



Build Buy or Borrow? Smarter talent decisions for a tighter market.

Harrier.

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Setting the Scene

In an era of unprecedented technological advancement and market volatility, CEOs and HR leaders face mounting pressure to future-proof their talent strategies. As digital transformation reshapes industries at an accelerating pace, McKinsey estimates that up to 800 million workers globally will need to adapt by 2030, with more than 375 million requiring significant reskilling to transition into new roles.

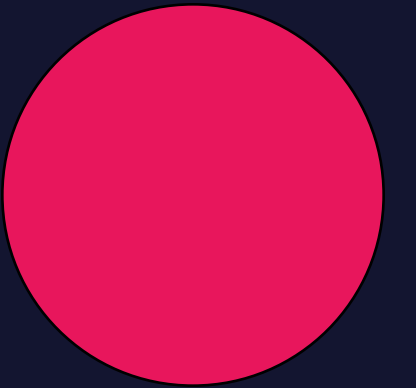
The Australian workforce landscape is experiencing its own profound transformation. Traditional approaches to talent acquisition and management are being challenged by rapid technological advancement, shifting workforce demographics, and evolving employee expectations. While our economy demonstrates resilience, businesses must navigate complex workforce planning decisions that balance immediate operational needs with long-term strategic objectives.

Leaders today face a critical question: How can organisations develop robust talent strategies that not only address current workforce challenges but also build adaptability for an increasingly dynamic future?

This white paper explores the strategic considerations of building, buying, or borrowing talent, offering insights into:

- Strategic workforce planning and avoiding reactive decisions
- Developing holistic talent management approaches
- Leveraging skills mapping for future capability needs
- Prioritising learning and development initiatives
- Optimising talent technology investments

Building compelling employer brands for sustainable talent attraction For CEOs and HR leaders, the challenge lies in crafting agile talent strategies that can respond to immediate business needs while positioning their organisations for future success in an evolving global economy.



“Deloitte suggest that the 10% downturn in hours worked is a more accurate reflection of our unemployment figures, a decline that will take years to correct.”

Avoiding Knee-jerk Redundancies

Historically, nipping on the heels of an economic downturn come large-scale redundancies. But do we need to look to history to inform current approaches?

We live in a highly connected, sharing economy, where valuable human resources can be easily loaned and borrowed. Before considering redundancies, think creatively about where your staff could add value and help generate opportunities.

A shift in focus to internal mobility can protect jobs and retain organisational knowledge. A huge benefit of centralised talent management models is that they can quickly pivot from external hiring to internal talent mobility. By using your recruiters, a team trained to identify skills and potential, to work with at-risk talent from within the business and place them into available roles you will limit redundancies and save on external hiring costs.

Consider carefully which people programs are curtailed during an economic downturn, both from a future growth perspective and to manage the messages you send to your people. In Australia, cancelled graduate intakes during the GFC had a devastating effect on talent availability in a few years later, and the elimination of parental leave payments made by several employers was a huge step back for gender diversity and inclusion. Undertake a full cost-benefit analysis

and understand who is impacted by cost cutting measures; you might find yourself doing little more than robbing the cookie jar or doing reputational damage that takes years to recover from.

While it is difficult, asking employees to take a voluntary pay-cut could save jobs. Any request to reduce hours or pay should be communicated well and used as a temporary measure. Once your financial position improves, you might consider offering to repay lost wages or offer some other reward to those who volunteered.

As an absolute last resort, redundancies should be managed very carefully. For example, voluntary redundancies can impact diversity and can also contribute to lost IP, as those who are not a household's primary income earner, employees with long tenures and top performers who are confident of walking into a new role are most likely to leave. If all avenues for internal mobility or a temporary 'loan' have been exhausted, then offer outplacement support. It is not just the right thing to do to help your people secure a new role, it will ensure that your reputation as an employer remains intact and help you hire the best talent when your market recovers.



Taking a Holistic Approach to Talent

Rather than focusing on individual people programs, taking a more holistic view of talent acquisition and management offers significant opportunity for cost reduction.

Despite the strong argument for refocusing efforts, many businesses have already downsized recruitment teams. Some may be concerned that their current team structure does not have the flexibility to respond to volatile market conditions. For others, while application volumes are beginning to rise, scaled back talent acquisition teams are struggling to provide a timely response to applicants to ensure a good candidate experience.

To help manage peaks and troughs in demand it may be worth considering engaging with external provider of talent solutions. An outsourced talent solution will give you the opportunity to reduce your fixed costs and, if designed An outsourced talent solution will give you the opportunity to reduce your fixed costs and, if designed and managed well by an experienced provider, will also reduce spend on recruitment agency fees, advertising, technology and contingent workers.

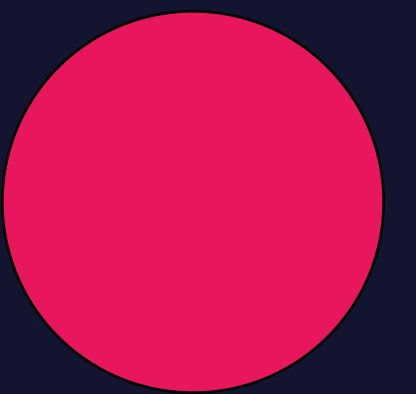
It's also important to understand the non-cashable benefits that outsourcing your talent function to an expert provider brings. From economies of scale across the talent vendor supply chain, best practice processes, improved compliance

and workforce management, a partnership with an experienced talent provider can have a significant impact on business productivity and efficiency.

Another factor to consider is quality. When you outsource talent acquisition and management to a specialist provider, you will immediately benefit from their experience, networks and knowledge in niche areas such as employer branding, employee experience, talent sourcing, onboarding, internal mobility, retention, and diversity and inclusion. For a business navigating economic uncertainty and reduced budgets for hiring and training, access to specialist skills in these areas can be transformational.

Recruitment process outsourcing (RPO) models are generally premised on their ability to reduce costs. There are a range of RPO models available; typically, you'll pay a fixed monthly management fee plus a transactional fee for each successful hire, which ensures that your talent model is flexible and is always right sized to your organisation's hiring needs. So, exactly how much could an RPO save your business? For an average business with around 600 hires per year, spread across professional/managerial hires and trades/retail/volume roles, an outsourced solution could achieve annualised cost savings of \$1.1m.

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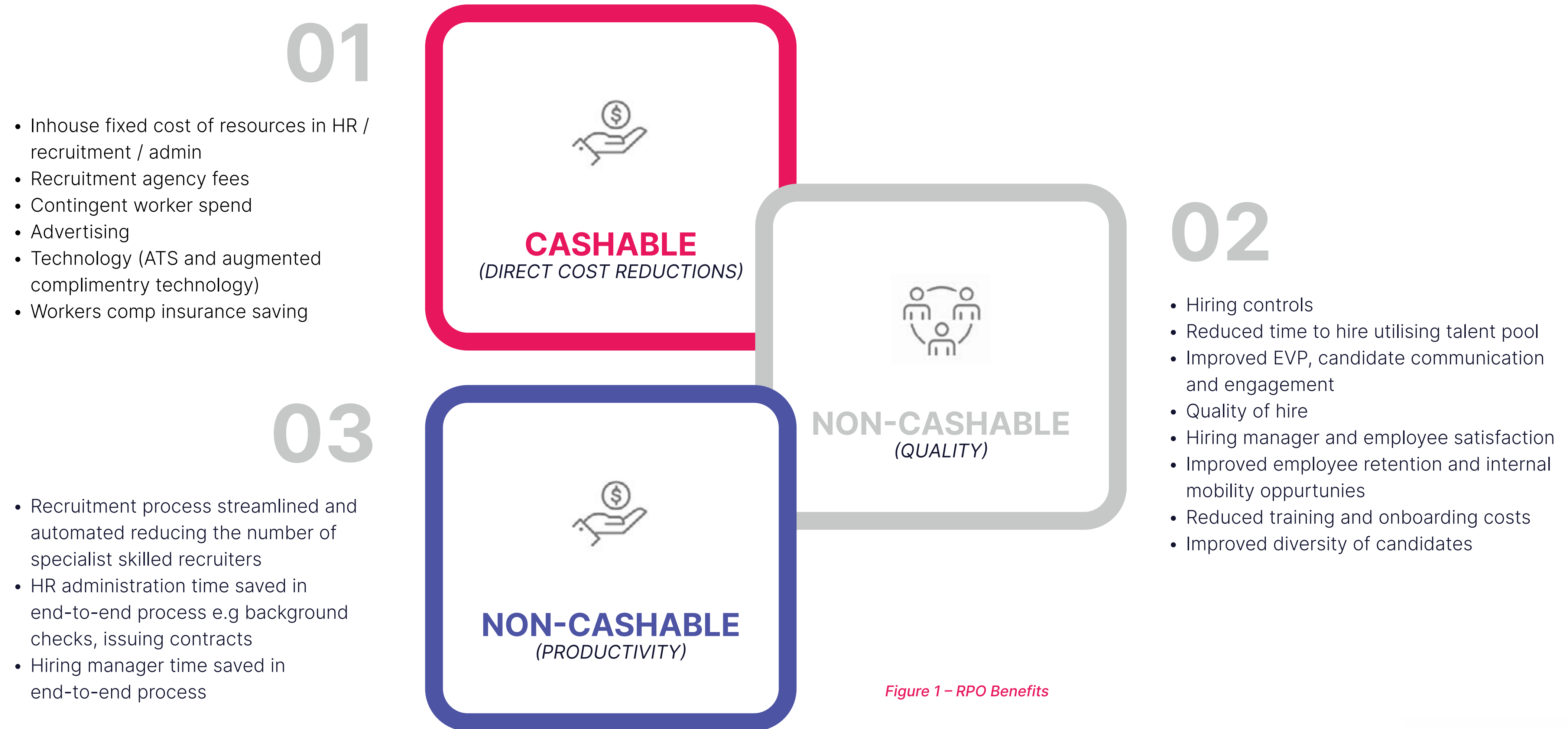


Figure 1 – RPO Benefits

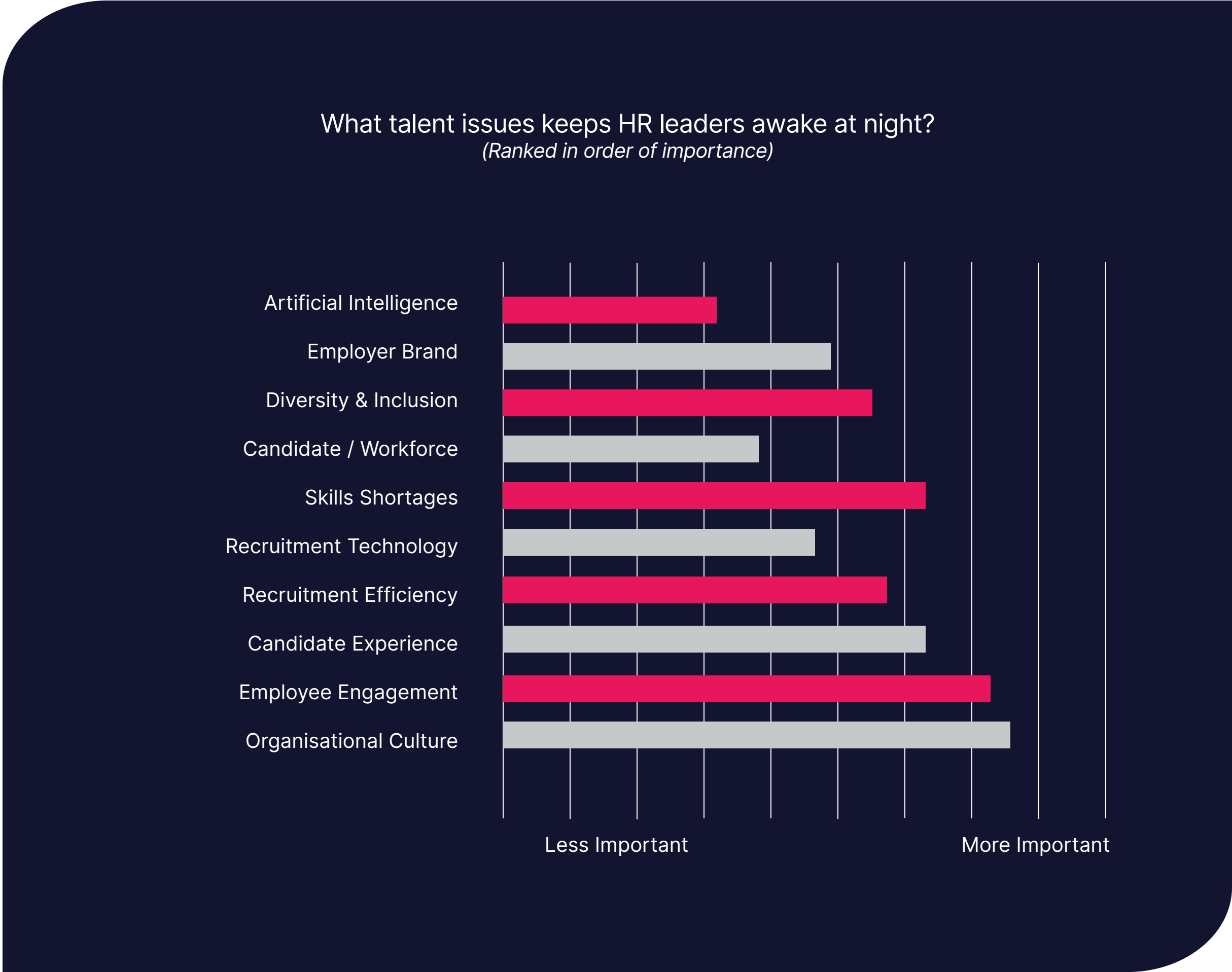
Investing in Skills Mapping

Harrier Talent Solutions recently partnered with Adepto to research how CEOs and HR leaders are preparing their businesses for the future of work. A shortage of talent and knowledge is one of the top three challenges facing APAC-based organisations and one of the top talent issues keeping our surveyed HR leaders awake at night.

50.9% of our survey respondents believe that automation will replace some of the tasks carried out by people within their organisations. 71.7% said they were in the planning phase for the future of work, but most had no firm actions in place to identify which roles may be at risk or to help reskill affected workers.

Delays in strategy development and implementation are often attributed to an absence of actionable data. Organisations have historically approached building capability by thinking about what roles or individuals they need, rather than focusing on the skills, work styles and behaviours that will underpin future growth and success. This means that, even if a business has robust and accurate data about their workforce, that it often lacks the detail required about available skills and potential.

87.7% of survey respondents stated that upskilling is a key priority. If that is true for your business, then technology such as Adepto will help you achieve the same rigour for internal skills and talent mapping, as you do for external talent pool development, unlocking workforce potential and helping to create actionable strategies for workforce upskilling, reskilling and mobility.



Focus on Learning & Development

Training budgets are often first on the chopping board when we meet economic uncertainty, and, compared to other countries, Australian workers already get a raw deal. PwC research finds that while 69% of Australian workers are keen to learn new skills to improve future employability, only 23% given the opportunity to do so by their employer.

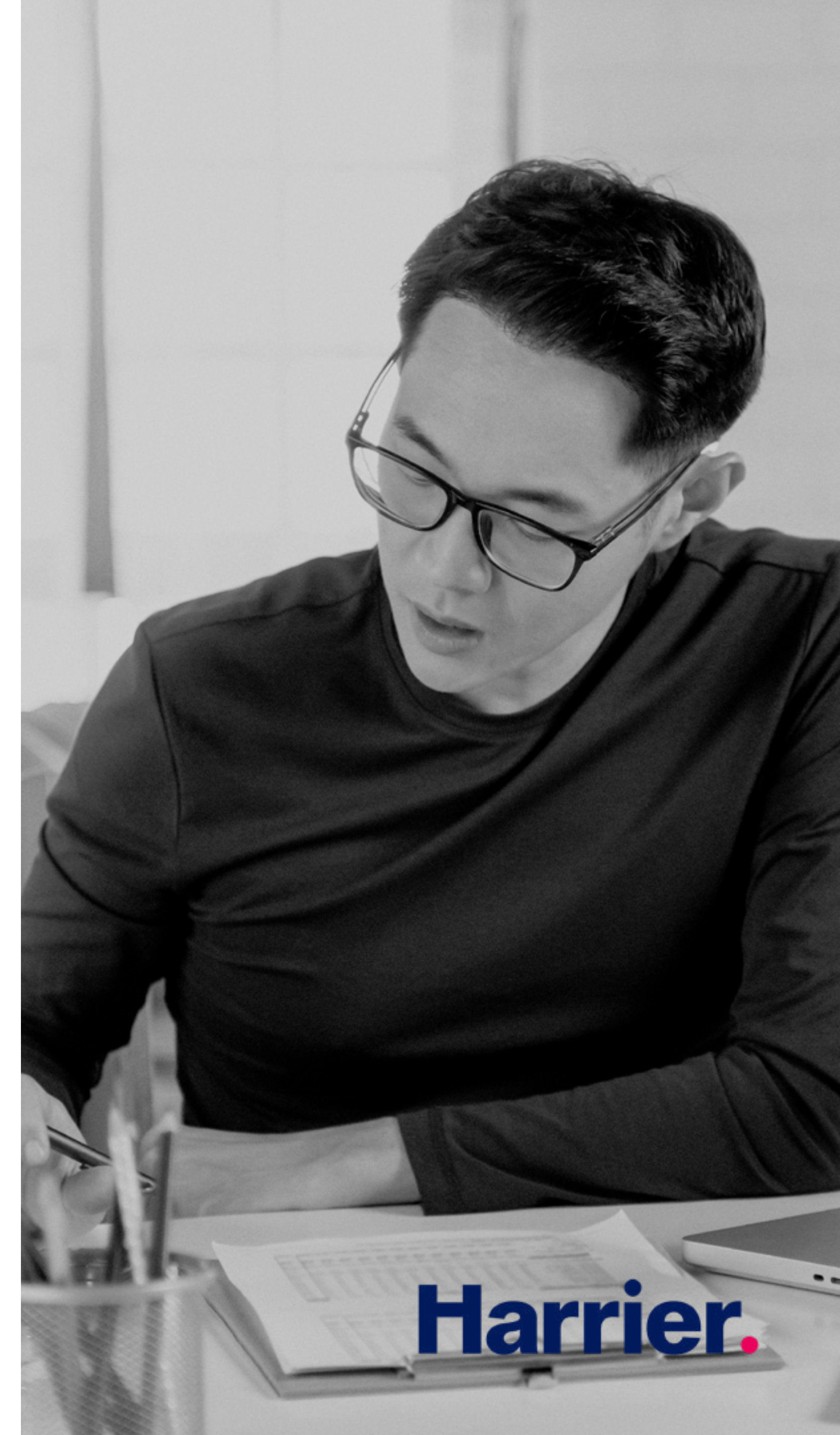
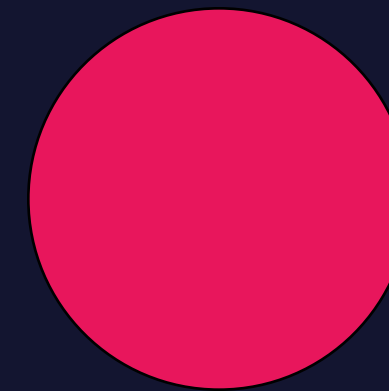
Recent research by Skillsoft supports PwC's findings, with 69% of respondents across Asia-Pacific concerned that they are under-skilled and unprepared for future jobs. Overlay this with rising unemployment and economic uncertainty caused by the global coronavirus pandemic, and we can see how worker anxiety is on the rise. Offering learning and development opportunities is not just good for business, it is a vital way to support and engage your staff during a stressful time.

An investment in L&D need not be a financial burden. There are several education and training providers offering free online course. From Harvard and MIT, to Open Universities and LinkedIn, connecting your employees with development opportunities has never been easier.

Other cost-effective options include engaging people in peer-to-peer learning opportunities, through lunch-and-learn webinars or learning challenges. Make sure also that any internal networking groups and mentoring programs are supported to pivot into an online environment to support and include workers who are now working from home.

Whatever your approach L&D, make sure that you consider your future requirements and adjust your budgets accordingly; if you need to prepare for digital transformation it will be very hard without investing in the people and skills that you need.

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Optimise your Talent Technology

In this era of cloud-based software, it has never been easier to trial new tools in the talent acquisition process. Often forgotten by early adopters in the race to acquire the latest bright and shiny innovation is whether it adds value to your recruitment process. Do your candidates love to chat with bots? Are you using gamification and AI with the right cohort, or at the right time? Perhaps you only use 20% of the functionality of that amazing ATS you were sold.

For many organisations, talent technology is an area of significant spend. If you are a set and forgetter, then now might be a good time to review your talent tech stack and understand if it is fit for purpose, fully optimised and, most importantly, adding value.

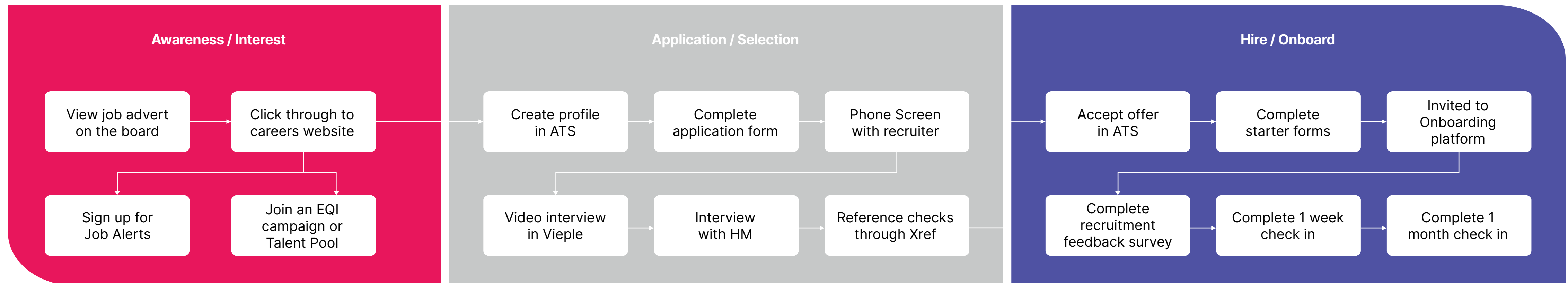
Start by mapping your candidate journey, analyzing each step a candidate takes from initial awareness of your brand or job opportunity to successfully onboarded and performing in their new role. Then consider your talent objectives and analyse whether your talent technology enabling you to meet those objectives at each step of the process.

You may wish to integrate hiring manager and candidate feedback and dive into your data for proof of value. For example, has your video interview technology reduced time to hire or improved quality of hire? Has using gamification improved understanding of what a role requires such that it has increased new hire retention? Within core technology such as your applicant tracking system or CRM, is your process

efficient and intuitive, keeping your candidates, HR and hiring managers supported and informed?

Identify where your technology stack needs improvement and retire those products that are not positively impacting your recruitment process and outcomes. Depending on the size and scope of your function, you may realise significant savings.

Harrier Talent Solutions is offering free Talent Tech Health Check. You can book time with one of our consultants here, and we'll help you get under the hood of a specific piece of technology or take a holistic look at your current tech stack to help you achieve greater efficiency.



Effective Employer Branding

During a time of crisis, how a business treats its staff, customers, suppliers and the broader community has significant potential to influence how your staff and future talent prospects feel about you as an employer. Strong employer brands connect their people to the company's vision and purpose in an authentic way, delivering a unique people experience that drives superior talent outcomes and improved business performance.

In the simplest terms, your employer brand is a sum of all interactions that employees and prospective employees have with your business. It exists in the eye of the beholder, based on an individual's experiences, attitudes and perceptions of your business. Essential to building a strong employer brand, then, is your ability to deliver a consistent human experience that brings your employee value proposition to life and meets (and exceeds) the expectations of your employees and external talent communities.

While your budget may not allow for glossy marketing campaigns to reinforce your employee value proposition (EVP), if you are implementing the talent, technology, learning and skills mapping strategies outlined above, you will already be communicating that your people are valued and that your company is a great place to work.

From an external talent perspective, it costs nothing to go back to basics and ensure that every touch point a candidate has with your business is positive. Absolutely critical to this is responding to every job application that your business receives.

With rising unemployment, you can expect an increased volume of applications per role so you must ensure that your recruitment team is adequately resourced and that your technology is configured to support them. Following an interview, take the time to give each applicant constructive feedback and advice.

During a time of increased job seeker stress and anxiety, you be remembered for the time and support you give. In times like these, business must respond quickly with new policies and processes to ensure business continuity. It is important to take the time to consider broader social and economic influences and identify ways to ensure that new policies and any support offered is inclusive and effective. For example, while working from home suits many, for others, factors such as isolation, domestic violence or crime, mean that home may not be a safe place. Those companies that have considered these factors and have taken an integrated approach, combining support and alternative options to employees with leading by example with their peers with visible CSR strategies, such as donating computers to vulnerable people to help them find or maintain work or funding telehealth and mental health programs, are those standing out for their authentic approach to the current crisis. This is more valuable to a brand than any recruitment advertising campaign.

BUILD BUY OR BORROW? SMARTER TALENT DECISIONS FOR A TIGHTER MARKET.



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Final Thoughts

This whitepaper has outlined proactive talent strategies that CEOs and HR leaders can consider to reduce costs and continue to deliver an outstanding people experience, balancing necessary short-term measures with a longer-term view of business growth and sustainability.

How successfully we move forward will depend not only on our initial response, but how well we prepare for the future. The knee-jerk people tactics and a lack of strategy around talent common during the GFC hurt businesses for years into the future. In some industries, talent shortages and shattered confidence in career stability still lingers.

Budget constraints, hiring freezes and market uncertainty need not be the death knoll for your talent acquisition team and strategy. If we focus on doing the basics well and commit to putting people first, creativity and a fresh approach to hiring and development that centres on skills, rather than roles, creates many opportunities to prepare your business for the future.

The high-level strategies we have discussed are certainly not an exhaustive list and I'd welcome the opportunity to discuss your current business situation and opportunities.

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