

# Retaining Workforce Flexibility Despite the Talent Shortage

Talented workers are increasingly difficult to come by. What does this challenging new dynamic mean for employers?

All over the world, competition for talented workers is intensifying. In Germany, which has a major demographic shift knocking at its door, employees and job candidates are beginning to gain the upper hand over employers when it comes to contract negotiations. Still, companies are under no obligation to fundamentally change the employment status of temporarily needed talent. Flexibility – the key to Germany's trade and export success – should not be put at stake here.

## Uncertainty is the new norm

Of the 35,000 employers worldwide who participated in ManpowerGroup's 2013 Talent Shortage Survey, 35% reported difficulties filling positions – the highest proportion since 2007. Skilled workers, vital for the trade sector, were the most in-demand group of candidates, especially in Europe. Of the more than 1,000 German employers who participated in the survey, 35% reported a talent shortage, mostly for skilled workers. These

For an international workforce to function well together, it is necessary for new hires to establish a diverse network. At the company's Be.School, all new hires meet for a week-long retreat to work on mutual projects. In small groups consisting of mixed nationalities, teams have to solve realistic client cases, which include different project phases and challenges. Due to the cross-cultural setting of these projects, new hires experience diverse approaches to problem solving and methods of work. It also helps create an international, intercultural spirit among employees.

numbers seem to favor employees and might encourage employers to offer more full-time contracts with generous benefits or stringent conditions for termination. But the economy is fickle – and that is the crux of the issue.

Business development today is hard to forecast. Globalization and the growing importance of financial markets mean that uncertainty is the new norm. Anticipatory hiring is no longer a sensible HR strategy. From a management point of view, it would be irresponsible to act on a whim and hire as many suitable candidates as can be found without having a sustainable plan for keeping them occupied in upcoming years. But with the growing talent shortage, how can companies ensure that they will be able to hire the necessary staff once demand starts growing again?

## Flexibility is the solution

Flexible work is a key factor in Germany's strong economic performance. For the last five

## The global approach

Aside from these client cases, new hires at Be.School attend additional team events, all of which are inter-European in nature. Be.School thereby builds contacts and friendships that span borders, which in turn allow employees to better assist each other on international projects.

For global companies that work on such international projects, it is best when diversity spans from top to bottom. The members of BearingPoint's global management team, for instance,



Flexible work is a key factor in Germany's strong economy

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years, at least 700,000 people have worked in temporary positions. To put this in perspective, in 2004 there were only 300,000 temporary workers. Germany's economy constantly needs flexible workers because drastic slumps, such as the one that occurred in 2008, can happen again at any time. But it is not only severe recessions that make flexible work solutions necessary. Even when the overall economic state is more or less stable in Germany, there are constant shifts among different sectors. The Manpower Employment Outlook Survey for Germany demonstrates this every quarter with seasonally adjusted data.

For companies, the key takeaway here is to be flexible – even in times of talent shortage – and to remain so in the future. Flexible work is no longer a short-term trend: It has become an established working model. ■

hail from nine different European countries, and the company's 1,300 employees in Germany represent 43 different nationalities, mostly European.

For companies looking to secure the skills and expertise necessary for innovation, cultural diversity and a sound global approach are crucial. ■