

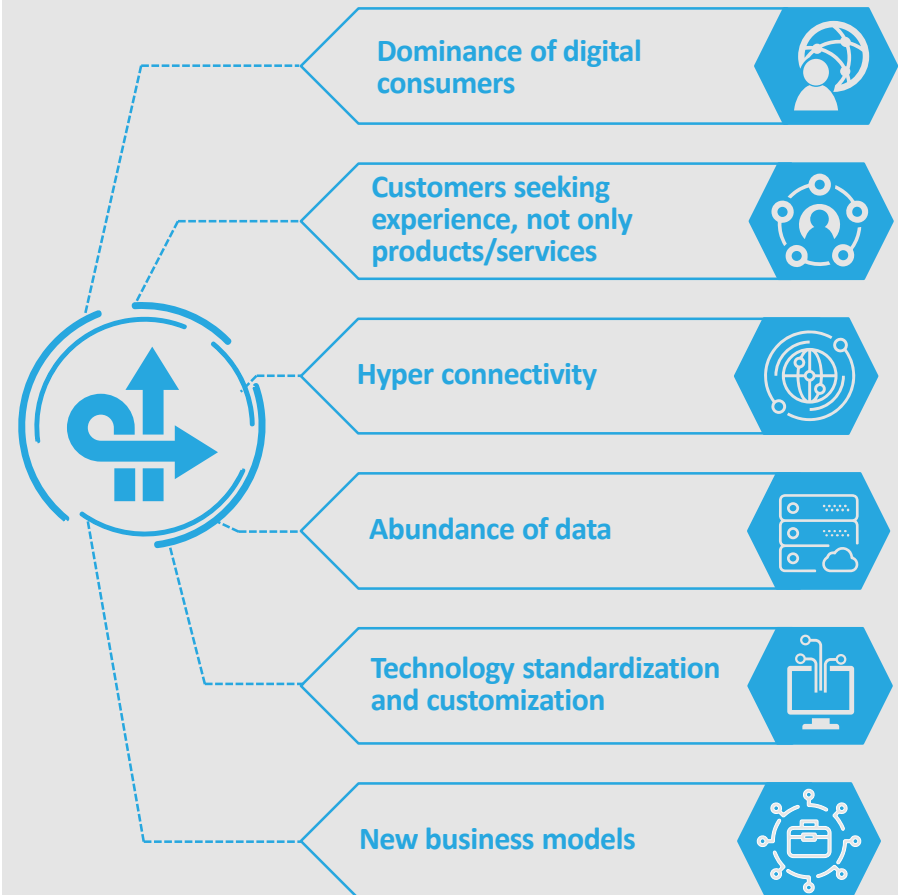
We are approaching a talent inflection point

where current skills will no longer be sufficient for the future. The workforce of the future will operate in fundamentally different ways – and these changes will have significant ramifications for companies across geographies and industries.

While many organizations are in the “discovery” phase of this new reality, some have made strides to ready themselves. In fact, many of these future-looking organizations are deploying employee-centric, innovative techniques to build their future workforces. And these innovations aren’t always about coming up with new ideas – sometimes the innovation is simply a new way of implementing a traditional practice or policy.

[Everest Group took a look at over 100 Global Business Services \(GBS\) Centers / Global In-house Centers \(GICs\) / Shared Services Centers](#) in global organizations to understand why and how their talent needs are changing and the innovative talent approaches that market leaders are adopting to prepare.

Figure 1 *Drivers of changing talent needs*



Talent needs are changing

Global organizations' talent needs are evolving, impacted by a number of technology and business trends.

Technology skills

The global demand for next-generation technology skills is growing, but there are significant differences across skill types. Some skills, while relatively mature, such as Agile, are "hiding" niche capabilities whose demand is exploding. Other skills are comparatively low in demand – such as security or

microservices development – but still difficult to hire for given their nature. (See Figure 2)

Business process skills

Many business process skills remain the same in name, but are fundamentally changing in nature. As the insurance case study in Figure 3 indicates, the skill sets – decision-making abilities, customer interaction, etc. – are the same, but the capabilities will need to increase from basic or intermediate to advanced, sometimes closer to expert.

Figure 2 *Changing demand for next-generation technology skills*

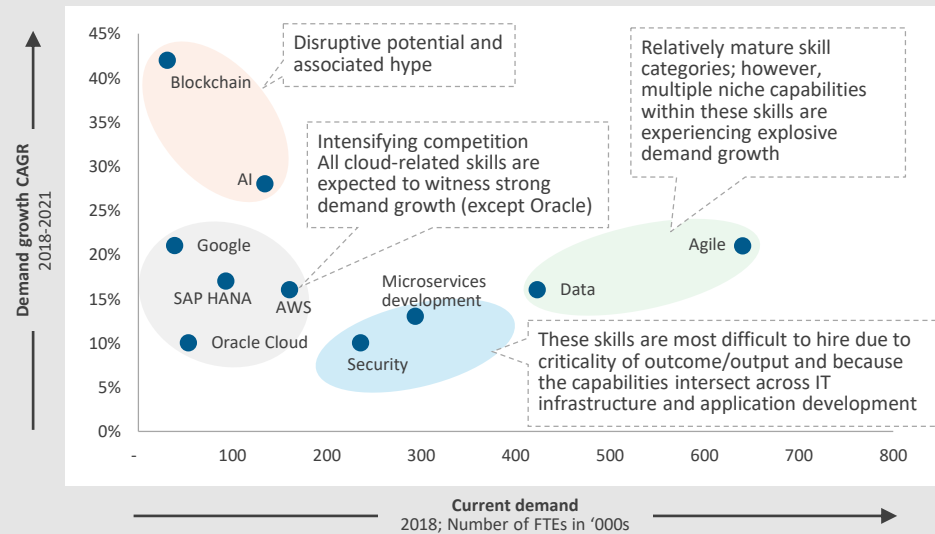
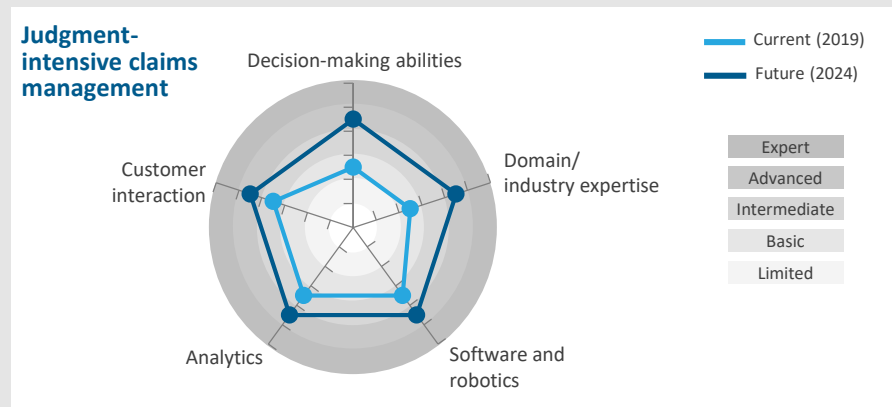


Figure 3 *Changing proficiency levels required across skills – insurance example*



Behavioral skills

Finally, organizations will face hiring challenges for specific behaviors that are likely to become ever more critical in the future, including skills such as intuition and innovation, design thinking, problem solving, pattern recognition, and leadership. As Figure 4 shows, many organizations believe that it will be a significant challenge to hire for these vital skills.

Planning for future talent: Everest Group’s Talent Performance Framework

We believe that organizations need to take a holistic view of their talent needs and initiatives to address these future needs – a view that includes three key components: workforce strategy, people strategy, and workforce optimization levers. (See Figure 5)

Figure 4 *Changing behavioral skills requirements*

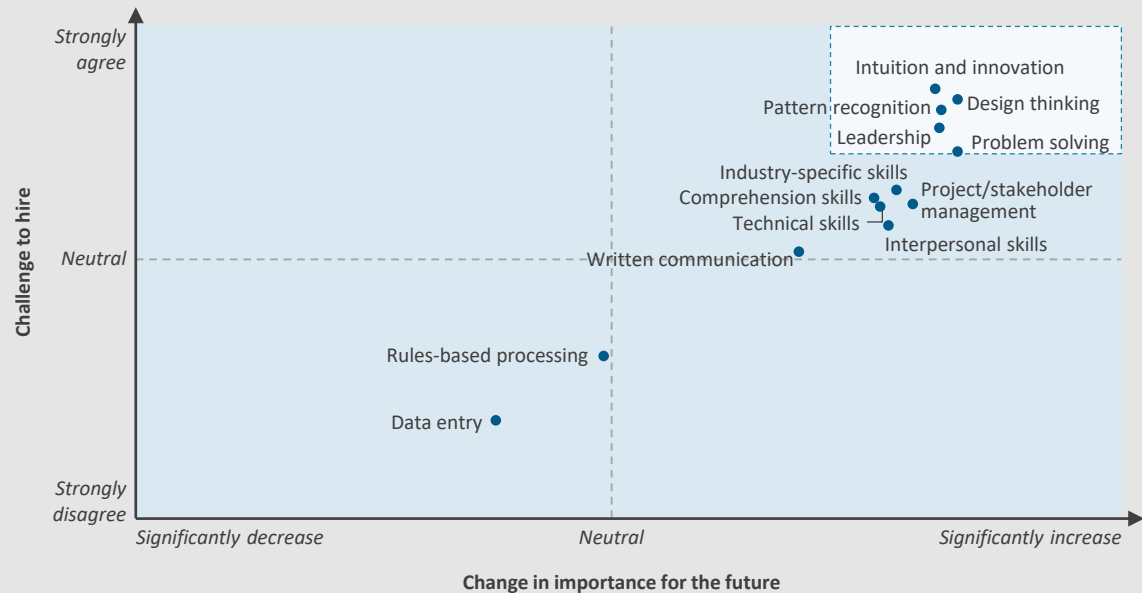


Figure 5 Everest Group's Talent Performance Framework

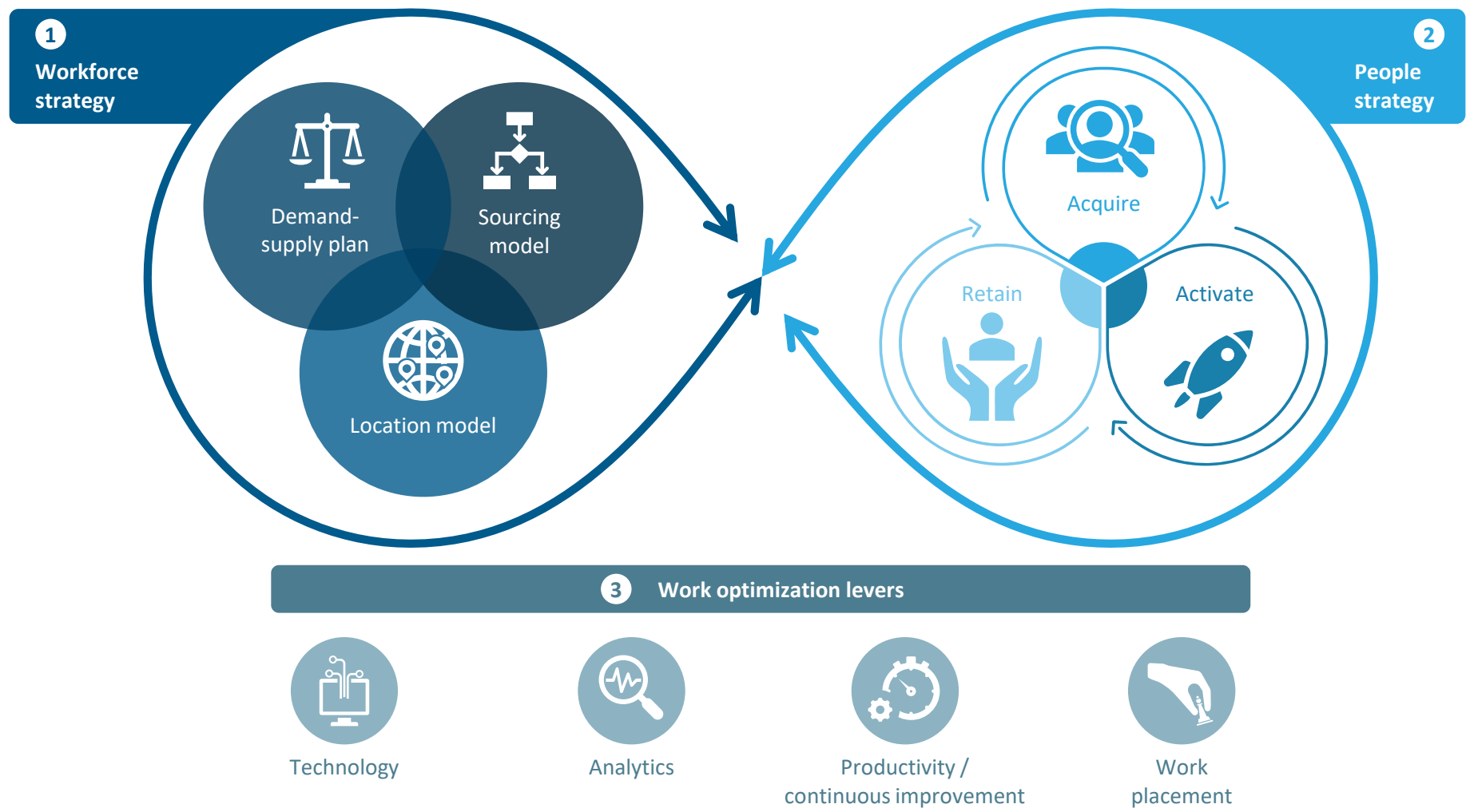
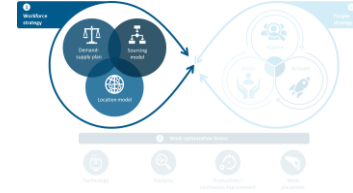
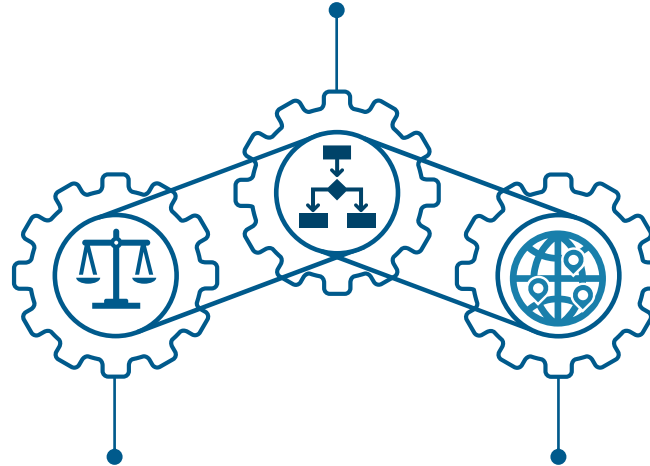


Figure 6 *Examples of innovative workforce strategy practices*



Sourcing model

- Crowdsourcing, for example CloudFactory
- Engage contingent labor
- Implement a managed services model



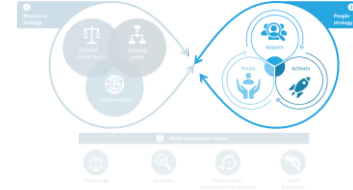
Demand-supply plan

- Build an internal skills registry – map talent by what they **can** do, not what they **currently** do
- Take an integrated, organization-wide view of talent demand and supply

Location model

- Adopt up-to-date service delivery models such as Work-at-Home-Agent (WAHA) model
- Blur the boundaries between onshore and offshore teams

Figure 7 Examples of innovative people strategy practices – acquire

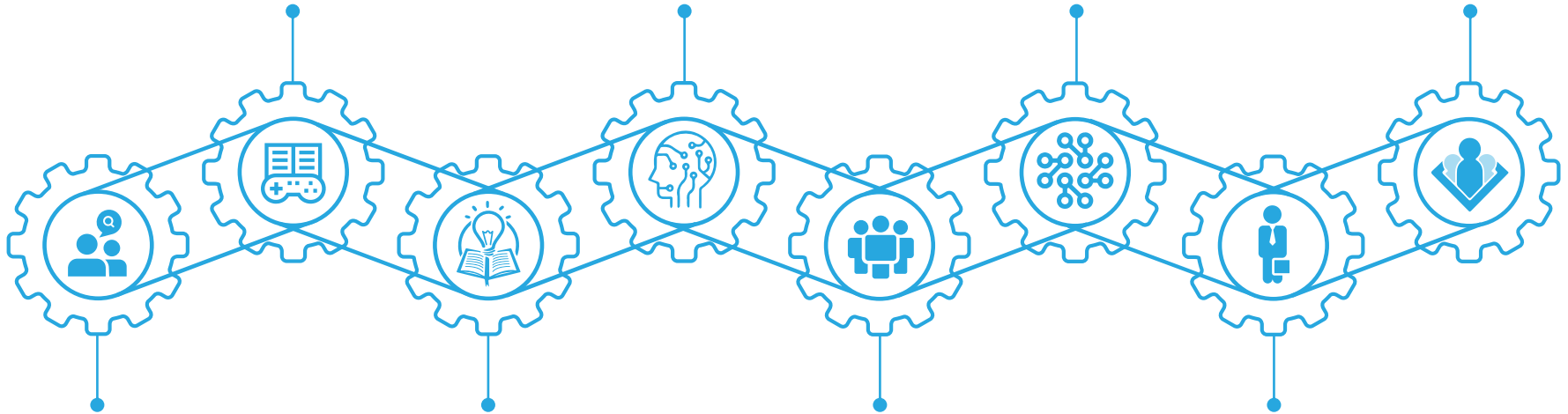


Use gamification/
simulation-based screening
assessments to evaluate
candidates' ability to learn

Integrate AI/ML into
your talent
acquisition strategy

Partner with others
in your ecosystem to
identify and hire
niche talent

Hire leadership
from across your
industry



Acqui-hire: implement an
acquisition strategy that
focuses on start-ups that
already have the specific
talent you need

Partner with educational
institutions to co-create
curricula

Enhance your Employee
Value Proposition (EVP)
through branding to
attract best-in-class
talent

Hold hackathons to
identify and hire next-
generation talent and
problem solvers

Figure 8 *Examples of innovative people strategy practices – activate*

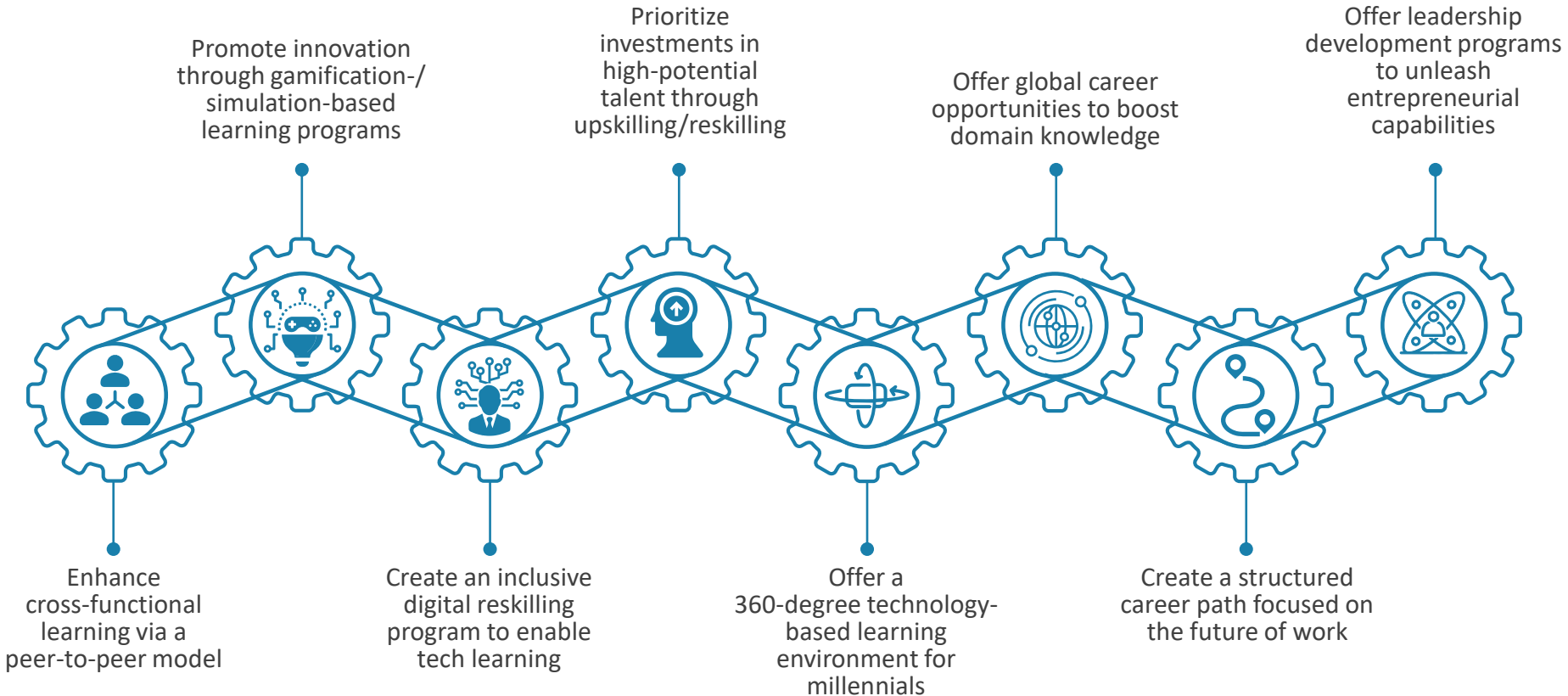
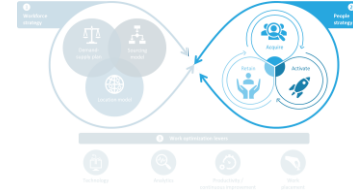
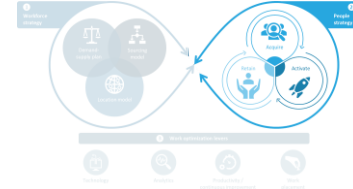


Figure 9 *Examples of innovative people strategy practices – retain*

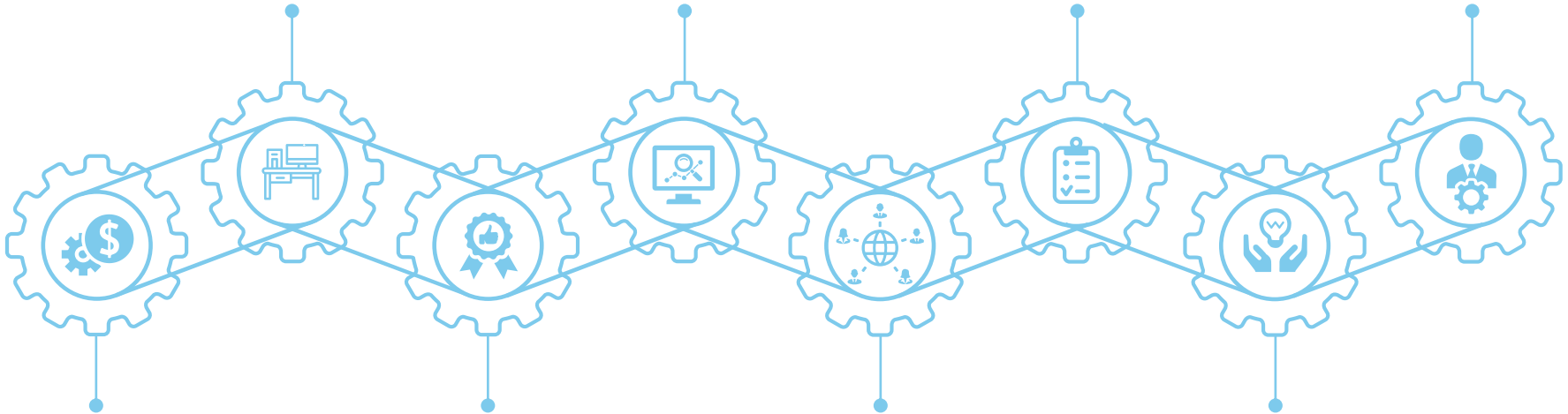


Redesign the workspace for millennials to enhance EVP

Use technology and analytics to improve employee experience, career development, and retention

Conduct surveys to track employees' satisfaction levels

Create a skills registry to focus on the future of workforce



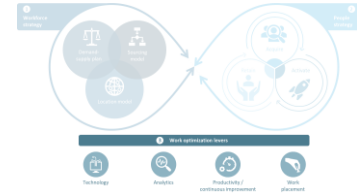
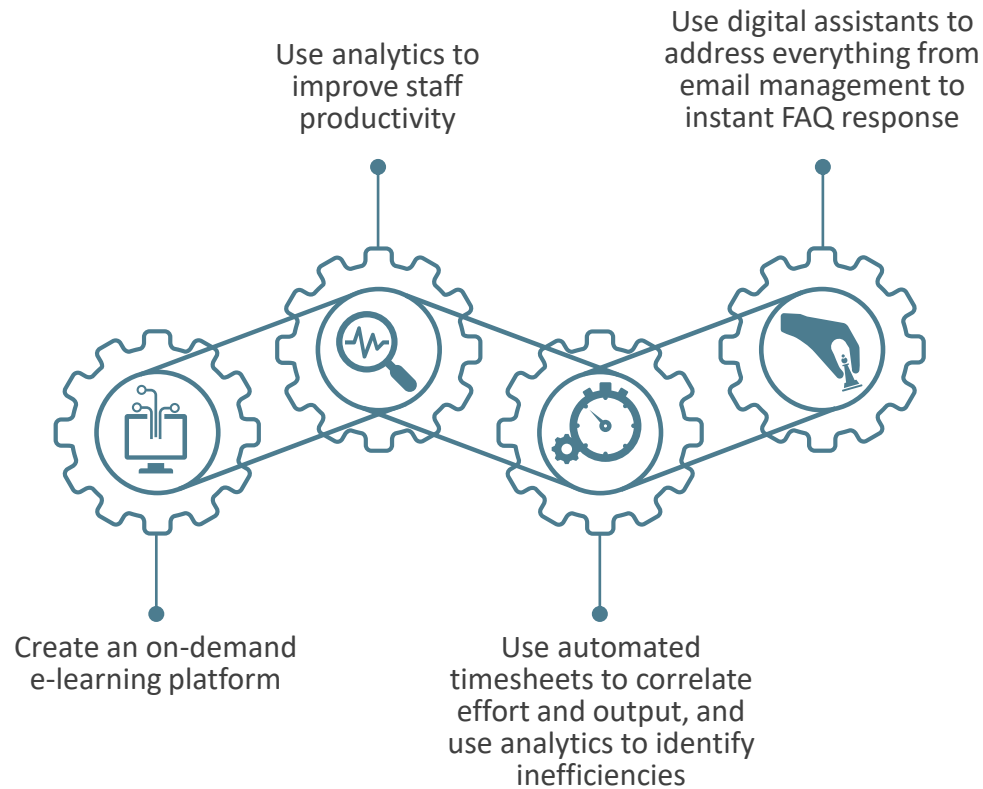
Optimize operational costs through flexible and virtual employment models (e.g., hotdesking, Work-At-Home-Agents (WAHA))

Offer monetary and non-monetary rewards and recognition

Provide an entrepreneurial and a non-hierarchical global work environment

Provide opportunities to engage and contribute in non-business-as-usual activities

Figure 10 *Examples of innovative ways to deploy work optimization levers*



For more information on this topic, see our full report, [Innovative Talent Practices to Build the GBS of the Future](#), which includes multiple case studies showing how organizations are putting these ideas into action.

Additional Resources

- [Redefining the Future of Work – Human Plus Technology](#)
- [Talent Strategy in Global In-house Centers \(GICs\) | Pinnacle Model™ Analysis 2019](#)
- [Building the Insurance BPS Workforce of the Future](#)



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