskilling programmes that quickly yield tangible results. Larger employers may have campus-style facilities to train or re-train people before deploying them. Smaller companies can partner with external agencies to upskill and grow their talent. For example, employees could spend several hours per week at coding school. HR teams can go on data analytics courses to help them interpret the data they're collecting, empowering them to make better decisions.

To succeed, upskilling and reskilling programmes must be treated as long-term plays, not quick fixes. Not every employee wants to learn new skills. And not every training programme will deliver the results you were hoping for. But the upsides of instilling a learning culture in your organisations dwarf any potential setbacks.





Traditional hiring methods prioritise what a candidate has done in the past over what they might do in the future. Recruiters look at someone's CV to assess their track record and the skills they have already acquired. The longer the list of skills, the better the candidate.

In a loose labour market, with surplus talent, this strategy has few obvious downsides. But that's not where we are right now. The talent pool is small and shrinking for many of the skills employers need. If you want to hire someone who ticks every box on the job description, you will likely pay a high price.

There is a cost-effective alternative: hiring for potential. Instead of bringing in someone who will deliver from day one, look for innate talent that will grow into the role. And don't assume these will be young, entry-level workers. Smart talent acquisition teams should consider all talent pools, guided not only by their need to access new skills but also by their organisation's diversity and inclusion policies. In the United Kingdom, around 15% of working-age people have a disability. There is no reason they should be excluded from the workforce, yet unemployment rates among workers with disabilities remain stubbornly high. Page Outsourcing advises its clients to look for potential in this and other under-tapped client pools, including the over-55s, returning mothers, parttime workers and alumni.

Of course, hiring for potential is pointless unless you have the capabilities to develop that potential. As a talent solution, it needs to work hand in hand with internal mobility and upskilling. Once you have hired someone who looks like they could develop into a top performer, you need to give them the resources and support to grow and a viable career path to keep them loyal and motivated.

Richa Doyle, the Singapore-based associate director of Page Personnel, believes that more and businesses are open to the idea of hiring for potential. "It's not just tech companies that are doing this", she says, "but all kinds of companies. If the business has a good enough backbone in terms of HR training and development, it may like the idea of grooming people rather than hiring professionals who are set in their ways. That's how we think about it at PageGroup. We hire based on potential and a person's capacity to be moulded in the way that we want."

How does a fintech multinational like Visa approach hiring for potential? Vicki Mawson outlines how the company has made big strides over the past three years to diversify its workforce by hiring people from different backgrounds, specifically talents who may not always have direct experience or qualifications for the role but bring other related value. "When our hiring teams meet candidates who don't have fintech



In the current market, organisations need to be realistic about the talent available to them and open-minded about who could thrive given the right opportunity

Richa Doyle, Associate Director Singapore

Page Personnel

experience or come from a different industry, they need to switch their mindsets and alter the interview questions", she explains. "Typically, this means looking for the transferable skills as well as the behaviours that suggest someone has the potential and determination to succeed. The different thinking and perspectives these talents bring to their roles drives better outcomes for our clients."

When looking for potential, organisations should also consider people with little or no professional experience. Richa Doyle identifies universities as ideal talent pools for organisations that want to "mould"

their workforces. Few graduates have all the skills they need to succeed from day one in a company. But nor do they have to unlearn work habits and cultural assumptions they may have picked up in previous roles. "PageGroup has forged fruitful partnerships with universities in Singapore," says Richa Doyle. "We hire fresh grads who are "bonded" as part of a government programme to contribute three years of service to the company that takes them on. This not only provides us and our clients with a constant talent pipeline, but it also helps us with our long-term planning and retention strategies."



Uber's eye for potential

Mónica Gutiérrez, Senior Recruiting Manager LATAM at Uber, is a champion of hiring for potential. Her talent acquisition team has been working closely with managers to get their buy-in. As she explains, this isn't always straightforward.

"Many managers were hired and trained to interview in a certain way, which included a set of interviews, a take-home test and a final presentation", she says. "These managers will tell you that they can predict performance based on how the candidates shape up in the interview. While this may be true, it only allows us to bring in more of the same type of candidates. Given Uber's strong Diversity & Inclusion priorities, we are currently working to change that mindset, so that we can bring a more extensive and diverse pool of candidates."

Clearly, hiring for potential requires some unlearning and relearning. Mónica Gutiérrez cites the example of Uber Eats. When this food delivery service started, it was the first time her team had needed to hire sales and account management roles. The problem was

that the operations people, who tended to be more analytical, were interviewing candidates for the sales roles. "It was a bad match!" recalls Mónica Gutiérrez. "Great sales staff have particular skills - empathy, patience, resilience and so on. We had to change our approach and bring in some people who could help us spots sales talent, even if that talent had little or no track record in food delivery."



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How a recruitment outsourcing solution supports skills

If it existed, what would the perfect hiring model look like? In this eBook, we've discussed internal mobility, upskilling/reskilling and hiring for potential. Page Outsourcing seeks to weave these strands together into one coherent strategy, giving organisations access to all the skills they need.

Because the market is in such a state of flux right now, we need to be agile and creative with our solutions. One of the new models we've developed is **Project on demand also called RPO lite/on demand, a cost-effective solution that clients can switch on and off in a matter of weeks rather than months or years**. Perhaps the client is opening a new shared services centre and needs to hire 200 people in six months. Or perhaps they're driving through a new phase of their digital transformation and need to source candidates with niche tech skills. In these or any other circumstances, we can help.

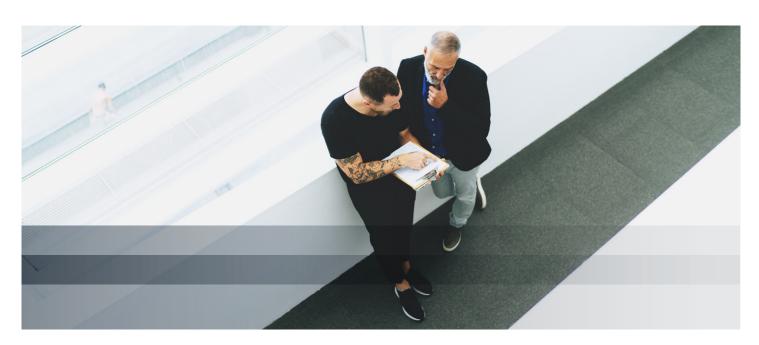
We can also offer a **concierge-type service to facilitate internal mobility**. That involves making the role visible to existing employees and creating a user-friendly application process to help people on their way and make them feel respected and well-treated. An individual may not have their CV updated, may not know about the department they're moving to and may not appreciate the nuances of the organisational

culture. We help them through all that and take some of the stress out of changing roles.

HR departments, often configured to face the external market, don't always have the will or resources to source or nurture internal talent. We do. We think about the silver medallists, the alumni network, people leaving at the end of projects and so on. Taken by themselves, these are small talent pools. Taken together, they create a tremendous resource for our clients, positioning them to find and retain top performers.

What if you identify people who are ready for promotion but lacking one or two must-have skills? Or perhaps you operate in a market with limited talent pools for the profiles you need and want to pivot to a strategy of hiring candidates for potential and training them up? In either scenario, partnering with Page Outsourcing gives you access to consultants with a proven track record of tailoring training courses to their clients' needs. We can also set up **graduate programmes** with universities in your region so that you can groom the next generation of talent.

Skills matter. But people matter more. We're in the business of changing people's lives by allowing them to fulfil their potential. Join us on this mission, and let us help you build a skilled, loyal and happy workforce.



EXPLORE NEW TALENT POOLSWITH PAGE OUTSOURCING

Armed with PageGroup's unrivalled database, Page Outsourcing specialises in fully integrated solutions to the most complex resourcing requirements. Depending on our clients' needs, we offer RPO, MSP and Total Talent Acquisition solutions that can be scaled up and down as required. Furthermore, our global footprint means we can offer our clients the support they need as they expand into new markets. If you'd like to talk about a new outsourcing solution or about upgrading your current one, please contact us today.



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