

THE AGILE WORKFORCE:

HARNESSING WORKFORCE STRATEGY FOR BUSINESS SUCCESS



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OVERVIEW We explore the critical role an agile workforce plays in today's fast-paced and dynamic business environment. INTRODUCTION Outlining invaluable insights and practical guidance for senior leaders aiming to optimise their workforce structure for future success. THE AGILE WORKFORCE REVOLUTION We delve into the rise of the agile workforce and its increasing significance in today's business climate. WORKFORCE ANALYSIS & WORKER CLASSIFICATION We discuss the vital role of workforce analysis and worker classification in fostering an agile workforce. TALENT ACQUISITION STRATEGY FOR THE AGILE ERA We investigate how conventional talent acquisition strategies must evolve to address the needs of an agile workforce. EMBRACING NON-EMPLOYED WORKFORCE SOLUTIONS We examine the importance of non-employed workforce solutions, such as freelancers, contractors, and gig workers, in achieving organisational agility. CRAFTING A COMPELLING EMPLOYER VALUE PROPOSITION We explain how a compelling employer value proposition (EVP) can attract and retain top talent. SALARY & RATES BENCHMARKING We showcase the role of salary and rates benchmarking in devising competitive compensation packages. OPERATIONAL EXCELLENCE &

CONCLUSION

The key summary points highlighting the main takeaways from each chapter.

We share strategies and best practices for incorporating these principles

CLOSING STATEMENT

EXPERIENCE DESIGN

into an organisation's workforce strategy.

Hear from Lee Baldwin our Global Head of Pontoon Instinct and Frederik Otto, Global Head of Client ESG & Impact, on the launch of our new specialist advisory service, Pontoon Instinct.

1. OVERVIEW

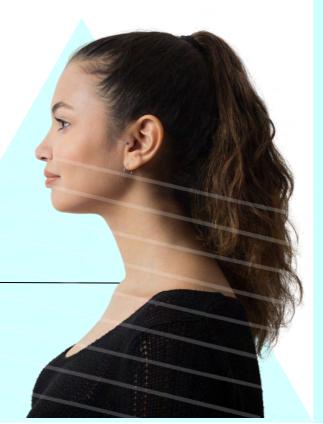
DISCOVER THE SECRETS TO DRIVING
BUSINESS SUCCESS WITH OUR LATEST
WHITE PAPER, "THE AGILE
WORKFORCE: HARNESSING
WORKFORCE STRATEGY FOR
BUSINESS SUCCESS."

In this cutting-edge resource, we explore the critical role an agile workforce plays in today's fast-paced and dynamic business environment. Learn how to attract and retain top talent, optimise workforce structures, and foster innovation by leveraging strategic workforce planning.

DIVE INTO OUR EXPERTINSIGHTS ON:

- workforce analysis, worker classification, and non-employed workforce solutions,
- crafting a compelling employer value proposition,
- benchmarking salaries and rates,
- and achieving operational excellence,

—all while fostering a thriving and engaged workforce.



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2. INTRODUCTION

IN TODAY'S FAST-PACED AND DYNAMIC BUSINESS ENVIRONMENT, ORGANISATIONS MUST ADAPT TO REMAIN COMPETITIVE.

With rising inflation and low unemployment rates, finding the right talent is becoming increasingly complex, particularly for highly skilled roles. This underscores the importance of having an agile workforce that can effectively respond to the demands of the modern business landscape.

At Pontoon Instinct, as global HR specialists, we understand the critical role of a well-designed workforce strategy in driving success. Our whitepaper, "The Agile Workforce: Harnessing Workforce Strategy for Business Success," provides invaluable insights and practical guidance for senior leaders aiming to optimise their workforce structure for future success.

The Adecco Group's Global Workforce of the Future (2022) report highlights that flexibility is one of the key drivers for workforce retention and attraction.

A staggering "27% of the global workforce plans to quit in the next 12 months."

In fact, "30% of workers that are planning to quit their jobs this year state flexibility as their main reason." With this, workers increasingly demand autonomy over working hours, location, time off, and scheduling, putting pressure on companies to develop and implement workforce strategies that meet these demands. Our whitepaper will delve into the significance of offering flexibility to your workforce as an essential component for future growth and long-term success.

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¹The Adecco Group - <u>Global Workforce of the Future Report</u>, 2022

THROUGHOUT THIS WHITEPAPER, WE WILL EXPLORE THE VARIOUS FACETS OF AN AGILE WORKFORCE STRATEGY, INCLUDING:

- the importance of career progression,
- upskilling and reskilling opportunities,
- and employee well-being.

We will discuss the implications of the alarming statistic that "49% of workers globally are worried about burnout" and provide recommendations on how organisations can address this concern to create a healthier, more resilient workforce

Key call-outs in our whitepaper include the need for increased investment in skills development programs, as evidenced by the quote, "66% of non-desk workers say that digitalisation will force them to learn new skills." We will also examine the growing trend of offering a four-day work week, a benefit currently available to only "42% of desk-workers globally," and how this may contribute to attracting and retaining top talent.

By leveraging the right workforce strategy, businesses can cultivate flexible, resilient, and innovative organisations that are well-prepared to face the challenges and opportunities of the future. This whitepaper will empower senior leaders to develop and implement forward-thinking strategies to drive long-term growth and success for their organisations through a comprehensive analysis of the current workforce landscape and practical guidance.

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¹The Adecco Group - Global Workforce of the Future Report, 2022

3. THE AGILE WORKFORCE REVOLUTION

Here, we delve into the rise of the agile workforce and its increasing significance in today's business climate. We explore the key drivers of this transformation, including digital disruptions, evolving employee expectations, and the demand for rapid innovation.



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The business landscape is undergoing a seismic shift as organisations grapple with various challenges that fundamentally alter the nature of work. The Adecco Group's Annual Report (2022) aptly captures the essence of this transformation: "Today's global labour market is distinguished by several macro trends that have collided to create challenges that are, as we speak, changing the very nature of work. The 'Great Resignation', 'Great Regret', 'Quiet Quitting', 'Quiet Hiring', the continuing skills shortage, and a global surge in career dissatisfaction have shifted the focus of employers from merely sourcing professionals to finding ways of building skilled talent for immediate needs and sustaining that talent for future challenges and risks." ²

KEY DRIVERS OF THE AGILE WORKFORCE REVOLUTION:

Digital disruptions:

The rapid adoption of technologies such as artificial intelligence, machine learning, and the Internet of Things has led to a need for employees with new skill sets and a greater ability to adapt to change. This technological upheaval has also accelerated the shift towards remote and flexible work arrangements, further contributing to the rise of the agile workforce.

Evolving employee expectations:

Workers today increasingly prioritise work-life balance, flexibility, and opportunities for growth and development. To attract and retain top talent, organisations must offer a workplace culture that aligns with these values and empowers employees to thrive. This requires a shift in mindset and a focus on building a resilient, adaptable workforce committed to continuous learning.

Demand for rapid innovation:

As organisations face mounting pressure to stay ahead of the curve in a fiercely competitive global market, they must be able to respond quickly to new opportunities and challenges. This necessitates a workforce that can adapt to changing circumstances, pivot when needed, and drive innovation at every level of the organisation.

² The Adecco Group - <u>Annual Report</u>, 2022

Understanding the potential impact of the agile workforce on organisational success is crucial for businesses looking to thrive in this new era. Embracing the agile workforce revolution means adapting to the current realities of the labour market, anticipating future trends, and preparing for the unknown. To harness the power of an agile workforce, organisations must invest in their employees' development, offer flexibility and autonomy, and foster a culture of innovation and adaptability.

In the following chapters, we will delve deeper into the various aspects of the agile workforce, including the importance of flexibility, career progression, upskilling and reskilling, and employee well-being. We will provide practical guidance on how organisations can leverage these insights to develop a workforce strategy that drives long-term success and growth in an ever-changing business landscape.



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4.WORKFORCE ANALYSIS & WORKER CLASSIFICATION

Here, we will discuss the vital role of workforce analysis and worker classification in fostering an agile workforce. These processes enable companies to understand their current workforce structure, pinpoint inefficiencies, and determine the ideal balance between full-time employees, gig workers, and automation.



Workforce analysis is a systematic process that involves assessing the current workforce's skills, competencies, and performance, identifying gaps or redundancies, and projecting future workforce needs. Organisations can gain valuable insights into their talent pool by conducting a comprehensive workforce analysis, allowing them to make informed decisions about hiring, training, and workforce planning. This, in turn, helps companies build a more agile and adaptable workforce that can respond effectively to changing market conditions.

Worker classification is another essential component of fostering an agile workforce. Organisations can better understand their workforce composition and allocate resources more effectively by accurately classifying workers into different categories, such as full-time employees, part-time employees, freelancers, and contractors. This classification process also allows companies to identify potential areas for cost savings and workforce optimisation, such as leveraging gig workers for short-term projects or automating routine tasks.

KEY ADVANTAGES OF WORKFORCE ANALYSIS AND WORKER CLASSIFICATION:

- Determine the appropriate mix of full-time employees, gig workers, and automation to optimise workforce structure and improve overall business agility.
- Incorporate gig workers for flexibility, allowing organisations to scale up or down quickly as needed.
- Utilise automation to drive efficiency and free up employees to focus on highervalue tasks.

In summary, workforce analysis and worker classification are crucial in promoting organisational agility and adaptability. By understanding their current workforce structure and identifying opportunities for improvement, organisations can cultivate a more agile and resilient workforce better equipped to navigate the challenges of today's rapidly evolving business environment.

Workforce analysis and worker classification can drive cost savings, optimisation, and overall business agility.

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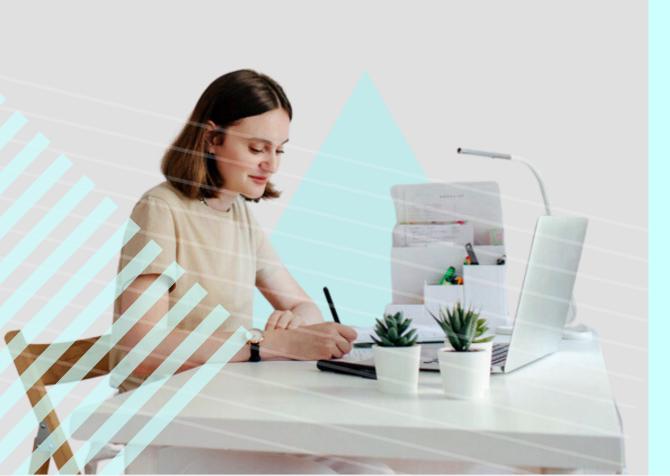
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5.TALENT ACQUISITION STRATEGY FOR THE AGILE ERA

In this chapter, we will investigate how conventional talent acquisition strategies must evolve to address the needs of an agile workforce. As well as sharing insights on how organisations can attract and retain exceptional talent through adaptable and future-oriented recruitment, onboarding, and employee development approaches.



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TOSING TOSING As the workplace continues to evolve, organisations need to adapt their talent acquisition strategies to meet the demands of an agile workforce. This entails shifting from traditional recruitment methods to more innovative and flexible approaches that consider both the short-term and long-term needs of the business. The Adecco Group's Global Workforce of the Future Report (2022) highlights the importance of addressing these concerns, stating that "3 in 10 workers want to leave their current job in the next 12 months. With 45% stating they want a better salary and 35% wanting a better work/life balance or are worried about burnout." ³

KEY ASPECTS OF TALENT ACQUISITION STRATEGY FOR THE AGILE ERA:

- Incorporate flexibility in recruitment processes by offering remote work options, flexible hours, and adaptable work environments catering to diverse employee needs.
- Foster a continuous learning and development culture to address the skills gap and provide ample opportunities for career progression.
- Reimagine onboarding processes to help new hires acclimate to the organisation's culture, values, and expectations, setting the stage for long-term employee engagement and retention.
- Leverage technology to create streamlined and personalised onboarding experiences catering to individual employee needs.
- Prioritise employee development and growth by investing in training, upskilling, and reskilling programs.

In conclusion, the talent acquisition strategy for the agile era should be flexible, adaptable, and future-oriented. Organisations can cultivate and sustain an agile workforce that propels business success by focusing on the right recruitment, onboarding, and employee development approaches.

A well-designed onboarding process and a focus on employee development contribute to employee engagement and retention. 01

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³ The Adecco Group - <u>Global Workforce of the Future Report</u>, 2022

6.EMBRACING NON-EMPLOYED WORKFORCE SOLUTIONS

Here, we examine the growing importance of non-employed workforce solutions, such as freelancers, contractors, and gig workers, in achieving organisational agility. We will discuss pre-IPO and M&A readiness strategies that leverage the benefits of a flexible workforce.



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In today's rapidly changing business landscape, non-employed workforce solutions play an increasingly vital role in enabling organisations to remain agile and responsive to market demands. Freelancers, contractors, and gig workers offer unique advantages, such as specialised skills, reduced overheads, and the ability to scale operations quickly. As AON emphasises in their April 2021 report on the top three human capital issues companies should consider as they prepare to go public, "the top 3 issues companies should include before going public are; governance, management of a flexible and contingent workforce, and compensation." ⁴

KEY COMPONENTS OF EMBRACING NON-EMPLOYED WORKFORCE SOLUTIONS:

- Adopt a comprehensive workforce strategy that encompasses both traditional and non-employed workers.
- Establish robust systems for managing, engaging, and integrating nonemployed workers into the company culture.
- Implement effective communication channels, performance management processes, and a consistent onboarding experience.
- Consider the strategic benefits of a flexible workforce when looking to scale quickly, prepare for an IPO, or undergo a merger or acquisition.

In summary, embracing non-employed workforce solutions is crucial for organisations aiming to achieve agility and adaptability in the face of constant change. By integrating freelancers, contractors, and gig workers into a comprehensive workforce strategy, businesses can leverage the unique benefits of a flexible workforce to drive their success.

Non-employed workforce solutions, such as freelancers, contractors, and gig workers, are crucial for achieving organisational agility.

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⁴ AON, <u>Top Three Human Capital Issues Companies Should Consider As They Prepare To Go</u> <u>Public</u>, April 2021

7. CRAFTING A COMPELLING EMPLOYER VALUE PROPOSITION

Here, we explain how a compelling employer value proposition (EVP) can attract and retain top talent within an agile workforce and provide guidance on formulating an EVP that resonates with today's workforce and aligns with organisational values and objectives.



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TOSING

A strong EVP is essential for attracting and retaining top talent in today's competitive job market. As the Harvard Business Review highlights in their February 2023 article on rethinking employee value propositions, "Companies should focus on what workers need to thrive over the long term, balancing material offerings with opportunities to grow, connection and community, and meaning and purpose." Crafting a compelling EVP that resonates with the modern workforce's values and expectations is crucial in building a thriving agile workforce and fostering long-term employee engagement.

KEY ELEMENTS OF CREATING AN EFFECTIVE EVP:

- Understand the unique needs and desires of the target talent pool, including factors that motivate and engage employees.
- Emphasise the organisation's commitment to its employees and the benefits and rewards they can expect.
- Focus on balancing material offerings with opportunities for growth, connection, and meaning.

THE IMPACT OF A COMPELLING EVP:

- Attracts top talent and fosters a culture of innovation and agility.
- Retains employees by addressing their personal and professional needs.
- Nurtures a loyal, engaged, and productive workforce that is well-equipped to adapt to the rapidly changing business landscape.

In conclusion, crafting a compelling EVP is vital to attracting and retaining top talent within an agile workforce. Companies can build a thriving and adaptable workforce that drives business success by focusing on long-term employee needs and aligning the EVP with organisational values and objectives.

A well-defined EVP can foster long-term employee engagement and support a culture of innovation and agility.

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⁵ <u>Harvard Business Review, Rethink Your Employee Value Proposition, Feb 2023</u>

8.SALARY & RATES BENCHMARKING FOR THE AGILE WORKFORCE

In this chapter, we'll showcase the role of salary and rates benchmarking in devising competitive compensation packages for an agile workforce and describe how data-driven insights can assist organisations in attracting and retaining premier talent while maintaining cost efficiency.



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Salary and rates benchmarking are crucial to crafting competitive compensation packages for an agile workforce. As organisations strive to attract and retain top talent, understanding market rates for specific roles and industries enables them to offer compelling remuneration packages that reflect the value of their employee's skills and expertise. By leveraging data-driven insights, companies can make informed compensation decisions, ensuring they remain competitive in the ever-evolving talent market while maintaining cost efficiency.

KEY ASPECTS OF SALARY AND RATES BENCHMARKING:

- Research on industry standards, regional variations, and other factors impacting compensation.
- Identify the optimal balance between base pay, variable pay, and nonmonetary benefits that meet employees' needs and expectations.
- Leverage data-driven insights to inform compensation strategies.

BENEFITS OF EFFECTIVE BENCHMARKING:

- Attracts and retains premier talent.
- Fosters a healthy and productive work environment.
- Demonstrates commitment to employees' well-being and professional growth.
- Increases employee satisfaction, loyalty, productivity, and innovation.

In summary, salary and rates benchmarking is vital for organisations looking to optimise their agile workforce. By leveraging data-driven insights to inform compensation strategies, companies can attract and retain top talent while nurturing a healthy and productive work environment that drives business success.

Salary and rates benchmarking is essential for devising competitive compensation packages for an agile workforce.

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9.OPERATIONAL EXCELLENCE & EXPERIENCE DESIGN FOR THE AGILE WORKFORCE

In this chapter, we'll explore how operational excellence and experience design can support the agile workforce by streamlining processes, promoting innovation, and enhancing employee engagement. As well as share strategies and best practices for incorporating these principles into an organisation's workforce strategy.



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Operational excellence and experience design are two interconnected components that can significantly support an agile workforce. By streamlining processes and systems, organisations can enhance employee engagement and enable workers to focus on high-value tasks that drive innovation and contribute to business success. Experience design focuses on creating meaningful experiences for employees, which helps to foster a sense of belonging, motivation, and commitment to the organisation.

Organisations should adopt a continuous improvement mindset to integrate operational excellence into a workforce strategy. This involves regularly reviewing and optimising processes, systems, and technology to ensure they are efficient, effective, and aligned with business goals. By doing so, companies can eliminate bottlenecks and redundancies, enabling their agile workforce to thrive.

Experience design, on the other hand, involves a holistic approach to designing employee experiences that cater to an agile workforce's diverse needs and expectations. This includes considering factors such as flexibility, work-life balance, professional development opportunities, and a positive work environment.

Organisations can apply design thinking principles to identify gaps in the employee experience and develop innovative solutions that address these pain points.

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1 CLOSING



SOME BEST PRACTICES FOR INCORPORATING OPERATIONAL EXCELLENCE AND EXPERIENCE DESIGN INTO A WORKFORCE STRATEGY INCLUDE:

Engaging employees in the process:

Involve employees in identifying areas for improvement and designing solutions, as they have firsthand knowledge of the challenges and opportunities.

• Fostering a culture of innovation:

Encourage employees to experiment and take risks, allowing them to learn from failures and continuously refine their approach.

Developing clear communication channels:

Ensure employees are well-informed about organisational goals, strategies, and expectations, fostering a sense of alignment and purpose.

By integrating operational excellence and experience design into a workforce strategy, organisations can create an environment that supports agility, resilience, and overall business success.

Adopting a continuous improvement mindset and applying design thinking principles can foster innovation and resilience.

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10. CONCLUSION

In conclusion, the rapidly changing business environment necessitates the development of an agile workforce that can adapt to fluctuating market conditions and drive business success. As organisations face challenges such as the 'Great Resignation', a global surge in career dissatisfaction, and a widening skills gap, they must leverage effective workforce strategies to attract, retain, and develop the right talent.



THE KEY SUMMARY POINTS HIGHLIGHTING THE MAIN TAKEAWAYS FROM EACH CHAPTER ARE AS FOLLOWS:

The Agile Workforce Revolution:

The rise of the agile workforce is driven by factors such as digital disruptions, evolving employee expectations, and the demand for rapid innovation. Companies must adapt and embrace these changes to remain competitive in the global market.

Workforce Analysis and Worker Classification:

A thorough understanding of an organisation's workforce structure, coupled with the ability to pinpoint inefficiencies and determine the ideal balance between full-time employees, gig workers, and automation, is essential for promoting agility and adaptability.

Talent Acquisition Strategy for the Agile Era:

A robust talent acquisition strategy is crucial for attracting and retaining premier talent in an agile workforce. Organisations must adopt future-oriented recruitment, onboarding, and employee development approaches that address the needs and expectations of today's workforce.

Embracing Non-Employed Workforce Solutions:

Integrating non-employed workforce solutions, such as freelancers, contractors, and gig workers, into a comprehensive workforce strategy can help organisations achieve flexibility and agility while also preparing for pre-IPO and M&A readiness.

Crafting a Compelling Employer Value Proposition:

A well-defined EVP that resonates with today's workforce and aligns with organisational values and objectives is essential for building a thriving agile workforce and fostering long-term employee engagement.

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- Salary & Rates Benchmarking for the Agile Workforce:

 Using data-driven insights in salary and rates benchmarking is crucial for devising competitive compensation packages, attracting and retaining top talent, and maintaining cost efficiency within an agile workforce.
- Operational Excellence & Experience Design for the Agile Workforce:
 Incorporating operational excellence and experience design into a workforce strategy fosters agility, resilience, and overall business success by streamlining processes, promoting innovation, and enhancing employee engagement.

By understanding and implementing the key insights from these chapters, organisations can harness workforce strategy to create an agile workforce that thrives in today's fast-paced and dynamic business landscape.

Partnering with Pontoon Instinct will enable companies to navigate the complexities of workforce planning and management, ensuring they are well-positioned to seize new opportunities and achieve sustainable growth.

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11. A CLOSING STATEMENT:

We are incredibly excited to share our latest white paper, "The Agile Workforce: Harnessing Workforce Strategy for Business Success." This subject matter is fundamental to us as a business and reflects the core of what we believe in and strive to accomplish daily.

Our experience as global HR experts has provided us with invaluable insights into the complexities of workforce management. We have delivered solutions of all sizes and shapes across the globe, accumulating untapped knowledge and expertise that we are now eager to unlock and share with you. Our passion for this subject stems from our commitment to helping businesses adapt and thrive in today's ever-changing business environment. We believe that a robust workforce strategy is crucial for success, and we are dedicated to guiding organisations in achieving their full potential.

Pontoon Instinct was born out of our desire to go beyond our core services, offering an advisory that harnesses the power of instinct to reframe problems, apply learning, and create unique solutions. Our team is composed of some of our most experienced, astute, and curious minds, all working together to help businesses improve their workforce, the strategies that drive them, the environments they operate in, and the impact they make.

As we launch Pontoon Instinct, we are filled with anticipation and enthusiasm for the opportunities that lie ahead. Our collective expertise, global perspective, and instinct-driven approach equip us with the tools to support organisations in cultivating an agile workforce that propels business success. We invite you to join us on this journey as we work together to navigate the complexities of workforce planning and management, unlocking your organisation's potential and securing a competitive edge in the global marketplace.

With gratitude and anticipation,

Lee Baldwin

Global Head of Pontoon Instinct

Frederik Otto

Global Head of Client ESG & Impact Practice Co-Lead Global Workforce Strategy

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IF YOU'D LIKE TO HEAR MORE ABOUT THE SERVICES PROVIDED BY PONTOON INSTINCT, PLEASE GET IN TOUCH:



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