



Deloitte.

Global Human Capital Trends 2014

Engaging the 21st century workforce

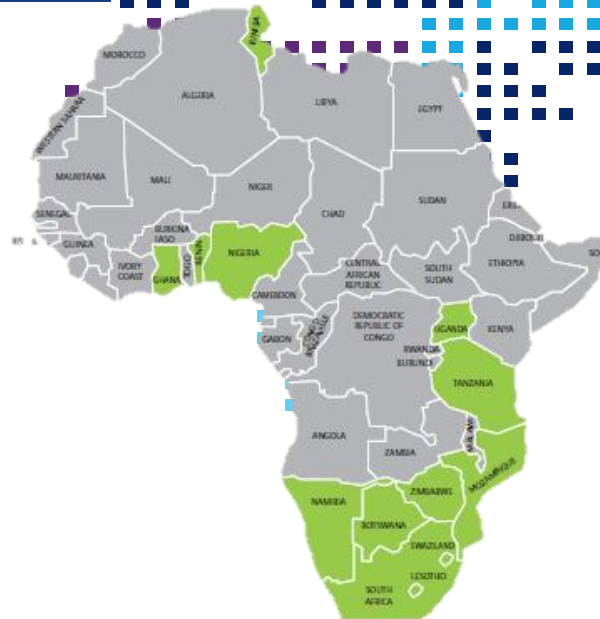
Global research

This year's report represents a data-backed global perspective

Data-backed. Global Report. We surveyed **2,500 business and HR executives in 90 countries** to measure the urgency of and readiness for addressing the trends.

Africa.
348 respondents across 15 African countries.
Africa Country Report

Global perspective.
We identified this year's trends based on input from our **Human Capital leaders across 14 countries.**



South Africa.
266 respondents across all industries.
South Africa Country Report

Key findings

Today's workforce demands a whole new set of leadership, talent, recruiting, and engagement strategies. HR organizations are struggling to keep up.

Leadership continues to be the biggest challenge companies face around the world

“The 21st Century Workforce” is different – and **engagement and retention** are now top issues on the minds of CEOs and CHROs

HR is falling behind in structure, skills, analytics, technology, and the development of world-class recruiting and L&D

Technology, analytics, and the **“overwhelmed employee”** are acute focus areas for HR

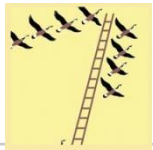
Skills gaps, rapid obsolescence of skills, the need for next-generation learning, and talent mobility will differentiate companies

Note: The key findings are based on the outcomes of the Global HC trends report.

The global human capital trends 2014

Overall focus area:

Lead and develop



Leaders at all levels: Close the gap between hype and readiness



Corporate learning redefined: Prepare for a revolution



Performance management is broken: Replace “rank and yank” with coaching and development



The quest for workforce capability: Create a global skills supply chain

Lead and develop





Leaders at all levels

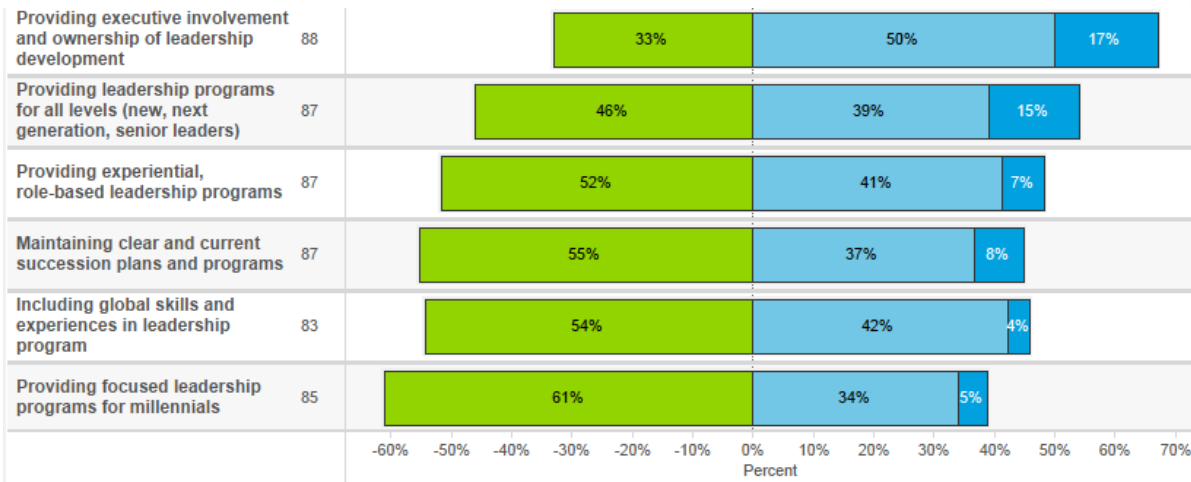
Close the gap between hype and readiness

Result

- 89% of organisations rate leadership as urgent but 34% are not ready for it
- 63% rated this as the second most important challenge in the next 12-18 months.

- **Number 1 talent issue facing organisations around the world**
- **21st-century leadership is different with companies facing new leadership challenges**

Current leadership programs falling short



The number next to the label indicates the response count.

Weak Adequate Excellent



Corporate learning redefined

Prepare for a revolution

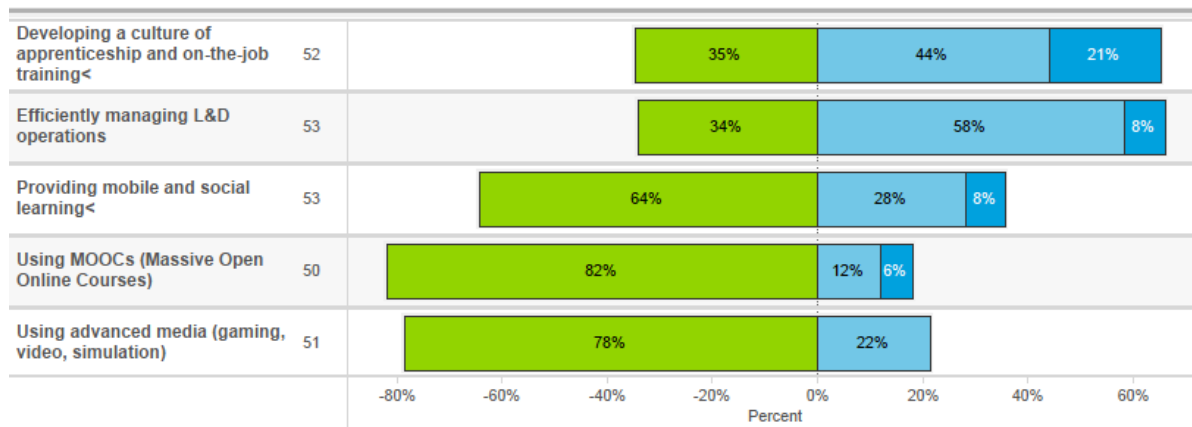
Result

- 74% rated learning and development as urgent and important but 22% are not ready for this trend
- 50% of respondents rated learning and development as a challenge.



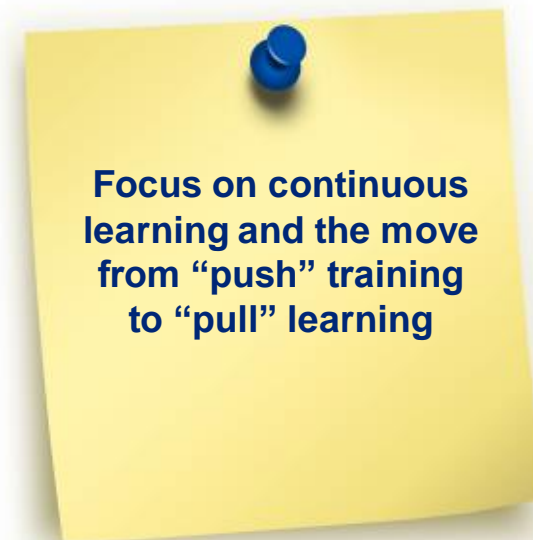
- **Biggest problem today is the uncoordinated structure of learning and development**
- **Corporate training requires content, context, and deep expertise**

Slow adoption of leading-edge learning tools



The number next to the label indicates the response count.

Weak Adequate Excellent

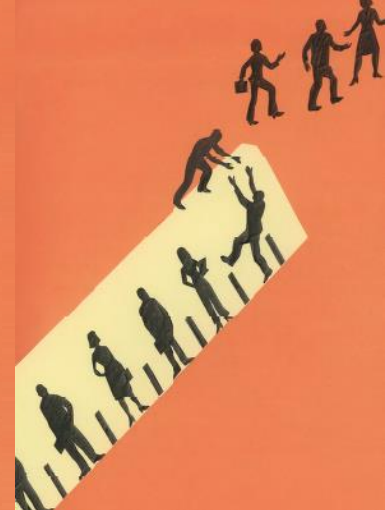


Performance management is broken

Replace “rank and yank” with coaching and development

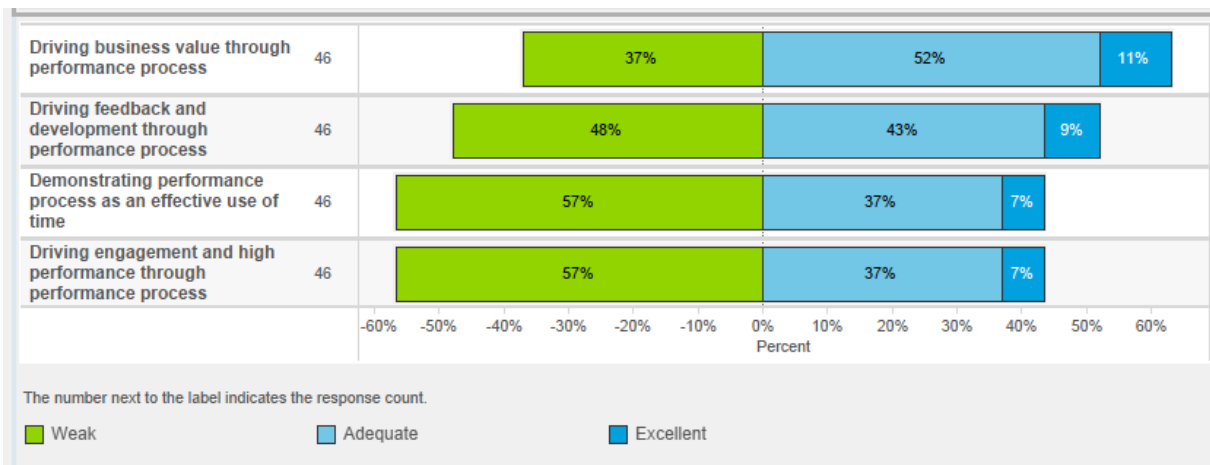
Result

- 77% rated performance management as urgent and important but 41% are not ready for the trend
- 35% of respondents rated performance management as a challenge.



- **Ranking- and ratings-based performance management is damaging employee engagement, alienating high performers, and costing managers valuable time**

A strong majority rethinking performance management



57 percent of respondents stated that they are weak in driving engagement and high performance through a performance management process



The quest for workforce capability

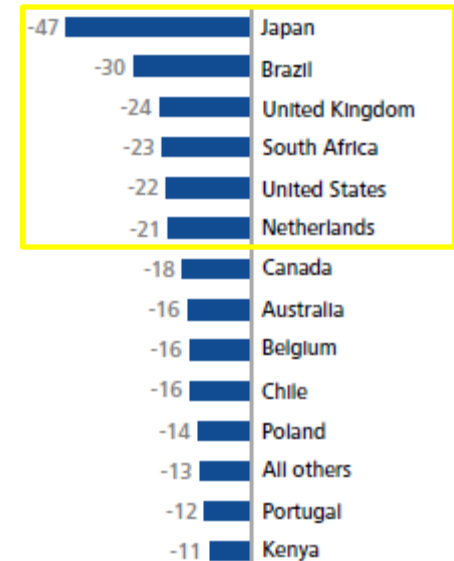
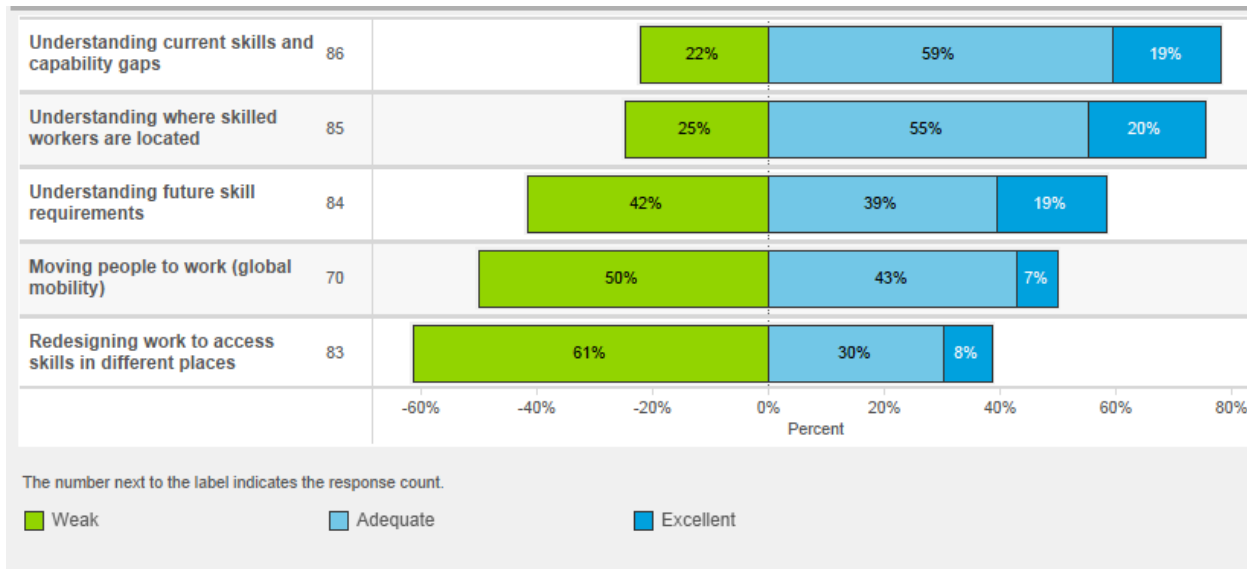
Create a global skills supply chain

Result

- 89% rated workforce capability as urgent and important but 22% are not ready for the trend
- 67% of respondents rated workforce capability as the number one challenge in the next 18-12 months

- Corporations now compete globally for increasingly scarce technical and professional skills
- Deep capabilities drive performance—and take years to build

The gap is wider in major economies



The global human capital trends 2014

Attract and engage



Talent acquisition revisited:
Deploy new approaches for
the new battlefield



Beyond retention: Build
passion and purpose



From diversity to inclusion:
Move from compliance to
diversity as a business
strategy



The overwhelmed
employee: Simplify the
work environment

Transform and reinvent



The reskilled HR team: Transform
HR professionals into skilled
business consultants



Talent analytics in practice: Go
from talking to delivering on big
data



Race to the cloud: Integrate talent,
HR, and business technologies



The global and local HR function:
Balance scale and agility



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