

# RESOURCE SOLUTIONS

## RECRUITMENT OUTSOURCING INSIGHTS

A report highlighting the latest trends in recruitment outsourcing

RESOURCESOLUTIONS



## CONTENTS

- 5 WELCOME
- 6 EXECUTIVE SUMMARY
- 8 ONE CLICK BUY, ONE CLICK APPLY: HR TECHNOLOGY, INNOVATION AND TALENT MOTIVATION
- 13 THE POLITICAL BOILING POINT
- 16 TAKING THE LEAP OF FAITH: MERITOCRATIC RECRUITMENT
- 20 EMBRACING THE GIG: TASK-BASED CROWDSOURCING
- 24 ENGAGING THE NON-PERMANENT POPULATION
- 29 RE-THINKING ONE SIZE FITS ALL: IMPLEMENTING GLOBAL TECH
- 32 MOVING THE CORPORATE LADDER: INTERNAL MOBILITY
- 37 DATA-CENTRIC GLOBALISATION
- 40 CONCLUSION



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## WELCOME

At Resource Solutions we work with some of the largest organisations around the world, managing a recruitment budget in excess of £2 billion, spanning all industry sectors. Our exceptionally close working partnerships, along with the forecasts and research our dedicated Innovation team is delivering, offers us a unique insight into the evolution of the recruitment outsourcing landscape. At this point in time, it is fair to say that the global recruitment outsourcing industry is undergoing greater and faster change than at any other time in the recent past.

We are pleased to share our latest insights with you. This report is based on first-hand experience working with our valued clients, to whom I would like to express special thanks.

I hope this report will both serve as a useful update and stimulate new ideas, and I very much welcome your feedback.



A handwritten signature in black ink, appearing to read 'Oliver Harris'.

**Oliver Harris**  
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## EXECUTIVE SUMMARY

This report highlights the ever-evolving Recruitment Process Outsourcing (RPO) and Managed Service Provider (MSP) marketplace, and looks to identify the innovations of the year ahead that recruitment professionals across the world will encounter and need to understand. This year, we explore the impact of influential technology, the evolving workforce, an increasingly borderless market, and the challenges that lie ahead for RPO and MSP providers and the HR industry.

### **TREND 1: ONE CLICK BUY, ONE CLICK APPLY: HR TECHNOLOGY, INNOVATION AND TALENT MOTIVATION**

In a hyper-connected world where consumers can purchase in just one click, the on-demand customer journey needs to be replicated in a recruitment process. Candidates see themselves as customers, and being treated any less can affect your organisation's perception and bottom line.

### **TREND 2: THE POLITICAL BOILING POINT**

With Brexit and the United States' presidential election results, we're seeing some political strife and economic uncertainty as we enter 2017. The world's events are bound to have significant macro factors impacting the RPO/MSP market.

### **TREND 3: TAKING THE LEAP OF FAITH: MERITOCRATIC RECRUITMENT**

The modernising of the recruitment process is emphasising a skills-based meritocratic recruitment experience. Relying on what's written on a CV is losing traction – it's now about finding the best person for the job through removing barriers and broadening the talent pool.

### **TREND 4: EMBRACING THE GIG: TASK-BASED CROWDSOURCING**

The rise of the gig economy is giving organisations an opportunity to utilise non-permanent, on-demand talent to undertake work, tasks and services. The platforms that enable the buyer/seller marketplace come with a lot of benefits but raise many ethical questions on status, taxing and data security.

### **TREND 5: ENGAGING THE NON-PERMANENT POPULATION**

Regulatory and legislature changes are affecting how non-permanent labour are being utilised. As businesses rush to ensure they are compliant with the law, we are seeing many emerging financial and organisational benefits of alternative engagement models to ensure the non-permanent population remains in demand.

### **TREND 6: RE-THINKING ONE SIZE FITS ALL: IMPLEMENTING GLOBAL TECH**

The desire to streamline candidate experience and measure data is trending – what's the next global platform to accommodate all these processes and information? One thing is for certain – one size doesn't fit all.

### **TREND 7: MOVING THE CORPORATE LADDER: INTERNAL MOBILITY**

In order to retain talent, many organisations are focusing their HR efforts inward to provide opportunities that allow their employees to move from role to role, from region to region. Businesses are looking to grow their source of talent by enabling internal mobility at all levels.

### **TREND 8: DATA-CENTRIC GLOBALISATION**

Many organisations are setting their sights on international expansion. Finding an RPO/MSP provider with true global scope in 2017 is rare, yet many organisations are in the process of streamlining their HR function across different regions, and will look to re-evaluate their supplier relationships to follow suit.

## TREND 1

# ONE CLICK BUY, ONE CLICK APPLY: HR TECHNOLOGY, INNOVATION AND TALENT MOTIVATION

At Resource Solutions, we have a dedicated Innovation team that tracks and reports on consumer trends shaping the world and their correlations within the recruitment industry. This has never been more critical for our clients given the proliferation of emerging HR technology products, with on average 2 new HR technologies launching every week.

We analyse major challenges faced by clients within HR, recruitment and human capital management, and support them with the best emerging tools on the market. In 2016 we examined 120 new tools, showcasing technologies including [IBM@ Watson@ Talent Insights](#) and [Arctic Shores](#) to clients as part of our [#InnovateWithRS events series](#). 2017 is poised for a year of strong disruptive technology.

### WHY NOW?

2016 has seen a major shift in expectations. As consumers, we demand information and products instantaneously in a hyper-connected world. The customer experience is integral to an organisation's success, and we can learn many lessons from a consumer journey to be applied in recruitment.

### CANDIDATE EXPERIENCE – WHY DOES IT MATTER?

There's no question that positive candidate experiences are brilliant marketing tools for an organisation. A bad experience can severely tarnish an organisation's reputation. It goes beyond simply transacting with applicants during the recruitment lifecycle. The candidate experience commences much before the initial communication between an organisation's recruiters and candidates, and that relationship continues beyond the "end" process. New applicants form preconceptions about a company's brand and create assumptions about suitability. Their overall evaluation of their treatment throughout the process influences how they'll interact as a future customer.

### SOME KEY CONSIDERATIONS:

- Technology has changed consumer expectations – technology demands that the same applies to the candidate experience. As everyday customers in a marketplace where immediacy in purchase and interaction is the rule rather than the exception, the same factors are now the benchmarks for a smooth candidate application.
- Candidates demand greater transparency, more information and immediate connection. The best recruiters will use the latest tools and technology to ensure the candidate journey is a frictionless experience on par with being treated like a highly regarded customer. This may include reducing the number of forms in an application process, or committing to feedback at regular times as part of an agreement with the Hiring Manager.

### CASE STUDY: COMMONWEALTH BANK OF AUSTRALIA

One example of a custom-built HR smartphone app is the Sidekick system developed by Commonwealth Bank of Australia, which effectively manages all aspects of the employment experience (from onboarding to employee directory to pay and time-tracking). Sidekick saw an impressive 20,000 downloads in two weeks of its launch, revealing the appetite for a mobile delivery of HR in one place that's easy to access.

#### CASE STUDY: LAUNCH PAD KPMG

KPMG conducted a study with market research company, High Fliers, and found that:

- More than a third of Millennials were frustrated by lengthy recruitment processes
- More than a half of respondents did not receive any feedback in their application.

As a result, KPMG condensed their traditional three-stage process into 'Launch Pad' – a transformative one-day approach that addressed applicant feedback and allowed them to be much more competitive in recruiting strong talent for an early careers position.

#### TALENT MOTIVATIONS & EMPLOYEE EXPERIENCE

Employment experience is transparent thanks to sites like [Glassdoor](#). What motivates us to work is also changing. According to PwC's Report on the Future of Work, 65% of those surveyed around the world want to work with a socially conscious company. Policies that speak to diversity, the environment and other CSR initiatives are evolving and appearing to have a genuine impact on how talent strategies are being built. The competition for top talent is incredibly fierce. The job market is hot, and will only get more heated in 2017.

#### HOT TOPICS FOR 2017

- The next generation of workforce analytics tools will play a large role in shaping talent acquisition strategies – watch this space for 2017 announcements around new tools and trials, such as Sidekick as a data efficient way of nurturing internal talent.
- According to PwC Future of Work, their study revealed 55% of Millennials prefer purposeful work rather than a high salary. In the UK, both LinkedIn and The Guardian reiterate these findings – salary is not the most important factor considered anymore. Long gone are the days of lifetime employment, PwC revealed the majority of Millennials expect to have 2 to 9 jobs in their lifetime.
- Edelman's Trust Barometer revealed technology reigns king of the trust index while financial institutions continue to be at the bottom of the barometer. Based on the perception surrounding the Googles and Facebooks of the world, talent is seeking opportunities in these fields. In fact, traditional MBA schools like Harvard and the London Business School are seeing massive drops in graduates seeking traditional employment in the lucrative field of finance.
- Talent mobility (covered in a later section) and career mobility are high on the agenda. It's particularly important as events like Brexit unfold that organisations focus their attention on talent retention.



## TREND 2 THE POLITICAL BOILING POINT

The global hiring community will look at 2016 and onwards as a challenging period. June's Brexit result and the United States' election are watershed moments in history. 2016 added a complexity to an environment that is already characterised by economic uncertainty, geopolitical dissent, and regulatory change. Below is a short summary of significant macro factors that will likely have an impact on the RPO/MSP market:

### BREXIT

The UK vote to leave the European Union raises a number of key considerations for the recruitment outsourcing industry:

- UK Immigration and free movement of workers (in both directions) will impact skill shortages
- A poor performing UK economy and volatile markets could cause a slowdown of labour demand
- Loss of financial services passporting rights could impact London's status as a major banking hub
- Implications associated with shifting geographical footprints, e.g. mobility will be more complex, as will the people and payroll management solutions
- Post-Brexit we may see U-turns in staffing industry legislation (e.g. TUPE, AWR, Working Time regulations, data protection and other employment laws).





### POLITICAL DISRUPTION

The world's collective jaws dropped when the race for the White House was won by reality-TV star, Donald Trump. His incredibly tenuous election campaign and his controversial election promises raised many questions, and they'll contribute to prolonged global economic uncertainty. USA unemployment had dipped to 4.9% in November 2016, yet if Trump follows through with his promise to deport 11 million "illegal" workers, it will create labour shortages, prompt a slow-down in business growth and drive up employment costs through inflated wages.

### IMPLICATIONS FOR RPO/MSP INDUSTRY

Contrary to warnings of a sharp dip in demand, H2 2016 hiring activity remained robust across our client base, and there is a long-term air of cautious confidence within hiring communities. The recruitment market serves as a barometer for the economy and levels of demand are often an early indicator to gains or losses in economic confidence. From a work force planning perspective, we anticipate 2017 will see robust activity levels with some significant changes coming in 2018, depending on the timetable around triggering Article 50:

- 1) Organisations will invest more in a contingent workforce. In periods of prolonged economic uncertainty, clients often look to hire non-permanent workers as a tactical decision. It offers flexibility to downsize and upsize teams, particularly in territories with stricter laws around engaging permanent workers.
- 2) Clients will review more flexible legal agreements, such as having a Master Service Agreement with local addendums. They can be tailored on a country-by-country basis, which is driven by the need for flexibility in workforce planning and being legally covered from a risk perspective.
- 3) Periods of uncertainty are an opportune time for clients to outsource their recruitment functions, not only as a way of reducing cost per hire, but to remove fixed headcount costs during hiring freezes. When doing so, a key question should be to ask potential MSP/RPO providers about their own business continuity plans in terms of making sure their own businesses are flexible and scalable. This will give clients confidence that their own suppliers are able to cope with periods of unprecedented change and how these challenging periods will drive a culture of innovation.

As a recruitment outsourcing business with a large global presence, we'll continue to help our clients with contingency planning to ensure the best outcomes. For current clients, developing existing and future talent is integral. Looking to have the right teams to tactically perform business critical functions is the top priority.

We are holding a Workforce Planning Round Table in 2017 to ensure our clients understand how to plan for periods of political and economic uncertainty. For more information, contact [events@resourcesolutions.com](mailto:events@resourcesolutions.com).

## TREND 3

# TAKING THE LEAP OF FAITH: MERITOCRATIC RECRUITMENT

### WHAT?

Meritocratic recruitment represents a seismic shift in the recruitment industry. This process moves away from traditional notions of recruitment by prioritising candidates' abilities over their experience. Meritocratic recruitment leans heavily on a skills based system of recruitment, often involving practical assessment, as opposed to CV based assessments and competency based interviews.

### WHY?

Despite the abundance of resources invested year on year in recruitment teams, and technologies used to modernise the recruitment experience, the old system of interviewing candidates off the back of the traditional chronological CV still remains popular. Lots of bad habits are often engrained in this archaic process. Recruiters tend to "play safe". Such as prioritising candidates doing similar roles from competitor organisations rather than seeking out candidates who can bring an entirely different breadth of experience into a role that seemingly doesn't fit what's written on their CV. Modern technology and hiring practices are advancing at a staggering rate, yet companies often make errors of judgement with hiring decisions that have heavy cost implications.

**"80% of employee turnover is due to bad hiring decisions."**

(Harvard Business Review)



**"[Unsuccessful hiring is] the single biggest problem in business today."**

(The Economist)

Despite the traditional CV-based recruitment method prevailing, we are seeing an uptake in a skills based recruitment process. Managers are using structured interviews and intelligence tests to select candidates, thereby reducing hiring managers' reliance on hiring with their gut instincts. For example, when taking a meritocratic approach, a self-taught individual with outstanding problem solving skills can be regarded as an equally valid candidate to someone performing a similar role elsewhere. Their skillset would need to be validated by the right types of interviews and testing (and certain jobs require professional qualifications or certifications). The ultimate evaluation, however, relies on a candidate's abilities and achievements

## HOW?

Meritocratic recruitment is about avoiding bias and having the right processes and structures in place to identify right-fit candidates. If we're to challenge our assumptions about hiring practices, it's essential to have tools to help us with the decision making process. Some of the tools Resource Solutions recommends:

**Codility** – a coding assessment tool, whereby candidates are required to submit their code while solving a real-world programming problem. The tool aims to reduce unconscious bias at the CV review stage, save time and facilitate a more structured interview process.

**Gender Decoder** – A web-based tool that identifies subtle words and phrases in job advertisements that are 'gender-coded'. The tool helps eliminate words that may discourage men or women from applying. Resource Solutions' trials of Gender Decoder saw a 50% average increase in female applicants when job advertisement wording was revised.

**GapJumpers** – A US start-up which aims to remove bias by recruiting through performance audition challenges that evaluate candidates on work performance and merit rather than keywords on a resume.

By removing CVs from the hiring process, organisations can avoid discarding desirable talent that do not fit pre-conceived notions of what talent looks like and where it comes from.

**Contextual Recruitment Software in early careers** – These tools aim to boost social mobility and ensure firms do not overlook promising talent. The software allows recruiters to look beyond traditional campus sourcing grounds, and it allows embedding social mobility metrics into a company's graduate recruitment process. The algorithms examine factors like a candidate's home postcode, their school, and even if they were eligible for free school meals, allowing organisations to determine which candidates have obtained comparatively strong results despite having less privileged backgrounds. Understanding the context in candidate applications and their respective academics is becoming widely adopted. For example, Deloitte and all Magic Circle law firms use the software at an early careers level.

Resource Solutions is trialling **ThriveMap**, which asks 25 behavioural questions to map team skills and preferences to help inform hiring decisions. The data captured in the questionnaire allows employers to use insights and advice to compare how an individual works against how a team likes to work to ensure the best candidate is chosen to bolster the team's strength.

**Unbias** is a web tool that hides faces and names from LinkedIn profiles, searches, recruiter searches and recruiter projects to reduce the effects of unconscious bias when sourcing. Recruiters can be susceptible to bias when regarding genders, ethnicities, visual traits and even names. By removing irrelevant information from LinkedIn, the overall perception of a candidate's ability is linked purely to their relevant skills.

**Koru**, a data-driven talent analytics solution is used in early careers to filter applicants on 'grit' over grades. Their interface is altering how companies screen, select and develop early career talent. Koru applies predictive analytics to leading assessment science and produces a company's unique 'performance fingerprint'. The fingerprint is deployed within the tool so that recruiters can effectively screen and select high-quality and diverse candidates to that fingerprint.

## TREND 4

# EMBRACING THE GIG: TASK-BASED CROWDSOURCING

### WHAT?

Welcome to the rise of the gig economy trend – the on-demand talent marketplace that utilises non-permanent resources to undertake work, tasks and services. Freelancing is not a new trend, but what has changed in the last few years is the emergence of cloud-based platforms that are enabling a global talent pool of contractors and freelancers advertising their skills to be engaged by organisations requiring their services.

What characterises the assignments within the gig-economy are:

- Workers are not classified as employees
- There is 2-way feedback that promotes transparency between the contractor and employer as a way of defining feedback metrics
- The service is flexible and is usually project based for a defined piece of work
- Uses technology, apps typically referred to as a marketplace (such as Freelancer or Upwork) where buyers and sellers are brought together in one “buyer/seller” space

Organisations can benefit from the gig economy; for example, a financial services organisation can outsource graphic design tasks to a pool of resources for ad-hoc presentations. They can feed out the work to a talent pool that will agree to carry out the task within a specific timeframe and budget. Having a fixed price effectively eliminates the ability for employees you are paying hourly or salaried to “waste time”.

Organisations can benefit from heightened levels of productivity because assigned projects are completed within certain timeframes. It is a cost effective and convenient way to engage talent “on demand” and use resources that can be flexed up and down depending on the scope. Organisations can expect to see lower overheads (such as no desk space costs, which is a large concern in expensive cities, such as London) and feed the task via online platforms which incorporate profiles, ratings, and billing for the assignment. These platforms remove global boundaries, which can have an added cost-advantage to sourcing.

Freelancers can choose the tasks they take on, which provides them with a greater variety of creativity.



Innocentive is a task based crowdsourcing platform that accepts commission research and development problems in engineering, maths, business and the sciences. They provide a cash award for potential innovators to create the best solution to tough work challenges.

Within the recruitment industry, on-demand talent could be used to replace roles typically performed by temps where an on-site presence would not be required, particularly during sudden peaks in volume. On-demand talent could also apply to highly skilled professionals – for example, law firm, DLO Piper has established a pool of lawyers on demand to offer clients greater agility around their service model.

### POTENTIAL ISSUES

**Ethics & inequality** – 2016 saw many negative headlines and media coverage regarding gig economy services such as Deliveroo and Uber. Many of these platforms can appear exploitative rather than responsible, so these platforms need to build in a favourable arrangement between both the user and contractor

**Tax & worker classification** – There is still a lot of unknown regarding whether organisations can ensure that freelancers are playing proper taxes, particularly given the global nature of the work being carried out

**Security** – The gig economy remains a heavily unregulated area. Organisations need to ensure that forward planning includes adequate data security checks. For example, businesses should limit any sensitive information that goes into the hands of a contractor if there are no legally binding documents that protect the organisation and the contractor

**Lack of penalties** – Short of a two-way feedback review system built into marketplace apps, there are no guarantees around the quality of the work, nor are there serious consequences for uncompleted work (short of refusing payment and giving negative feedback).

### APPLYING CROWDSOURCING TECHNIQUES INTERNALLY

We can take the ideas gained from external innovative crowdsourcing techniques and apply these internally, to make the most of collaboration within our own employee networks across the business.

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### Example 1: The Aquarium

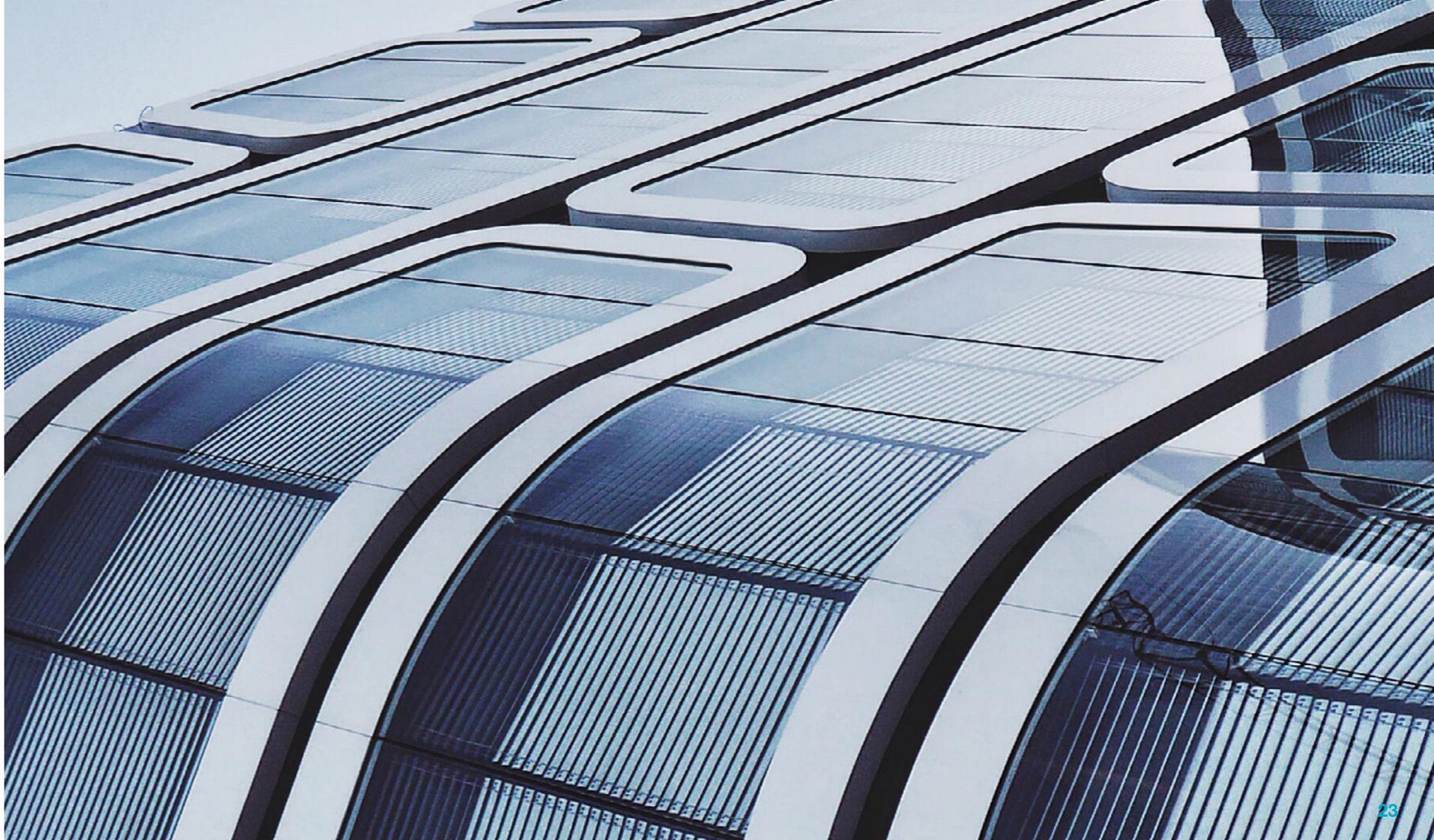
This is Resource Solutions' global employee internal innovation and ideation website powered by Wazoku. The Aquarium is designed for our employees to curate and share ideas. Every staff member has access to the portal and is encouraged to contribute, to like and to comment on ideas.

Since go-live 6 months ago, the Aquarium has had many successes:

- 102 ideas already submitted by employees globally
- 400+ active users
- 10 new technologies have progressed to pilot
- 41 new technologies have been suggested (and viewed 1448 times)
- 6 new technologies have been submitted to the Senior Management Team for approval

### Example 2: Profinda

Profinda is a tool that allows organisations to better understand and leverage their global teams. ProFinda creates a dynamic digital view of an organisation that transforms the tasks of finding expertise and collaborating by connecting the right people at the right time on respective projects. The tool reviews employee knowledge, experiences, motivations and cross-cultural competencies to build the most effective team from the available internal talent pool.



## TREND 5

# ENGAGING THE NON-PERMANENT POPULATION

Important changes to legislation are coming in 2017. For example, in the UK as of April 2017, the onus is on public sector organisations to identify if their contractors fall inside or outside of IR35.

IR35 is tax legislation that is designed to combat tax avoidance by workers supplying their services to clients via an intermediary, such as a limited company, but who would be an employee if the intermediary was not used.

Public sector organisations will now need to look at ways to limit their risk, so that they are not liable for paying penalties.

### Will organisations move to change their stance towards hiring limited company contractors?

Resource Solutions has a wealth of experience dealing with regulatory and legislation changes, so our client partners can expect we'll be working closely together to ensure competency and compliance with the changes. Our clients will have access to the guidance from our in-house Legal team so they fully understand and adhere to the worker legislation changes.

Hiring Managers need to understand the guidelines, restrictions and implications of legislation change. We recommend putting in place a robust audit process to mitigate risk. In some cases, clients can consider alternative engagement models like taking on contractors under a Statement of Work (SoW) agreement so they would work towards defined deliverables, as opposed to being paid on a daily or hourly basis.

For contractors, it may encourage a move towards the private sector, where this particular legislation has not come into place yet.

In Asia, we are seeing a trend for an increasingly non-permanent workforce, particularly in locations such as Singapore and Hong Kong. This demand appears to be coming equally from employers and candidates, where individuals are increasingly bucking the historic preference for permanent work owing to the increased flexibility and experience that contracting and temporary work can offer.

## STATEMENT OF WORK (SOW)

As the use of independent labour grows, many organisations are re-examining their SoW populations as a way to drive additional cost savings.

In our industry, “SoW” and “Consultancy” have become an umbrella term for a variety of engagements that sit outside typical definitions of a contingent worker. Some of these include high-value consultants, project based resources, BPO, outsourced and offshore providers.

In many areas, there is a genuine business case for engaging non-permanent workers on a SoW basis. However, there are also associated challenges to be mindful of: limited visibility over spend, compliance exposure (such as Pre-Employment Screening), misclassification, or in some cases using SoW engagements to circumnavigate hiring processes. In fact, there is a school of thought around this approach as a loop hole to avoid increasing headcount.

SoW programmes offer customers opportunities for greater transparency to better manage their entire contingent workforce across all requisition types, as well as realise substantial cost benefits.

Some of those benefits include:

- Consistent on-boarding/off-boarding service for all non-permanent headcount
- Mitigating risks around people screening, intellectual property, data protection, managing buildings, systems access, and insurances.



We anticipate seeing an increase in strategic sourcing committees as part of an established decision making process. There will likely be more shifts in determining whether a strategic fixed price engagement is appropriate in comparison to resource costs against agreed cards of contingent resources.

2017 will see a large shift in workforce management with customers benefiting from greater efficiencies, increased governance and competitive sourcing strategies. In order to adapt and grow, there are a number of guidelines to ensure best practices:

- Have a central point of accountability on the executive level that sits outside of procurement within the business
- Executive committees should design key delivery metrics, and they should be thoroughly documented throughout the assignment to measure the success of the project
- Have client controls to determine who is in the project team and that subsequent roles are filled by the consultancy with the right skills and availability for the entire project duration
- An independent review group should sign off the project and ensure that deliverables are being met
- A designated vendor manager should be responsible for commercial negotiations with consultancies
- Each project end should have a comprehensive post-mortem to determine what lessons were learned

In our view, this is absolutely the biggest area of potential savings for organisations right now, and we are supporting a number of our clients in their discussions to put outsourced SoW management or Consultancy ‘Challenge’ programmes in place.



## TREND 6

### RE-THINKING ONE SIZE FITS ALL: IMPLEMENTING GLOBAL TECH

In 2016 we saw many organisations moving towards wanting a single, global VMS/ATS. We're seeing among our clients that there is a growing desire to adopt a singular technology platform to perform consistent processes and simultaneously filter and enhance the candidate experience across temp and perm recruitment, both agency and non-agency.

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A Vendor Management System (VMS) is web-based application that allows an organisation to manage relationships and candidates submitted by third-party recruitment/staffing companies. An Applicant Tracking System (ATS), also called a candidate management system, is a software application designed to help an organisation to recruit employees more efficiently. An ATS can be used to post jobs on a corporate website or job board, screen resumes, and generate interview requests to potential candidates by e-mail.

With big data trending year on year, there's an emphasis on collecting MI to better influence recruitment and general HR decisions. With emerging technology that has global priorities in mind, we'll see these systems use data effectively for predictive analytics that'll inform organisations when staff are ready for additional training or even when someone is about to leave the organisation.

**“While the pursuit of a single global recruitment application is the end goal, this may need to take the form of bespoke integrations that deliver a single view to the global business leaders, but a tailored and relevant experience for daily operational delivery”**

– Ian Blake, Head of Business Applications, Resource Solutions

#### SOME OF THE MAJOR CHALLENGES

- Abundance of emerging technology – finding the right tool for the right application can be a daunting task. Month over month there are emerging tools claiming to be on the cusp of resolving all business applications. It's important to have an expert partner who can educate, teach and recommend what's best for the business objectives at hand
- Regional differences – a global system needs to take into account that a program cannot be utilised without local adaptation. For example, non-permanent workers are paid on a monthly basis in Asia, yet in many countries, it's daily or hourly. The EU has many different complexities surrounding overtime, taxes, currency etc. Further to that, Japan's Haken legislation creates process and pay data complexities. Overseas delivery of a tool often needs the support of regional experts to ensure the variety of plug-ins work around local requirements
- Can it do it all? With disruptive technology emerging annually, there is a school of thought questioning whether a global technology can cover everything within the HR and recruitment sector (account training, succession planning, etc.). With so many operations within the discipline, 2017 will be very revealing on how global technology is realised.

#### INTERNATIONAL HORIZONS, LOCAL DELIVERY

When global technology is implemented across different territories, the integral piece to ensuring its beneficial is having local people who understand the specific market roll it out. Each territory has its own local nuances so having the appropriate training and resources will resolve any language, change management or cross-cultural considerations.



#### FUTURE CONSIDERATIONS

- Organisations will be relying more than ever on data to make informed hiring decisions. Data across multiple systems will need to be combined and analysed to a very high degree. Sources of information should cover multiple areas of the core HR workforce, such as those used to track permanent and non-permanent hires. Predictive analytics can be used to answer HR-related questions such as where top performers come from and how successful a company's diversity strategy is
- 2016 was an exciting year for HR technology. We saw an emergence of many disruptive and innovative technologies in the market covering every aspect of the recruitment lifecycle from end-to-end. 2017 will be no different – we'll see new tools that further generate efficiencies and use predictive analytics to solve problems
- The recruitment experience will continue to evolve towards a “consumer-centric” type relationship. An increased focus on technology used to track applicants will focus on enhancing the candidate experience.



Resource Solutions will continue to assess the recruitment technology landscape in order to provide insights to the tools that work best for their organisation. In 2016 we undertook a major two-year project to re-write our proprietary ATS and VMS, **talentsource**. The new iteration of **talentsource** features a more intuitive interface to cover current and future business needs by improving the overall candidate and client experience by enabling the benefits of new technology and social media.

Resource Solutions is dedicated to finding the best technology solutions to support our clients' recruitment efforts. We are entirely technology agnostic in our approach, however we are proud to provide our clients with **talentsource**, our award-winning and industry-leading recruitment technology that supports end-to-end recruitment lifecycle tracking.

Our mobile responsive platform provides users with permanent, temporary and Statement of Work (SoW) recruitment tracking, agency and non-agency source management, fully branded candidate career portals, contractor management and management information all in real-time.

**talentsource** is included in Resource Solutions' overall RPO and MSP solutions. It is trusted by our clients around the world. Managing over \$2 billion of recruitment spend annually, **talentsource** supports over 75,000+ weekly users globally.

## TREND 7

# MOVING THE CORPORATE LADDER: INTERNAL MOBILITY

Often, the best candidate for a position comes from within. The benefits of internal mobility are taking precedent as we welcome in a new workforce generation. Some organisations are proactively encouraging and enabling existing employees to seek out and apply for positions within, often referred to as 'internal headhunting'. Internal mobility has many proven benefits: improving employee morale, maximising productivity, retaining talent, increasing loyalty and enabling an employee's succession plan and their abilities within the organisation.

Long gone are the days where it is taboo for employees to proactively plan their own career steps in fear it will compromise their current role. In market uncertainty, many organisations put hiring freezes into place to manage headcount and budgets. As a result, organisations often encourage the free flow of internal movement to provide a healthy sourcing ground.

Internal mobility offers an internal talent pipeline and prevents talent drain by attrition. The question an organisation should ask itself is its own definition of "internal mobility". It's a process of moving talent at every level to enhance employee knowledge, skills, performance. It is not solely about "upward mobility". Internal mobility ensures an organisation can benefit from its projects and employees by empowering talent to proactively drive their career in a culture that invests in career transition.

We are holding a Round Table in 2017 to ensure our clients are equipped to take a pro-active approach to internal mobility. For more information, contact [events@resourcesolutions.com](mailto:events@resourcesolutions.com).

### INTERNATIONAL MOBILITY

PwC estimates mobility levels increased by 25% in the last decade and are set to increase a further 50% by 2020. Factors like business growth in emerging markets are paving the way for new opportunities, and the shortages of talent in particular regions makes international mobility a boardroom priority. With globalisation in mind (trend 8), internal mobility is deeply enshrined with the increasingly global nature of how business is done. Mobility talent is fluid. For example, an Asian company may engage a European team to manage an investment in Africa.

### RITE OF PASSAGE FOR MILLENNIALS

According to a PwC report, "[Millennials at work, reshaping the workplace](#)", 71% of Millennials want and expect an international assignment during their career. Millennials see themselves as 'citizens of the world', having grown up in an environment where access to the Internet meant geographical boundaries were less important than they had been in the past. Millennials said the opportunity to develop their career abroad was important to them compared to just 31% of Generation X and 15% of Boomers. Employers can embrace Millennial enthusiasm by ensuring they gain international experience of the business by giving them the breadth of involvement necessary for future roles in senior leadership.

- The best mobility strategies will be agile, adaptable and constantly evolving to meet specific requirements of the business and different groups of employees
- Technology will play a fundamental role in global working arrangements in helping with compliance obligations
- Organisations will rely on analytical techniques that support predictive thinking to help HR mobility decisions.

TAXI

### USING TECHNOLOGY

Talent mobility and career mobility are high on the agenda. New and existing vendors (like [Fuel50](#) and [Patheer](#), and existing such as [Workday](#), [Cornerstone OnDemand](#), [Oracle](#), [PageUp People](#), and others) now offer well-designed career management solutions. The platforms bring together data-centric self-assessments that inform new career paths to facilitate mobility. Talent mobility is increasingly becoming a boardroom priority, which means leveraging the new types of HR systems in place allows employees to intelligently shop for their next role within the company.

#### Key points:

- Identify top performers who are at risk of leaving utilising human resource management platforms such as Workday predictive analytics. Advanced algorithms allow HR leaders to strategically plan internal mobility to minimise flight risk
- Plan potential career path transitions that give employees opportunities and stems attrition
- Overturn the notion that putting your hand up for an internal move can be detrimental to your relationship with your existing manager – managers should be inclusive and trained to engage in open conversations around the appraisal process
- Collaboration software, such as Profinda, offers internal “short gig marketplaces”, whereby teams of people can be sourced and organised on demand.

### EFFICIENCY IN RECRUITMENT IS KEY

In this new landscape, emphasis has shifted to prioritise the recruitment experience and expertise in this has become paramount. It is no longer sufficient to offer a solid recruitment process; the experience itself needs to be a priority – for both candidates and hiring managers.

With technology offering increasingly advanced usability, candidates now expect a considered and streamlined digital recruitment experience. The efficiency of applying for a role on a smartphone via a talent management platform is undermined if candidates must validate 18 fields in the process and include a CV. In our modern landscape of digital efficiency, this equates to a poor candidate experience and defeats the swift ‘tap and apply’ concept of mobility.

Instead, it is now becoming more widely accepted that you don’t need to capture all of a candidate’s data – it is more important to gather insight that communicates the gist of the person, their recent employment history and their contact details. By following this principle, the candidate experience is exponentially improved. And things are changing for hiring managers too. In the past they have been told ‘this is the prescribed process’ whereas now companies are more accepting that they have to develop processes that work for hiring managers, as well as recruiters.

**Take the interesting example of Zappos, the shoe retailer: they decided to stop advertising jobs on their website in favour of building talent communities in line with candidates’ skills and specific aspirations about working for Zappos. As a result, their recruiters are processing 10,000 fewer speculative and time consuming applications but their direct hiring hit rate increased by 800% in one year.**



## TREND 8

# DATA-CENTRIC GLOBALISATION

### DATA-CENTRIC GLOBALISATION

Operating talent globally is an overwhelming undertaking that requires strong company resolve to achieve. Standardising a methodology across different countries raises many questions regarding control and the impact it has on an organisations’ candidate experience. Global functions still require local support to have it executed across different regions successfully. Despite the limited number of providers with truly global capabilities and the legal and cross-cultural hurdles, we have identified the trend of companies becoming adopters of outsourced recruitment on a global level. 2017 will be a significant year with many clients looking to transition their fragmented outsourced arrangements into a single integrated model, especially multi-regional RPO/MSP players expanding their capabilities and footprint by offering global bespoke solutions.

## CASE STUDY

We began work in 2002 with a British multinational banking and financial services company, managing the outsourcing of secretarial support functions in the UK. Our scope of work expanded to the US in 2005 and grew to Singapore, Isle of Man and Switzerland in 2012. In 2015, as a result of a competitive tender process, the client awarded Resource Solutions a large global solution for operations and technology recruitment. Our global, dedicated account team is designed to deliver 14,000 permanent hires and manage a contractor population of 5,000 workers per year, providing global process consistency across the scope of the solution.

**Resource Solutions was tasked with the account's permanent and temporary worker service provision across EMEA, APAC and the US. Including a phased implementation of the solution into new countries such as Lithuania, the Czech Republic and India, Resource Solutions was responsible for:**

- Ensuring all country legislation was adhered to during the process of establishing a business entity in the Czech Republic, India and the US
- Scaling up our account team from 100 to 300+ members
- Building a global account management structure and Centre of Excellence
- Training and implementing a model that could accommodate a wide range of recruitment activity, from high volume contact centre roles to specialist technology skill sets.

**Resource Solutions was also responsible for the implementation of global process improvement and standardisation:**

- Creation of the necessary tools, templates and training collateral through our Centre of Excellence
- Driving continuous improvement initiatives and effective change management (with consideration for regional nuances)
- Ensuring ongoing communication to promote a favourable Hiring Manager experience
- Utilising talentsource, our proprietary recruitment technology, to underpin temporary recruitment across all regions.

Staff engagement was heightened by tools like a global communication programme that celebrated successes and showcased regional team collaboration. Our goal was, and continues to be, to drive as much value and consistency in market-leading delivery for the customer whilst ensuring our client was gaining the best return on investment from our service.

## CONSIDERATIONS

- **Economies of scale:** When a company is able to replicate its services across different regions, organisations can enjoy a reduced headcount with a centralised team.
- **Global standards:** Setting uniform standards across hiring managers, candidate processes, data reporting, and other HR verticals can be beneficial under one global umbrella. Items like performance indicators and service level agreements can be incredibly valuable for an organisation as long as there's flexibility when a region demands it. After all, organisations cannot restrict standards to a "one size fits all" model. There are local nuances, cross-cultural differences and levels of business maturity around the world that require global standards to be adapted.
- **Local engagement:** Engaging with local stakeholders in order to understand deviations from the standard process and their critical recruitment needs will help to ensure their buy-in throughout the implementation and successful launch of the services. Conducting surveys of key hiring managers when scoping requirements can help to build this engagement.
- **Global measurement, regional scales:** When operating under one global provider, organisations have the ability to measure both regional and territorial performance. Slicing and dicing performance metrics and grasping big data is more manageable under one provider.
- **Internal mobility:** A global provider or single global process opens up a lot of opportunities for current employees to find different international positions internally allowing them to grow within their company. As discussed in a previous trend, organisations that have a strong internal mobility programme see great results (employee retention, loyalty) and there are big benefits with non-permanent workers, an increasing workforce that can move around internationally.
- **Minimising procurement relationships:** Chief Procurement Officers around the world are placing more emphasis on strategic goals that minimise the number of supplier relationships. With this strategic global framework in mind, fewer suppliers means that relationships have to be more mutually beneficial to business objectives.
- **Streamlining admin processes:** When engaging multiple providers there will be many varying processes and contracts in place. Partnering with one global provider will reduce the number of legal contracts, just as one example, and reduce admin time significantly.
- **Licensing:** With respect to the management of the contingent workforce, providers will need to ensure that they have the appropriate licenses in place in order to deliver services. Adequate due diligence will help mitigate some of these risks.
- **Change management:** Different locations and business entities may have varying levels of maturity, different systems usage, processes, and existing supplier relationships. The change management approach adopted needs to take these differences into consideration in order to take different regions 'on the journey'.

## CONCLUSION

Looking ahead, we hope you will find value in the eight trends identified in this report that reveal the need for recruitment outsourcing providers to design and adapt models to meet upcoming challenges. Historically, the recruitment industry has been slow in the adoption of data and technology, but mindsets are changing. We're seeing our clients evolving recruitment processes akin to a customer journey by listening to feedback, adopting internal mobility and meritocratic interview techniques to hire the best candidate, and investing in predictive analytics and technology automation to facilitate data-led HR processes.

2017 is poised to be a disruptive, yet productive year. We've examined global technology that will help organisations who have their eyes set on streamlining their international expansion, and there is an appetite from RPO providers to join them in their growth. When engaging outsourced recruitment partners, organisations must ensure a delivery model that supports their recruitment demands both locally and globally, meeting immediate and long-term needs. We believe the key to the success of a partnership is longevity through agile solutions and a commitment to delivering excellence in recruitment outsourcing.

## CONNECT WITH US



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Resource Solutions is a provider of Recruitment Process Outsourcing and Managed Service Provider solutions. We have delivered these solutions to leading organisations since 1997 and manage a recruitment budget of over £2 billion on behalf of our clients. As part of the Robert Walters Group, our business has considerable resources at its disposal. With a truly global footprint across 27 countries, we're able to work in close partnership with organisations and manage everything from global accounts with demanding resourcing strategies to single sites with lower recruitment volumes.



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