



Korn Ferry Futurestep Makes 2017 Talent Trend Predictions

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The Impact of Technology is Key Thread for the Changing Landscape

[Editor's Note: Infographic Available](#)

LOS ANGELES--(BUSINESS WIRE)--Dec. 13, 2016-- The Futurestep division of Korn Ferry (NYSE:KFY), the preeminent global people and organizational advisory firm, today has shared its 2017 predictions for talent acquisition. Based on insights from recruitment experts from around the world, the list reflects trends that have emerged during the past 12 months as well as those predicted to dominate during the coming year.

According to Futurestep CEO Byrne Mulrooney, there is a common theme that ties together the trends, and that's the ubiquitous presence of technology in the talent world.

"It doesn't matter what industry our clients are in — everything from manufacturing to professional services and retail — every company can now be classified as a technology company," said Mulrooney. "This has forever changed the way talent acquisition experts do their jobs, and what candidates have come to expect."

Following are the 2017 Trends Predictions:

- Rise of the Gig Economy, or "Me Inc."
- Programming the Robot: The Changing Roles of the Vital Many
- Pack your Bags: The Vagabond HQ – and Employee
- Trusted Advisor: How Big Data is Changing the Role of the Recruiter
- One Platform = True Intelligence
- Seeing into the Future: Data that Matters Long After Hire
- Big Data, Big Brother: Keeping Information Safe
- Culture is the Key to Retaining Employees and Enhancing Business Performance
- Swipe Left/Swipe Right: Social Media and Recruiting
- Embrace Diversity to Plug Skills Gap

1. Rise of the Gig Economy, or "Me Inc."

Some reports estimate that by 2020 as much as 40 percent of the American workforce will be contingent workers, or independent contractors. There are two key drivers for the rise of what is now being called "the gig economy." From the workers' perspective, there is a demand for diversity and flexibility in their roles and the ability to showcase their unique skill sets. For some organizations, there's a shift in strategy from 'I need to hire a person' to 'I need to complete a task.'

Futurestep experts see the contingent workforce as a complementary addition to the traditional full-time workforce. They also caution organizations against using cost savings as the primary driver to ramp up the number of independent contractors. "Don't expect to pay contingent workers less than full-time employees," said Jeanne MacDonald, Global Operating Executive and President, Talent Acquisition Solutions, Korn Ferry Futurestep. "While their hourly or contract rates are often more than salaried employees, employers are paying for a unique skill that only a few select people can bring to the table."

2. Programming the Robot: The Changing Roles of the Vital Many

Technology is changing the role of the 'vital many' — large groups of employees who traditionally carried out manual or redundant tasks. Take for example call center employees, who once answered all customer questions, but who now, with the acceleration of omni-channel communications, must be comfortable transitioning between mediums — be it over the phone, online or via social messaging — to answer those questions. Instead of doing manual work, assembly line workers, whose roles are increasingly being phased out by robotic, now must learn how to program the robots.

In the face of sweeping technological advances, employers cannot forget the people who develop the technology and those who benefit from it; the future of work is one in which people, not technology, will still be the driving force of change. A recent economic analysis commissioned by Korn Ferry found human capital represents to the global economy a potential value of \$1.2 quadrillion, 2.33 times that of physical capital, which includes tangible assets like technology, real estate, and inventory, which represented a value of \$521 trillion.

A key trend that will carry into 2017 is a move to more highly specialized on-the-job training to help workers make the shift to new roles.

3. Pack Your Bags: The Vagabond HQ —and Employee

Location, location, location. Increasingly organizations are taking a bold action in moving company headquarters — or significant facilities — closer to sources of specialized and available talent. For example, because of its solid highway system, favorable tax base, central location and niche talent, Dallas has become a hotbed for corporate relocation. Toyota, Liberty Mutual, JP Morgan Chase and coffee giant Farmer Brothers are all relocating their headquarters or major facilities there.

And as industries such as the auto industry become more technology focused, several car companies are establishing significant operations in Silicon Valley and others are moving to where the talent is, such as Germany. Additionally, large U.S. banks like JPMorgan Chase, Goldman Sachs and Citigroup are moving their UK offices to fledgling financial hotspots like Paris, Dublin and Frankfurt.

The talent for these roles will then continue to look outside the boundaries of their own countries for job opportunities. In the UK for example, healthcare organizations have been active in recruiting candidates from overseas. Around one in five nurses recruited in England 2015/16 were non-British EU nationals. On the other hand, in the technology sector, 72 percent of UK professionals would consider an international move, with 23 percent stating they are actively looking to make an international move.

4. Trusted Advisor: How Big Data is Changing the Role of the Recruiter

Administrative tasks that were only until recently done manually by talent acquisition experts, such as applicant tracking, can now be handled through Artificial Intelligence (AI) and Big Data.

This now frees up time for recruiters to work more closely with HR and talent acquisition leaders. As a team, the group can help determine the best ways to align business and talent strategies. This will offer a more in-depth, longer-term workforce planning approach, as opposed to “just-in-time” recruiting.

5. One Platform = True Intelligence

Big data has the risk of being, well, *too* big, too cumbersome, too fragmented. To help simplify and make the most out of data, today many clients are moving to one integrated platform for all of their HR needs, from profile design, sourcing, tracking, interviewing, assessment, on-boarding, employee development and benefits.

These smarter platforms move the HR function from a metrics gatherer to an intelligence provider. The technologies assist with improving efficiency, sourcing and tracking ideal talent, reducing time-to-hire and streamlining the on-boarding processes.

This single platform will provide a centralized, holistic view of the all aspects of talent acquisition and management. However, there will still be a requirement for local recruiters and HR specialists who can understand regional nuances.

6. Seeing into the Future: Data that Matters Long After Hire

Key performance metrics in the recruiting world have traditionally been around the hire itself, such as time-to-hire and cost-to-hire. However, today's successful programs use longer-term metrics such as how long a person stays in a role, how many times they get promoted, and what 360 reviews say about their fit within an organization.

To help ensure the right candidates are being chosen, there have been significant enhancements in candidate assessments that not only give a clear picture of what a person can *do* (skills and competencies) but who they *are* (drivers and traits). Through sophisticated algorithms based on the candidate's performance on the assessment, the programs offer behavioral-based interview guides that directly address the candidate's strengths and weaknesses.

The assessments also offer in-depth development plans that new hires can take advantage of even on their first day on the job. This not only helps the new hire succeed, it helps the organization build a leadership pipeline for long-term strategic success.

7. Big Data, Big Brother: Keeping Information Safe

This year, news of data breaches seemed to make headlines almost daily. It was clear that no type of business was exempt, including the recruitment industry. In fact, in 2016, more than 700,000 candidates on the books of one international recruitment organization had their details hacked in one of the biggest security breaches in the recruiting industry.

While information security is not a new challenge for recruiters, as the use of technology continues to gather and store an exponential amount of data on both candidates and companies alike, recruiters are realizing that data security is not simply a ‘nice to have’ — it's a necessity. In 2017 we expect to see holistic security and data privacy as a business priority within the recruitment industry.

8. Culture is the Key to Retaining Employees and Enhancing Business Performance

A recent Korn Ferry executive study found that nearly three-quarters of respondents say culture is core to the success of organizational financial performance. In another Korn Ferry study, 73 percent of respondents said their No. 1 driver at work was doing a job that had meaning and purpose, while only 3 percent said pay was the top driver. This highlighted that the pay check is no longer king when it comes to sourcing, retaining and motivating talent. Today's employees — irrespective of their generation — want to work for companies they believe in, from both a vision and development perspective. Company culture, ability to grow and upskill and location of work are all key motivators above salary for candidates choosing their next employer.

This means in 2017, employers will need to focus on and invest in their employer brand to help candidates understand the company culture and motivations within the workplace. Through this investment, organizations can enhance their employer reputation in a customized, dynamic way that moves the needle to attract, engage and retain key employee groups.

9. Swipe Left/Swipe Right: Social Media and Recruiting

The concept of social recruitment will reach a new level in 2017 as Talent Acquisition leaders look to new mobile apps to source and secure talent. Social platforms like Tinder will pave the way for similar recruitment channels where both candidates and employers will swipe left or right for desired jobs or employees. There are new services in different parts of the globe that combine social, geo-targeting and mobile technology, whereby an

employer can post a job advertisement on the mobile application which pushes a notification to everyone with the app in a 50-mile radius. Recipients can then react instantly with a push of an 'apply' or 'ignore' button.

Due to the rise of social recruitment, usage of outdated recruitment platforms like job boards will continue to decrease in use in 2017. Geo-targeting is an area that will continue to develop which will cause the job board to become redundant.

10. Embrace Diversity to Plug Skills Gap

2016 was the year when the widening skills gap was truly brought into view. By 2020, it is estimated that there will be a shortfall of some 85 million qualified workers globally. Looking at the shortage of Science, Technology, Engineering and Mathematics (STEM) in particular, talent is an issue that consistently raises its head in today's media and still inspires much debate.

However, even with this widening gap, there is a real lack of diversity within STEM sectors, with most estimates putting the number of women in STEM careers at less than 25 percent.

In addition, a 2015 U.S. News and World Report study put a spotlight on additional lack of diversity in STEM roles. Even though African-American and Latino workers represent 29 percent of the general U.S. workforce population, they make up just 16 percent of the advanced manufacturing workforce, 15 percent of the computing workforce and 12 percent of the engineering workforce — all rates that have remained essentially flat since the beginning of the century.

This highlights the critical need for organizations to broaden their views to source and hire talent with diversity being a crucial consideration. By diversifying their workforce, businesses can utilize a currently 'untapped' pool of talent to help plug this skills gap.

About Korn Ferry

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