

What Will Hiring Be Like After the Recession?

By Kevin Wheeler

As we come to the end of 2008, it's a perfect time to reflect on the economy, and what it will hold for businesses in 2009.

It is not affecting employment across the board as many of the past ones have, but rather seems to be targeting specific sectors and types of work. Obviously banking and financial services, but also manufacturing and anyone in a semi-skilled job such as auto workers are especially affected. Needs are pocketed and specific. Talent shortages remain.

Yet, I have had calls from individuals looking for key sales and marketing people, and for R&D talent. Senior HR executives are in demand, especially if they have global experience. Sectors still largely unscathed by the recession - healthcare, gaming, entertainment, pharmaceuticals, and biotech - are still facing talent shortages and global competition.

The growth of global supply chains, increasing automation, and greater process efficiency means we can do more with fewer. New jobs are being created daily, but they all require education and skill beyond that of many current candidates.

This, combined with the different attitudes candidates and employees have about work and about how they live their lives, changes how we recruit and employ people.

The highly skilled, experienced, and educated will have an increasing edge in employment. And this recession should be a clarion call for an increased focus on education, training, and employment development. Everyone involved with talent will need to look at both development and acquisition as channels to meet their needs, rather than focus entirely on recruiting.

There are a number of permanent changes we will see:

1. Job Candidates Become Smarter, Warier

The first change is that many job candidates will be reluctant to work under the same conditions as usual. Candidates have access to unparalleled information about a prospective employer through the Internet and its many sources. Reliance on a single firm for security has already eroded, and this recession will strengthen employees' wariness about promises and deferred compensation. More top employees will seek employment contracts that include clauses that spell out layoff pay and benefits.

Candidates will probe positions more deeply and they will want more influence over the type of work they do. Prepare for candidates to negotiate what they will and won't do.

2. Free Agency

Recessions have, in the past, increased the pool of people who decide to become free agents - contractors, consultants, and part-time workers. More people than ever are trying out life as independent workers. Many will not make it and return to the corporate fold, but they will be wiser and better prepared to abandon ship than they were before.

Many others will find they would rather work on their own than go back under the very insecure and fragile corporate umbrella. Companies will have to identify and take care of their key producers better than ever. While many firms do work hard to keep key talent, they will have to increase this effort and explore more creative ways to engage those people.

Charles Handy, a management writer and educator who has written numerous books on the organizations of the future, predicted that up to half of some company's talent may eventually work as free agent, contracting to those firms as temporary staff, contractors, or part-timers. This will be a lasting change that is accelerated because of the recession.

Companies will have to accommodate these free agents. Our internal regulations will have to be modified to make the use of contractors legal and compliant with tax regulations and it may be necessary to "lease" employees, employ more employment contracts, and learn to share talent between organizations.

3. Values Rule

Gen Y candidates, in particular, but all employees to a growing degree, are seeking companies that hold values high and make and keep commitments to their employees and their families. They seek environmentally sensitive, charitable, and ethical firms.

Gen Y is the tip of a spear followed by the even more morally and environmentally committed Gen M. They will have even higher expectations than the Baby Boomers ever did. While shareholder value will always be a core concern of the management team, they will also have to understand how important employees feel that values are and how close a scrutiny they will give every corporate action and statement.

Companies have to understand the values of the firms they work for and find better ways to match people to those values. They will have to also convince the management of firms that what they DO is just as important as what they say and that this emerging candidate pool focuses on actions almost entirely.

4. Flexible Work Arrangements

Employees now want to work where they want. The Internet has made it possible for most services and knowledge workers to be located far away from the physical center of their company.

Designers, call-center staff, sales people, some HR folks, and most anyone who works with information, writing, or data can effectively work wherever they wish. Only a handful of people - those whose work requires their hands or eyes on the work being produced - will need to physically be present. Even jobs we cannot yet imagine being remote, such as that of a diagnostic physician, may soon be possible using instruments and video from anywhere.

Companies will need to encourage flexible work arrangements and strive to make these arrangements normal.

Recruiting will be more challenging and companies who like to just "fill positions" will find themselves struggling. Managers will need to be proactive, great influences, technically savvy, and adaptable to emerging work trends.

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