The Global Gig Economy: Exclusive Interview with Global Talent Management Expert -- Mary Eckenrod

By Nick Horney, Ph.D. Leadership Agility Practice Leader



Articles about The Gig Economy have been written during the past 18 months with the focus technology-enabled ondemand work opportunities with Uber, Airbnb, TaskRabbit, to name a few. However, little has been written about the impact of The Gig Economy on Human Resources Professionals as it relates to the challenges of the growing importance of this new "Talent Management Portfolio™." I had the fortune to recently interview Mary Eckenrod, the former VP of Global Talent Management for Johnson Controls, Blackberry, Lenovo and Cisco about the global

talent challenges for Chief Human Resources Officers presented by The Gig Economy.

Mary, your global responsibility for talent management over the past 15 years has taken you China, Singapore, Europe and elsewhere. How is The Gig Economy becoming a compelling global business and human resources issue now and into the future?

Well, let's take a look globally at The Gig Economy. For example, in India and Singapore:

- Increase of free agents largely in tech and professional services
- Limited examples of large scale on-demand workers (Uber, Lyft and Ola)
- Largely supplemental income vs. full time career choice
- Millennials want flexibility but within full time employment

The challenges in India and Singapore include:

- Parental and societal pressures for young people to have full time jobs and security
- Rising middle class in India (and China) trying to pull families out of poverty; want security of full time work
- Concerns within companies regarding security and privacy

China:

- Free agent (self-employment) work more acceptable with Millennials in current economic environment
- Free agent work more acceptable with wealthy not under family pressure for income stability (entrepreneurs)
- Mostly in tech sector and IT, also entertainment, arts and tourism
- 50+ age group with MNC experience attracted to self-employment
- 15 million university graduates per year
- Self-employed graduates increased 2.3% to 2.9% (2013-14)
- Government and universities encouraging self-employed entrepreneurs
- Traditional, full time jobs still preferred choice

The challenges in China include:

- Status associated with full time employment
- Family pressure in less developed areas for graduates to have full time jobs with SOE/ MNC
- One child responsibilities and expectations to contribute financially to family
- Stable job and security critical consideration in marriage attractiveness

EMEA:

- 8.9 million "iPros" or independent workers in Europe
- Fastest growing segment of EU labor market
- 1 in 4 European workers working independently
- Economic decline in Europe has forced many to independent work

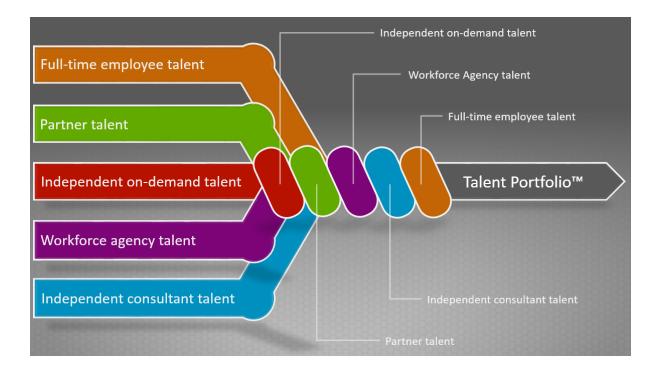
Challenges:

- Regulatory actions do not recognize legal status of independent workers (2010 Agency Workers Directive)
- Exclusion of independent workers from government funding, grants, training, and many procurement contracts
- Retirement plan options differ for permanent vs. independent workers
- Works Councils controls and opposition

How would you rate the agility of most Human Resources functions to effectively address the VUCA challenges of The Gig Economy (1 = Completely Unprepared and Fragile10 = Currently Prepared and Agile)?

Under most of the current conditions, I would rate HR at about a 6 since many have experience working with workforce agencies for temporary employment, project work and help with identifying key full-time talent. However, as the need for key talent increases and can be accessed globally, the demand for a better way to plan for and manage the entire Talent Portfolio™, as you have referred to it, will require a broader view of talent including:

- Full-time employees
- Consulting and other Partners
- Independent on-demand workers
- Workforce agency temporary/project workers
- Independent specialized consultants



The broader or more enlightened view will require processes that treat all talent in a similar way since many of the on-demand talent will become valuable contributors to critical project success.

I am concerned that most HR professionals and teams are not effectively anticipating the changes demanded by The Gig Economy and will be playing catch-up in the next few years. Therefore, I would rate their agility regarding the business imperative of The Gig Economy, to be much closer to a 2.

Do you have any examples of how you had to overcome organizational barriers to attract and engage on-demand talent?

A good example is when I needed to hire an individual consultant, not a firm, with multilingual experience who was ideally suited a specific project. However, I ran into procurement rules that were inflexible and treated every external resource as a "vendor" which required the same level of insurance as demanded of much larger firms. This roadblock was overcome by some creative solutions, but illustrates the cumbersome rules that we have for talent in the 21st century based on antiquated policies. It would be impossible to have "work-arounds" for each outdated process.

What are some of the actions which CHROs need to be proactively taking to address the challenges of The Gig Economy?

- Understand company workforce practices and policies impacting independent workers
- Understand regulatory restrictions impacting independent workers in countries where you employ talent
- Accelerate initiatives to identify and keep your best talent (project work, rotations, flexibility, and collaboration)
- Map and incorporate new demands for leaders into leadership development
- Broaden your workforce plan to include more external talent
- Build collaborative processes and plans with talent acquisition and procurement
- Think differently about a "career" in your organization
- Start with a functional sponsor to build process and expertise
- Educate your senior management on the New Workforce

Thank you Mary for sharing your recommendations about the challenges of The Gig Economy and ways that HR professionals can build their agility fitness this aspect of a VUCA world impacting HR.

The gig economy is one major element of the VUCA business environment impacting CHROs and their teams. Join us at the Annual 2016 HRPS Conference in Scottsdale, Arizona -- The New Talent Ecosystem, April 10-13 (click here) -- where you can participate in our facilitated discussion on April 12 -- The Gig Economy: A human resource agility fitness challenge. CHROs who proactively consider disruptive trends like those posed by the gig economy and take preemptive action will be the ones who thrive.



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