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The Influence of Remote Working Trends on HR and Talent Management

# The Influence of Remote Working Trends on HR and Talent Management Introduction

In the fast-paced environment of today's corporate world, talent has become an important resource for businesses aiming for **strategic** and **sustainable** success. The key to a successful organization is a very crucial function of Human Resource Management (HRM) called **talent management**. Talent management is a "strategic endeavour" that optimizes the use of employees to bring success to an organization by improving "capability, engagement, capacity and culture" (Wayne & Martocchio, 2016). By creating a company-specific talent plan, recruiting employees with the right **knowledge**, **skills**, and **abilities**, and retaining them using various reward systems are all examples of good talent management strategies (Danao, 2023). Therefore, talent management is investing in an organization's Human Resources (HR) to ensure overarching objectives are fulfilled through effective people management, which goes beyond simply filling open jobs.

The **Dave Ulrich HR Model** puts talent management in the **people** and **future/strategic focused** category, and is considered a "**change agent**" (O'Donoghue, 2021). According to the model, this agent of change overlooks the organization's **culture** and deals with how it can be **made better** from a professional and personal viewpoint. Talent management does this by recruiting people that fit a company's **corporate culture**, like the **shared values**, **beliefs**, **and habits** within a company, and improves their performance by rewarding them both intrinsically and extrinsically, *idem*. Talent management is especially crucial in an era where **disruptions** are the norm. Organizations must be agile, and their talent management practices play an essential role in cultivating this.

Talent management has become more **complex** as a result of the changes in the modern workforce, particularly with the rise of **remote work**. A recent peer-reviewed news article published by Forbes Advisor discusses the trends in remote work in 2023, especially for recruitment, HR, and talent management (Haan, 2023). In this report, the news article will be throughly **analyzed**, exploring **key findings** and the **implications** for HR and talent management and HR in organizations. Additionally, course content, articles, and scholarly journals will be used to provide a well-rounded **perspective**. The aim of this report is to provide organizations with **recommendations** for how to optimize their HR and talent management in this changing environment, as well as to understand the possible **constraints** posed by remote work.

# **Analysis of the Article**

The chosen peer-reviewed news article titled "Remote Work Statistics And Trends In 2023" and published to Forbes Advisor tackles a lot of recent implications to HR and talent management post-pandemic (Haan, 2023). The article has various sections that looks at the statistics, demographics, preferences, benefits, challenges, and trends of remote working across all different types of jobs, one distinct and interesting one being HR and recruitment. This analysis will focus on the remote working trends from the article related to HR and talent management.

# **Article Introduction**

The first paragraph of the article already recognizes the importance remote working trends are to HR, stating that these trends require "human resources departments to **pivot faster** than ever before." This is further emphasized by the key remote work statistics found in the article which shows a substantial change in employment, with around thirteen percent of full-time employees working from home and around twenty eight percent using a hybrid model. Future predictions suggest a **continuous shift** in favour of remote work, with an estimated 22% of the workforce (equivalent to 32.6 million Americans) working remotely by 2025 (Haan, 2023).

# Remote Recruiting

Moreover, 93% of recruiters plan to conduct **job interviews remotely**, which includes methods like using videos calls. This is further solidified in the article as HR and recruiting are surprisingly listed as **sixth** in the top seven industries for remote workers in 2023, even though this is a traditionally office-dependent sector (Haan, 2023). It is clear to see that there are changes to the recruitment process since companies can now use online interviews to **assess** candidates, instead of in-person ones, even after the pandemic (Klahre, 2020). This has made the talent management process more **efficient** as companies can recruit candidates from anywhere in the world (Arenz, 2023). However, because of increased switches to remote working, HR departments now have to deal with **growing competition** since companies can hire anyone from anywhere internationally, which creates a **larger pool** of candidates. **Increased competition** can be difficult since it will take more time for talent management to find a candidate that **stands out** from a large crowd (Robinson, 2023). Furthermore, creating a sense of **community** can be another difficulty, in fact, the article mentions how nearly fifty percent remote workers say it is

much harder to feel a **connection** to their other coworkers, which is a huge part of **corporate culture** (Haan, 2023).

# Knowledge, Abilities, and Skills Needed in Remote Working

The article also includes **demographic insights** about the popularity of remote working on the **younger** workforce, more specifically aged 24 to 35. The young population is understandable as people who are more **knowledgeable** and **able** to use modern, online technologies are needed. Candidates with **higher education levels** have better chances to receive opportunities to work remotely as well. The link between education and remote working is connected due to the need for **digital hard skills**, like being able to navigate online softwares and video calls (Craig, 2020). Furthermore, **digital soft skills** are needed too. An article published for Pearson calls the ability to use digital soft skills as "**tele-empathy**," which is to communicate and connect with people online with the correct terminology, verbal cues, remote conflict resolution, and active listening skills (DeLuca, 2020).

# Gender Gap Found in Remote Working

Problems arise when gender appears in the **demographics section** of this article as there is a **higher percentage** of men working remotely compared to women (38% of men vs. 30% of women). HR needs to be wary of this **discrepancy** since favouring a specific gender, men in this case, can lead to an unfair **gender gap** and possibly, the **glass ceiling effect.** The glass ceiling effect can be described as an "invisible barrier" in organizations that prevents women and minorities from progressing in their career (Wayne & Martocchio, 2016). There are also **ethical** implications to recruiters hiring more men than women since it can be considered **discriminatory**. Gender **equality** in the workplace has become so crucial that it is listed as the fifth **sustainable development goal** in the United Nation's efforts to create a more sustainable future (*UN's 17 SDGs*, 2023). Therefore, ensuring that companies have equal numbers of men and women in the workforce will lead to a better corporate culture and reputation.

# Benefits of Remote Working

The **benefits** and **challenges** of the remote work approach are thoroughly examined in the article too. Flexible working hours, furnished office equipment, virtual team bonding activities, and internet assistance are a few of the **benefits** listed. An additional benefit is the potential for employers to **reduce costs** by shifting to remote work. According to the article, employers can

save up to \$11,000 per employee due to lower costs for utilities, office space, and other relevant resources (Haan, 2023).

# **Challenges of Remote Working**

On the other hand, the **challenges** of remote work are highlighted too, emphasizing problems like **digital burnout** and **weaker social connections** between employees and employers. Digital burnout can be described as the feeling of stress, anxiety, or exhaustion from spending too much time working online (Curtis, 2021). For employers working in the HR industry, recognizing and understanding these difficulties is **crucial**. This importance comes from **HR's function** in fostering a **safe** and **healthy** work environment, as well as to develop strong employee and **labour relations** (Wayne & Martocchio, 2016). In addition, ensuring that employees are **content** with their work environment lowers the possibility of employee **turnover**, which is a critical achievement employers in HR and talent management want. Prioritizing employee **well-being** also guarantees that they will perform at their best. This can be proven by taking a look at **Herzberg's Theory** of Motivating and Hygiene Factors. Employees who are exposed to **motivating factors** like working on tasks they enjoy doing and receiving social recognition lead to more hard-work and increased job satisfaction (Gafner, 2022).

#### Recommendations

# 1. <u>Use Efficient Preliminary Screening Technology</u>

Preliminary screening is the first part of the **selection process** for employers in talent management and HR (Wayne & Martocchio, 2016). As the selection process progresses, the pool of candidates become smaller. Therefore, the preliminary screening section can be overwhelming, especially with a **large pool** of international candidates who need to be chosen to do remote work. A recommendation to **tackle** increased competition in candidate applications (refer to "*Remote Recruiting*." pg. 3) and to ensure employers chose the right candidate efficiently is by using technologies like **artificial intelligence** (AI) and **blockchain**. Many companies have already started implementing AI technologies in recruiting to streamline the process (Hunkenschroer & Luetge, 2022). Moreover, this technology can also help during the interviewing stage through **recruiter chatbots** that have "natural language processing" to ask candidates questions and verify them. The chatbot then ranks every candidate based on factors like abilities, knowledge, skills, and qualifications (Roy, 2017). **Blockchain** can also help recruiters as public blockchains can store verified candidate profiles with employment history and qualifications (Michailidis, 2018). Using these data-driven methods not only creates

efficiency, but can also **decrease biases** in the selection process too, which leads to **better** hiring decisions.

# 2. <u>Create Good Corporate Culture Online</u>

A huge challenge employees faced in remote working was the inability to feel **connected** online, which can impact a company's **corporate culture** negatively (refer to "*Remote Recruiting*," pg. 3, and "*Challenges of Remote Working*," pg. 5). A study on the role corporate culture had during a pandemic shows that firms with a strong corporate culture **outperformed** companies that did not have one. To be more specific, companies with a strong corporate culture had "higher sales, return on assets, and profit margins" compared to their counterparts (Li et al., 2021). Another study, this time conducted in the **United Arab Emirates**, reveals that organizational culture had a high affect on employee **attitudes** and **performance**, despite the employees coming from different nationalities with various **country cultures** (Cherian et al., 2021).

One way the HR team can create strong corporate culture online is by sharing the company's **mission**, **vision**, and **values** through an online seminar. The online seminar can help employees understand what their **purpose** and **goals** are in the company so that they could feel more connected. Furthermore, creating **trust** and prioritizing **communication** by being able to answer co-workers in a timely manner is another way the HR team can help build a better corporate culture. Building trust can happen by being more **transparent** and **honest** in online meetings, giving employees **appreciation** and **recognition** for their work, and admitting to mistakes if they occur (Kappel, 2020). Also, weekly or monthly remote **activities** is a way to ensure employees are engaged and optimistic about their work life online. Activities that could be offered are virtual lunch breaks, company events, and movie nights with other employees.

# 3. Invest in Digital Skills Training

Employers in **talent management** and **HR** need to have the right digital skills to appropriately pick the right candidates, and **employees** working in a company need to have the right digital skills to perform well (refer to "*Knowledge, Abilities, and Skills Needed in Remote Working,*" pg. 4). Therefore, investing in **digital skills** training for both employers and employees is another recommendation that could help maximize remote working. Digital **hard skills** that should be included in the training can be how to effectively use the company's preferred **video calling** method and **communication channels** (Loic, 2022). Digital **soft skills** that should also be included in training are how to utilize **active listening** skills, high **emotional intelligence**, and

**conflict resolution**. The training can happen using online video calls with **professionals** or people have a lot of **experience** with these skills. Training employers and employees on how to use these skills will create overall **efficiency** and **harmony** within the company.

# 4. Address the Gender Gap in Remote Working

The Forbes article analyzed above highlights a major issue in remote working, which is the **gender gap** between the amount of men employed remotely versus women (refer to "*Gender Gap Found in Remote Working*," pg. 4). The recommendation to avoid this is to implement **policies** that promote **equality**. For example, companies must ensure that remote work opportunities are equally accessible to all genders. Employers in talent management and HR should constantly review and analyze company **gender demographics** in order to find out and correct any unwanted **prejudice**. Moreover, the company should revise its **code of ethics** to explicitly state that discrimination against any gender is prohibited, ensuring that employees' rights are protected (Wayne & Martocchio, 2016).

# 5. Create Strategic Cost Management

It is clear to see that switching to remote recruiting and working can create cost-saving benefits in the long-term (refer to "Benefits of Remote Working." pg. 4). Talent management and HR should implement strategic cost management by continuing to conduct online job listings, interviews, and tests as they are not only efficient and less expensive, but they also offer flexibility in scheduling. Online recruiting will help companies lessen the expenses of utilities, physical office space, and other resources, as mentioned previously (Haan, 2023). Using these savings strategically on other avenues, like digital skills training (refer to "Invest in Digital Skills Training." pg. 6) or online counselling sessions (refer to "Reduce Digital Burnout." pg. 7) are a few ways companies can create a productive work environment. Strategically investing in the development and well-being of the employees can create long-term benefits that line up with other strategic goals of the company, like improvements in performance.

# 6. Reduce Digital Burnout

Another critical issue that has been brought up in the Forbes article analyzed above is digital burnout in employees (refer to "<u>Challenges of Remote Working</u>," pg. 5). **Digital burnout** can happen due to feeling overwhelmed with the amount of time being spent online. Therefore, the HR team can help reduce digital burnout in employees by establishing **regular check-ins** to asses their workload and any concerns they might have. The HR team should also initiate

**impromptu video calls** to show employees that they are always available to talk (Krishnamoorthy, 2020). Investing in an **online counsellor** or in mental health resources would help employees manage their stress and feel more productive. By addressing digital burnout, the HR team can contribute to creating a **healthier** and more **sustainable** remote work environment.

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