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DIGITAL ADOPTION MANAGER

A key position in companies of today

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AGILE HR

A key to achieving an organizational transformation

Agile methodology is a practice that has garnered the attention of businesses across all sectors in recent years. The agile approach was initially developed as an alternative to the waterfall model, which is a widely followed practice for software development. The traditional waterfall model is a step-by-step process where a software goes through several phases in a sequential manner before reaching the end-user. Agile, on the other hand, is an approach that is based on continuous iteration of development and testing. A lot of software development companies have switched over from waterfall model to agile model as agile methodology is more flexible and reduces the software's time to market.

The five largest tech-companies in the world in terms of market capitalization namely Amazon, Apple, Facebook, Google and Microsoft are Agile. A Deloitte survey among more than 10,000 business and HR leaders showed that almost 94 percent of them feel that "agility and collaboration" are critical to their organization's success. Initially established as a development and testing technique for software development, the practice has started working its way into other functions of an organization. With companies now focusing on an organizational scale adoption of the methodology, support functions that have long operated in traditional ways also need to follow suit. Human resource management (HRM) is one key area that needs to be addressed to achieve these organizational objectives. As HR has touchpoints in almost every aspect of the organization, a full-scale implementation of agile environment would not be possible without transforming the way in which HR teams operate.

With agile methodology being developed, keeping technological teams in mind, there are often misconceptions that kick-in while the model is being transposed on a business function like HR management. This has been one of the major pitfalls while altering the work style of HR teams. For successful adoption, it is imperative that the changes must not stay at the level of merely renaming things or picking certain agile techniques and selectively adopting them. In some cases, HR teams act as moderators, while the others in the organization adopt mainstream agile practices. The adoption of such a style would likely cause frictions between agile and non-agile teams and reduce the efficiency of the organization. The change needs to be driven by embracing the underlying idea and building a framework around it.

The underlying principle of agile hinges on keeping customers as the focal point and delivering value to them through an iterative approach that delivers an incremental upgrade at the end of every iteration. While adapting the concept in HR terms, the customer for HR is the employee. Therefore, HR teams need to adapt themselves by providing employee-centric solutions that are driven by continuous feedback from coworkers.

The key to agile adoption lies initially with a change in mindset. HR teams must be open to unlearning existing practices and embracing the concept of working in an agile manner, becoming more responsive and adaptive. The next step would be to co-create new HR practices and solutions that focus on adding business value rather than the traditional approach of focusing on functions like talent acquisition, talent management, and learning and development. Once the processes are in place, communicating and driving the change among co-workers would facilitate the smooth transition from existing ways of working. Finally, feedback needs to be received to continuously improve the processes for better efficiency.

Agility can contribute in several sub-functions that are currently carried out by HR teams. In the case of performance evaluation, assessment of employees can be conducted more often, on a project-to-project basis rather than on a periodic basis like half-yearly or quarterly. This would ensure continuous feedback from employees to help in establishing different performance cycles depending on the nature of work of core teams. In compensation and benefits, more frequent and spot bonuses could be awarded so that the performance of an employee in a

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project could be instantly recognized. In talent acquisition, cross-functional teams could be formed for hiring to ensure the flexibility of a candidate in working across different functions based on the business needs where such candidates could be more efficiently tested. Similarly, tailoring other HR functions would ensure that their work would be in line with project teams.

As organizations have tasted the success of adopting agility among technical teams, the shift in their operating models is likely to take place in the near future, with more organizations working towards delivering faster and customer-oriented results. As core teams start making this shift towards agility, support functions such as HR would also have to embrace the change so that they align themselves with the organizational governance model. The adoption of the agile methodology necessitates the understanding of its underlying principles, a change in mindset and effective communication. With execution teams becoming more responsive and agile-enabled, a similar transformation needs to take place in HR teams to achieve an organizational-wide transformation.

Agile implementation in HR – Case Study of BBVA

BBVA is one of the largest financial institutions in the world having more than 100,000 employees worldwide. Owing to competition in the financial services sector due to the entry of fintech and big tech players, BBVA had to reinvent the way they work to keep up with the changing industry dynamics. The company decided to implement agile methodology for their engineering teams as a new way of executing projects. A year after mainstream implementation, BBVA's management were able to observe a noticeable improvement in product quality, time to market, employee engagement and productivity.

Following the success of agility adoption in engineering teams, BBVA understood the need to scale up their implementation and use the methodology in other functions as well. Their transformation included the realignment of the existing HR functional units and hierarchies into a new governance framework. Front, discipline, solutions development and employee experience were the four groups formed under the new organizational structure.

The new governance model advocates the need for HR to adapt themselves to work in project-based teams rather than organizational silos. This realignment ensured a smooth flow of operations and better outcomes for the organization. Currently, over 2,000 people in HR teams across 10 countries have been integrated into the new structure.

BLOCKCHAIN

in addressing HR pain points

The inherent design of a blockchain's decentralized network of computers helps store, verify and automate the flow of information and cutting out the intermediaries. While the blockchain technology is widely associated with cryptocurrencies like Bitcoin, the underlying technology has immense potential to revolutionize how the HR and recruitment functions operate within a business. Below we discuss how blockchain will tackle some of the HR pain points:

RECRUITMENT AND VERIFICATION OPTIMIZATION

The recruitment process consumes a lot of time and resources within the HR department, and organizations end up hiring third party agencies that charge them with hefty fees for their services. Standard methods of pursuing candidates, determining their organizational fit, as well as conducting the pre-hire verification process can be a painfully slow processes. Worse, the available candidate data can be fraught with inaccuracy and misleading statements as candidates are known to tweak their resumes according to the requirements of different companies and job roles and may even fabricate references. If data is instead stored on a decentralised blockchain, applicants could provide potential employers with permission to access their blockchain-based employment data, which could include employment history, letters of recommendation, educational records, and personal achievements. This can greatly streamline the entire process as most of the required candidates data sourced during the recruitment phase can be viewed in one single point of access. There will be no need for a lengthy verification processes, where HR offices call references to confirm employment history and once someone has completed a degree, they would simply put their certification on the blockchain as a proof of its authenticity and easy verification.

SMART CONTRACTS

A smart contract between an employer and their workforce can make it possible for workers to be paid automatically without friction. A program can be written and deployed on the blockchain as a smart contract, which can automatically determine how salaries, wages, or even bonuses can be distributed once certain conditions met. Smart contracts can also support the rise of the 'gig economy' as gig and contract workers are often required to wait to be paid while their work and invoices undergo a manual verification process. Companies that adopt blockchain can automate this process and enable workers

to be paid instantly with smart contracts. A smart contract can, for example, be designed so that payment is released to an independent food delivery personnel the moment it is delivered and verified safely at its destination. Not only will this help workers receive payment automatically, but it can also protect businesses from fraudulent invoicing and chargebacks.

ATTENDANCE AND CLAIMS

With the ability to store the unique digital identity of an individual on the blockchain, organizations could track attendance and expenses for wages and claim purposes. Storing data on the blockchain helps ensure that records are accurate and immune to unauthorized changes, which can then be used to help ensure that information collected through time and attendance systems are accurate and cannot be tampered with. Both the employee and the HR department would have visibility to real-time data and there would be fewer disputes regarding internal record accuracy. This can also help strengthen the trust element in payment authorization and looking into claims made, which would help reduce errors and friction between the HR and payroll departments.

PROTECTION FROM CYBER CRIMINALS

Human resources management involves dealing with sensitive personal and financial data of existing and potential employees. The HR department may receive and store information relating to salary, health insurance, finance and banking, disciplinary records, and many more. If stored on a centralised server, this data is at risk of being exploited by malicious hackers. As records stored on the blockchain are decentralized, there is no single place for hackers to access and corrupt data.

PAYING WORKERS IN CRYPTOCURRENCY

Workers want to be able to access their money, transfer it freely, and use it to buy goods and services with ease. For businesses that hire on a global scale, payment options in Bitcoin, Ethere-

um, or other such decentralised cryptocurrencies can make strategic business sense. For someone who lives in a nation where their national currency is devalued, banking systems are untrustworthy, or the government has caused other roadblocks, this can be a way out of the chains of a corrupt government. By offering crypto-based payroll options, HR officials can attract the best talent from all parts of the globe.

The entire employment lifecycle can be optimised by integrating HR with the block-chain technology. From scanning for potential applicants, examination of qualifications, validating work background and references or applying for the necessary security checks, all of these steps can be made easier by providing a one-stop access point. As blockchain would already hold all of this validated information, it would significantly reduce the time and energy spent on this process, thereby simplifying the entire HR experience. The ability to verify candidates alongside real time information relating to pay and claims will undeniably free up much-needed time to allow HR to focus on the strategic business goals. ■

DIGITAL
TRANSFORMATION

A case study of General Electric

A CASE STUDY OF GENERAL ELECTRIC (GE)

According to a survey by the conference board, nearly 90% of executives believe their companies have at most two years to make significant progress in digital transformation before it begins to financially impact their business. While nearly 6 out of 10 executives think it may already be too late to keep up with the competition that has made timely efforts towards digital transformation.

General Electric has been a pioneer in digital transformation of industrial sector operations. Since its inception over a century ago, General Electric's revenue stream has been majorly dependent on sale of industrial equipments and related maintenance services. However, with the digital transformation gaining popularity in recent years, the CEO of GE Jeff Immelt in 2012 realized the need to make drastic changes in GE's business model towards data-based services. The shifting focus on data analytics was clear in 2012 when GE reserved an amount of USD 1.5bn for acquisitions to boost its presence in analytics. GE also started developing software supporting their products, thereby increasing efficiency and enabling new revenue streams. In 2013, the company introduced a wide range of big data products ranging from predictive software, a Hadoop-based software for ingesting and managing industrial data, and forming a relationship with Amazon Web Services to share industrial data in public cloud . GE was one of the first conglomerates to fully embrace the cloud, when it announced to close majority of its on-premise data centres in 2014, while many enterprises were still grasping the concept of cloud.

GE's transformation is thus derived from a mix of strategies (i.e. to develop data driven solutions and simultaneously opening up its big data platform to external applications thus also ensuring the security of the value created by its equipment business). Bill Ruh, Vice President and Head of GE's software and analytics business in 2013 stated that GE plans to sell services integrated with their machines, which make them more efficient similar to Google which have software but are selling advertising.

GE also understood that it needs to undertake the transition of its products towards industrial Internet of Things (IoT). For instance, by equipping its machines with sensors, they can follow a digital trail of data to understand the health of those machines.

Source: Capgemini

GE digital transformation journey

Another sign of GE's progress towards digital transformation is evident from its transition of the internal big data platform as an external service. Prior to 2014, GE was using Predix, its big data platform, for building its proprietary predictive solutions that could bring all of GE's industrial machines onto one system connected by the cloud. This increased the efficiency across industries. For instance, within the aviation industry, a percentage increase in performance meant a savings of nearly USD 3bn in jet fuel annually . However, towards the end of 2014, GE announced the opening of its Predix platform to other companies to create their own customized industry apps. With this move, GE intends to make Predix the default platform for industrial big data, something similar to Android of mobile world today. Opening of Predix platform helped GE in monetizing its big data platform directly and provided a pathway to explore opportunities across geographies and industries where it had limited visibility.

An equally important role is played by HR in the success of GE. With operations across the globe, in order to complement the digital transformation, drive worldwide, GE had to scale up its recruitment of software experts. In this regard, the HR department used a combination of agile innovation, technology integration and talent recruitment strategies to align with its transformation goals. The human resource function was restructured to a partnership model.

GE also modified its approach to talent management. Whiteman, the head of people strategy, analytics and HR at GE used text analysis to identify software engineers. Using text analytics, HR department was able to scan through the words that employees had posted into internal systems with focus on keywords such as python, R, etc. which enabled them to better categorise the workforce. Further, to identify characteristics that makes someone successful, the HR team and software employees worked together to define

what good looks like which was subsequently linked with job structure as standardising definitions and measuring scale would mean incredibly data-rich insights which would enable GE to be more strategic and future-ready with actionable planning.

Right from recruitment to hiring, career development, training and promotions, GE uses analytics to benchmark progress and identify areas that can be improved. For instance, GE prioritised upskilling of its employees and comparing the progress against a benchmark on a quarterly basis. Perhaps one of the biggest transformation in HR department was the reinvention of performance management in the organization. GE implemented a more frequent feedback of performance via an app without any numerical rankings and provided a platform to define near-term goals for employees. Managers, frequently had conversations (which was termed as touchpoints) with the team members on how far they are from their goals. The app provided summary of these touchpoints whenever required. The main aim of the app was to drive constant improvement.

In terms of learning, HR utilised data to build personalised learning recommendations, encouraging employees to engage more in their career development. In addition, as the HR had vital information around the skills required for each role, employees were able to receive person-

alised results enlightening them with variety of roles that matched their skill sets.

While GE maintained its leadership in the digital transformation, it has also struggled in recent times. After Immelt's premature resignation in 2017, Flannery his replacement, scaled back the digital ambitions and focused more on its core business. GE was also reportedly looking to hive off its digital assets. In 2019 for instance, it sold the majority stake in ServiceMax, which provides a field service software solution to help enterprises increase efficiency.

Despite facing some hurdles on its journey, GE continues to progress ahead on its transformation journey. The company recently announced to establish a new GE owned but independently operated IoT company to deliver software products for its various industrial markets. The spinoff is part of the new CEO Lawrence Culp, to streamline software business. The move will help GE to regain its foothold by creating a sustainable business from its ambitious and costly foray into the software industry which could create a lot of value for their end customers. ◾

CORRELATION BE-TWEEN EXPERIENCE AND A NEW HIRE'S PER-FORMANCE

In recruitment, the convenmtional belief is that the past work experience of a prospective employee is a critical determinant in successful hiring. In instances when the organisation looks for senior level job candidates, the previous work experience and performance play a major role. Organisations primarily look for candidates with experience, as they often want someone who can hit the ground running. The practical knowledge and the practical experience acquired over years are considered as dominating factors. Essentially, recruiters are also often risk-averse and believe that hiring someone with experience is safe compared to an inexperienced person. However, the technological era is transforming conventional models and practices, and the recruitment industry is no exception. Today, with many early stage companies evolving, companies majorly depend on the ability of their people to be driven by factors like learning new things, flexibility and adapting to irregularity.

According to the capacity-experience paradox, the company that is growing at a rate of 30-40% year-over-year require their key people growing at a similar growth rate. Such companies promote their early hires who had no prior experience to increasingly challenging and complex roles. It is noted that hiring an experienced person in such a scenario might generate momentum at the beginning. However, eventually the momentum is likely to deplete as most of these have an unstructured environment where the experienced hire might find it difficult to adapt and grow. This means that experience now becomes a tricky dynamics. It has been found that despite having years of work experience in roles or industries closely allied to their current ones, experienced hires face difficulty adjusting in and performing in their new organisations. Therefore, previous experience need not necessarily translate into better performance in the new jobs. Moreover, in the face of the evolving economy and workforce, especially with automation of jobs, measures of human attributes such as self-awareness, creativity, emotional intelligence,

learning mind-set and communication might become important. Soft skills like communication, problem solving, collaboration and empathy are finding more value as they determine the culture of the organisation. In essence, the contribution of knowledge and skills of employees is more important to the success of the company.

With a recent research from Florida State University, employers might have to rethink the way they use experience to assess job applicants. The study by Chad Van Iddekinge and his colleagues examined 81 studies to understand if a candidate's experience is related to performance and turnover in the subsequent organisation. The research finds that there was no significant correlation between an employee's prior work experience and their performance in a new organization. The research also found zero correlation between work experience with earlier employers and retention or the likelihood that a person would stick with his or her new organization . Van Iddekinge, who is an expert in human resource management, suggests that previous work experience is not a good indicator of how well employees perform in a new organization and there could be better productive measures. The primary reason why employers opt for hiring experienced people is that they believe that previous jobs might have led to knowledge and skill building in them. There is a tendency to think that candidates who have undertaken certain types of work in the past have certain desirable personality traits. However, it is important to focus directly on the knowledge and skillsets without using prior experience as a proxy.

Experience is a direct parameter, and therefore is easy to assess. However, past performance, contributions, and existing knowledge are trickier to evaluate from an application or resume. Companies can use additional modes of screening like job relevant tests to evaluate a candidate's suitability. The ability to adapt and grow into complex roles and organisational ecosystems is of paramount importance in a new hire.

This is predominantly determined by potential rather than previous experience. Even if the new hire does not possess the required skills in the required levels, what matters is whether they have the potential to learn the skillsets and apply those in the job.

The transition of economies toward the digital era and with the growing entrepreneurship, recruiting structures that are considerably different from the established game rules are required. The present hiring ecosystem presents a clear challenge within the traditional recruitment policy frame.

While experience is certainly an essential criteria, new measures to understand the human capital will disclose a series of opportunities for the employers and employees who will be able to adapt at the new parameters and functionalities related to the digital era. Apart from the credentials, experience and competencies, adequate importance should be given to assess the motivation, curiosity, willingness to learn and determination of the new hires. The changing recruitment scenario has revealed that although experience and past performance are likely indicators of future performance, it does not provide a safe prediction. ◼

DESIGN THINKING

towards a great employee experience
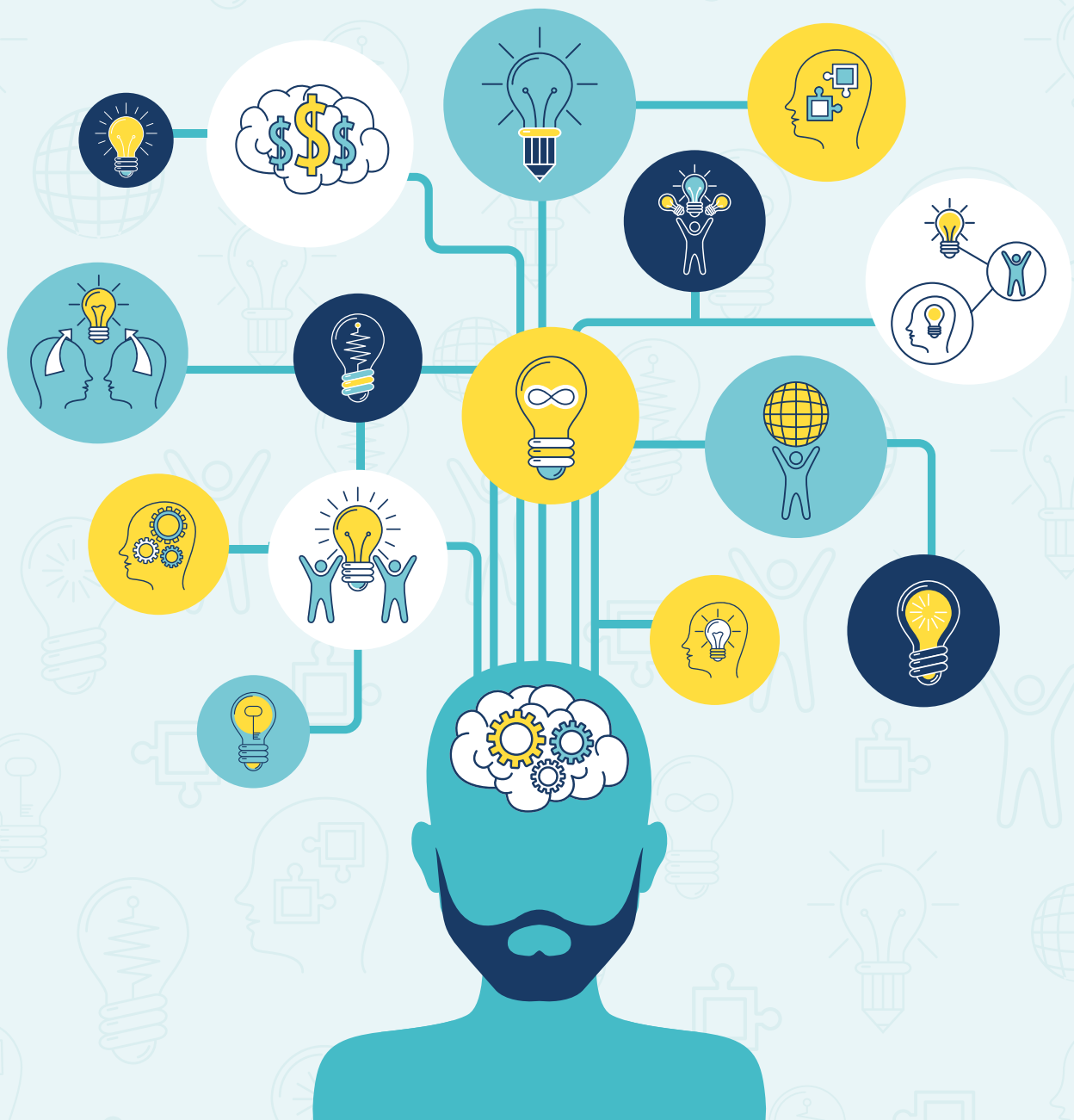
n this age of knowledge workers, attracting and retaining talent has become more important than ever. According to the Hays GCC Salary and Employment report 2019, 50% of employers believe employee engagement and staff retention are the most challenging areas in HR. Employee experience is important for attracting and retaining talent as well as being an umbrella that includes recruiting, onboarding, employee engagement, career path development and off boarding. According to 2019 Global Human Capital Trends report, 90% of the respondents in the Middle East felt that employee experience is important or very important to their organization's success. Organizations are renaming their Chief HR Officer role as Chief Employee Experience Officer. Furthermore, companies are recognizing that the employee experience is the new battleground for competitive advantage, where there is a constant effort to improve employee experience. The use of design thinking as an approach to this end is gaining traction.

> **According to 2019 Global Human Capital Trends report, 90% of the respondents in the Middle East felt that employee experience is important or very important to their organization's success.**

WHAT IS DESIGN THINKING?

Design thinking is a problem solving approach. It places people at the crux of the problem solving process and the solution. It involves studying the interaction of the user with a service or a product and improving them based on user feedback.

WHY USE DESIGN THINKING IN HR?

The role of HR has been shifting from being process-oriented to providing great employee experience and managing the expectations of a digital workforce that spans generations. A bottom-up approach, starting with the employees, would help arrive at actionable and sustainable solutions with the added advantage of more employee involvement. This is where design thinking comes in. With people orientation at its core and its first step starting with empathy, it renders itself naturally to HR. It is helpful especially for complex problems that are ill-defined or unknown, which is the case for many HR issues. Design thinking can be used across various HR areas, like in the design of organizational processes and structures, collaboration of teams, training and development etc. IBM's performance management system and Telstra's onboarding experience are a few examples of successful implementation of design thinking across HR functions.

HOW TO IMPLEMENT DESIGN THINKING IN HR?

Some important principles of design thinking are:

1. Build fast and fail fast – the solutions are implemented and tested out quickly, spending less time on planning.
2. Co-creation – stakeholders across different disciplines are to be involved in the process to bring in different perspectives.

Design thinking is a 5-stage process – empathize, define, ideate, prototype and test. The stages are non-linear and iterative.

1. Empathize – this stage involves interacting with stakeholders; in this case the employees. This could be about a particular problem or their experience with HR processes in general. The key in this step is to be empathetic and understand the world from employees' point of view. It is important to leave behind pre-conceived notions and challenge assumptions. This step helps in capturing the mindset of the people involved and also presents opportunities based on employees' needs.

2. Define – in most cases, what is seen on the surface is just a symptom. Based on the interaction with the stakeholders, the specific problem to be addressed is defined and the focus is on identifying the right problem and to phrase it in a human-centric way.

3. Ideate – once the problem is defined, the stakeholders come up with possible solutions. The idea is for the solutions to be as out of box as possible. A study by Ideo shows that teams that iterate on 5 or more solutions are 50% more likely to be successful.

4. Prototype - one of the solutions is chosen and implemented in a small scale.

5. Test – the prototype is tested. If it is successful, full scale implementation is carried out, otherwise, the feedback is taken and the process re-starts from any of the previous steps, as required.

The implementation of design thinking can be started out small or one can go all out. Starting small would involve trying out the steps by oneself, then proceeding to create a co-creation team within the HR team. After this, a cross-functional team could be formed. These small but sure steps would help in easier scale-up of design thinking across the organization.

A great example of going all out is Cisco's 24-hour HR Breakathon. Modelled on a hackathon, it connected employees across disciplines and countries to form teams. The teams applied design thinking to identify and offer solutions for HR problems. This exercise resulted in 105 new HR solutions.

A FEW POINTERS FOR A SUCCESSFUL IMPLEMENTATION

1. The design thinking process itself involves some time and a budget, which should be taken into consideration.
2. As cross-functional teams are involved, it becomes an organization-wide effort and coordinating team members should be though out.
3. While it offers a roadmap, for design thinking to work, the organization must support the culture of innovation and change.
4. Asking significant questions is important for a better understanding of the user-service interaction.

CONCLUSION

With changing times, the role of HR is changing. Design thinking offers the way to an employee-centric HR. Considering various aspects under the employee experience umbrella, and the iterative nature of the approach itself, the entire process may take some time, but the advantages are considerable; it provides direction and focus and helps in achieving sustainable and actionable human-centered solutions. ■

DIGITAL ADOPTION MANAGER (DAM)

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THE NEED FOR A DIGITAL ADOPTION MANAGER IN TODAY'S WORLD

Digital revolution has been the biggest disruptor of the twentieth century. While for the most part it has brought positive changes, it also came with its fair share of challenges. One of the major issues is that the technological evolution occurs at such a rapid pace that organizations struggle to keep up with. Enterprises need to constantly innovate in order to stay ahead of their competition. According to Adobe's 2016 Future of Work report, 81% of employees want state-of-the-art technology at their workplace. Employees can get frustrated if they feel their time is being wasted as they don't have the appropriate instruments to do their job successfully. On the other hand, those who believe that their companies are ahead of the curve when it comes to the newest technology adoption feel twice as motivated, creative, and valued compared to those who state that their organizations lag behind. Furthermore, there is also the fact that organizations face strong resistance to change; once individuals get used to a certain way of doing things, it's a real challenge to introduce modifications. Therefore, there needs to be someone within the organization who needs to be responsible for ensuring the successful implementation and adoption of digital tools. This has ultimately led to the evolution of a dedicated position for a Digital Adoption Manager.

WHO THEY ARE AND WHAT THEY DO?

Digital adoption managers drive and oversee an organization's digital strategy, with a special focus on ensuring that employees can use digital investments to the fullest capability. When a company adopts a new software or technology, there are inevitably changes which are required to be made within the organization's internal functioning. With these changes comes several new challenges, such as software training for existing employees, on hiring new talent, implementing new business processes, achieving a smooth transition phase, and ensuring the success of digital investments. A Digital Adoption Manager tackles these challenges, drives adoption, and keeps track of their successful execution.

Since those who actually adopt the new technologies and work with them are the people who make up the organization, it becomes very important that their needs, preferences and suggestions are taken into consideration before any technical upgrades are introduced. The Digital Adoption Manager is tasked with listening to all the different stakeholders, learn where performance is suffering and help overcome any shortcomings.

WHY ARE THEY NEEDED FOR AN ORGANIZATION?

Buying a new technology can be a costly investment, but not pursuing it at all can lead to loss of revenue in the long run. Substantial funds are invested in order to get the internal process digitized and without a proper adoption mechanism, a company cannot expect to generate sufficient ROI. Thus, apart from finding the best digital solutions and the ways in which they would be best fitted into the organization, the Digital Adoption Manager also helps demonstrate a successful digital budgetary allocation.

Bringing in new tools and platforms can help boost employees' performance by turning digital items into organizational assets. With a working knowledge of technical support, they can streamline operations by standardizing work and implementing time-saving software across the business, which can then reduce delays due to redundancies. The point of hiring a Digital Adoption Manager is, therefore, not to embrace technology just for the sake of it, but to identify all points of possible inefficiencies and target them by harnessing the potential technology can offer, which can then work in the favour of an organization.

The bottom line is that if a company doesn't have a Digital Adoption Manager to integrate the cyber world with the practical world, it will start to suffer in ways more than one. The return on investment on technological upgrades will never be satisfactory. Company attrition rates can start to increase as talent flocks towards where it sees it maximum worth, which may affect clients and subsequently revenues. Moreover, the existing employees may become frustrated and unproductive hurting the culture of a company. Going digital is never an easy task, but since that is the way the cookie crumbles in today's world of business, only those who board the digital boat and learn how to sail can hope to succeed. And any boat needs a captain! ◾

RECRUITMENT PROCESS OUTSOURCING (RPO)

A NEW TREND IN RECRUITMENT

RPO is a type of business process outsourcing (BPO) where a company transfers all or part of its recruitment processes to an external service provider. An RPO service provider can offer its own or may take over the company's staff, enterprise technologies, organizational methodologies and reporting standards.
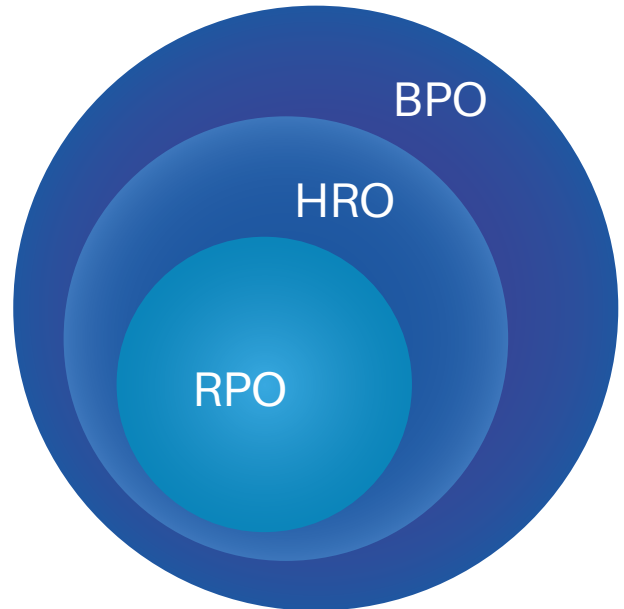
In essence, RPO greatly differs from providers like staffing companies and retained search providers in that it takes ownership or responsibility of the overall design and management of the recruitment process and the resultant outcomes. RPO is considered as part of the Process Outsourcing Industry and comes under the broader Human Resources Outsourcing (HRO) framework

An RPO service provider functions as a firm's internal recruitment function for an agreed portion or all of its vacancies. RPO companies manage the full recruiting/hiring spectrum from job profiling through to the on-boarding of the new hire2. However, an RPO is not simply an on-call permanent placement provider or a "head-hunter" that is there to fill permanent positions. It is a sustained and well-defined process offering a reliable and bespoke candidate sourcing mechanism.

Table 1: RPO Types

Source: TeamLease

RPO Type	Brief Description
Enterprise RPO	Enterprise recruitment process outsourcing is the firm-wide outsourcing of all or most of the recruiting activities. An RPO service provider would be taking overall responsibility and accountability for all elements of the continuum.
Project RPO/ Short Term RPO	This involves a specific project for a specific term. Generally, it's related to engaging a service provider for a particular scope of sourcing, like hiring a sales force, or helping recruit for a specific location, etc.
Point-of-Service/ Limited RPO	This means that the RPO service provider is taking ownership of one or more components of the recruiting process. It is very akin to project RPO, but point of service RPO is a continuous service as it incorporates much more sustained efforts before a handoff to the client HR. Examples include applicant screening, or social media recruiting service, etc.
Consulting RPO	This involves a company seeking the knowledge of an RPO provider for recruiting and refining the process. The RPO provider may provide advice on how to improve processes, the tools to be used, and about social media recruiting, etc.
Blended RPO	There is growing demand for contract hires apart from permanent hires. Blended RPO is the solution that combines the process of contract hiring and permanent hiring into a singular, unified talent acquisition approach.

1 Lamees Abourahma, RPOA
2 TeamLease White Paper on RPO
3 Ibid

An RPO can service a portion of the recruitment requirement, or an entire department's hiring needs or even the complete firm's hiring requirement3. Thus, based on the extent of outsourcing, there are various types of RPOs. While an RPO company can have its own differentiated service offerings and value additions, broadly the variants of RPO are as in the Table 1.

Underpinning the emergence of RPO is the context that talent acquisition is no longer purely just an HR initiative. The work of identifying and attracting key talent is a critical business imperative that can fuel growth and organizational performance.

The global RPO market is estimated at around USD 3.5bn mark in annualized contract value in 2017 (Everest Global) . The estimates of another research company, NelsonHall, put the value at about USD 4.4bn (2017). It is quite likely that the market size is hovering at around the USD 5bn mark as of 2019, with CAGR of about 14%. Geographically, the RPO concept is popular largely in North America and European region, where the adoption of it dates back to early 2000s. However, Asia Pacific is expected to emerge as the largest growing market for

RPO services, in terms of both revenue and adoption rates over the coming years.

The RPO phenomenon is relatively new in the MENA region. Currently, it may account for about 5% of the global RPO spend, though this is only a very rough estimate (Marmore Research). Since the industry is still nascent in the MENA region, the numbers are not very clear. However, what cannot be disputed is that the growing war for talent and a tightening labor market (e.g., workforce nationalization practices) will cause more and more firms to turn to RPO providers.

4 Everest Group
5 SHRM

Table 2: Emerging RPO Types
Source: TeamLease

RPO Type	Brief Description
Contingency/ On-demand RPO	This involves an agreement for an RPO provider to provide the agreed upon service on an ad hoc or on-demand basis. For e.g., a client may require 100 hires per month but mandates it on the contingency that this resource pool is available to utilize only when the client needs or asks.
Branded/ White-Label RPO	This RPO service involves outsourcing the recruiters, but these recruiters present themselves to the marketplace as if they are part of the company's temporary or permanent hires. This makes it look appear as if the recruiting is being undertaken internally and not through any service provider.
Co-sourcing	In this, a client may engage multiple RPO service providers to serve various areas. For e.g., a client may have one service provider for high volume hires and another one for difficult-to-find talent.

Many firms in the GCC are facing competitive labor markets, which means that there is the imperative to evolve methods to attract, compellingly engage and secure flow of top talent. For many talent acquisition practitioners in the GCC, RPO services will help fill critical knowledge or operational modeling expertise gaps. Interestingly, international RPO experiences suggest that over 40% of RPO deals are bundled with some form of technology capability (Everest). Thus, many RPO service providers are making increased investments in capabilities for delivering bundled RPO offerings, which covers advanced analytical services as well.

This implies that a growing reliance on talent analytics will likely see employers shifting away from traditional hiring metrics (like cost-per-hire) to sustainability anchored success metrics like tenure length, promotion potential, etc. Hence, RPO along with talent analytics will inform the search process for allowing measurability of long-term fit for an organization, even as factors like company cultural adaptability and candidate fit are surfacing to the foreground.

JOBSEEKERS' SURVEY

ABOUT THE SURVEY

In the age of rapid technological advancement, searching, applying, and securing the right job is no longer the same as it used to be a few years ago. Now, there are better tools and platforms available which make job search seemingly easier; but this also makes it easy for candidates' profile to be lost in the deluge of applications that recruiters receive.

BLOOVO conducted a survey to understand what are the job search strategies being used by jobseekers, and what is their assessment of the existing job search platforms and methods. The survey was conducted with a sample of 1,334 jobseekers who are registered on BLOOVO. In sync with higher number of male workforce, the survey respondents constituted about 80% males and 20% females breakdown, providing the desired gender diversity to the survey and its results. The majority of the respondents were in the age group between 25 to 35 years, comprising 49% of the total sample size.
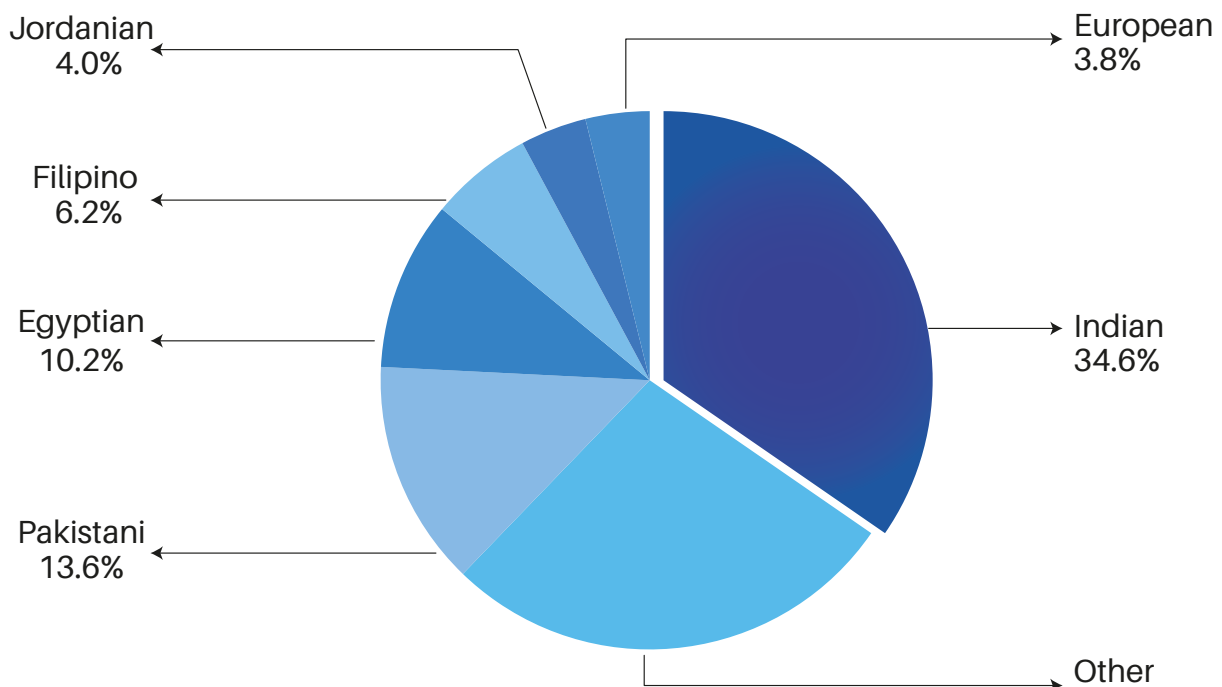
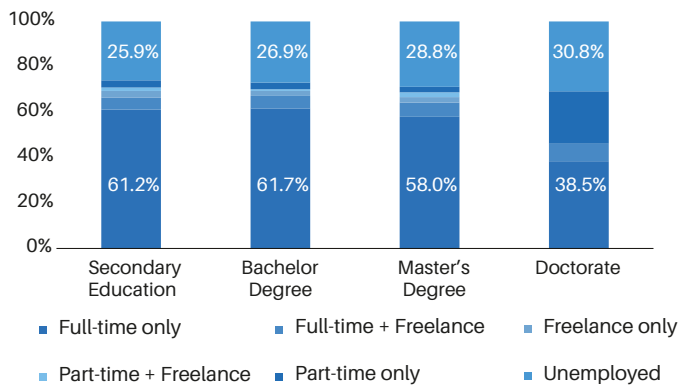Figure 1: Split of respondents based on age groups
Source: BLOOVO
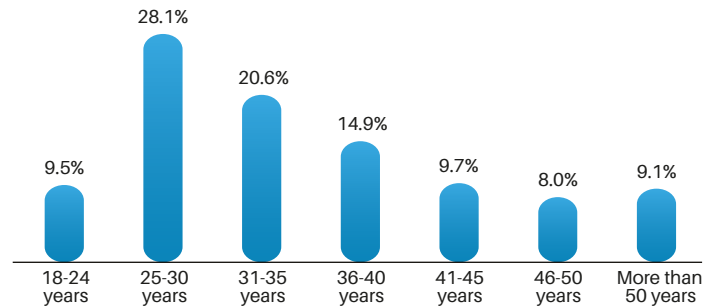
Most of the respondents to the survey were expats from different countries, and the representation of GCC nationals in the survey was at less than 2%.

About 56% of the survey respondents were graduates (Bachelor's degree), while participation by candidates with Master's degree and secondary education was almost equal, both at 21% each. Majority (60%) of the respondents were full-time employed, wherein about 27% of the respondents were unemployed.

Jordanian 4.0%
European 3.8%
Filipino 6.2%
Egyptian 10.2%
Indian 34.6%
Pakistani 13.6%
Other

Figure 3: Employment status based on education level
Source: BLOOVO

- Full-time only
- Full-time + Freelance
- Freelance only
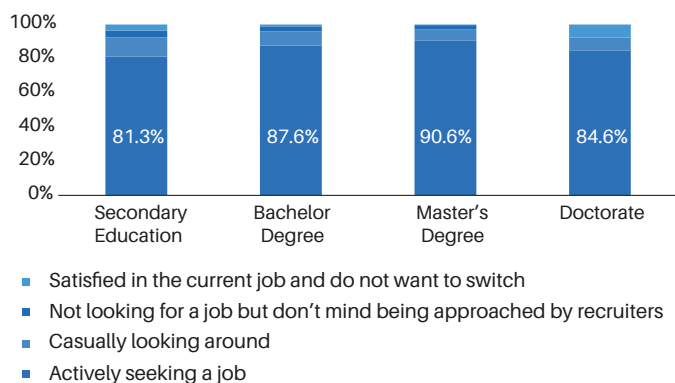- Part-time + Freelance
- Part-time only
- Unemployed

Even the currently employed candidates are active in job search

Career and financial growth are the two major factors that motivate the jobseekers to look for a job change. Generally unemployed candidates are most active in job search, however, interestingly along with the unemployed respondents, it turns out that most of the employed respondents are also actively looking for a job change. On an average more than 87% of the total respondents are actively looking for a job change. This trend also warrants corporates to relook into their HR strategy, as clearly defined career path and financial growth prospects could discourage employees from looking out for new jobs.

Figure 4: Jobseekers by education level
Source: BLOOVO

- Satisfied in the current job and do not want to switch
- Not looking for a job but don't mind being approached by recruiters
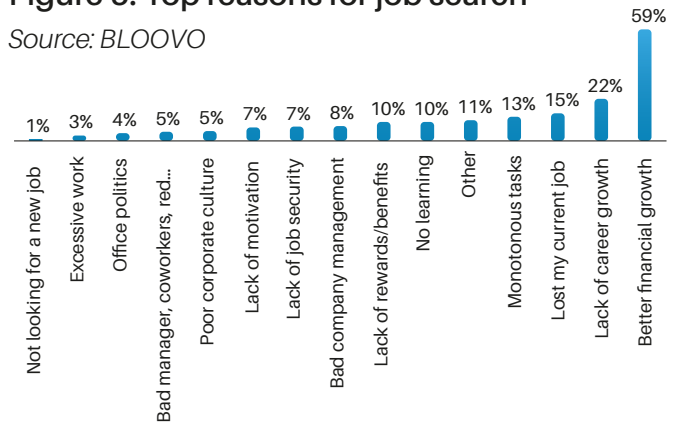- Casually looking around
- Actively seeking a job

Financial growth is the biggest factor inducing job search

About 59% of the total respondents believe financial growth to be the main reason for

Figure 5: Top reasons for job search
Source: BLOOVO

seeking better job opportunities. Professionals seek new opportunities to not only scale up the ladder by taking up higher responsibilities but also to improve their monetary compensation. A good candidature would often attract premium in monetary compensation for a job change, which is usually much higher than the normal salary hike within the current organisation. The other main reason to lookout for opportunities is stagnation in career growth and routine monotonous work, particularly more in candidates within the age group of 31-35. With the uptick in education levels, employees are concerned about their career progression and quality of work. The need for recognition is on rise, and employees are also open to new learnings and challenges.

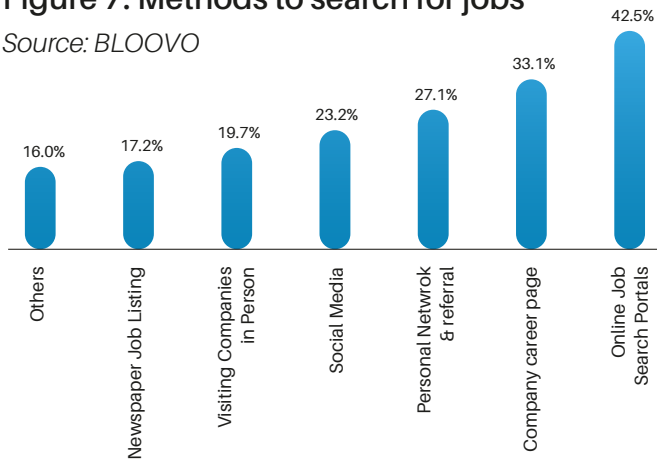## Figure 6: Critical factors to be considered to take up a job offer
Source: BLOOVO
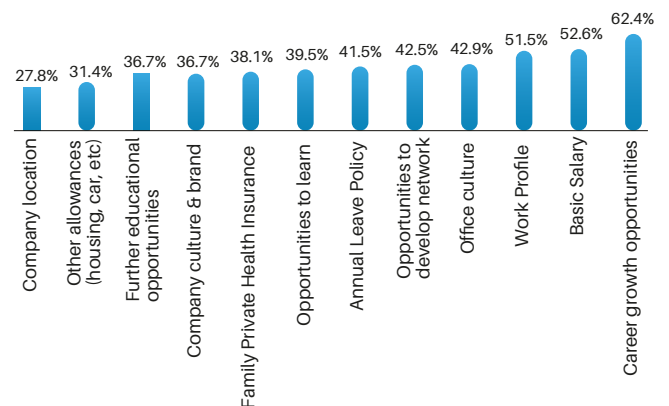
Career growth is the key factor considered for taking up a job offer

About 62% of the total respondents are more focussed on career growth opportunities to take a leap forward. Career progression weighs above basic salary, which indicates its

importance above monetary benefits while evaluating a job offer. This reflects that the candidates are no more short sighted and are planning for long-term growth. They prefer to opt for opportunities which can provide them growth.

Figure 7: Methods to search for jobs
Source: BLOOVO

Others 16.0%
Newspaper Job Listing 17.2%
Visiting Companies in Person 19.7%
Social Media 23.2%
Personal Network & referral 27.1%
Company career page 33.1%
Online Job Search Portals 42.5%

Consultant or recruitment agencies are popular means to find jobs
Our survey indicates that about 50% of the respondents would have tried finding a job through consultants or recruitment agencies. Consultants or recruitment agencies are facilitators who are a common bridge between recruiters and jobseekers. They work very closely with organisations to identify ideal candidates for a job posting, assisting with various on-boarding process and liaising with various stakeholders in the process. They assist candidates by providing sufficient details regarding the opportunity and connecting them to the right channel to take the discussions forward with the employer. Our survey also indicates that about 30% of the respondents who have tried finding a job through consultants or recruitment agencies find it to be effective.
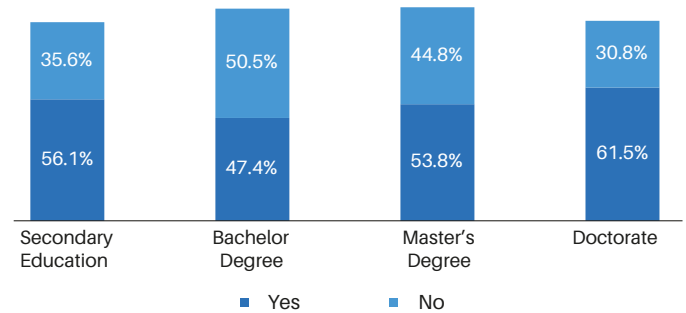
LinkedIn is the most popular social media platform for job search
Although the majority of LinkedIn members are passive jobseekers, among the social media platforms based on our survey, about 42% of the respondents depend on LinkedIn for new

job search. LinkedIn also scores higher as it is a dedicated platform to connect professionals across the globe, which can be helpful in getting referrals in real time. LinkedIn also has a dedicated job page on its platform, which is among the key differentiator when compared to other social media platforms. Also candidates have an option to opt for premium services of LinkedIn, which further provides the candidates the opportunity to explore more job offerings. Social media platforms like Facebook, Twitter and Instagram also facilitate job search, but are less popular as they don't

Figure 8: Percentage of candidates who have tried consultants or recruitment agencies
*Source: BLOOVO*

	Secondary Education	Bachelor Degree	Master's Degree	Doctorate
No	35.6%	50.5%	44.8%	30.8%
Yes	56.1%	47.4%	53.8%	61.5%

■ Yes   ■ No

provide dedicated job search services.
Less skilled jobseekers still depend on career fairs
Although the majority of LinkedIn members are passive jobseekers, among the social media platforms based on our survey, about 42% of the respondents depend on LinkedIn for new job search. LinkedIn also scores higher as it is a dedicated platform to connect professionals across the globe, which can be helpful in

Figure 9: Most sought social media platform for job search
Source: BLOOVO
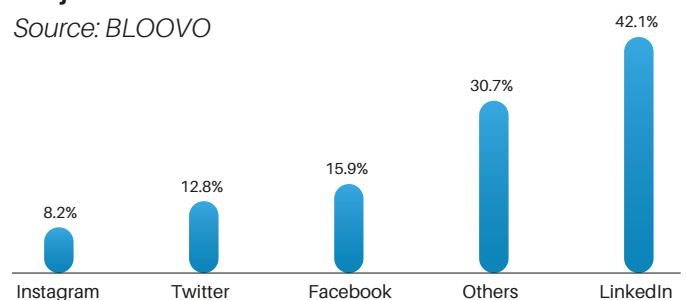
Instagram 8.2%
Twitter 12.8%
Facebook 15.9%
Others 30.7%
LinkedIn 42.1%

getting referrals in real time. LinkedIn also has a dedicated job page on its platform, which is among the key differentiator when compared to other social media platforms. Also candidates have an option to opt for premium services of LinkedIn, which further provides the candidates the opportunity to explore more job offerings. Social media platforms like Facebook, Twitter and Instagram also facilitate job search, but are less popular as they don't provide dedicated job search services.

However it is interesting to note that about one third of jobseekers found career fairs to be effective for a job search, while about 22% of the respondents were disappointed. On a separate note, we found that more than 50% of the respondents have also tried to look for job through consultant and recruitment agencies. Resonating a similar trend as in the case of job fairs, about 34% of jobseekers found consultants and recruitment agencies to be effective. However, about 36% of the respondents were disappointed with the services.

Personal reference is the most effective tool to scout for jobs

To find a job in the GCC region, about 68% of the respondents depend upon personal references and referrals. This method is widely adopted as the jobseekers get first-hand information from their friends and relatives of the job profile, salary expectations, organisation culture, work timings and more importantly a feedback on the working condition and organisation, which facilitates decision making. The jobseekers, particularly expats with low education level, have a tendency to accept job offers from companies in which their friends and relatives work, as this provides them with the psychological support to take the big decision to move out of their country.

Professional networking is the second most preferred means for job search in the GCC. It's about making contacts and building relationships that can lead to jobs or other work-related opportunities. If done correctly, it can help obtain leads, referrals, advice, information, and support. The advantage of

Figure 10: Jobseekers participation in career fairs for job search
*Source: BLOOVO*
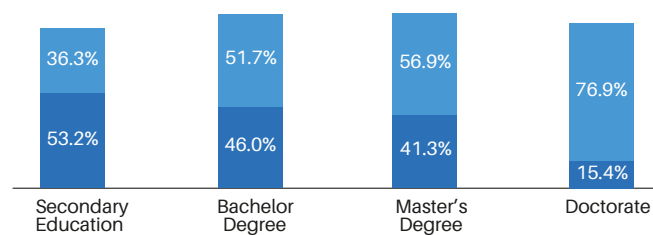
both of the above approaches is that as many job are not published and are often filled by internal referrals alone, it is a good idea to seek referral through personal or professional network. For the jobs that are published, online job search portals, applying through company career page or directly reaching out to company HR through email are the most preferred means to reach out to employers. Surprisingly, personal company visits scores higher than social media as a means to find jobs, we believe social media is gaining traction, and is expected to attract more jobseekers going forward.

Ease of creating profile is the most desired feature that a jobseeker would want

Ease of creating profile and ability to view relevant jobs are the two most demanded feature by the jobseekers in an online job platform. Often an online platform requires a user to navigate through multiple pages for creating a profile, which makes the process cumbersome and time consuming. The jobseekers are looking for simple and efficient solutions, which should help them to quickly create/update their profile and should also feed them with only relevant, simple and easy to understand job postings

Figure 11: Jobseekers preference for different means to find jobs in the GCC
Source: BLOOVO
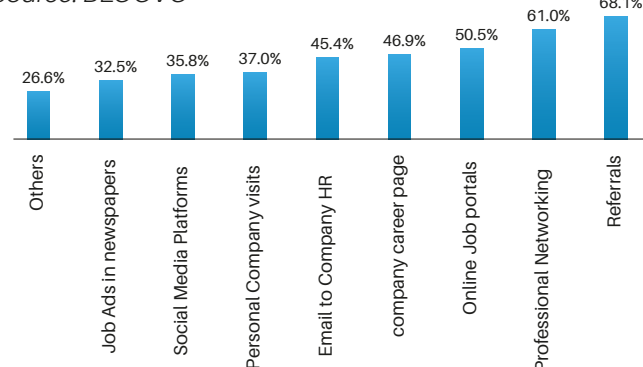
Appetite to pay for online job search portal subscription is low

Although more than a third of the respondents depend on online job platforms to search for a job opening, but appetite to pay for the services is quite low. Even unemployed candidates refrain from paying for the subscription. It is strange to note that although candidates are on a continuous lookout for better opportunities, they are not willing to enhance the process by paying for the subscription. Our survey also indicates that 30% of the total respondents, who are willing to have a paid subscription, would be willing to pay only less than USD10 per month, again reflecting very low appetite for subscription charges. Jobseekers refrain from taking online job platform subscription, as the candidates do not foresee any utility of the online platform subscription beyond finding a job offer. Further, increasing competition among online job platform players provides more options to the jobseekers and discourages them from taking up subscription

Conclusions

- Better financial and career growth prospects attract jobseekers. Interestingly, individuals who are currently employed also explore job opportunities.
- Online job portals are the most popular means to find a job, but the appetite to pay remains very low.
- Social media platforms are gaining prominence, as candidates make use of popular platforms like LinkedIn, Facebook, Twitter, and Instagram for job search.
- Job fairs are witnessing lesser participation, as it mainly targets mass recruitment drive, which caters to lower education and entry-level positions, and discourages candidates with higher skill sets and education levels from participating in it.
- Candidates rely heavily on personal networks or referral. This provides with instant access to jobs which may not be public yet and offers first-hand information about the position as well as the organization's culture, which aids in decision making. ■

Figure 12: Features as required by jobseekers in an online job platform
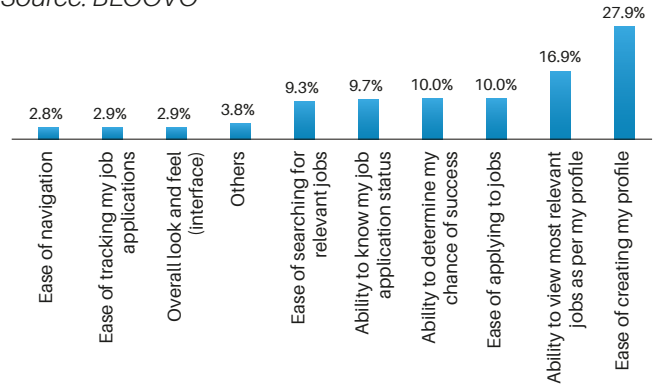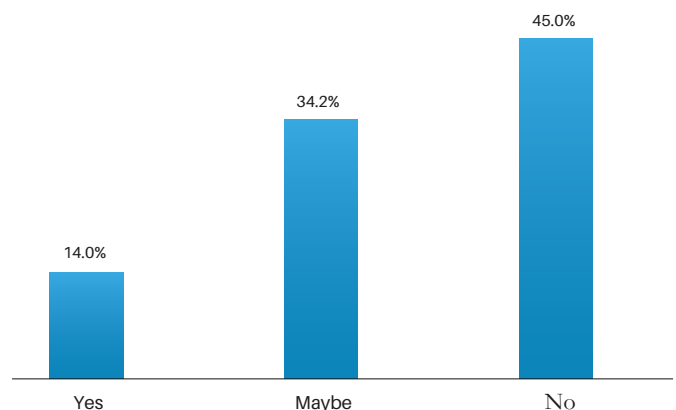*Source: BLOOVO*

Feature	%
Ease of navigation	2.8%
Ease of tracking my job applications	2.9%
Overall look and feel (interface)	2.9%
Others	3.8%
Ease of searching for relevant jobs	9.3%
Ability to know my job application status	9.7%
Ability to determine my chance of success	10.0%
Ease of applying to jobs	10.0%
Ability to view most relevant jobs as per my profile	16.9%
Ease of creating my profile	27.9%

Figure 13: Willingness to pay for subscription
Source: BLOOVO

	%
Yes	14.0%
Maybe	34.2%
No	45.0%

KABi

Kingdom of Saudi Arabia (HQ)
Lumiere Center, 1st Floor, Prince Turki
Bin Abdulaziz Al Awwal Rd,
Hiteen District,
Riyadh, Saudi Arabia.

United Arab Emirates
Dubai Internet City, Building 1,
Third Floor, Office 307,
Dubai, UAE.

Other Locations
KWT | OMN | EGY | JOR |
BHR | USA | UK