



HOW TO NAVIGATE THE HUMAN AGE

Increasing Demand for Better Skills Assessment
and Match for Better Results

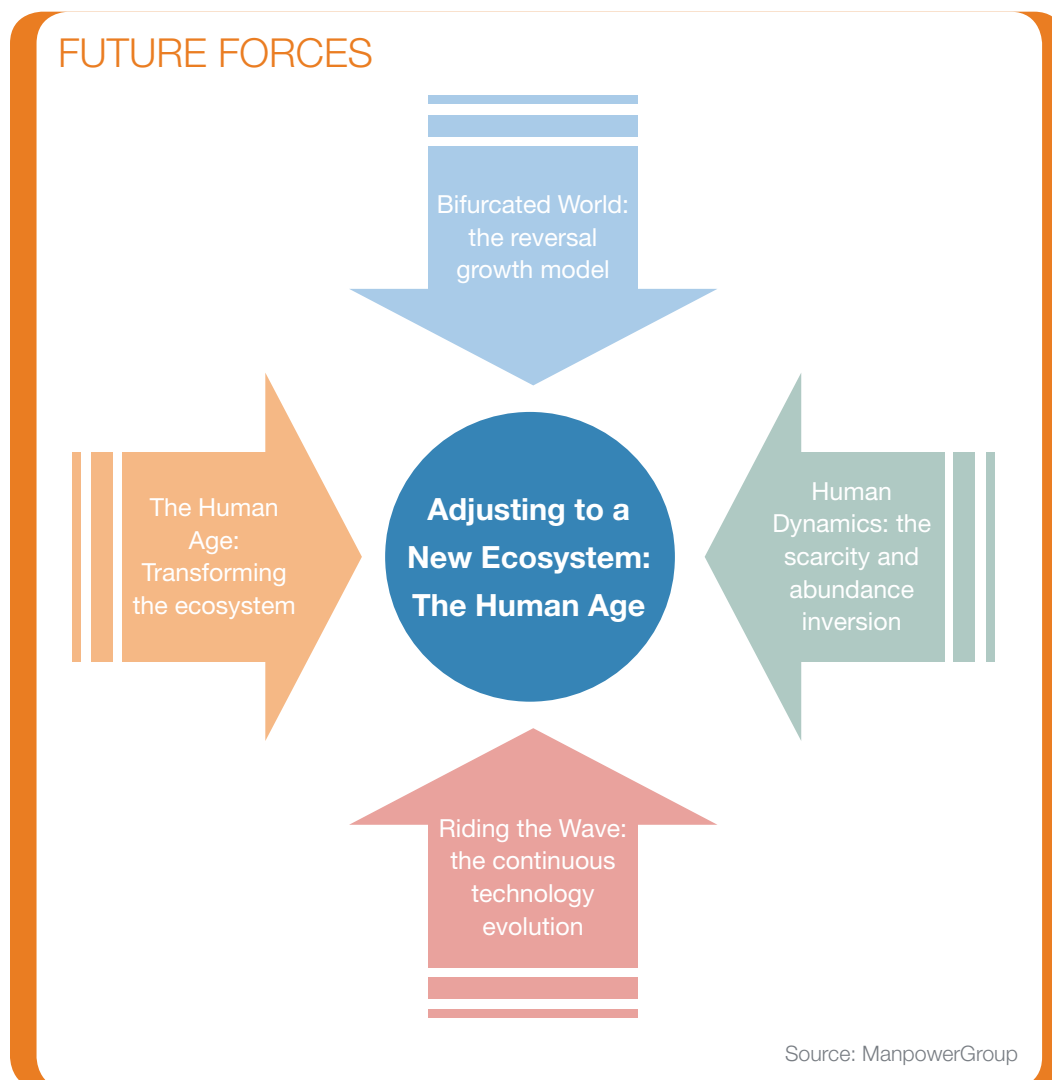


ManpowerGroup's role as a navigator and innovative workforce solutions provider in the fast-changing world of work was affirmed in 2011 at the World Economic Forum Annual Meeting in Davos, Switzerland when ManpowerGroup CEO Jeff Joerres identified that the world had entered the Human Age.

What enabled ManpowerGroup to thoroughly document indicators of the Human Age? Years spent tracking macro-economic forces, which culminated in ManpowerGroup's identification of critical and current world of work trends: rapid technological development; shifting demographics that have accelerated a talent mismatch; and rises in customer sophistication and individual choice.

For the first time in its history, ManpowerGroup is now publishing its most recent analysis of the Future Forces evolving the Human Age – and aligning these forces with the right people strategies.

The Human Age evolved quickly on the heels of historic technological, demographic and geopolitical shifts, rivaling the impact of other transformational eras such as the Bronze, Iron, Space and Information ages – as it's marked by the rise of talentism. The new capitalism, talentism, puts unprecedented value on talent as the driver of business success.



In the Human Age, companies will have to navigate continued growth of emerging markets, globalization, competition for employees – who will be pickier about potential employers – and the usage of increasingly sophisticated technologies. Firms will face shortages of crucial skills, called a mismatch, because of the large number of people unable to find work. Higher unemployment rates than in previous eras are likely to be a fixture of the Human Age.

In addition, these organizations need to address heightened access to information and rising expectations for companies to be more socially responsible. Combined, these factors necessitate proactive, innovative and flexible workforce management strategies.

In a series of research papers, based partly on interviews with leading human resources experts, ManpowerGroup prescribes a one-size-fits-one model to employee recruitment and development. Companies need to listen more carefully to workers in fashioning terms of employment – including not only where and when someone works but how they might advance their careers through development programs, “stretch” assignments and promotions. ManpowerGroup also recommends heightening collaboration between companies, companies and government and educational institutions, and between companies and individuals to solve complex talent shortages and mismatches.

ManpowerGroup suggests freer sharing of information and striking the right balance in permanent to contract workers. The right temporary to permanent mix allows organizations to inject needed skills in a faster, less costly manner. Such speed enables companies to anticipate the more rapidly changing conditions of the Human Age.

“ IT’S REALLY IMPORTANT TO UNDERSTAND THAT FACTS AND DATA ARE JUST FACTS AND DATA.

THEY’RE NOT DECISIONS. KNOW WHAT THE IMPORTANT AND RELEVANT FACTS ARE THAT YOU NEED TO LOOK AT. ”

KEVIN WHEELER, FOUNDER AND CHAIRMAN, FUTURE OF TALENT INSTITUTE

ManpowerGroup has framed the impact of continually shifting economic and geopolitical tectonic plates. But extensive change that transformed the world in 2011 is triggering additional profound change in 2012. Banking missteps and a debt crisis in Europe upended long-standing leadership coalitions in Greece and Italy, and threatened the future of the Euro as a shared currency. The Arab Spring, spurred and nourished by the rising influence of social media, toppled Libya’s dictator of more than three decades and placed other regimes, most notably Syria, in the headlines. Unrest even extended into Russia where December saw massive crowds stage government protests. At the root of these movements was dissatisfaction over the economy, particularly among younger generations troubled by uncertain job prospects. They represent a huge piece of today’s unemployed. And despite surging unemployment figures, the world’s talent shortage persists, as employers refine and upscale skills requirements to ensure that they create a workplace that inspires constant innovation against demands for productivity.

The last quarter of 2011 saw hopeful signs in the U.S. economy, most notably an improved job outlook and increases in housing starts and consumer confidence. In December, a poll of three dozen leading economists by the *Associated Press* projected faster U.S. economic growth in 2012 – provided Europe’s problems don’t escalate into a global crisis. Yet the 8.5 percent U.S. unemployment rate, nearly double the figure from the millennium, overshadowed these small gains and created a nagging

uncertainty. Many Americans no longer felt as secure in their careers or the ability of the country to guarantee their way of life. Joblessness, debt and the prospects for a stronger recovery beyond the sluggish 1-2 percent GDP of the first three quarters of 2011 will assume center stage in what is expected to be a hotly contested U.S. presidential election later this year.

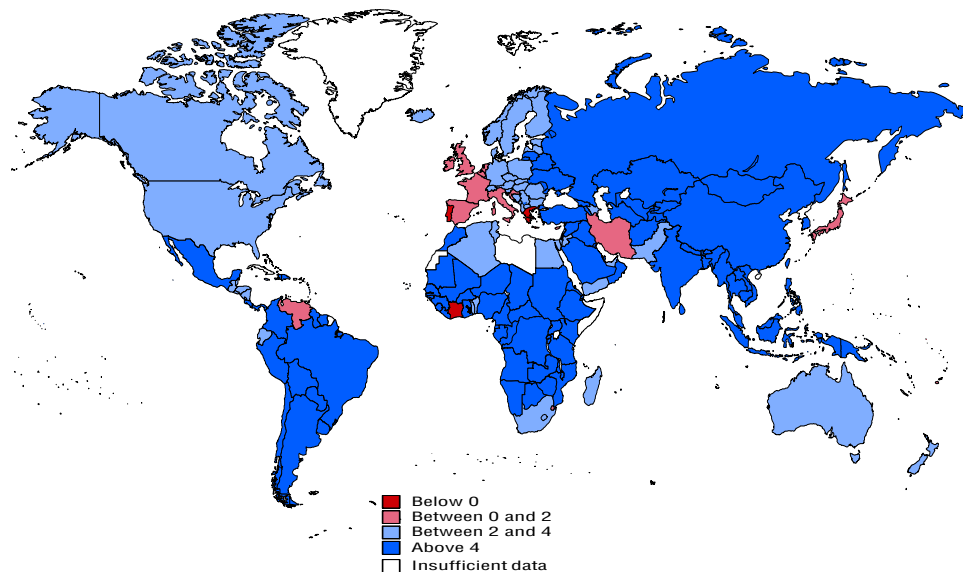
In the Asia-Pacific region, China's economic engine rumbled along, albeit with the first micro-signs of trouble. The whopping 10.4 percent growth in 2010 dropped a percentage point through September 2011. Moreover, with its aging population, the country faces a looming skills gap. Who will replace these workers over the next two decades? Japan wrestled with the aftermath of its catastrophic tsunami, which disrupted manufacturing and supply chains and left the country re-thinking its atomic energy future. Plus, its population is aging quickly.

"The number of disrupting and transformational events shaking the world seems to be growing, ranging from natural catastrophes to political upheaval, from social unrest to economic and financial uncertainties," Joerres says. "These new challenges and risks are connected, if not in their cause, than certainly in their effect."

The world is a much different place than it was one year ago, as extensive change unfolded quickly at the dawn of the Human Age. This more fact-dense, connected universe has sent events in motion that previously would have taken years to unfold. Themes that evolved most clearly in 2011 will have a major impact on workforce management in months ahead – and beyond. Read on to understand how to address challenges stemming from these latest developments. Employers that successfully respond to these tests will ensure their future and competitive advantage.

GLOBAL AVERAGE GDP GROWTH

PROJECTED 2011-2012 %



Source: IMF staff estimates

A BIFURCATED WORLD

With a few fits and starts, emerging markets continued their strong performances, while more established economies declined in market share and influence. In 2011, India's GDP rose more than 7 percent and Brazil's above 6 percent. U.S., UK and Japan GDP growth rates floundered at about 2 percent or less. Separately, a study by the research groups Moody's Analytics and McKinsey Global Institute found that U.S. companies would have to create 21 million jobs over the next eight years to return the country's unemployment rate to 5 percent. Many of these jobs will require preparation that current educational and vocational systems are not equipped to provide.

China's \$2.85 trillion in reserves are nearly double the total reserves of Spain, Portugal, Italy and Ireland combined. *The Economist* predicts that the country's purchasing power parity by the end of 2012 will equal the U.S.'s. According to the International Monetary Fund, the country accounts for 40 percent of the world's use of base metals, testimony to the power of its manufacturing sector.

A study by the bank HSBC predicts that by the end of this decade emerging markets' contributions to world economic growth will almost double those from established markets. (Four decades ago, established markets' contributions approximately tripled those of emerging markets.) The markets' contributions are roughly even now. Moreover, the younger populations of many emerging markets – among them India, Brazil and Vietnam – are an advantage over more established economies. These countries have also developed faster-growing domestic markets fueled largely by increases in discretionary income.

The shifting balance in world economic power has sparked tensions between and within countries and organizations. Fading powers now look enviously at foreign upstarts and question labor

practices they say give emerging markets an unfair competitive advantage. Their governments must answer increasingly to popular resentment over the waves of jobs that have moved overseas or have been filled by better trained immigrants.

A result of this growing tension is a rising sense of protectionism over skilled talent. Identifying, managing and re-strategizing roles for in-demand talent is now a top priority among CEOs. Yet companies need to collaborate with governments to fulfill this goal. In a recent PwC study, a majority of CEO respondents determined that creating and fostering a skilled workforce is a commitment to be shared with governments, in order to achieve public outcomes.

At the same time, the accumulation of wealth has fostered deep divides within populations both in emerging and established markets. The rich can afford not only a more comfortable lifestyle, but the education to maintain their status. This frustrates the poor who, with rare exceptions, lack resources needed to improve their lot. These self-perpetuating cycles kindled Middle East angst and unsettled population groups throughout Europe, the U.S., the Far East and Latin America.

The educational divide itself has also intensified the skills mismatch. In ManpowerGroup's 2011 *Talent Shortage Survey*, one-third of more than 36,000 companies worldwide said they were struggling to fill positions. The mismatches have hit countries with a double-whammy, hamstringing businesses while exacerbating tensions between the employed and unemployable.

THE SCARCITY AND ABUNDANCE INVERSION

In the Human Age, resources that were once plentiful are now limited, while others that were limited are no longer so. Such reversals stem partly from the Great Recession of 2008 and a



fundamentally changed financial world. Chastened by declining revenues, companies have had to adjust their philosophies about the use of resources – natural, financial and human. They've switched to smaller staffs and have been exceedingly cautious about adding employees at greater expense, or without proof that additional talent would add benefits. Cost considerations

have spurred government to cut spending on social services. This dynamic has simultaneously created a scarcity and abundance inversion: fewer benefits have led to increased stress among people who no longer felt protected by longstanding social safety nets. This comes as many populations are aging, increasing the need for these nets.

The number of workers with adequate skills has decreased. Among the top 10 jobs most in demand in 2011 were engineers, technicians, sales representatives, production operators, and accounting and finance staff. The same types of professionals were similarly among the 10 most needed in 2010 and in previous years. Across these professions and others exists a lack of general business skills, including communication, management and collaborative skills. The gaps are particularly acute in certain emerging countries – Vietnam, among others – where education and training systems have not kept pace with growth and the sort of business environment that breeds experience is less evolved.

Nearly three in 10 employers in a ManpowerGroup survey said that lack of experience is a key barrier to filling vacancies. This is partially due to advances in technology that have made some roles obsolete while creating new, more technical tasks everywhere from corporate offices to plant floors. Natural resources, even food and water, are scarcer. This has placed new burdens not only on populations and governments, but businesses to keep costs down and operate with greater efficiency.

But information once coveted and protected like a fine wine is now copious, easily accessible via improved gadgetry and online services that are themselves more abundant – mobile devices, tablets, search engines, social media and blogs. According to a 2010 report by the telecommunications firm Ericsson, there were approximately 5 billion mobile phone subscribers worldwide from a world population of just under 7 billion, with companies adding another 2 million subscribers per day. A separate report found that visits to social networking sites rose 24 percent in 2010. More recently, YouTube said that its users downloaded 24 hours of video per minute. The number of smart phones is increasing 20 percent

per year, according to some reports. Sales of sensors that collect data in mobile phones rose dramatically last year.

In late 2011, Apple introduced its latest version of its celebrated iPhone, complete with artificial intelligence that allows users to send emails without typing. The company's iPad sales have soared every quarter since the product's launch in January 2010—with more than 160 percent for the last half of 2011. Search engines and analytical software have grown steadily more powerful and accurate. It's now common to receive multiple answers to search inquiries instead of one or two. Among the major workforce implications for companies: They can now track employees, find talented job candidates and spread their employer brand more easily. Of course, these advances have made organizations more open for inspection. The flow of increased information is a two-way street.

The number of older people has increased and will continue to grow in key economies for decades. By 2050 in Europe, there will be twice as many people older than 65 as people younger than 15. China's over-65 population will soon be larger than the number of U.S. citizens. The number of employees eligible for retirement in the U.S. now outnumber teens. A Pew Research Center study predicts that over the next two decades, 10,000 baby boomers will turn 65 every day. Populations are aging in countries as disparate as Germany and Japan. They are more youthful in India, Vietnam and Brazil, an edge for those rising economic stars going forward.

In the past, these older groups were considered a burden but because of progress in healthcare, people are living longer healthier lives. As such, they will represent an opportunity for improving workforce quality.

Workforce diversity is hitting new heights as well. Companies have learned that hiring people from different ethnic groups and cultural and ethnic backgrounds helps them understand consumers and generate business in new markets. A diverse workplace requires heightened sensitivities and flexibility. Management techniques in Brazil may not resonate in Indonesia, although they may be just right in France, or the reverse. One major U.S. financial services firm that has recently expanded overseas hired consultants to help senior executives communicate better with foreign employees and sent managers to these countries to familiarize themselves with the cultures. A whole cottage industry of consultancies has sprouted teaching global behaviors.

TECHNOLOGY EVOLUTION

This paper has already touched on the prolific growth of information, a result of technological evolution that has made the collection, sharing and analysis of information faster and more efficient. Devices are smaller but more powerful and multi-faceted. Indeed, people use mobile phones more for data storage and exchange than telephoning.

Previously inaccessible information is now public domain, but an overwhelming availability of qualitative information is upping the need to curate or categorize and optimize data more strategically. As a result, skills in curating and analyzing data now trump the need for search experts. Furthermore, excessive information exists on how organizations operate and their existing and potential workers – blurring the lines between personal and public space. Employers will have to delicately balance utilizing personal data to identify talent and unlock the potential of individuals, without violating their privacy.

Networks that allow individuals to link together are tighter knit. There are increasingly fewer places from which we cannot connect to the rest of the

world, or times when someone cannot reach us. In the Human Age, we have become all-day networks, able to act or respond immediately to many different situations. A business deal that begins in Tokyo on a Monday for a global corporation may continue uninterrupted for days and involve employees and consultants from multiple time zones. Ideas may come from one-time economic outposts or collaborations between people who never meet but know each other virtually. An executive who used to wait days to make a decision can now collect data from a cloud, crunch numbers on a smart phone, and solicit the opinions of his most knowledgeable experts via software applications that allow organizations to survey organizations in hours. Improved, more affordable and widely used, these resources themselves are adding users by the thousands every minute, round-the-clock.

Among technologies that bear highlighting because they are likely to play a significant role in workforce management and other business issues are:

- eReading tablets that provide access to information that leads to a more informed workforce.
- So-called Near Field Communication devices that automate major parts of the transactional experience. This technology creates greater efficiency but at the loss of jobs. Companies may help employees who worked in this area to develop other skills.
- Teleconferencing and related products will allow companies to employ larger numbers of talented, virtual workers who formerly would not have been attainable. The number of virtual workers has been rising steadily because these arrangements lead to cost savings in travel and office space, not to mention more satisfied, productive employees. A 2010 report predicted that

more than 1 billion people would soon be working virtually—more than 30 percent of the global workforce.

- Mobile personal platforms and applications that facilitate access to information and communication will enhance recruiting, employee engagement, collaboration and productivity. Individuals can use these global systems 24 hours.
- BigData products and services enable individuals to effectively use unprecedented quantities of information that previous systems could not process. BigData can help companies develop better management strategies, particularly at companies with tens of thousands of employees and locations worldwide, and improve understanding of markets. BigData may also help companies fine-tune recruiting by enabling them to identify talent gaps quickly and pinpoint candidates globally who can fill these openings. BigData has already had tangible benefits at consumer electronics retailer Best Buy. The Minnesota US-based company created an online platform for its more than 100,000 employees at 1,500 locations in the U.S., Canada, Mexico and China to share customer feedback and offer suggestions to senior managers. The company has used this input to make decisions related to national marketing and in-store advertising, among other issues.
- Social Networking allows companies to promote their employer brand, stay in touch with potential job candidates and engage people within and outside the company to solve specific problems.
- Gamification processes, deployed with Funware, are being used to record job seeker and employee reaction to a range of

workplace-related questions. These tools help companies match positions to people and tailor training and career planning that leads to higher worker satisfaction with its myriad benefits.

RECOMMENDATIONS FOR A CHANGED ECOSYSTEM

New eras require new ways of doing business; which means strategies, processes and leadership.

Central to Human Age leadership is an understanding that companies will only fare as well as their employees. The quality of these workers will depend on the execution of a strong workforce management strategy – crafted and championed by senior executives.

Indeed, management will set the tone for their organization's embrace of fresh thinking on recruiting, skills and career development, work environment and the balance of full-, part-time employees, and outside contributors connected through virtual networks. Human Age leaders must embrace conceptualizing and strategizing the practical use of data to reap maximum benefits. They will understand a business's obligation to nurture workers, leading more on the pull side of push-pull management, asking more questions to understand what their people need, instead of ruling by decree. This requires organizations to engage people more personally to understand their needs. The Human Age leader will be able to adapt to fast-changing conditions and be open to new workforce management technologies and methods. The Human Age leader will be comfortable working with different cultures, even as he or she ensures that the organization is operating according to a common philosophy and standards. The Human Age leader will promote collaboration and appreciate the value of creativity,

“WHAT WE COMMUNICATE TO OUR EMPLOYEES IS THAT YOU HAVE TO OWN YOUR DEVELOPMENT. YOU’VE GOT TO BE THE ONE TO DO MOST OF THE PULLING IN TERMS OF TRAINING AND DEVELOPMENT. OUR BELIEF IS THAT YOU’RE GOING TO GET SOMEBODY TO REALLY LEARN MORE WHEN THEY’RE THE ONES WHO ARE PULLING IT VERSUS WHEN IT’S TILTED TOWARD THE OLD MODEL OF PUSH FOR MANAGEMENT.”

RICH FLOERSCH, EXECUTIVE VICE PRESIDENT AND CHIEF HUMAN RESOURCES OFFICER, MCDONALD’S

In the Human Age, innovations in products, services and processes will provide companies with a competitive plus.

The Human Age Leader will be sensitive to the importance of corporate social responsibility issues and eager to embrace partnerships with other organizations – public and private – that have an interest in worker quality. He or she will understand the value of using human resources organizations, such as ManpowerGroup, that can serve as trusted advisors and provide unique services.

ManpowerGroup provides workforce management suggestions for organizations to thrive in the Human Age. This year’s recommendations account for the past year’s changes and anticipate some of the events alluded to in the previous pages. The list is longer and more finely tuned – a result of the vastly different ecosystem that has emerged since identified last January. The stakes are higher. Competition for talent and resources is fierce as firms seek firmer footholds in a turbulent world.

ManpowerGroup holds that major HR initiatives should drive more flexible workplace modeling, source better talent and evolve people practices relevant in real time, which in turn solve issues brought about by the Human Age.

NEW WORK MODELS

Employers which are able to leverage a range of flexible work models incorporating full-time, part-time workers and remote or virtual talent with in-demand skills, will maintain a serious advantage in the Human Age. A varied structure of permanent, contract and virtual employees helps control costs and tap a greater range of skills.

- **Adopt a more “glocal” perspective.**

Companies will have to be more locally conscious even as they ensure widely dispersed offices are adhering to the same overriding philosophy, processes and standards. This paper has already touched on the importance of adapting management practices to address cultural differences. One country’s rules and norms may contradict those of regional neighbors. The differences – even in simple communications—when not accounted for—can lead to misunderstandings that hamper productivity.

- **Collaborate with governments to build out training programs.**

The national governments of India and Vietnam are examples of proactive governments seeking to diversify the skills of their workforces by launching new nationwide training programs. These initiatives are often the result of partnerships with non-governmental agencies, non-profits, educators and businesses.

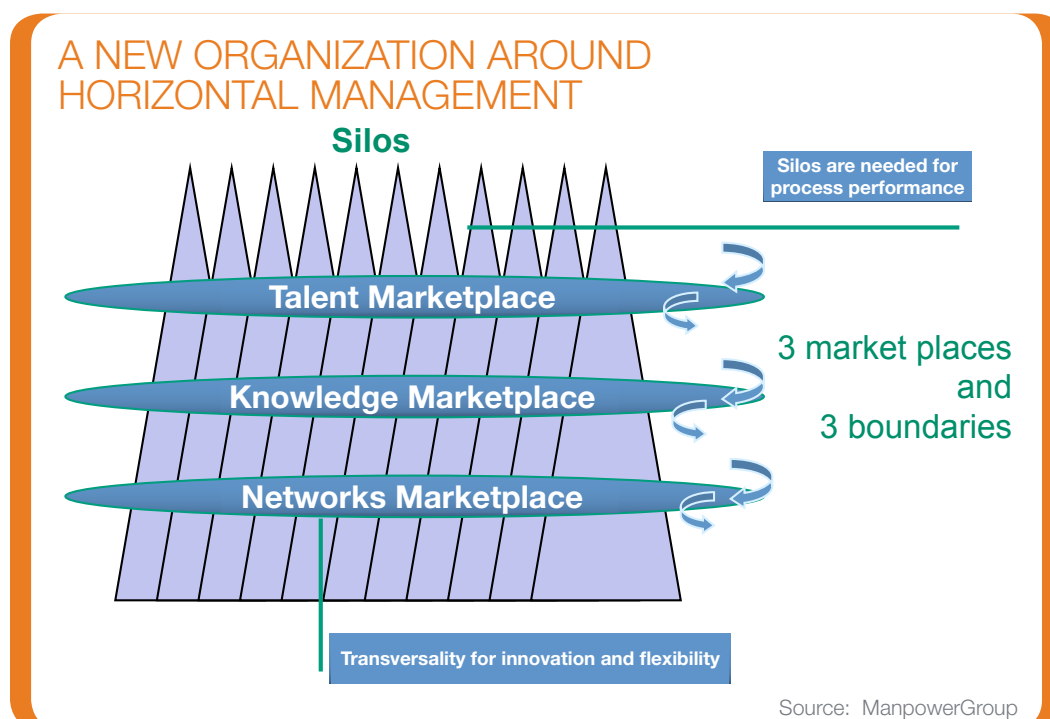
- **Employ swarm and virtual work structures more freely.**

Swarm work refers to groups of a few individuals to thousands executing small tasks as part of one project. The project director frequently may not know

who is involved. Some contributors may even be volunteers who are part of research networks that have been established to advance the flow of ideas. These people become involved because they feel passionate about a topic or organization. Swarm work may be better equipped to spur innovation because it allows firms to incorporate talent that they would formally not have entered their radars. Swarm work has become more possible because of increased virtual participation, which has allowed individuals to contribute more frequently on their own terms. Virtual work is a building block of the Human Age.

- **Structure horizontal work models.** These arrangements allow companies to draw on current employees who in vertical-only, management systems would have worked only within their divisions. Horizontal frameworks erase the barriers between functional and geographic silos. Managers can share talent freely across functions and divisions raising bar on collaboration.

Collaborative models are unique to every corporation, even within the same industry. Senior executive teams must define the type of model that will inspire the collaboration they need – and the pace at which they need results. Within some companies, collaborative models follow a competitive structure in which product teams brainstorm in the context of a game. Knowledge management sharing is a key platform for generating and refining best practices, while social networks both broaden collaborative efforts and speed them into real time. This leads to cost savings as managers no longer have to recruit individuals on a contract or full-time basis from outside the organization. Horizontal constructs have secondary benefits, nurturing closer relationships across locations and divisions and enhancing an innovative spirit. One example is hyper-specialization, the breaking up of a project or job across talent, even in remote destinations, to secure the best talent per project or job part.





- **Use gaming techniques.** Gaming permits organizations to pinpoint information about candidates and employees through detailed questions. Does an individual prefer working one or two days at home? Would the worker consider moving for a position? Is this person comfortable managing other employees? Such questions help foster discussion between employer and employee that leads to better policies. Gaming, as a training and development purpose, also offers huge benefits, as training concepts can be relayed through a more entertaining medium to inspire creativity and innovation. Companies also use it to enhance recruitment practices. Game-like evaluations are also used in online talent sourcing forums to rate work being submitted as a contract bid.

PEOPLE PRACTICES

Contemporary people practices and philosophies for the 21st century must be refined in terms of how companies hire, reward, engage and develop talent.

- **Craft more comprehensive workforce management strategies.** Companies

understand that finding and keeping talent will be essential to their success. Workforce strategies will skillfully combine technology and a personal touch to recruiting, training and development. Strategies will wisely balance permanent and temporary staff. They will make use of social media and other online resources to find candidates worldwide, to communicate regularly with them and learn what they are seeking in a work environment. They will pay close attention to issues that influence opinion, including social responsibility initiatives and the treatment of workers. They will include informal development activities, including mentoring, and more structured programming. Workforce management in the Human Age will require a multifaceted, forward-thinking approach. Anything less risks allowing an organization to fall behind. Human Age companies are proactive. They don't fall behind. They take the lead.

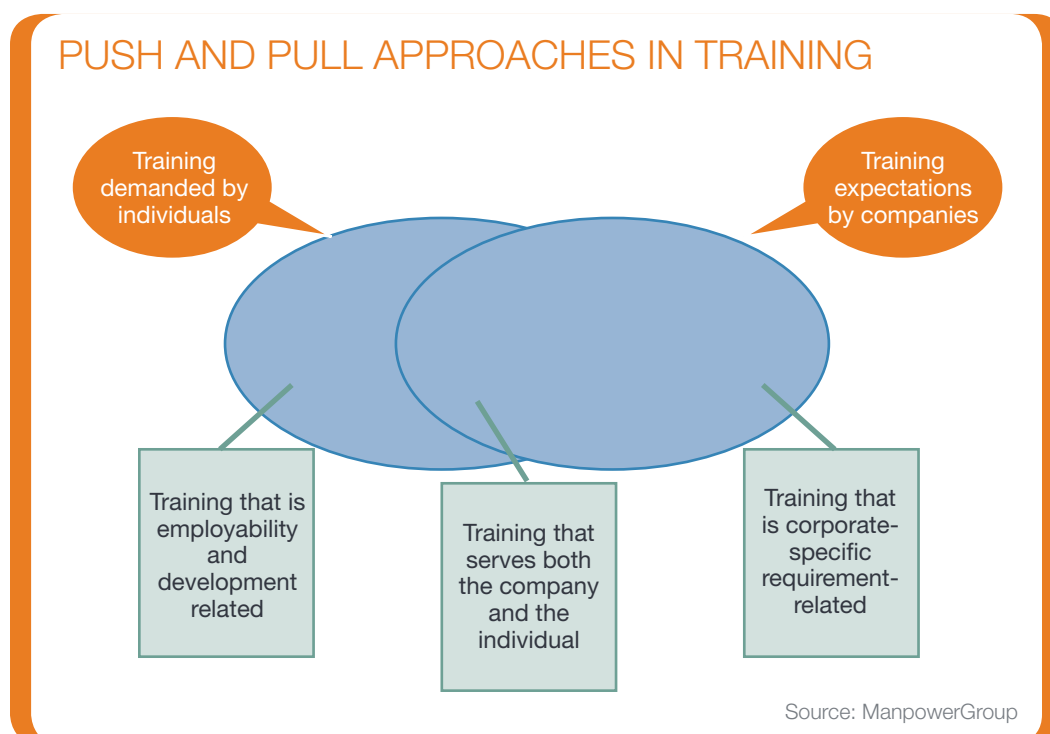
- **Leverage a workforce solutions company to differentiate your company in the face of talent shortage.** One-size-fits-one customized solutions are key. There

is a frequent misconception that holds staffing companies responsible for job losses. Instead, these organizations have a positive effect on economies by increasing labor market flexibility helping companies address their needs quickly while providing jobs for the unemployed. There are added benefits for companies that groom contract workers for full-time roles and to workers who gain valuable experience and learn new skills.

- **Assess skills more precisely and comprehensively.** Assessments should cover communication and other softer skills, along with specific expertise. Companies that pinpoint weaknesses faster than their competitors can take measures more quickly to fix these shortcomings.
- **Balance push-pull methods of management and development.** In the past, companies relied on development by command. Employees participated in training as directed by their managers,

sometimes in collaboration with HR. But development programs must now stem from ongoing dialogues between workers and companies. ManpowerGroup spoke regularly last year about the importance of one-size-fits-one approaches to employee development. This becomes simpler with easier access to online programs targeting a variety of skills, and the greater direct involvement of senior leaders. The number of mentoring programs and informal development initiatives often highlighted by frequent, direct contact with executives has blossomed. These programs must continue expanding for companies to cultivate their people's potential the fullest.

- **Cultivate Human Age leadership skills.** This paper has already identified key Human Age Leadership issues. Clearly, leadership is now more complex and difficult than prior to its dawn. This is not simply due to the speed of change, but the sheer number of variables that executives



face. Moreover, Human Age leaders have less time than previous generations to make important decisions and more information to weigh. Indeed, they must manage their time and stress exceptionally. They must be able to handle large amounts of data and ensure their organizations are providing the resources to make optimum use of BigData. The ability to organize data will aid a company's planning and daily operations. Leaders need to be able to curate information overload and efficiently and effectively distribute what's relevant to their people to drive performance and results. It bears repeating that Human Age leaders must ensure that their companies are being socially and environmentally responsible, encouraging collaboration and innovative work arrangements, and becoming more personally involved in workforce planning through mentoring and participation in development activities. Organizations reflect the temperament and style of their leaders. Leaders in the Human Age must take care to ensure they employ a Human style to leadership.

TALENT SOURCES

Employers can improve their workforce pipeline by looking at different sources of talent and reskilling talent within their reach.

- **Tap overlooked and underused talent pools.** The recent spikes in unemployment have particularly afflicted younger age groups. A *Guardian* newspaper article in April 2011 reported that 40 percent of the unemployed in the UK are between the ages of 16 and 24. Such numbers have spurred serious, social problems. In one 2011 survey, unemployment was the most cited reason for youths joining gangs or rebel causes. Yet, while young people often do not possess the experience or skills that

companies need, they can learn quickly. By taking a more active role in schools and vocational training programs, and creating their own development initiatives, organizations can make better use of this age group. Germany, whose economy has outpaced those of many other traditional, industrialized nations, has already made inroads in this direction through a well-established internship system. Growing older populations will also offer opportunities for companies to enhance their workforces. In the past, many companies considered these workers too old, set in their ways, or not worth the investment because they were unlikely to work for many years. But in recent years, companies have discovered that such groups are easily re-trainable. A German initiative has focused to great success on connecting companies with retirees still vital enough to handle a full-time job. Older workers have a sound understanding of appropriate workplace behavior, and with advances in healthcare, may have the energy to work comfortably into their late 60s and 70s. The potential return on investment for companies is huge. ManpowerGroup's Teachable Fit model illustrates how employers, lacking access to talent with the skills they need, can identify existing employees and accessible candidates with a mindset for learning and develop them with the right skills.

- **Strategically migrate in-demand talent within and across countries.** Talent mobility has grown worldwide. ManpowerGroup's 2011 *Borderless Workforce Survey* of more than 25,000 employers from 39 countries and territories has found that about one quarter of responding employers have been seeking foreign talent to solve their skills shortages.

Companies in the U.S. were the most likely to seek foreign talent. China was among the countries in which employers were least likely to look externally. Importing talent is made possible through ManpowerGroup Solutions' Borderless Talent Offering.

- **Reevaluate how to assess, recruit, develop and compensate talent in certain markets.** This will be necessary in a more “glocalized” world where people’s perspectives vary widely. Given increased public access to information, companies will be under more pressure to make fair decisions everywhere. Techniques used in managing these fundamental HR functions will vary among locations.
- **Collaborate with educational institutions and government.** For decades, schools and universities set curriculum with nary a glance at business needs. This has created the present skills gap and a general lack of understanding of proper workforce comportment. Improved collaboration will produce better trained workplace candidates.
- **Harness BigData effectively.** This will require investment in technology – home-grown or otherwise – for analyzing the flood of information about potential and current employees. In the Human Age, a company that makes effective use of BigData will be able to spot skills shortages and survey huge fields of candidates who can fill the gap, or assemble tools for retraining staff.
- **Develop a broad understanding of social media functions.** Many companies have improved their use of social media to enhance their employer brands, which attracts qualified candidates. Some have assigned individuals not only to file items that are informative and reflect well on the company but to monitor commentary—

criticism and praise. A few such social media specialists target influencers, key individuals who via their writings and expertise can sway opinion about organizations. Followers of companies, including job candidates, increasingly rely on social media to learn about salary, benefits and how particular managers treat their employees. But companies can also use social media to find out more about job candidates faster. These potential employees reveal much about their careers through their postings and interactions on social media sites. Some companies are also using outside consultancies effectively in their HR-related, social media activities.

“ I’VE SEEN A NUMBER OF CASES WHERE A CEO ADOPTS SOMETHING LIKE TWITTER FOR USE IN-HOUSE AND JUST STARTS PUTTING SOME MESSAGES OUT. ALL OF A SUDDEN, MOST OF THE ORGANIZATION WANTS TO BE IN THAT NETWORK BECAUSE THEY WANT TO HEAR THINGS FROM THE HORSE’S MOUTH. WHEN THAT HAPPENS YOU SPEED UP THE CYCLE TIME OF THE ORGANIZATION BECAUSE PEOPLE HEAR THINGS DIRECTLY, RATHER THAN THROUGH MEMOS AND REINTERPRETATIONS. ”

JAY CROSS, CEO AND CHIEF UNLEARNING OFFICER, INTERNET TIME ALLIANCE

The companies that find the best talent, and implement the right work models and people practices will win in the Human Age.

16 HOW TO NAVIGATE THE HUMAN AGE: Increasing Demand for Better Skills Assessment and Match for Better Results

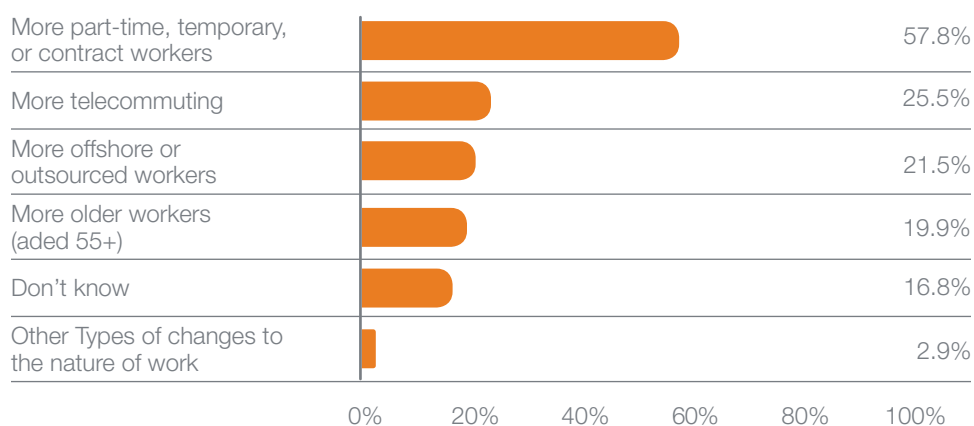
This paper describes how the world has entered an era of profound and perpetual change. The only certainty in the chaotic and complex Human Age is the fact that talent is now the key to competitive advantage and business success. At a time when talent is increasingly scarce, and organizations increasingly lean, employers must

have the right talent in the right place at the right time to win.

The recent economic challenges have created renewed uncertainty. Demand will be the key driver of hiring going forward and companies are looking for a faster time-to-value to capitalize on new opportunities.

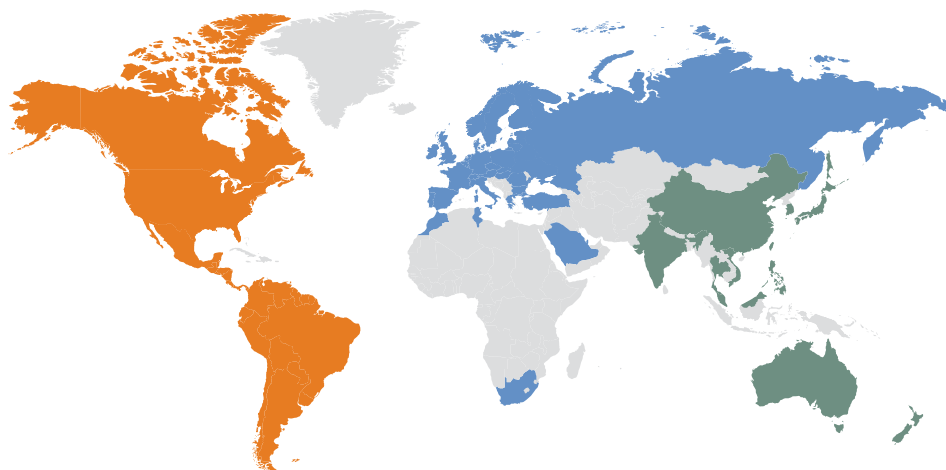
HOW WILL YOUR COMPANY'S WORKFORCE CHANGE OVER THE NEXT 5 YEARS?

% OF RESPONDENTS (N = 2,000)



Source: McKinsey Global Institute US Jobs Survey, 2011; McKinsey Global Institute Analysis.

MANPOWERGROUP'S GLOBAL NETWORK

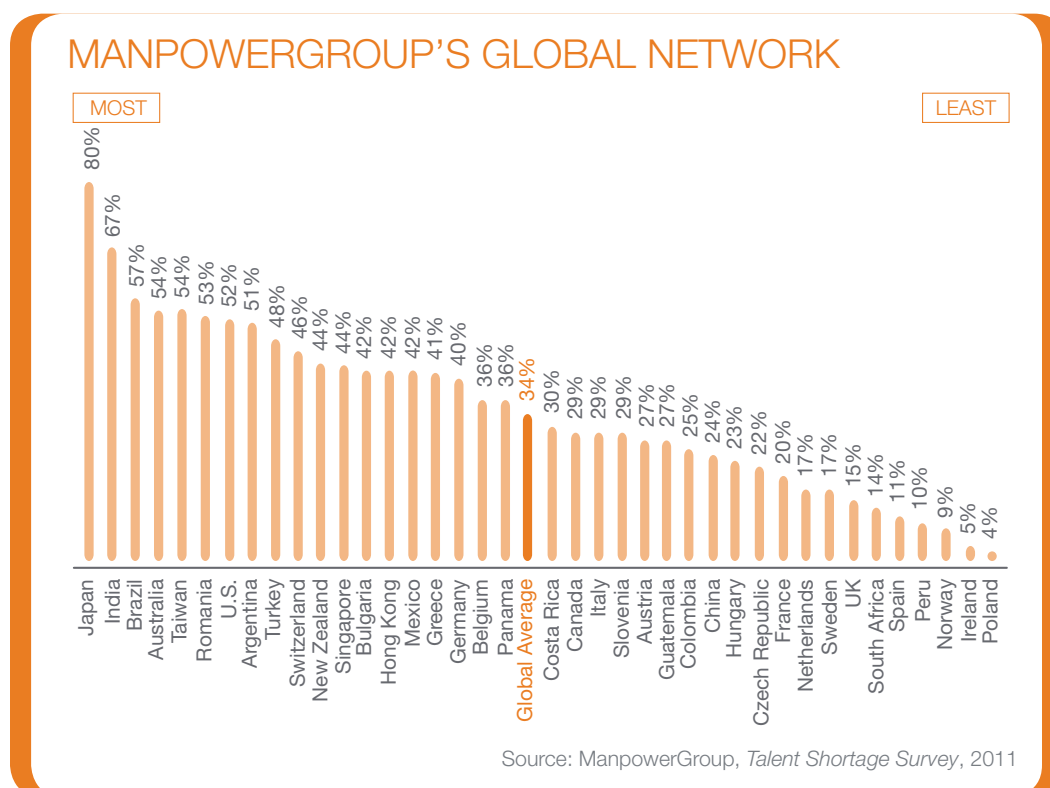


Source: ManpowerGroup

This is causing CEOs to have a “hyperactive index finger.” They can hit play, slow motion, pause or fast forward instantaneously when it comes to the hiring activity in their workforce, depending on the economic climate and their increased sophistication in their ability to predict fluctuating demand. Human Age organizations are turning to “just in time” hiring, adjusting talent as they would any other resource in response to unpredictable demand. As a result, employers are focused on incorporating flexibility, agility, specificity and speed into their talent sourcing strategy. According to a recent McKinsey study, nearly 60 percent of companies surveyed see temporary/contract workers as the largest growing percentage of their workforce.

In the past, companies prioritized preserving business structure. Now and in the future, organizations must ensure they have the most agile business structure and understand which work models they need—when they need them—to generate the productivity and innovation necessary to navigate uncertainty and anticipate trends.

For nearly a decade, ManpowerGroup has monitored global talent shortage trends via its *Annual Talent Shortage Survey*. Despite rising unemployment during the global recession, employers have continued to indicate that they are struggling to find the talent they need throughout that time: in 2011, over one third (34 percent) of employers surveyed. And the problem is growing more acute. In 2010, 14 percent of employers surveyed in the US said they were having trouble finding the talent they need, jumping to 52 percent in 2011, yet unemployment in the country remains relatively high. ManpowerGroup was the first to identify that this talent shortage goes well beyond executive level, in fact the top five jobs in demand globally in 2011 were technicians, sales representatives, skilled trades workers, engineers and laborers, and this list does not tend to deviate dramatically year-on-year. There is a war for talent on every front. This conundrum of high unemployment and talent shortage is hampering economic growth,



JOBS MOST IN DEMAND

2011

Technicians

Sales Representatives

Skilled Trades Workers

Engineers

Laborers

Management/Executives

Accounting & Finance Staff

IT Staff

Production Operators

Secretaries, PAs, Administrative
Assistants & Office Support Staff

2010

Skilled Trades

Sales Representatives

Technicians

Engineers

Accounting & Finance Staff

Production Operators

Administrative Assistants/PAs

Management/Executives

Drivers

Laborers

Source: 2011 ManpowerGroup Annual Survey on Talent Shortage

challenging employers' agility and ability to respond quickly to demand.

Consider this: for example, a medium-sized manufacturing organization receives an order far larger than their usual work. The order has great margins, however, it requires an incredibly fast turnaround beyond their day-to-day abilities. There is no way they can either deliver it with their current workforce or source the talent they need to deliver in the short timeframe. Leveraging its expertise and in-depth knowledge of local labor markets, Manpower provides access to the right talent, with the right skills – faster – enabling the manufacturing company to deliver on this order, and the next, and the next after that, flexing their workforce requirements up and down as required.

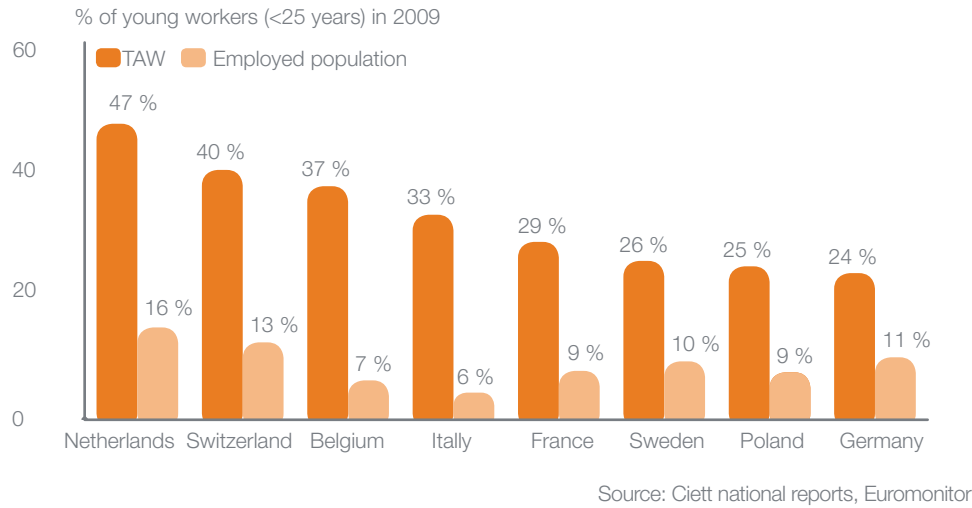
With a network of branches in over 80 countries worldwide, Manpower combines global reach with an in-depth understanding of the local business environment and talent needs. Manpower specialists find, assess and match the right talent accurately and rapidly, moving people in and out of a business as the demand for their products

and services shift. Manpower has built a deeper talent pool providing better time-to-value. This means Manpower helps organizations quickly tap into existing, underutilized or overlooked talent pools to leverage the skills they need, when they need them.

However, efficiently finding the right talent in the right place can be very challenging. With tight margins and a lean organization, employers in the Human Age are used to doing more with less, and are increasingly demanding a greater specificity of skills to meet their needs. Converging macro-economic forces and demographic shifts are making skilled individuals in short supply, meanwhile under-qualified workers remain abundant.

Manpower monitors the changing requirements of the labor market, constantly assessing and developing skills to meet business demand. Through a one-size-fits-one approach to assessment, Manpower gains a deep understanding of the potential of each candidate. Manpower works with individuals to identify gaps in their skillset and provide training and

AGENCY WORK PROVIDES NEEDED OPPORTUNITY FOR YOUNG PEOPLE



development opportunities for them to up-skill and improve their employability, providing better skills and ultimately a better match and better results for both employers and candidates. This can be particularly useful for young people, who can gather valuable experience of the workplace, develop and demonstrate transferable skills and even benefit from training programs through flexible work.

In the Human Age, rapidly evolving technology has unleashed a tidal wave of information into the public domain. Individuals are demanding transparency and an ethical approach from every organization they interact with, particularly those they work for. Working with the world's most trusted brand in contingent and permanent innovative workforce solutions (the company was awarded *Fortune's* 2011 "Most Admired" in the

staffing sector and the only company in the staffing industry to be named to Ethisphere Institute's 2011 World's Most Ethical Companies list), candidates can feel good about working with ManpowerGroup, while companies can feel secure in the knowledge that the people making up their agile and flexible workforce are properly supported and treated well.

Ultimately, in a shifting, complex, chaotic and increasingly bifurcated global environment, organizations need to be able to focus on achieving business strategy, swiftly taking advantage of each new opportunity and having the required agility and flexibility within their workforce to allow them to do so. Manpower partners with companies and candidates to provide the right match, with the right skills, in the right timeframe for better results.

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