

The Impact Of HR Trends On Mobility, Talent And Reward

Deloitte’s Human Capital Trends annual survey is one of the largest HR studies. The report identified several potential workforce changes which will have a fundamental impact on global deployments, international reward structures and talent development programmes now and in the future.



In this article, we have considered the trends identified and have evaluated the impact in a Mobility, Talent and Reward context. We believe the trends and their impact can be categorised into three areas; strategy, business partnering and agility.

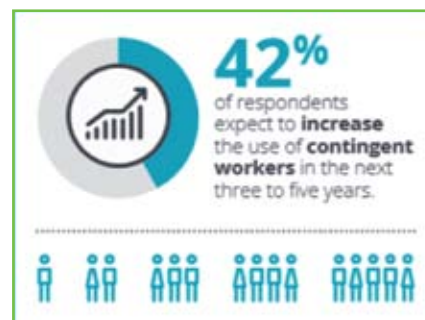
Whilst we have analysed all of the top 10 HR trends in the report, we believe three of these could have a significant impact on Mobility, Talent and Reward.

THE KEY TRENDS Trend 1: The Complex Workforce (The gig economy)

There is a lack of understanding among leaders as to who and what their workforce comprises and how to manage today’s diverse combination of worker types.

Impacts

Talent now need to understand a new cadre of individuals – those within the organisation with a range of backgrounds, generations, aspirations, but also those outside the organisation. Alongside this, Mobility may need to expand the range of assignments (e.g. swap schemes, project workers and commuters) to encourage international moves.

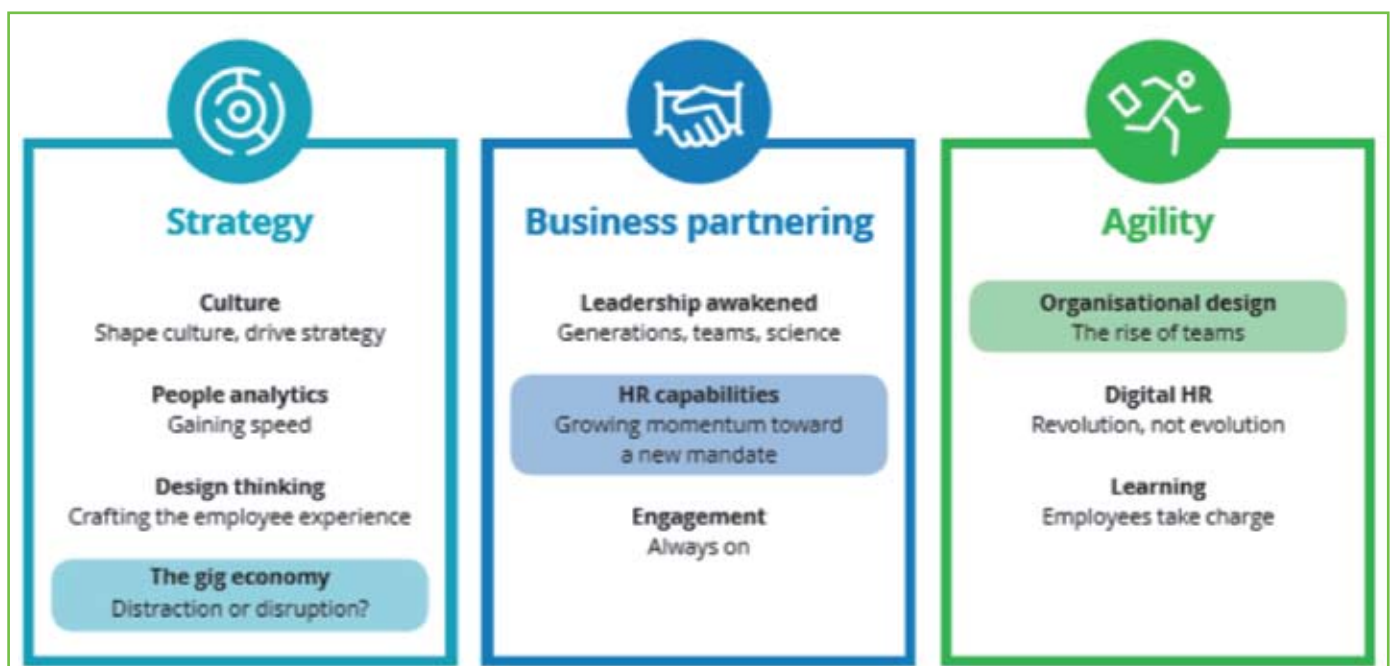


Talent will face the initial task of attracting, managing, engaging and retaining a diverse set of individuals with a range of contractual relationships with the organisation. An increasing use of sources such as LinkedIn and Topcoder are likely to become commonplace.

Traditional Reward approaches may no longer be suitable. Challenges such as compliance implications associated with cross border remuneration come to the surface, as well as the question of fairness in Reward for employees versus contingent workers.

Trend 2: The Lack Of HR Skills And Capabilities (HR capabilities)

HR need to have skills which ensure they understand business strategy and can leverage future technology. There is a gap in the understanding of wider business strategies, preventing HR from effectively embedding and aligning themselves with the business.



Impacts

Talent need to focus on recruiting and training individuals across Mobility, Talent and Reward with the future skills required. The brand of the organisation will play an important role and so the culture and strategy need to be clearly defined and communicated.

With the need to focus on strategic activities, it will be necessary for administrative processes and tasks to either be outsourced or offshored. Mobility will need to determine the right tasks to transition, depending on volume and level of standardisation.

The Reward approach needs to be agile to support exponential changes to business strategy. As a first point, though, the wider business strategy needs to be understood by the Reward professionals to ensure the Reward strategy supports this.

Trend 3: The Rise Of Teams (Organisational design)

There is a movement towards a network of teams, whereby small teams deliver results faster, engage people better and stay closer to their mission. The digital revolution helps teams stay aligned.

Impacts

Traditional performance management will need to evolve to accommodate this shift in the organisational structure – global and more project-based objectives will become more important.

As we move towards a culture with less restriction on where talent comes from, organisations are starting to look at the global supply and demand matching. In particular, we have seen a rise in supply/demand technology tools taking a global approach.

This may mean a rise of employees (and contractors) in different locations, working together. This is likely to increase the volume of short-term, project-focused assignments and business travel.



As outlined above we have highlighted the three key trends that we believe will have the biggest impact on Mobility, Talent and Reward. We have also included below our analysis in relation to all HR trends identified in Deloitte's 2016 trends report.

STRATEGY Culture (high impact)

Culture can determine success or failure during times of change. However, leaders struggle to understand their culture and it is often poorly documented.

- The impact of this is that Mobility, Talent and Reward may find it challenging to articulate a strategy which is successful and aligned to the organisation's culture
- Mobility can be utilised to help develop a global mindset of their workforce and embed a global culture.

People Analytics (high impact)

There is a rapid adoption of integrated cloud-based systems and the recruitment of people with analytics backgrounds coming into HR, to be able use people data to inform decisions.

- Mobility should ensure that the data they hold can be integrated with people data to help inform decisions related to predicting factors for successful assignments, understanding issues on repatriation and begin to articulate the return on investment. Insightful data will also enable Mobility to engage with key business stakeholders and contribute to strategic partnering.

Design Thinking (low impact)

Organisations need to focus on the employee experience, however processes are not designed with the user experience in mind.

- Mobility, Talent and Reward need to partner with HR to update processes that complement technology whilst ensuring the user experience is at the forefront
- Mobility also need to determine if employee experience is a priority for the organisation balanced with the need for consistency and cost control.

The Gig Economy (high impact)

There is a lack of understanding amongst leaders as to who and what their workforce comprises. Corporate cultures are also unreceptive to part-time and contingent staff.

- Mobility should be able to provide a more globalised view of the workforce and enable getting the right talent, to the right place at the right time
- Talent will face the task of attracting, engaging and retaining a diverse set of individuals with a range of contractual relationships with the organisation
- Reward packages should be designed to meet the requirements of this diverse population (e.g flexible options, lump sums, commuter packages).

BUSINESS PARTNERING Leadership Awakened (medium impact)

There are leadership gaps due to an ageing population and a focus on positional leadership. Millennials need to develop their experience

before they are ready to lead and there is a need for a more team-centric workforce.

- Investment can be made into Mobility to develop leadership pipelines earlier in careers by providing leadership and developmental assignments
- In addition, Mobility can support in providing global mentoring and learning programmes by facilitating assignments that focus on closing current and future leadership gaps.

HR Capabilities (high impact)

HR needs to have skills which ensure they understand business strategy and can leverage future technology. They will need to be a valued talent, design and employee-experience consultant.

- Mobility, Talent and Reward are experiencing the same capability gaps. There is a need to provide strategic, value-added support rather than a purely administrative function
- Talent needs to focus on recruiting and training those individuals with the future skills required and utilising the tools they have available to begin strategic business partnering
- Mobility service delivery needs to be structured in order to optimise operations and facilitate strategic business partnering.

Engagement (low impact)

The needs of the workforce are changing where job changes happen rapidly and development is needed quicker. Employees want more flexibility, creativity and purpose.

- Mobility touches every HR process which provides the Mobility team with a privileged position of close interactions with the assignee
- Mobility should adopt the "always on" approach to keep up with changing objectives of the assignee and co-worker and be willing to adjust the level of support, as appropriate
- Metrics are required in order to constantly measure engagement both within the Mobility lifecycle of an assignment, as well as post-assignment.

AGILITY Organisational Design (high impact)

There is a movement towards a network of teams, whereby small teams deliver results faster, engage people better and stay closer to their mission.

- This will mean a rise of employees (and contractors) in different locations working together. This is likely to increase the volume of short-term, project-focused Mobility assignments and business travel
- Mobility also needs to ensure that they are considered one of the small teams that solves business problems by working closely with Talent, Reward, Tax, Finance and the business

Digital HR (medium impact)

With the emergence of digital HR solutions, HR has to rethink the way people work and understand the channel of preference for workers.

- The key challenge for Mobility is ensuring that the solutions adopted by the organisation can track and store Mobility data due to the complex nature of assignments
- Self-service platforms are now developing and Mobility should consider the best channel for interaction with their assignees depending on their Mobility drivers

Learning (low impact)

Organisations need to move towards providing innovative platforms that enable people to develop themselves. Skills are not being developed fast enough.

- Individuals want self-learning opportunities and self-select type Mobility assignments will become more in demand as Gen Y and Gen Z enter the workplace
- Skills gained via Mobility assignments contributing to the development of global leadership should be tracked and shared
- Talent need to consider ways in which

employees are trained and developed whilst on assignment (e.g. coaching, online courses etc).

As this article shows there is a fundamental link between the trends within HR and how these impact Global Mobility, Talent and Reward. For an organisation to be considered 'best in class', they must remain aware of these trends and work to mitigate any negative impact.

Deloitte continue to monitor the HR environment, with a survey being conducted in 2017.

Sources: 2016 Deloitte Global Mobility Insights, 2016 Deloitte Human Capital Trends Survey



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