



# Hiring for the Future: Trends, Predictions, and Outlooks

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## ***Hiring for the Future: Trends, Predictions, and Outlooks***

*The average company's workforce looks markedly different than in years past, owing to the continued "blend" of non-employee talent and traditional FTEs. As businesses look forward to the year ahead (and beyond), there are several key factors that are transforming how they think and strategize around their core hiring initiatives. From new talent engagement models and a continued focus on compliance to a "human-led" approach towards the "talent experience," this new Ardent Partners research report will highlight the top trends impacting hiring today and will unveil a series of predictions for the months and years ahead.*

It is no secret that the world of work is evolving. From how businesses staff their critical roles to how operations and processes are automated with next-generation technology, the real "Future of Work" is upon us. However, as much focus as there is today on innovation and its place in ultimately optimizing how work is done, the truth is that the most primeval



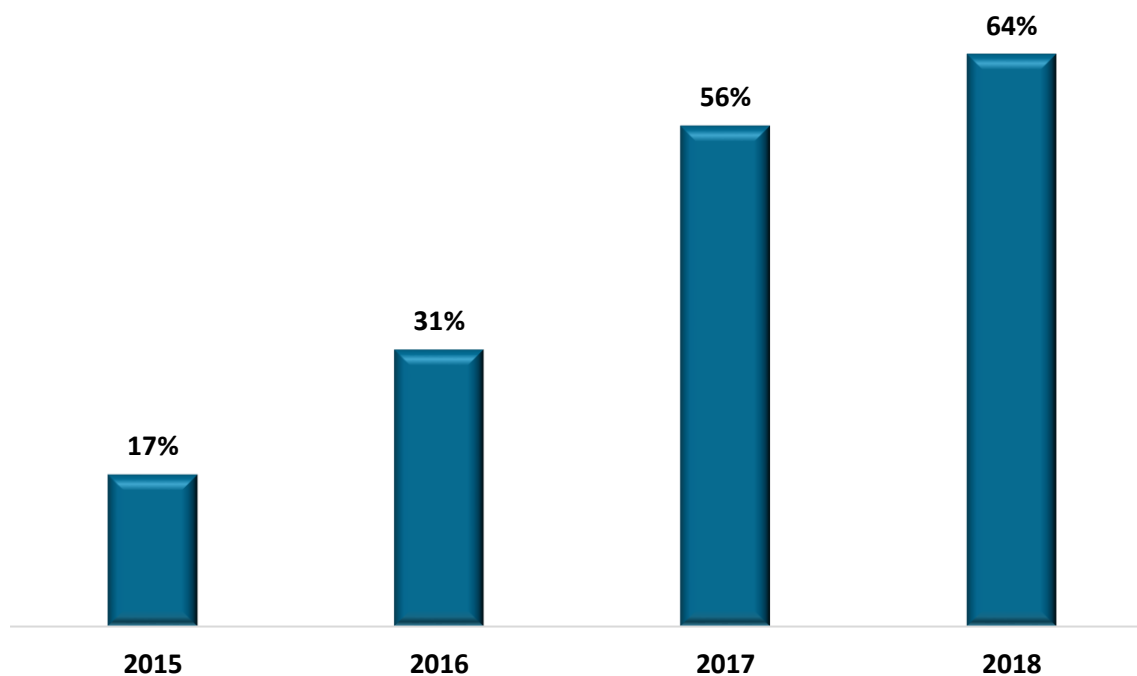
competitive advantage of the average business, its talent, is driving a renaissance in the world of human capital and enterprise labor. An enterprise's workforce is what often sets it apart from its competitors, especially in a business world that places the utmost emphasis on the quality and depth of talent in relation to "how works gets done."

And, within that notion is the major shift in how businesses now strategize their hiring: support critical enterprise endeavors with high-quality talent in an agile and flexible manner. Ardent Partners' research has found that 81% of businesses today cite the desire to be a truly agile enterprise as its top challenge in regards to talent, labor, and work. This strive for agility (as defined by Ardent as "the ability to react to and manage real-time business challenges in a dynamic manner") is transforming how the average company views both its short- and long-term hiring strategies; the typical organization must effectively balance the advantages inherent in innovative technology platforms while building a human-led approach that leans on human-led attributes such as fair hiring, diversity, and inclusion.

### Hiring Trend #1: On-Demand Talent Acquisition

While online job boards and resume-centered hiring websites are not newfangled ideas, today's digital staffing structure is, for sure, miles ahead of where hiring managers were only several years ago in regards to "online staffing." The online talent platforms, talent marketplaces, and digital staffing outlets of today are firmly linked with the base concept of "business agility" in that they allow hiring managers and other enterprise executives to not only find, engage, and source top-quality talent in an on-demand manner, but also align with the intricate requirements and skillsets needed for critical business projects. And, to boot, these platforms have seen nearly threefold growth since the latter half of 2015 (Figure 1).

**Figure 1: Adoption of Digital Staffing Solutions, 2015-Now**



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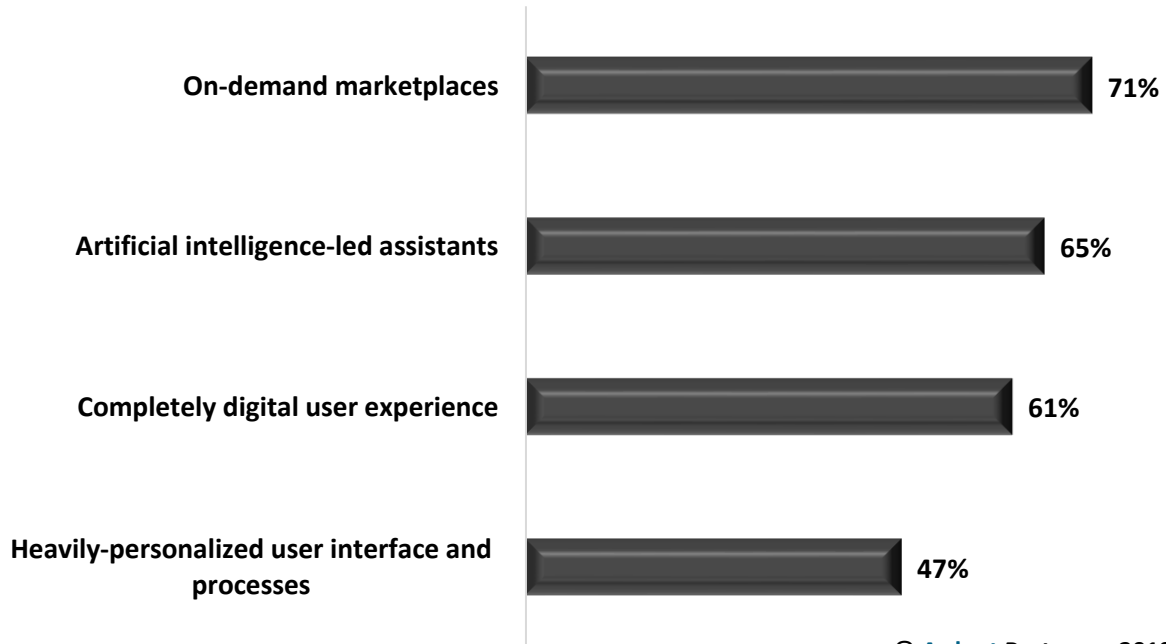
By far the most attractive benefit of these solutions, digital staffing providers simplify the talent acquisition process by providing an e-commerce-like gateway to find the best-fit talent for any given project. Machine learning-led algorithms produce a "percentage match" between project specifications and prerequisites against the skillsets and expertise of freelance and independent professionals. Users have the ability to engage the best-aligned talent for what they need and when they need it...which, at its core, supports the realm of

hiring in an agile business world. Too, the “agile workforce” allows the modern enterprise to leverage top-tier skills when and where they need them, and the emergence of digital staffing outlets are the true gateway to this type of talent.

### **Hiring Trend #2: Consumerization and Mobility**

Mobility has, for nearly a decade now, played a somewhat minor role in the greater scheme of enterprise software. Many large-scale business systems routinely offer mobilized versions of their solutions via true mobile applications or web-optimized portals, enabling executives and users with handheld access to greater enterprise software platforms. However, over the past few years, there has been a blurring line between two distinct worlds (consumer and business) due to the advancements and prevalence of mobile technology. And, according to Figure 2, there are several outlets of consumerization that are currently impacting the evolving world of work.

**Figure 2: “Consumerized” Attributes Enabled Via Mobile Applications**



The “on-demand” attribute of talent engagement today (as described in the previous section of this report) is further extended by mobile access to new talent pools. This extension of the on-demand economy is the foundation of digital staffing outlets and talent marketplaces: enterprises today have the ability to tap into freelancer networks and online talent platforms

to not only find the best-fit talent for enterprise projects (many of these marketplaces leverage machine learning-led algorithms to boost the quality of a placement), but also contribute to the dynamic nature of the agile workforce.

Nearly every consumer currently has access to some form of artificial intelligence (AI), be it via their cell phone (i.e. Siri), smart home device (such as Amazon's Echo), etc., to execute "touchless" processes in a real-time manner. Although the business arena is just beginning its foray into the world of AI (Ardent's research points to less than 5% of enterprises leveraging it in a profound manner), many of today's contingent workforce management programs have access to similar AI-led assistants through VMS functionality and other solutions. Key information, such as ongoing projects and assignments, can be accessed with nothing but a voice on handheld devices and tablets.

### **Hiring Trend #3: A Continued Focus on Compliance**

It is no secret that the contingent workforce continues its rampant growth and impact within the greater world of work; nearly a decade ago, less than 18% of the average company's total workforce was considered "non-employee," with that number rising steadily in the years since (hitting 41.5% of the average total workforce today). What is often "hidden" amongst discussion around that growth is that, with a surging uptick in how businesses leverage freelancers, temporary workers, and independent contractors,

*"With a surging uptick in how businesses leverage freelancers, temporary workers, and independent contractors, there is an inherent risk within a workforce that relies on so many non-traditional forms of talent."*

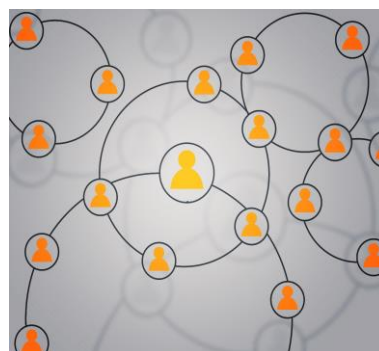
there is an inherent risk within a workforce that relies on so many non-traditional forms of talent. A failure to properly manage these workers as true "non-employees" can result in misclassification, which necessitates government-led auditing to ensure that back taxes (including interest) are paid, as well as the possibility of fines and worker-led class-action lawsuits. Too, no company wants to be the one that is in the news for such an incident. Ardent's research has long pointed to compliance and risk mitigation as a top challenge and focal area for today's businesses; in fact, new research shows that, when ranking "elements of work and talent" on a 1-to-5 scale (with 1 being the lowest and 5 being the highest), the overarching mandate to ensure compliance scores a 4.21.

As businesses scale their hiring in the months and years ahead, and as they especially continue to work towards a "total talent" approach in which non-employee workers play

critical roles in how work gets done, compliance will continue to be top-of-mind. Over 90% of businesses cite compliance concerns and independent contractor risks as factors in how work gets done. Although much of the focus on work (and the Future of Work) revolves around innovation and the strategic value of the evolving workforce, businesses are still concerned with how they structure their relationships with independent and freelance talent.

#### **Hiring Trend #4: A Recruitment Roadmap**

Along with uncertainty in terms of the business economy and the speed in which innovation is driving transformational change, the continued quest for top talent drives enterprises to formulate longer-term hiring roadmaps to ensure they remain competitive in the years ahead. In scaling their hiring, businesses will leverage a variety of strategies and solutions to support overall talent acquisition and recruitment efforts. Ardent research has found that 74% of enterprises lead with



a “talent-first” approach when it comes to addressing how work is done; this fact shapes the overall hiring strategy for the average business today and beyond: nothing is more important the quality, depth, and overall experience of top-tier talent.

In order to truly scale its hiring in the months and years ahead, the talent-first approach entails placing more emphasis on attributes such as diversity and inclusion. No company can thrive (yet alone survive) without innovative voices pushing new ideas and insights; and, in a world that is essentially “limitless” when it comes to networking and boundaries, the diverse talent pool is the most effective talent pool.

With this in mind, businesses must build a recruitment roadmap that takes into account several factors:

- **A focus on the “experience” of its talent.** Living in an age when the so-called “war for talent” is real and viable, the typical business understands and caters to its targeted audience. One-click applications, social media interaction, and mobile-led screening processes are all ideal means to ensure that prospective candidates are privy to a positive experience.
- **Leveraging “people analytics” to understand the resource requirements of the future organization.** While no one business has a crystal ball, the power of Big Data and analytics can be incredibly foretelling of what the future has in store for the

greater organization...particularly when it comes to talent and the overall workforce. By pulling and analyzing trend data from Vendor Management Systems, Human Resources Information Systems, and other key business solutions, hiring managers can paint a predictive picture of forward-looking scenarios, including when future products/services will require more headcount, accounting for retirees, etc.

- **Prioritizing a balance between quality and efficiency.** Scaling a company's hiring should be a perfect blend of efficient recruitment processes and the prioritization of talent quality and depth. For more mission-critical and complex roles, businesses can rely on intelligent matching via digital staffing outlets (or, if a human touch is needed, look for "soft skills" that will address problem solving and emotional intelligence needs). For more tactical positions, traditional high-volume staffing strategies can still be incredibly efficient if they are blended with progressive approaches, such as automated or AI-led resume screening.

### **Predictions for Hiring in the Years Ahead**

There is no sure "tomorrow" in the evolving world of work. From new innovations changing how businesses address how work is done, to critical shifts in how companies globalize their operations and compete within worldwide marketplace, there are several key factors that can transform the average enterprise's hiring strategies and processing, including:

- **Economic uncertainty affecting hiring over the short-term.** Nearly a decade ago, the world faced an economic crisis that altered many a business' workforce, forcing them to undergo mass layoffs or scale back hiring needs. While today there is no clear-cut sign of a similar economic downturn, the possibility is always peeking around the corner. Businesses may sense impending global economic uncertainty and choose to scale down their future plans for new talent, and, on a larger scale, this could boost unemployment numbers and push more and more talented professionals to eschew traditional labor models for flexible work-styles.
- **The continued evolution and impact of artificial intelligence.** Less than 5% of businesses today state that they are employing "heavy" utilization of AI within their talent- and work-based operations. While this figure seems incredibly weak in stark comparison with the buzz around this technology, the truth is that the vast majority of enterprises have not yet begun to understand, let alone harness, the real power of AI. As artificial intelligence becomes more prevalent in hiring and recruitment, hiring



managers will be able to leverage unique algorithms, web-crawlers, and screening bots to find the best-aligned talent for crucial organizational projects.

- **The possibility of future skills shortages.** The evolution of technology and specific skills shortages often go hand-in-hand. As businesses look to solutions like machine learning, Blockchain, augmented reality, and, of course, AI, there will be limited quantities of talent that hold the required skillsets to not only help implement these innovations but use them to enhance enterprise operations. Similarly, the flip-flop between “hard” and “soft” skills will continue to dominate hiring strategies in the months and years ahead; companies may want to hire for qualities like emotional intelligence or critical thinking, however, they may be missing the trade-based skills that were often taken for granted in decades past.
- **Transformative solutions that can enhance how hiring is done.** The many outlets of innovation inherent in the Future of Work are leveraged with one major goal in mind: optimize how work is done. Talent engagement and talent acquisition are major benefactors of new technology like artificial intelligence and digital staffing; as businesses continue to understand the impact of these solutions, they will better integrate them into their overall hiring strategies to facilitate on-demand talent sourcing, better alignment between workers and the projects that need them, and, most importantly, the emergence of a truly agile workforce.

## Appendix

### About the Author

#### Christopher J. Dwyer, Vice President of Research, Ardent Partners



For nearly 13 years, Christopher J. Dwyer has been one of the world's foremost spend management experts and leading authority on contingent workforce management (CWM). He is a premier thought leader in the contingent workforce industry, authoring hundreds of research studies and evangelizing the evolution of the non-employee workforce and its associated technologies and solutions. Dwyer is the voice behind [Contingent Workforce Weekly](#), the industry's first (and only) [weekly podcast](#) dedicated to this space, and is looked to as an expert on the Future of Work, Gig Economy, and the innovation behind the "new world of work." Dwyer has been a prominent analyst voice for well over a decade, previously leading the Aberdeen Group's Global Supply Management practice and contributing innovative research and insights regarding the global supply management industry. Dwyer joined Ardent Partners in 2013 as a Research Director and currently leads the firm's coverage on "complex spend management," which includes non-employee talent, business travel and expense management, meetings/events management, and other key indirect spend categories. Dwyer and his work have been quoted/featured in [USA Today](#), [The Christian Science Monitor](#), [Forbes](#), [CNBC](#), and other major business publications. Dwyer was recognized as a "Pro to Know" by [Supply and Demand Chain Executive Magazine](#) in 2013, has been honored four times (2013, 2014, 2015, and 2016) by [HRO Today](#) as an "Analyst and Advisor Superstar," and contributes thought leadership and insights to not only help procurement, human resources, and human capital management executives better find, engage, source, and manage talent, but also thrive in the new world of work. In 2018, Dwyer was named as a "Top 100 Future of Recruitment Influencer" by Onalytica. In his tenure as an industry analyst, Dwyer has also developed research projects and studies on e-payables, spend analysis, e-procurement, strategic sourcing, contract lifecycle management, and financial operations. He welcomes your comments at [cdwyer@ardentpartners.com](mailto:cdwyer@ardentpartners.com), Twitter ([@CJD Ardent](#)), and on LinkedIn ([www.linkedin.com/in/christopherjdwyer](http://www.linkedin.com/in/christopherjdwyer)).

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