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The Times They Are A-Changing

Talent Management for Future Work

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ABSTRACT

The times they are a-changing maybe now more than ever. Today's companies must be agile, flexible, and highly adaptable to respond to the rapid changes that are taking place in the world. Their mindset needs to be shifted from survival to thrive. Many companies are moving to a project-driven model with a flexible network of teams, as society is heading towards a gig economy and increased projectification. From the employees' perspective, they are likely more eager to work for companies that give them a sense of belonging and well-being and help them grow and offer opportunities. In any case, companies will have to build a culture that embraces personal growth and professional development for their workers. They can achieve this, for example, by providing employees with opportunities to upskill, reskill, and by allowing for increased internal mobility. Many companies are starting to invest in specific IT and even AI solutions so their workforce can find the opportunities that they aspire for within the company. This development is the way ahead for companies who want to thrive and hold on to their knowledge workers and enhance a more competent workforce. This development is fascinating but not without ethical challenges. The paper gives insights into the current state of this development and speculates where it might be heading.

INTRODUCTION

Bob Dylan sang about *The times they are a-changing* in 1964, but the lyrics of that song are as relevant today as it was then. Rapid changes, unprecedented times, technical disruption, corporate agility, skill shortage, artificial intelligence, and automation might all be imminent threats to future workers. Consequently, for instance, robotics is likely to replace human workers in many jobs. However, dramatic and radical changes have always been taking place in this world we live in, maybe not always at the current speed, humans have had to deal with transformative changes throughout history. For instance, Walt Disney (1901-1966), spoke about the changes in his era, when he said: '*In this volatile business of ours, we can ill afford to rest on our laurels, even to pause in retrospect. Times and conditions change so rapidly that we must keep our aim constantly focused on the future.*' Walt Disney (Wilson, 2012). Is it maybe so that people of all times experience the changes taking place in their time as unprecedented?

Further, the Covid-19 pandemic accelerated this development even further, not the least regarding changing working methods and remote work. Today, more and more companies are leaving traditional hierarchies or matrix operating models and shifting to a more organizational agility and project-driven models. In these organizations are increasingly using a network of teams to get things done. All this can imply significant risks, but it might also provide excellent opportunities for the company and the workforce. These changes call for employees to gain new skills and abilities to perform the work that is expected of them. Lifelong learning, flexibility, and curiosity will be more of the focus in the future.

But what can companies do to help and support their employees? Competition for qualified talent is becoming more and more complex, and therefore companies have increasingly begun to look inwards to look for talent. To do that, companies are increasingly using software solutions that help them see what talents and skills their workforce has. The purpose of this theoretical paper is to explore what business companies might want to consider to better thrive in such a dynamic environment with regards to management, structure, culture, leadership, and workforce. To answer this, the paper will discuss the changes taking place in companies today, illustrate how they are likely to affect business leaders and employees,

and inform how many companies are increasingly using software solutions for talent management, opportunities, and inside gig work, that is a temporary task or project that the employer signs up for within the company based on his/her knowledge, skills, competencies or professional aspiration.

THE TIMES THEY ARE A CHANGING

In this chapter, an overview will be provided of what has been written about what companies need to change to survive, be sustainable, or become infinite. This will be broken down from the company perspective, the manager, and the employee. The newest AI-driven talent experience platform will be discussed, which is necessary for companies to implement.

Talent Management / Talent Experience Management

In 1998, McKinsey & Company used the concept of Talent Management in the report, *The War for Talent* (Chambers et al., 1998). Talent management is about attracting and retaining high-performance employees, helping them develop and grow their skills, and continuously motivating them to improve their performance, and keeping talented workers within the company for a long time. Since then, it has been argued that companies must have a talent management strategy to help them maximize the value of their workforce (Andrianova et al., 2018). The benefits of talent management are, for instance: (1) It helps businesses improve performance; (2) makes companies become more competitive; (3) fosters innovation; (4) forms more productive teams; (5) decreases turnover in the workforce; and (6) motivates the workforce to grow (Ina Gantcheva et al., 2020).

Today there are mainly three types of talent operating models, the traditional operating model, innovation-focused talent operating model, and the inside gig operating model. In a traditional model, an individual is hired for his/her skills that meet the requirements for that given role. The individual then uses his/her skills on tasks and projects in the role, based on a job description says. This model ignores other skills this employee might have as they are deemed irrelevant according to the job description. In the innovation-focused model, employees spend a significant portion (even up to 80%) of their time on tasks and projects that fit their role job description and a considerable (around 20%) of their time on the own innovation projects or take part in others' projects. This gives employees time to work on their own passion projects. This has been the operating model for 3M and Google, for example. Then there is the inside gig operating model that is relatively new. An employee can use 20% of their time to work on other business-critical tasks or projects inside the company (Goldberg et al., 2020). It will be addressed in more detail how this works in the 'Inside gig work and the inside gig economy' section later in this paper.

The company and the workforce

Before Covid-19, companies faced many challenges because of technical disruption and speed and need to change to survive. Companies that do not change will disappear. According to a report from McKinsey, in 1958 the average lifespan of S&P 500 companies was 61 years. Today it is less than 14 years, and in 2027, 75% of the companies will have disappeared from the index (Handscomb & Thaker, 2018). To become more sustainable, companies need to change from having the sole purpose of growing and maximizing shareholder value to consider the value for all stakeholders: employees, the environment, and all society.

Research from Deloitte's Global Human Capital Trends says that companies need to change from traditional, hierarchical, and functional models to more organizational agility, project-driven models with flexible teams across functional lines (McDowell et al., 2016). That is how they can better serve their customer and respond faster to business priorities. Organizational agility is 'the ability to remain flexible in the face

of new developments, to continuously adjust the company's strategic direction, and to develop innovative ways to create value' (Weber & Tarba, 2014). Without it, companies will lack the necessary support for a good decision-making process in the future (Nold et al., 2018). Organizational structures are becoming flattened with more collaboration across functional lines and driven by projects. According to research in 2018, project work in advanced economies was suggested to be about a third of all business activities and 22% of the world's gross domestic product (Schoper et al., 2018).

Other research and surveys support this; according to PMI 2020 pulse survey, companies must focus on a new way of work or what they call, The Project Economy. Projects are the driving force behind how work is done because change happens through projects. These projects are done by teams or a network of teams. Teams will be created around projects, and people will be selected to a team based on their talent and skill, see figure 1. For that to work, it is necessary for companies to have a clear view of their workforce talent. That is where the opportunities marketplace comes in (*Tomorrow's Teams Today*, 2020). Therefore, there is an increased need for a Project Management Office (PMO) in one form or another and professional project managers within these companies. As the team will be more geographically and culturally diverse, project managers will have to excel in human skills, such as interpersonal communications, active listening, understanding and leadership skills, a knowledge of emotional intelligence, and behavioral psychology are what project managers must adopt to lead and manage a successful team in a project-driven company (Ayers, 2020). However, according to a PMI report, the project manager also needs to have data science skills, data security and privacy knowledge, legal and regulatory compliance knowledge, and make data-driven decisions to deliver projects successfully (Burner & Supinski, 2018).
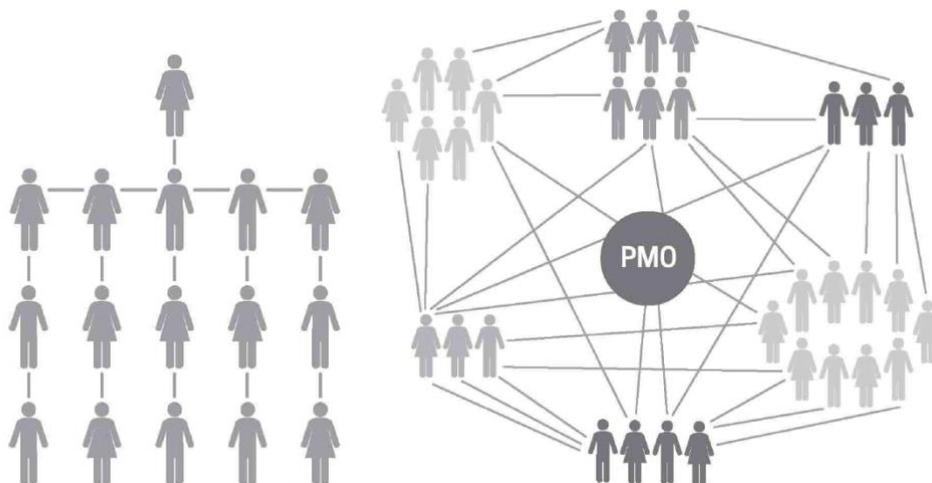

Figure 1 Typical hierarchy vs. a network of teams (Goldberg et al., 2020)

Companies face another problem because of automation, digital transformation, and new technology, which is a skills shortage. In the Global Human Capital Trend survey, 53% of respondents said that more than 50% of their employees would need to reskill in the next three years, and the Future of Jobs Report 2020 half of the workforce around the world would need to upskill or reskill by 2025 (Zahidi et al., 2020). Companies are starting to invest in platforms to support their employees to learn new things because it will be impossible to hire new talents when they want to. Lifelong learning and reskilling are what companies and employees will have to embrace to keep up with the ongoing changes in the world today and in the future (*Getting Ready for the Future of Work*, 2017). For leaders and employees to thrive in the future, they will have to have a mindset of lifelong learning, collaboration, empathy, communication, and

negotiation. They also need to be curious, creative, flexible, critical thinkers, and resilient. Employees should be encouraged to be open to change and ready to learn new things like The New York Times reporter Thomas Friedman said: *"It has to be the mindset that they are training for the Olympics but do not know which sport they are going to compete in."* (Friedman, 2006). Here is where the companies can offer employees a platform for reskilling (Zahidi et al., 2020).

In a Deloitte survey among 9000 workers in 119 countries, when asked about who is responsible for workforce development, 73% said it was the company's responsibility, 54% the individuals', and only 19% believed it was the responsibility of educational institutions. Hence, the companies hold a great responsibility with regards to fostering the development of the workers (Erica Volini, Jeff Schwartz, & Brad Denny, 2020).

Another shift is happening in the workforce, and people are unwilling to work just for a paycheck. Today, employees want to work for companies that have a mission and a common purpose. They want to have opportunities to learn, develop and grow. They want to have managers as a coach who helps them develop their strengths, learn new things and give them opportunities to be their best (*How Millennials Want to Work and Live*, 2016). Moreover, executives are listening: In the 2021 Global Human Capital Trends report, when asked what actions they are taking to transform work, 45% said that they were building an organizational culture that embraces growth, adaptability, and resilience, and 41% said that they were building workforce capability through upskilling, reskilling and mobility (Erica Volini, Jeff Schwartz, Brad Denny, et al., 2020).

Many companies are starting to change their strategy to support their employees and be attractive workplaces. A culture that embraces purpose, lifelong learning, belonging, diversity, and opportunities attracts people today. A strategy that offers and encourages employees to learn relevant skills inside the company (Schwartz et al., 2021). Companies that provide their workforce with opportunities will have a significant advantage over other companies in the future.

Both employees and managers need to ask themselves what steps they want to take to develop their careers? Are they building sustainable, transferrable skills that will help them flex as they continue to grow? As skills become the new currency in the workplace. Are they building the skills that will enable them to trade in their experience for the experience they want to develop?

Talent fostering IT Platforms

Because of the organizational changes many companies have been going through, they struggle to find or move the right people into the proper role. Companies have little or no visual into the talents and skills their workforce has. Today, more and more software applications or platforms are emerging that help companies with internal talent mobility, career development, internal gig, and project work, creating agility within the workforce and overall visibility into the workforce's hidden internal talents. This is what MIT Sloan Management Review calls Opportunity Marketplace and describes as: *"We see opportunity marketplaces as systems, digital platforms, and virtual places where companies provide, and workers find the opportunities most relevant to their mutual benefit and success. In an effective marketplace, the enterprise offers its worker's defined options for professional development, mentorship, project participation, and networking, among others. Empowered workers, in turn, can choose to pursue those opportunities they most value. Vibrant, robust, and inclusive opportunity marketplaces strategically align both individual and enterprise aspirations. Investment in greater workforce opportunity is seen and understood as an investment in greater workforce value creation."* (Buckley, n.d.)

Companies such as Gloat (*www.gloat.com*), Fuel50 (www.fuel50.com), 365Talents (www.365talents.com.), and Hitch (www.hitch.works) are all well-known vendors that offer these solutions. Such IT talent management platforms' can provide for companies and their workforce the following:

An AI-enabled talent platform that enables employees to:

Explore their values and career goals
Showcase their skills and talents to the company
Find or be a mentor to others
Explore internal career paths

What do these platforms do/offer?

- A foundation for internal growth and mobility
- More excellent retention of key talent
- Visibility and inclusive access into skillsets and expertise across the company.
- Insights to support the workforce strategy and ability to plan for the skillsets companies need now and into the future

What can these platforms do for a different agent?

Employees:
Find personalized career journeys
Match skills to internal jobs
Discover skills' gaps
Connect to learning opportunities
Showcase untapped skills
Find gig work or stretch assignment

Teams:
Access expertise across the company
Gain Diverse perspectives
Insight into individual career values and aspirations
Retain of top talent
Bust silos across teams

Company:
Accelerate career development and mobility
Better understand the company's workforce
Promote equity and inclusion
Boost employee experience

The problem companies could solve by using opportunity marketplace platforms, are for instance:

- Find the right talent is a huge challenge today
- Critical technical skills are scarce and in-demand

- Relevant, future-oriented skills have a short shelf-life
- Employees have underutilized skillsets companies cannot see today
- Work is becoming more project-based
- Skills, not job titles, are the new currency
- Career growth is vital for both employees and external candidates
- Creates a strong sense of engagement and belonging within the workforce

Inside gig work and the inside gig economy

The gig economy has been growing over recent years. It is not new, consultants, freelancers, and temporary workers have been around through history, however, technology has made it easier for people to get temporary work or gigs. What has driven this economy forward is digital platforms like Uber, Lyft, and Airbnb, but most platforms like Upwork and Fiverr, which are digital platforms that allow employers to access a pool of on-demand workers. Services like translating, programming, graphic design, or even writing a research paper are offered on these platforms by workers worldwide (Woodcock & Graham, 2020).

However, companies are now starting to realize that their workforce has many skills and talents hidden from them. Instead of using platforms described here to look for needed skills, they look to these internal opportunity marketplaces to find them. Because people are much more than their job titles; they have other experiences, different roles, skills, and talents. This will also be necessary to support the way to a successful project-driven company. Companies also need to change the operating model and allow people to have 15% to 20% of their time away from the role they were hired for, to use for other tasks or projects they find with different teams in the opportunity marketplace platform. That way, employees can discover diverse tasks or projects they find exciting and meaningful, learn from others, grow their network, or find new career opportunities inside the company. Companies can find the right talent for the task or project they are looking for inside their workforce and move them to higher priority projects if needed, see figure 2 how this workflow works. This will all lead to greater engagement and make tasks more meaningful for employees at work and the companies. This is cost-saving because this can lead to more optimization of the workforce. Research has shown that this can also lead to a more engaged workforce, leading to happier customers and more business and revenues. This will be crucial when they move the agile and project-driven model. (Goldberg et al., 2020).
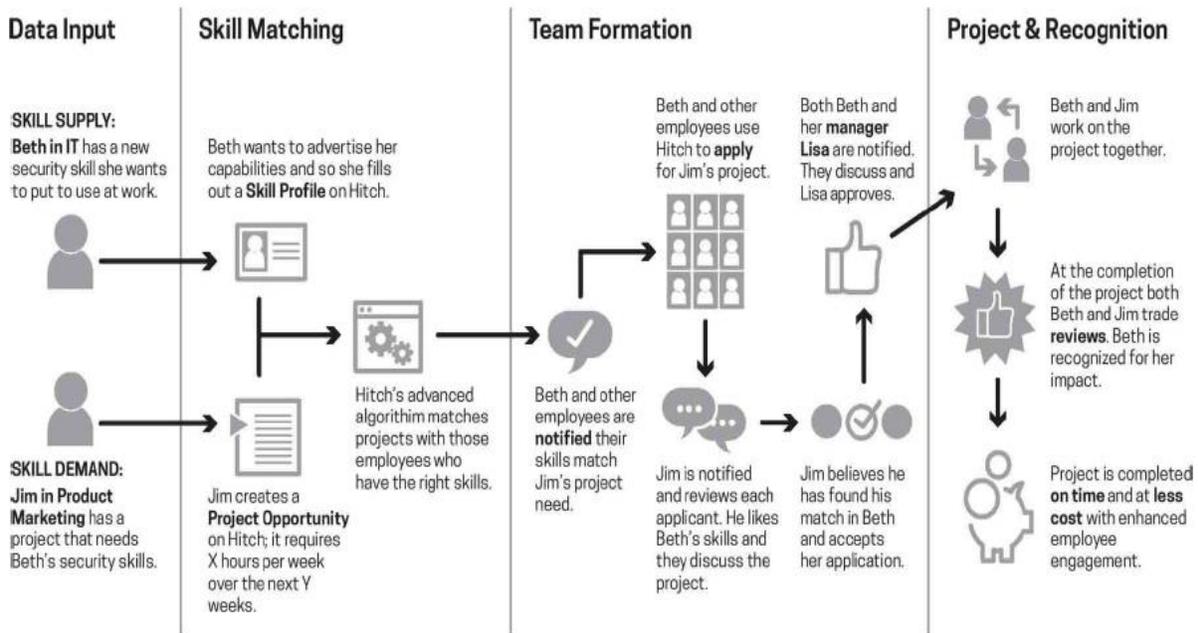
Figure 2 Internal gig work workflow (Goldberg et al., 2020)

Although these platforms offer great opportunities for the workforce and the companies, various questions worry while researching these platforms. These platforms are based on the employee putting much information about themselves, their talents and skills, vision, values, and goals into the system. All to give the employee opportunities to grow and prosper inside the company. This also provides the company with much information about its workforce, which can then be used for other things than initially intended. Companies need to think about the ethical and moral part of how these platforms and data are used. A particular part of the staff will not use such a system, some because they do not see a purpose in it, and others do not want to enter personal information into the system, i.e., do not trust the company or management. The company could then consider whether if that part of the workforce is not willing to grow or improve, that is, it only wants people with a growth mindset and not a fixed mindset. The company could also see which part of the workforce does not align with their values and culture. Maybe that is OK, or perhaps these people will be let go. There is also a flaw in such systems based on people putting information about themselves, i.e., people often answer how they want to be rather than how they are.

All the vendors that were looked at in this study offer an AI-driven platform, and some say they have ethical AI running their platforms. That means that the AI can create a gender, color, and background neutral work environment, allowing them to thrive on their professional ability alone. The AI matches people to new opportunities, gigs, teams, vacancies, and learning based on their skills. The AI matches people to new opportunities, gigs, teams, vacancies, and learning based on their skills and talents. However, who says that AI cannot be as biased as a human can be? AI must have a training data set, and these data are often based on real people that have been defined as high performers. If the training data set are not diverse and demographically unbiased, that would lead to even less diversity and socioeconomic inclusion (Chamorro-Premuzic et al., 2019). Companies need to have full transparency and consent from their staff when using AI in these marketplaces and how the data are used. That is the only way to make it work; if not, people will stop using it.

CONCLUSION

While writing this paper, the author read and researched various material about the future of work, how future companies would look, and what that would mean for leaders and employees. As some of this is relatively new, especially the opportunity marketplace, there is not much academic writing or research about whether they really benefit companies and employees. Hopefully, more are emerging that will shed some light on many of the issues addressed in this paper, especially the ethical part of the opportunity marketplace. One thing is for sure, many companies need to change to agile work with a flatter structure, project-driven with flexible teams. They also need to have a culture of opportunities and continuous learning. Companies should create programs that enable a multi-layered talent enhancement journey that could last for years and transform their approach to talent management and facilitate high-performance culture, sound career development, and personal growth. They should offer employees access to learning platforms and gig work through the gig economy inside the company. Today many solutions or platforms are available that offer companies visibility into the talent of their employees and these platforms can also help employees with internal talent mobility, career development, signing up for internal gigs, and projects. Through an employee experience that promotes learning, unleashes internal capacity, and democratizes work, companies will be given a competitive advantage. Companies need to ask themselves since other companies are willing to hire, invest and train their employees for new roles, if they should not be doing so too.

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