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Professional Services / Management Consulting Global Hiring Trends And Needs Report

According to a McKinsey & Company Report, 25% more workers have faced the need to change their jobs as a result of the disruption caused by the pandemic. The report highlights that the propensity of people taking up jobs with higher physical proximity is much lower, remote work and hybrid work systems will become more acceptable, and a part of the process and digitisation will have far-reaching effects on the industry in the post-pandemic world.

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Another report by Randstad Sourceright that surveyed 800 C-suite managers and talent cites that the rise of an agile workforce will be the key change in the industry. Deloitte and Mercer reports cited that there will be increased changes in the employer-employee dynamic over the coming years, due to factors like WFH.

The past decade has brought about tectonic shifts in the hiring trends. The rise of IoT (Internet of Things), AI (Artificial Intelligence), the gig economy, the greater push towards diversity and now the global pandemic. Let's take a look at the hiring trends that define how the market is reacting to the current changes. We will discuss the trends that are driving transformation and the novel and innovative trends that are ready to reshape the future of work forever.

According to a Mercer report, the entire concept of finding the right fit for roles is being redefined and how! Despite the mayhem, there has been a rather positive outcome of the pandemic where new job roles are being created and companies plan to hire or backfill staff.

The job market is ripe with activity at this point because of the newfound outlook of people, change in the hiring outlook, openness to diversity and inclusion of all groups and many more.

As a result of the pandemic, companies have become more receptive and transparent in their dealings, which has made virtual recruiting a lot easier than it was in the pre-pandemic times. To understand the job market better we need to understand the perspectives of recruiters and candidates.

The top three challenges that the recruiters face while hiring in the present day include the following:

1   **The Right Fit**

The definition of 'the right fit' has changed and it has become increasingly difficult for recruiters to fill the positions because of the skill gap. Employers and candidates are both trying to find the perfect match. Resumes, interviews, and calls and all the run-off-the-mill tactics find a place in the recruitment system, which cannot be done away with.

While an employer's definition of a strong candidate might be undergoing certain developments and changes, employees and prospective candidates too have understood that upskilling and possessing more skills and qualities than their core skills play a much larger role in today's professional ecosystem.

Having said that, there seems to continue to be a disconnect between job seekers and prospective employers in the manner that what candidates are highlighting on their resumes is very different from what employers prefer to see.

2   **The Changing Work Model:**

Covid-19 fuelled a lot of policy changes with regards to remote flexibility, healthcare policies, holiday allowances and so on and so forth.

There are many companies who have adopted the hybrid or the remote working model because it has in some ways proven beneficial to the employers as well! The reduced workplace footprint and the need to maintain swanky offices to run a business has become a story of the past. Now businesses are run by people sitting in remote locations.

There was remote work happening even before the pandemic. However, the pandemic has accelerated the acceptance of the remote working culture. The employers had to come up to speed to take care of the existing workforce and make sure that they could cater to their employees so that the business didn't suffer. Companies like Amazon have resorted to 2-day remote work in a week. Companies like Tata have started maintaining fluid work systems.

3   **Recruiting virtually:**

This is one of the most challenging aspects of the recruitment scenario in present times. A lot of recruiters are still struggling to find the balance and the right way to go about recruiting virtually.

Both employers and candidates are facing challenges when it comes to getting into the groove of the organisation and getting the right culture and value alignment through employee introduction and induction rounds.

Increased Automation in Businesses across Sectors

The business industry is undergoing a transformation phase where each and every aspect is undergoing some or the other change. Work culture, management practices, skill requirements, working models, hiring practices, company policies and much more is undergoing a massive change.

Technology is the catalyst behind this change, and it has helped companies broaden their horizons. Automation and Telepresence definitely take the cake when we talk about the technological advancements that are disrupting the industry so hard and so fast!

Automation eliminates the need for long hours of mundane admin work. It allows people more time to focus on tasks that demand critical thinking and. Telepresence, on the other hand, has helped employers recruit from beyond set geographies.

Professional Services and Management Consulting (PS / MC) Growth

Professional Services and Management Consulting are two key areas of growth.

These terms essentially describe businesses that offer specialised services (like tax consultancy) or handle outsourced business processes. They are in a different league as far as business is concerned due to the bespoke change and innovation services they provide to the client despite the tools and the models they use, and also due to the underlying nature of these connections.

The human factor is still evident as far as management consulting is concerned. Cultivating and fostering professional relationships to last makes a major difference in the way clients and candidates approach businesses and organisations. It drives the work culture and it translates into better business opportunities for the future.

In the current epoque, in order to be successful, it is almost detrimental to adapt to the changes that are redefining the industry and the work cultures. It becomes increasingly difficult to compete if the tools and resources you use are not up to date and advanced to provide automated results and better insights.

These new changes are driven mostly by technological advancements and several other factors and aspects that demand more agile, value-driven and tech-enabled firms. These pathbreaking trends, which have led to a sea change in the way businesses are being run, can be broadly divided into two categories before further categorisation. Some changes are business-centric and some changes are employee-centric.

Some business-centric trends transforming the PS / MC industry are as follows:

1   **Automation and Artificial Intelligence**

Data, data and more data!

Professional services and management consulting firms run on humongous amounts of data. There is a need for extensive data analysis at various junctures in the process. The entire process is time-consuming and prone to human errors, which can skew the results and have a huge business impact. Machine learning and artificial intelligence have come forth to make this tedious process a little simple.

Computers are capable of interpreting large amounts of data in real-time and producing results that can be stacked into usable information pieces. The past data can serve as a sample and can be used to generate better data for better, data-driven results for the clients. If the data is systematically arranged, it helps identify the complexities early on and take care of them right at the outset.

There are various facets of technological advancement which don't stop at machine learning. Companies are now determined and gearing up to automate back-end tasks that are time-consuming and keep the employees from doing quality work. This results in enhanced task efficiency and helps employees focus better on their skill sets and capabilities. Internet of Things (IoT), Blockchain, Automation and CNN (Convolution Neural Networks) are changing the face of business as we know it today and in some cases creating a new business model for traditional businesses.

2   **From Local to Global:**

Information sharing has become a breeze and so has the hiring process. Hiring processes have broken the boundaries and shackles of conventional processes and taken the virtual route. Communication, collaboration, and performance tracking processes can all be done through several tools available in the market. It makes the recruiters more empowered to hire beyond their earlier

geographical parameters. Intuitive project and resource management tools enable managers to track the work progress of their employees beyond geographical boundaries.

These advancements have given clients a renewed assurance in the capability of the firm, and now firms are being approached based on the services and the quality of the service they provide rather than their locations.

Not just for clients, these advancements have allowed companies to hire valued talent from across the globe. The emergence of remote working and virtual offices have helped deal with skill scarcity and other unavoidable circumstances, which in turn has led to an increase in globalisation.

3 The renewed revenue model:

The revenue-generating model is changing from time-driven to a task-driven model. Earlier, clients were billed according to the time consumed to accomplish the task; now, the professional services companies are looking at billing the clients on a task basis rather than time. The adoption of a value-driven model is underway, and it allows clients to pay for the overall gains collectively. This increases the profitability and overall efficiency of the work culture.

Some employee-centric trends transforming the PS / MC industry are as follows:

1 The hybrid model:

Gone are the days when permanent employees were hired for a one-time project. The hybrid talent acquisition model is the new thing! The hybrid model enables you to have a pool of full-time employees, contractual roles, and freelancers on board. This enables you to decrease overhead costs.

With digitisation on the rise, it has only become easier to adopt such working models where time and money both are used optimally. Resource demand planning greatly helps in cutting costs and increasing profitability. These tools are designed to provide real-time visibility of the resource schedules and their commitment to a certain project. Employers can look at this data to distribute tasks equally to prevent employee burnout.

2 The tech world:

We have entered an era where increasingly the work happens virtually. We all know and understand how crucial it is to keep a team up and running for driving success to any business. The need of the hour is for highly engaged teams that

show greater profitability. Thanks to technology, team engagements became much easier due to highly advanced collaboration tools.

Companies are going ahead and investing in fostering a tech-enabled work culture. Technology has enabled teams to engage regularly and share important information in real-time, which helps in better collaboration and quick problem-solving. Reports and historical data prove that teams that are better connected have better productivity and drive better results.

The professional services industry and management consulting are ever-growing fields, with the revenues and headcounts rising by leaps and bounds as we speak. However, the industry still follows some traditional models, and the cracks in those processes are starting to widen.

Some major trends driving these changes are as follows:

1 **People have changed and so should companies**

Talent management is becoming even more crucial because the new generations are joining the workforce. The new generation is more aware, flexible to work in varying environments, purpose-driven, and they believe in a better-balanced work-life.

The newer generations have a low tolerance for clunky technology, and therefore it is far easier to engage them through better technology than it was to engage the old employees. Gen Z wants everything easy, intuitive, and personalised to cater to the needs of the end-user.

2   The contract gig economy

The rise in the contract gig economy is enabling the workforce to become more flexible, adaptive and fluid. The roles needed for a one-time project are sourced on a need basis rather than permanent employment, which increases overhead costs.

Management consulting is saving huge amounts of money through hybrid staffing models and independent consultants working on a project-to-project basis. Maintaining relationships and coordinating with consultants on a project basis helps maintain a contingent workforce helps in better workforce management.

Another major change in the talent landscape is that of the changing mindset towards performance evaluation. With people from several generations and cultures, performance assessment isn't limited to being an annual process but has rather become an ongoing process. There are modern technologies that make it feasible for companies to hold these evaluation processes regularly. Owing to this, the companies can now take a fresh approach to the hire-to-retire processes, which is one of the most cost-heavy processes for the internal operations of any organisation.

3   The productivity mill

The revenues in the industry are demonstrating an upwards trend, but the overall productivity growth in mature markets is relatively low. It is important to keep the workforce as the key focal point and free up the time of the employees from menial and redundant tasks.

Modern technology allows firms to automate tasks with a bare minimum of human involvement. Little time every day can translate into a huge time percentage if the collective data is collated. The latest technologies have enabled companies to reduce leakage in billable hours. This leakage refers to the time that has been utilised in work but has neither been documented nor invoiced. The benefit potential can be unlocked if this leakage and spillage are managed effectively.

Operational excellence in sales and back-office processes is a huge area that has a lot of potential for improvement. Standardising certain processes across the firm will enable teams to spend less time on unpaid administrative work like filing timesheets and maintaining data on email, which can be carried out by document management systems.

Another factor is transparency. Transparency on KPIs for each project will enable employees to distribute their efforts and time effectively and efficiently.

4 Technology and the paradigm shift

Technology is bringing about changes in the working scenario. Sometimes faster than people can adapt to these changes. It is important for companies to invest in an ERP solution to tap into the many benefits of technological advancements. Continuous improvement and a culture that promotes it is extremely important for all stakeholders to realise that relatively small improvements can have a huge financial impact.

5 The Complex Environment

The changing nature of professional services has increased the levels of complexity in most areas of operation. Globalisation of organisations means that firms operating internationally need to meet jurisdiction and cultural demands. Clients are facing a more complex environment and it is the need of the hour that professional services firms offer more tailored and customised services.

The constant need for specialised services has led to firms managing a hybrid workforce to be able to serve the clients better with better services and a wider range of offerings. Regulation is advancing as more emphasis is being placed on transparency and accuracy. Digitalisation is the wagon that is making all these business demands possible and even cost-effective.

Some additional changes driving the PS / MC space are as follows:

15 global business trends driving change, and offering opportunities, for PS & MC businesses across all countries and regions.

1. Hybrid working is the future of work: More than half the workforce will likely continue to work remotely or in hybrid work environments even after this mayhem is over. Companies will have to work on employee engagement strategies in hybrid work environments and people will be working remotely. It will be more important than ever before to make employees feel included and a part of the company. The ways of employee evaluation and parameters of performance need to change for a hybrid work environment.

2. Virtual monitoring systems: Technology is being used to gather data on employees, things like - computer usage, clocking in and clocking out time, internal and external emails being tracked. This data is used to determine productivity, employee engagement and mental health to understand the workforce better and provide them with more viable solutions to their problems.

However, companies are walking a thin line with regards to using and storing company data. Data should be used judiciously.

3. Expansion in the workforce: An expanded but a floating workforce is the future. Several job models have come into the purview. It works wonders for small and medium-sized companies. However, there are certain challenges with regards to management, performance metrics and various other aspects which will need to be taken care of to implement this change successfully. There will be a lot of pitfalls on the way; however, the important thing is to learn from the mistakes and take corrective measures at the earliest.

4. Employer's role as a safety net: The role of employers as the safety net for employees has vastly increased during the pandemic. This is a trend that is here to stay, and therefore, companies should look at creating a community that comes forward for each other in times of need. And it has been shown that companies that have better employee relations have a better chance of success.

5. The gap between critical skills and critical roles: There are certain skills that are crucial to a project, and there are certain roles that are essential to the company. The companies are realising how they differ from each other, and it is helping them save money on a lot of overhead costs. Make people take on different critical skills so that they have more opportunities to branch out in their careers rather than a set next title. Companies are looking forward to offering better career development support to employees to upskill them.

6. Change in the outlook towards employees: The pandemic humanised some companies while it dehumanised some. Some companies started treating their employees more humanely than before, while some started treating them as workers first and humans second. Make sure that you choose that path carefully because it will have long-lasting effects not only on your employees but also the image of your company.

7. Top tier needs to change and the way companies collaborate needs to change: In simple words, the shock of pay cuts needs to be dealt with among the higher management rather than a larger employee base. Companies need to collaborate among themselves to relocate employees who have lost their jobs during the pandemic. Some change has already been seen where companies have entered into talent partnerships for relocation and rehabilitation of employees has been done.

8. Technology is winning: The world has been propelled to become too digitised suddenly in a rather short span of time. Internet of Things, Machine Learning, Automation and Robotics are fields that are advancing dramatically

quickly, which is changing the nature and the number of jobs available. Technology has the power to improve our lives in many ways, but if the profit is not shared equitably, it can also lead to social unrest and upheaval.

9. The paradigm shift: The demographics of the world is shifting, and it is putting huge pressure on the businesses world over, social institutions and economies. Teaching new skills to old workers and upskilling them would be a difficult task. It is one of the major reasons driving automation and innovation in many fields. There is a huge gap between the age of the workforce and the next workforce in line.

10. Urban population is increasing: With a large chunk of the population moving to cities rapidly, there will be a huge opportunity to create jobs for the population. However, this trend will put pressure on agrarian societies and their economies.

11. Change in the world economy: Huge nations with large working-age populations are developing rapidly. Rapid urbanisation, poor availability of skilled labour and increased automation of tasks will lead to a crippled middle class, which will further raise the disparity between the rich and the poor. The population of urban poor will be on the rise and will contribute to lower GDPs over the years for developed nations. There are chances of social unrest in developed economies.

12. Climate Change and resource scarcity: The energy and water industry will see a change that will change the face of the future. With the increase in both water and power consumption over the years, there is a chance that jobs in this sector will increase and therefore lead to better jobs. The traditional jobs in these sectors will undergo a lot of tactical change.

13. Social Media Adoption is on the rise: Social media has become the new way in which companies can find and engage with clients and potential clients online. Companies have taken this new way of acquiring new clients. This step is understandable as the reception and acceptance of social media and new ways of communication have been met with much enthusiasm. An enhanced social media presence improves brand awareness and the client base, increases client satisfaction, and betters relationships with clients over time by building trust and camaraderie.

14. Modular is new and its selling: Splitting services into various offerings and working as a boutique agency has become a trend in order to cater to the client exactly as per their needs to keep the businesses running. Developing specialisations or a huge portfolio of tasks, elements or offerings will be important for firms to remain relevant.

15. Prioritisation of diversity, equity and inclusion: Diversity has been proven to be extremely relevant to accomplish inclusion goals. Recruiting networks are partnering with student bodies to provide better employment opportunities.

Conclusions & Recommendations

The business world has seen significant changes in the past couple of years. There have been new challenges, but there have been new avenues to explore too. There have been losses, but there has been a significant rise in revenues too. Although the ways of working and work patterns have changed. The idea of security and the realisation of the importance of life has come to the forefront. The trends have emerged sometimes as a result of the market leaders making hiring decisions based on these changes—the entire face of how work is done, how people are hired, fired and acquired. All of it is undergoing a transformation and these changes are here to stay.

What kind of organisation do you want your firm to be? The one that adapts to change or the one that keeps working with its legacy systems to provide clients with outdated solutions. As companies move forth, there is a huge opportunity for companies to explore new ideas, people with different skill sets and tools that help them stay ahead of the game. There has been technological development to market companies, hire employees, monitor them and much more in the past two years. The changes are happening really fast, and they are here to stay.

The consulting industry has been rather slow in adopting new technologies and updating the hiring processes. But the playing field is now more even for large and small firms; big organisations are changing their very fabric to change their traditional operations. Consulting firms will need to come up to speed with smaller consultancies that offer specialised and customised solutions. However, a successful evolution of consulting firms would mean better growth rates not just for firms but for the economy at large. All in all, the changes brought about by the pandemic look fairly disruptive but a disruption that is all set to change the face of business for the better, forever.

Coronavirus didn't just infiltrate our bodily systems but bared the wide cracks in our existing system regarding healthcare, business, and general workings of the world. It brought the long-standing challenges related to remote working and the adoption of some technologies to the forefront. It brought the entire planning and strategy and projections to a standstill. It brought production lines and the entire workforce to be paid without work. Needless to say, companies had to find new ways to sustain themselves. Therefore, the way companies act at this point in time can play a pivotal role in the future of many lives for many years to come.

Successful and safe recruitment is dependent on carrying out the right checks to not only protect company and customer interests but also to satisfy compliance. Whether or not staff are permanent, remote, contract, part-time or full-time, staff have access to company property and data, as well as other staff or customers, putting business security and wellbeing at risk. This is why background screening is so important.

We are facing a time when companies are in the highest demand and therefore must maintain high standards. Veremark are leading providers of local and global background checks, offering 100% digital, 100% accurate checks for new and current staff members in all industries and sectors.

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