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Korn Ferry Identifies Emerging Global Talent Trends for 2020

LOS ANGELES--(BUSINESS WIRE)-- Based on input from talent acquisition, development and compensation experts from across the globe, [Korn Ferry](#) (NYSE: KFY) has identified emerging global talent trends for 2020.

“The workforce is rapidly evolving. In the coming year we will see an even greater focus on transparency, agility, culture and purpose-driven leadership,” said Byrne Mulrooney, Chief Executive Officer, Korn Ferry RPO, Professional Search and Korn Ferry Digital. “Employers are also becoming more flexible in how they embrace technology, attract and reward employees, and create ongoing transformation at all levels of the organization.”

Following are several emerging talent trends (in no particular order):

Goodbye control, consistency and closure. Hello trust, purpose and agility.

In the not-so-distant past, structures and controls guided how work got done. It was the boss’s job to set the strategy and tightly control the process through to the outcome. Now, instead of trying to energize people around an analytical strategy, leaders are creating an agile and adaptable culture where teams trust each other and understand the purpose of the work: “why” we exist, who we are as an organization, and what we stand for.

In fact, in a recent [Korn Ferry survey of professionals](#), nearly two-thirds of respondents (59 percent) say their personal principal driver at work is the belief that their work has purpose and meaning. And purpose-driven leadership isn’t just good for the individual—it’s critical for the bottom-line. The vast majority of survey respondents (96 percent) agree that companies see a long-term financial benefit when they make a strong commitment to purpose-driven leadership.

Some companies are taking this concept one step further by rewarding workers whose individual contributions help achieve the greater purpose of the organization. From a leadership perspective, there is an emerging trend to include ESG (environmental, social and governance) metrics in CEO compensation packages, instead of just financial metrics. These could take the form of rewarding for emissions reductions or human rights initiatives.

Transparency in pay.

“How much do you make?” That question used to be taboo but changing social norms have made pay transparency the way of the future. [A recent Korn Ferry survey of professionals](#) found that nearly one-quarter of respondents (24 percent) think it’s appropriate to share their salary information with colleagues, while more than a third (37 percent) believe that it’s more acceptable to talk pay today than it was five years ago.

But that's not the only way pay transparency is playing out around the world. In an effort to promote pay equity, more than 80 countries have passed equal-pay-for-equal-work legislation. And of those countries, more than a quarter have a mandatory reporting requirement. There is also a much more concerted effort to make executive salaries transparent, with the CEO pay ratio ruling in effect in the U.S. and the Shareholder Rights Directive set to impact the European Union in 2020.

With these trends in mind, it's not surprising that in a recent Korn Ferry global survey of human resources professionals, 75 percent say transparency on pay and rewards will become even more important in the coming year. HR and pay teams are strategizing on how to create equitable pay programs, more clearly articulate the principles behind those programs, and help managers communicate with employees who may feel they are undercompensated.

Closer to cracking the code on effective diversity and inclusion.

Many companies have come a long way in identifying and addressing unconscious bias toward specific employee demographics, such as women, racial and ethnic populations, the LGBTQ community and others. And while helping people become more aware of their own unconscious bias is important for creating greater inclusion, it's not enough to bring about lasting transformation.

That's why more and more organizations are addressing *structural inclusion*, an approach that looks for ways conscious and unconscious biases have been embedded into the talent systems themselves, contributing to inequities in pay, promotions, representation, visibility, access and opportunity. To surface these inequities, companies are doing de-biasing audits of their processes, building inclusive leadership capabilities in their executive and senior management ranks, and creating greater accountabilities for people managers in achieving greater diversity and inclusion.

There's a clear business case for focusing on the issue: [According to a recent Korn Ferry survey](#), nearly two-thirds (63 percent) of executives say their D&I programs help with employee retention, while 76 percent say D&I initiatives lead to greater innovation.

Cautiously controlling hiring and compensation.

Although unemployment in most parts of the globe is at historically low levels, companies are beginning to take a more cautious approach to hiring and compensation practices. Hiring for roles that have a direct impact on the bottom line, such as R&D and sales, is being prioritized over traditional service roles like accounting.

Additionally, global digital transformation means that tech skills are in high demand in just about every industry, which is leading to more open positions and enhanced compensation for these roles. Many companies are hiring people who have niche technical skills, even if they don't have an immediate role available for them.

On the other hand, to avoid adding to fixed costs, companies are becoming more reluctant to give across-the-board cost-of-living increases. Instead, they're using discretionary incentives, such as bonuses, to reward key skill sets and performance.

Revolving door at the top creating continuous succession planning.

Given the high pace of CEO turnover during the past three years, both planned and unplanned, boards of directors are taking more proactive, tactical steps to understand the depth and breadth of the executive and enterprise leadership pipeline to enable thoughtful, strategic transitions when needed. Strategic review of top leadership talent has become critically important, and many best-in-class boards have formed Compensation and Talent committees to ensure this review is thoroughly approached. There is also a parallel desire to address pay equity and pay transparency.

What this process does is transcend pure CEO succession into CEO “progression” whereby planning for senior-level roles becomes an ongoing, strategic process.

In addition, approximately, 25 percent of public board directors are older than 70, meaning significant turnover is in process. This succession activity has contributed to a greater level of diversification in the board room, which is anticipated to continue. This is also leading boards to measure their overall effectiveness and chemistry as a team on a regular basis.

Candidate (and employee) care in the world of Artificial Intelligence

When considering high-volume, fast turnaround hiring efforts, it’s often impossible to keep every candidate in the loop. Enter highly sophisticated artificial intelligence tools, such as chatbots. More companies are now using AI programs to inform candidates quickly and efficiently on where they stand in the process, help them navigate career sites, schedule interviews and give advice. This is significantly transforming the candidate experience, enhancing engagement and elevating overall satisfaction.

Chatbots are also increasingly becoming a tool for employees who wish to apply for new roles within their organization. Instead of trying to work up the nerve to ask HR or their boss about new opportunities, employees can interact with a chatbot that can offer details about open jobs, give skills assessments and offer career guidance.

What’s more, some companies are offering “day in the life” virtual simulations that allow candidates to see what a role would entail, which can either enhance interest or help candidates self-select out of the process. It also helps employers understand if the candidate would be a good fit, based on their behavior during the simulation. In Korn Ferry’s global survey of HR professionals, 78 percent say that in the coming year, it will be vital to provide candidates with these ‘day in the life’ type experiences.

Reskilling for the future.

As angst about the future of the economy grows, talent professionals are recommending that people, even those who have a job, look to sharpen their skill sets. But that doesn’t have to mean going back to get additional degrees. Instead, professionals across many industries are seeking programs to help them gain certifications, accreditations and niche skills. (Of course, the old standby of continual networking, both in-person and through professional job sites, is still a must.)

Organizations have also made reskilling existing employees a key initiative, as they know many of the skills that are critical today may be irrelevant tomorrow. A Korn Ferry global

survey of HR professionals shows that more than a quarter (27 percent) say reskilling workers is their top priority. To help enhance employee capabilities—and increase retention—formalized, ongoing hard-skill (such as programming) and soft-skill (such as agility) trainings are becoming the norm. And this isn't just about tech workers: everyone from sales to HR needs to be trained to meet the demands of tomorrow.

Continuous transformation.

Although reskilling workers is important, it's not enough. Companies today are moving toward continuous transformation, not just one-time change initiatives. More than people development, they are redesigning their jobs and structures for more agility and scalability.

Moreover, any time a company makes a strategic change that requires people to do things differently, they need to closely examine how those changes impact company culture and amend as necessary. This is critical because culture drives strategy execution.

If this doesn't happen, reskilled people who go back to their old jobs and culture will create a recipe for failure. Transformation must occur at every level of the organization. Middle managers—and even entry-level employees—are being given more control in how to structure their own work, as well as the work of their teams and colleagues.

Rise of the “career nomad”.

Companies across the globe are grappling with the growing phenomenon of “career nomads”—high-performing, talented professionals who switch jobs, organizations and even careers at a faster rate than others.

[Although a recent Korn Ferry study](#) found that 88 percent of professionals believe frequent job switches have had a positive impact on their careers, most organizations still consider hiring career nomads a risk. But as Korn Ferry research shows, those companies may often ignore the benefits of having nomads in the workforce—gains that arise from their multidisciplinary experiences, intellectual curiosity and high learning agility. That's why many employers are now taking steps to keep these high-potential, diverse and agile job hoppers in their companies.

Some organizations that are further along with their talent management strategies are using success profiles to holistically select and evaluate talent across disciplines, not just those with experiences tied directly to a role. They are looking for candidates who also possess the soft skills to deal with ambiguity and uncertainty, which is needed to help them grow with the company. As a result of this trend, more employees are also jumping across roles, as there is more flexibility within an organization.

Pick us! Pick us! Companies are upping their employer brand to attract and retain top candidates.

A competitive pay package alone isn't enough to attract the best and brightest. Companies are increasingly creating comprehensive, multi-channel initiatives, such as apps, events, videos and chatbots, to entice a wide range of candidates with their unique employer brand proposition.

Once they have an applicant interested, many organizations are revamping their hiring

process to be more candidate-centric, including reducing the number of interviews and eliminating the need to enter their information more than once.

Experts say the trick to becoming an employer of choice is to be authentic and transparent. Many companies are stepping back to understand the culture and what matters to employees, often gauging the pulse of worker sentiment via short surveys and other listening tools. They then are ensuring there is a top-down approach to living that culture, day-in and day-out.

For example, as social responsibility becomes ever more important, one growing trend seen at college recruiting events is to donate to a candidate's charity of choice in lieu of offering gifts directly to the candidate.

About Korn Ferry

Korn Ferry is a global organizational consulting firm. We work with clients to design their organizational structures, roles and responsibilities. We help them hire the right people and advise them on how to reward, develop and motivate their workforce. And, we help professionals navigate and advance their careers.

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