≫ 6 talent trends for 2016

Madrid ≫ 12 ≫ 2015

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At the end of every year we tend to carry out certain repetitive actions which are very hard to resist. One of the aforementioned traditions involves making a New Year's resolution, both personal and professional. Another common activity is trying to identify the trends which will set the tone throughout the next year in the most diverse sectors.

Experts involved in **talent management**, with whom we work on a daily basis, are not an exception. In this field, we would like to take this opportunity to share the five trends which, from our point of view, will become extremely important in 2016.

If there were a ranking of the most common questions about the incoming year, the following concerns would certainly occupy the first positions:

- What are the **main talent-related challenges** that companies will need to face in 2016?

- How will they **engage** the *millennial* generation?

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- How will they prevent **talent from emigrating to more attractive companies** now that the labor market is showing signs of recovery?

- In short, how will companies be able to **promote engagement** with their employees and potential candidates?

WE ARE ALL *MILLENNIALS*

According to Forbes[1], **by 2025 millennials will become 75 % of the global workforce**. However, it would be injudicious to consider that this phenomenon will not be important throughout the following nine years, since we are already witnessing the fact that *millennials* are not an unconnected generation, but probably the result of a more generalized change within society. It could be argued that the world, in general, is slowly becoming a *millennial...*

Therefore, we should ask ourselves: **what are the main features of this new way of being, thinking and feeling?**

Millennial professionals **do not have the same set of values** as the previous generation and, therefore, do not share the same motivations when choosing the company in which they wish to develop their professional careers.

Millennials **reject the idea of staying their whole professional life with the same company**. The balance between work and family life and other aspects which may help them be better parents, for example, are more important to them than professional recognition in the form of a better salary or career, whenever the latter involve heavy workloads.

They want to help, to **contribute to a better world.** They are always connected through their mobile devices in which professional and personal lives converge inseparably. Thus, they require a meaningful work which helps them achieve not only their professional, but also their personal well-being. If their job –in addition to being positive for the world– is entertaining, they will be much more satisfied. *Millennials* do not merely seek for a job; they want to embark on an adventure.

[1] *Why you can't ignore Millennials?*. Forbes. http://www.forbes.com/sites/danschawbel/2013/09/04/why-you-cant-ignore-millennials/

IN THIS CONTEXT, HOW CAN LONG-STANDING COMPANIES COMPETE WITH STARTUPS AND THE MOST ATTRACTIVE ENTERPRISES FOR THESE PEOPLE IN THE ATTRACTION OF TALENT[2]?

1 New employees have a consumer mentality

Young professionals who currently join the labor market have developed a **strong consumer mentality** and use this approach in their relations with employers. This means that they see themselves as an important part of the business, they feel important and demand from their company the same attention that a branded consumer enterprise has towards its customers.

They also consider that their voices should be listened to by their bosses and that they are entitled to receive an almost immediate feedback. New employees believe that their **company should care about their needs** and welfare.

This trend gives a clear idea of the attitude that large companies should adopt if they seek to attract and engage both potential candidates and current employees. The remaining trends that will be further described in this paper also promote this idea.

2 Companies will modify their culture (to a greater or lesser extent) in order to suit the motivations of candidates

The behavior of people is changing and the same will ultimately happen to the behavior of companies (since in the end –as has been already said–, companies are merely the sum of the people who make them up).

As we previously mentioned, new professionals want to experience and be the main star in their professional "adventures", and thus will find it difficult to coexist with the idea of "getting to know the corporate culture". Companies need to offer professionals the opportunity to collaborate, to contribute their bit to **develop the ways to be corporate.**

The elements more likely to be modified with the incorporation of new talent into the labor market will be certain aspects that are deeply rooted in Spanish companies. For example, **new talent is not excessively keen on hierarchical structures.**

The case of Zappos is widely known, an enterprise which was established with goals and a vision that perfectly suit the millennial motivations which are being analyzed in this paper –they aim at providing the best possible customer service and at the same time making both the consumer and the employee happy[3]–. This company has become one of the most desired professional destinations for young Americans looking for a job. Zappos also implemented a "Holacracy": an organizational structure with no bosses.

"Holacracy is a new way of running an organization that removes power from a management hierarchy and distributes it across clear roles, which can then be executed autonomously, without a micromanaging boss[4]."

This organizational form is probably too extreme in its conception and entails several problems for many business models, but it is nonetheless an example of the type of aspects that arouses the interest of today's talent.

Another important aspect is meritocracy. The recognition for a work well done and thanking the most brilliant employees is an initially simple-to-implement feature which has an incredibly valuable impact on the motivation and engagement of employees. Additionally, *millennials* seem to care little about comparisons with their peers (professionally), but tend to compete against

"New talent is not excessively keen on hierarchical structures"

themselves in order to become better, rise above the expected and achieve self-realization.

In short, new talent will force companies to modernize and rethink their internal procedures to make them more "digital" (digital not meaning a technological approach, but rather a modern, demanding, direct, convenient and friendly attitude).

3 Managers will be critical for this change to be successful

Managers (that is, intermediate officers) will be one of the most critical elements to define and convey the corporate culture among employees. In a world in which we are constantly bombarded with information and distractions attacking us from all sides, **middle managers have managed to keep their ability to draw the attention** of their teams.

It could be argued that, beyond their obvious role as team leaders and setting an example for younger professionals, one of the great strengths of managers is their **power as a communication channel.** It has been found that when people have a limited attention span and many available inputs, they tend to focus on their immediate boss, since anything affecting the latter will also have direct consequences on them[5].

Currently, it seems as if most of the middle managers have not undergone trainings which promoted the values and attitude of *millennials* and, therefore, their **understanding and the way in which they carry out their responsibilities might need to change.**

These incredibly relevant players for the management of the incoming cultural change have grown, to a great extent, within companies in which **presentiment prevailed over work by objectives,** hierarchy over autonomy and, particularly, "orders and commands" over the search for a consensus which took all opinions into account.

Companies have to be aware of this reality and **support and provide appropriate tools to their middle managers** for the new change of era since, as previously mentioned, they are one of the most critical assets for their enterprises –the binding element of these organizations–.

4 Going beyond work environment surveys

Without questioning their validity for other issues, it seems clear that work environment surveys are **insufficient to measure the actual engagement** of employees. As previously mentioned, nowadays talent has a consumer mentality in its relations with employer brands. Thus, a work environment survey which is usually carried out every two years is a clear sign that the company is not very concerned about the welfare of its employees. It would be similar to exclusively telling our mothers that we love them every four years.

New employees **are used to give and receive feedback in an almost immediate manner** in their private lives (in their relation with brands, social networks, videogames, etc.).

[2] *Google leads the ranking of the most desirable companies to work.* Tierra. http://noticias.terra.es/tecnologia/negocios/google-lidera-ranking-de-las-empresas-mas-deseadas-para-trabajar,d0529956fe5c1410VgnVCM5000009ccceb0aRCRD.html
[3] *Zappos case study video.* https://youtu.be/uarmfQa6EWs
[4] *Holacracy.* http://www.holacracy.org/how-it-works/
[5] *Manage your team's attention.* Harvard Business Review. https://hbr.org/2015/01/manage-your-teams-attention

Work environment surveys are, therefore, a picture –or more specifically, a collage, since they include a large number of questions on the most diverse topics–. The truth is that a **movie would be much more useful than a regular picture,** a collection of frames which would enable employees to voice their opinion more frequently and would help companies analyze the degree of staff engagement.

As shown in the previous paragraphs, it is necessary to ask more frequently but a reduced number of questions –those which are actually critical to the happiness of employees[6] – and combine these surveys with action plans –in order to enhance every improvable aspect of the organization–. These action plans should be shared and not merely conveyed and need to be efficiently implemented –again, few things but which actually improve the situation–.

"*Millennials* do not seek a job, but rather look for an adventure"

today's world which show us that a gradual –yet unstoppable– **paradigm shift** is taking place.

Nothing can better promote the image of company than its internal culture and, therefore, no marketing tool will be more powerful than a modern, respectful and valuable culture whose main promoters are satisfied employees themselves.

As we have seen over the past few years, consumers and customers do not tolerate the mistreatment of employees by companies (as illustrated by the Nike[8] and Amazon[9] cases).

But, then again, this is the threatening vision. On the other side of the coin we have companies that have understood that the best possible introduction is to promote absolute transparency in relation to their operations, enhancing the importance of their talent and showing that they have nothing to hide[10].

5 Customization

It has already been noted that *millennials* do not seek a job, but rather look for an adventure. Coincidentally, this generation grew up reading the fabulous "Choose Your Own Adventure"[7] books and, therefore, **choosing has become custom –almost a need– for this generation.**

This idea promotes the "consumer mentality" approach of young professionals. **Customization is a ubiquitous element in the business world** (people can customize mobile phones, shirts, cars, pizzas... Companies constantly try to offer unique experiences to consumers).

Thus, some organizations are beginning to adopt similar strategies. To name a striking example, let us talk about **Netflix.**

Unlike enterprises which offer a fixed salary and a variable part (by objectives, corporate shares, etc.), Netflix employees get to choose how they wish to invest their wage (buying shares, benefits...).

6 Corporate culture as the main marketing tool

It is often said that the concept of **"internal communication" –as such– no longer exists. A**nd this issue is often mentioned from a nostalgic point of view of bygone days when social networks were not as critical as they are today, when it was possible to prevent whatever was happening within the corporate domain from becoming public. However, there are many examples in

CONCLUSION

As we can see, the **transformation challenges that companies need to face** in order to adapt themselves to the demands of the new talent and general change of employees' mentality (greatly boosted by the digital transformation of society) **are many and highly-varied.**

Who should lead this change within the enterprises? Will the Chief Transformation Officer be the most critical position in the coming years?

We have no clear answer to this question, although it seems that the balance will lie in the triangle formed by the CEO, HR Director and CIO, combined with the critical support of the communication department, necessary to explain the new storytelling of transformed companies.

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[6] *Employee engagement: the pending subject. Developing Ideas.* http://www.desarrollando-ideas.com/2015/06/employee-engagement-la-asignatura-pendiente/

[7] *Choose your own adventure.* Wikipedia. https://es.wikipedia.org/wiki/Elige_tu_propia_aventura

[8] *Nike Sweatshops.* Wikipedia. https://en.wikipedia.org/wiki/Nike_sweatshops

[9] *Amazon Is Cruel and We Are to Blame.* Huffington Post. http://www.huffingtonpost.com/gregoris-kalai/amazon-is-cruel-and-it-is_b_8026824.html

[10] *10 Examples of Companies With Fantastic Cultures.* Entrepreneur. http://www.entrepreneur.com/article/249174

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