

Global Talent Competitiveness Index (GTCI)

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HISTORY: GTCI is a multi-stakeholder effort

Three partners: the Human Capital Leadership Institute and Adecco, with INSEAD

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human
capital
leadership
institute

THE ADECCO GROUP

Research undertaken by INSEAD



INSEAD Academic Network & International Advisory Board



Independent statistical audit by the Joint Research Centre of the European Commission

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EUROPEAN COMMISSION

TATA

Employment Global Best Practice

Talent scarcity spurs global hunt

Mobility Policy-makers are under pressure to help companies attract in-demand staff, says *Hannah Murphy*

Global mobility is morphing from a niche offering for a few select employees to a necessary fix for one of the biggest problems facing multinational employers: scarcity of talent.

But as the battle to attract and retain the best employees goes global, countries are having to change the way they support companies within their borders and encourage inward movement.

International mobility has traditionally been associated with tempting staff to relocate from developed countries to emerging markets, with the lure of an expatriate lifestyle and a generous pay package.

This model of mobility is undergoing rapid transformation, human resources experts say, as economies with ageing populations are faced with acute workforce shortages.

Germany will face a labour shortfall of 10m workers by 2030, according to estimates by Boston Consulting Group. For China, the figure is 24.5m, while for Brazil it is around 40.9m.

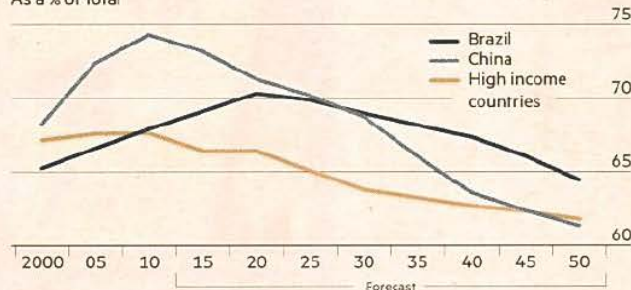
"Companies have to be very proactive about thinking what their talent needs are likely to be five, 10 years from now," says John Marshall, UK and Ireland chief executive of specialist recruiter Adecco Group.

"You really can't wait until then to try to figure out how you're going to fill those talent needs... We've got to find a way to close that gap."

Countries compete for the world's most talented workers

Working age populations are declining ...

As a % of total



... causing severe talent shortages

Labour deficit by 2030, million people



Competing for talent: the top 10 countries

Global Talent Competitiveness Index, 2015-2016

Insead, Adecco Group and the Human Capital Leadership Institute score more than 100 countries on 61 variables to generate an overall ranking



human resources adviser Total Reward Solutions. "When you go there, they even have an employee from the government who helps companies move in and set up," he says.

The UK ranks seventh overall, but falls drastically short when it comes to the gender earnings gap, where it ranks 71st out of the 109 countries included in the index.

The importance of fairness and transparency should not be underestimated, says Adecco Group's Mr Marshall, who calls such factors "hygiene issues".

Countries can also do a lot to boost the brand perception of their cities, whether by building opera houses and art galleries to make a place more culturally appealing or opening international schools to accommodate the children of top candidates.

From a regulatory perspective, managers of global mobility programmes welcome stability over constant change, says Andrea Piacentini, head of reward for the UK and Europe at Standard Life.

"What governments need to realise is that every time you change a tax law or add an extra requirement, you're putting the onus on organisations to be up to speed," he says.

If structural reforms are necessary, they should be focused on simplifying labour market bureaucracy and ensuring legal frameworks are easy to navigate, Mr Piacentini adds.

It is not just complexity that can be an obstacle. Against the backdrop of the European refugee crisis, some governments are ramping up costs as a way of reducing net migration.

A family of four relocating to the UK for five years would be hit with

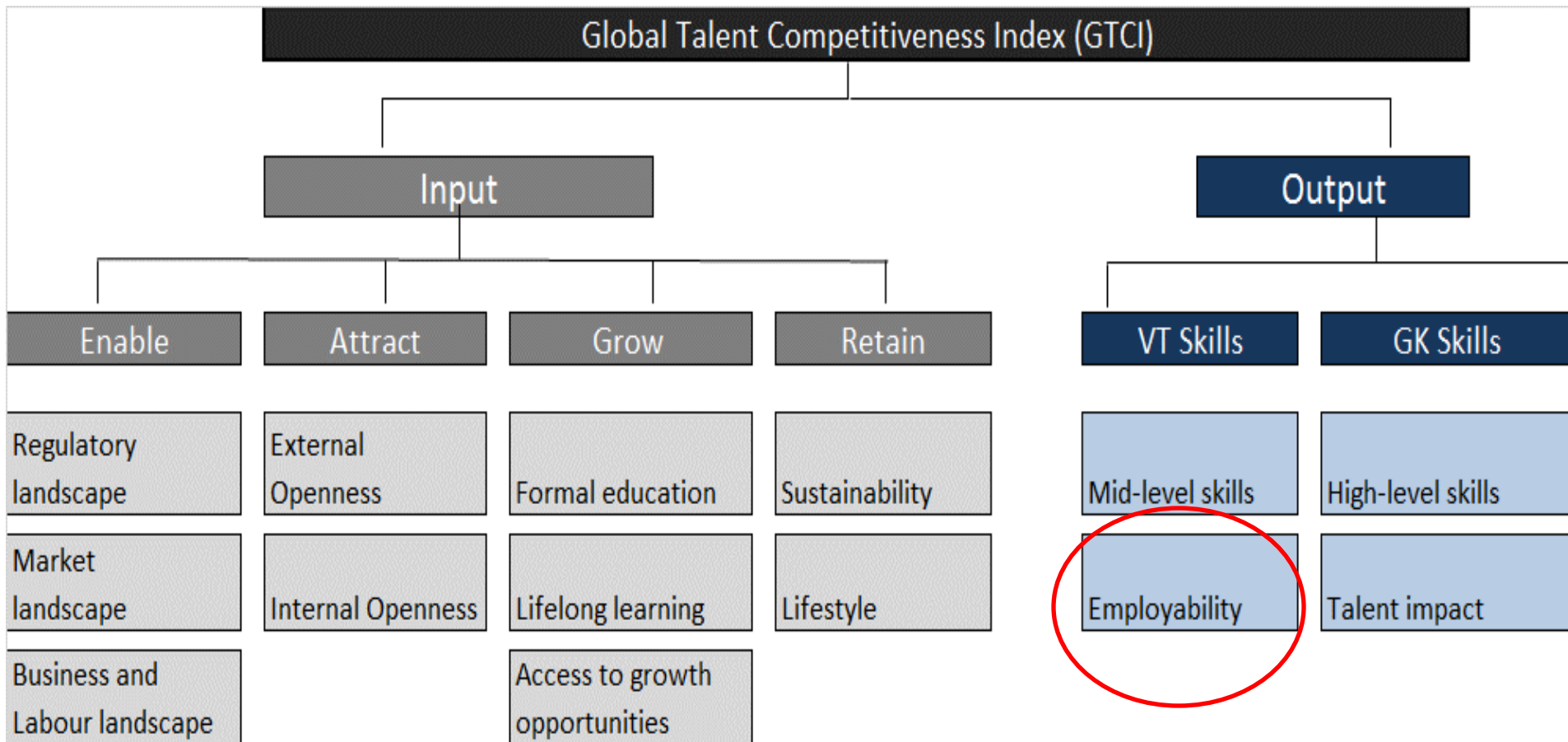
Talent Competitiveness (TC) concept

Develop + Attract + Employ +
Enable = **Talent that contributes
to national prosperity**

- Beyond corporate talent management
 - National policies (e.g. educational systems)
 - Regulatory environment (e.g. labor market flexibility)
 - Labor relations
- Beyond human capital
 - Labor markets (skills matching)
 - Management practices (meritocracy)
 - Market environment (ease of doing business)



GTCl: a composite indicator measuring Talent Competitiveness



VT = Vocational & Technical GK = Global Knowledge

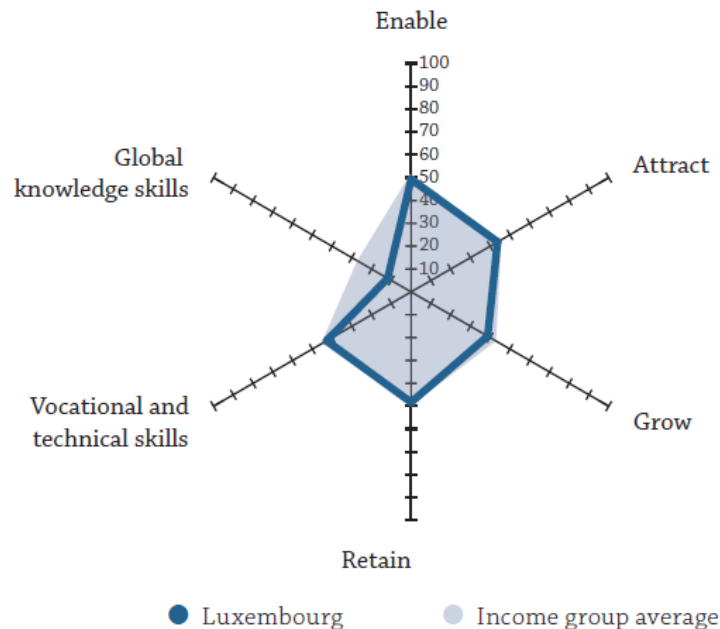
Employability dimension

LUXEMBOURG

Key Indicators

Rank (out of 119).....	10
Income group	High income
Regional group.....	Europe
Population (millions)	0.57

GDP per capita (PPP US\$)	101,926.00
GDP (US\$ billions)	57.79
GTCI score.....	71.64
GTCI score (income group average)	60.92



68 variables
Hard data
Survey data

5.2	Employability.....	67.18	32
5.2.1	Ease of finding skilled employees	53.80	49
5.2.2	Relevance of education system to the economy	59.86	28
5.2.3	Skills matching with secondary education.....	74.09	25
5.2.4	Skills matching with tertiary education.....	80.97	26

The chart displays the relationship between GDP per capita in PPP\$ (natural logarithm) on the x-axis and GTCI Score on the y-axis. The data is categorized by income level, represented by different colored bubbles: High income (dark blue), Upper-middle income (light blue), Lower-middle income (yellow), and Low income (brown). A black trend line indicates a positive correlation between the two variables. The chart is set against a light blue background with a white grid.

Legend:

- High income
- Upper-middle income
- Lower-middle income
- Low income



Top 20 GTCI 2017

GTCI 2017 Ranking (out of 118 countries)

1. Switzerland	11. Netherlands
2. Singapore	12. Ireland
3. UK	13. Canada
4. USA	14. New Zealand
5. Sweden	15. Iceland
6. Australia	16. Belgium
7. Luxemburg	17. Germany
8. Denmark	18. Austria
9. Finland	19. UAE
10. Norway	20. Estonia

The Global Talent Competitiveness Index

Talent Attraction and International Mobility

2015-16

The Global Talent Competitiveness Index

Talent and Technology

2017

The Global Talent Competitiveness Index

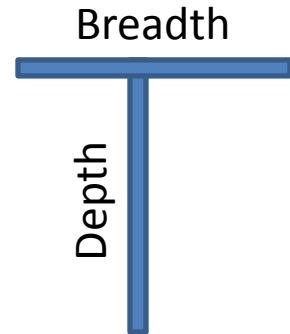
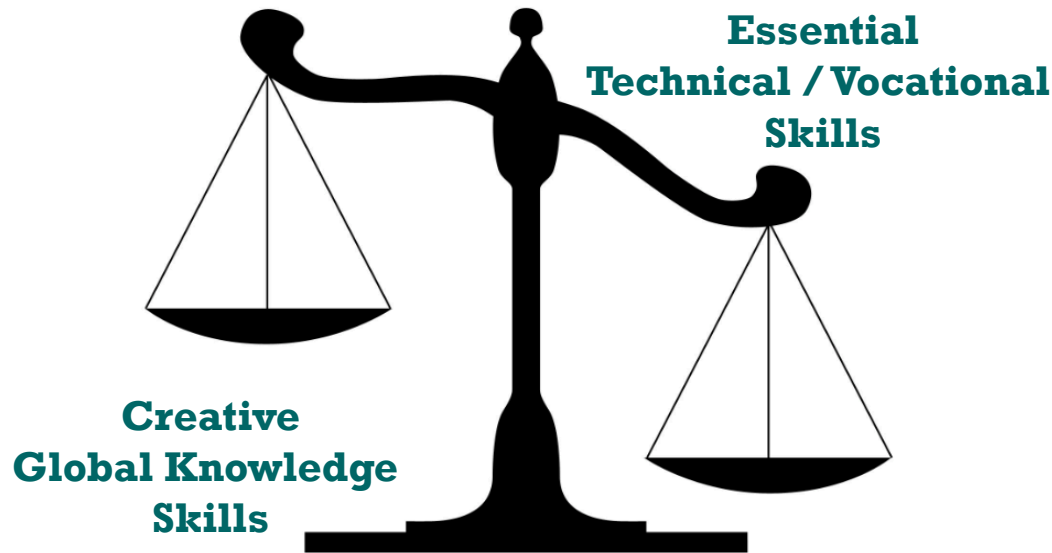
Diversity for Competitiveness

2018

Solving the Talent Challenge:

Quantitative + Qualitative Analysis

Growing Talent: good balance of skills



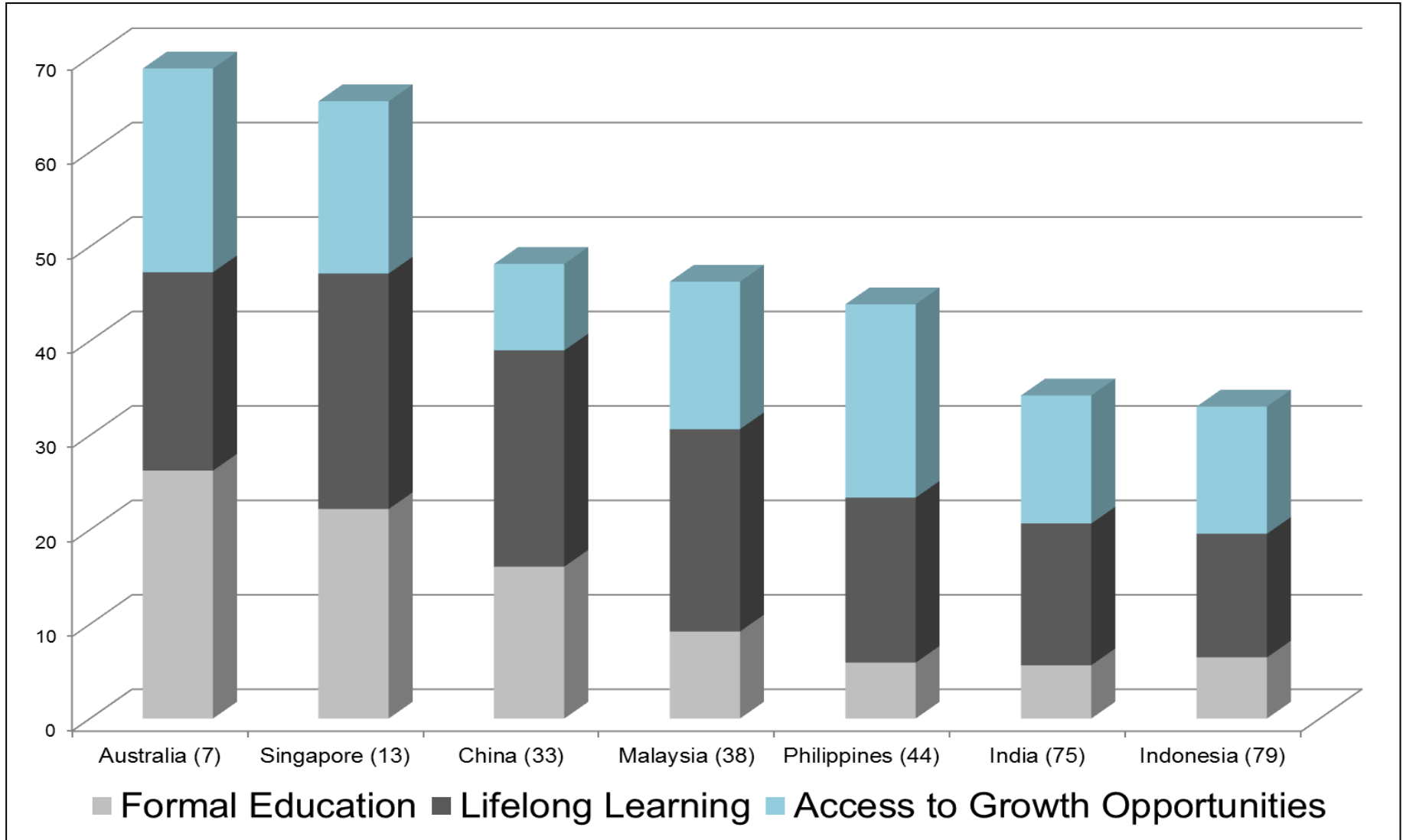
ADAPTABILITY

The model of 20 years of education followed by 40 years of work doesn't fit with the realities of today's fast-moving world

Vocational & Technical (VT) skills → Employability

Global Knowledge (GK) skills → Push economic frontier

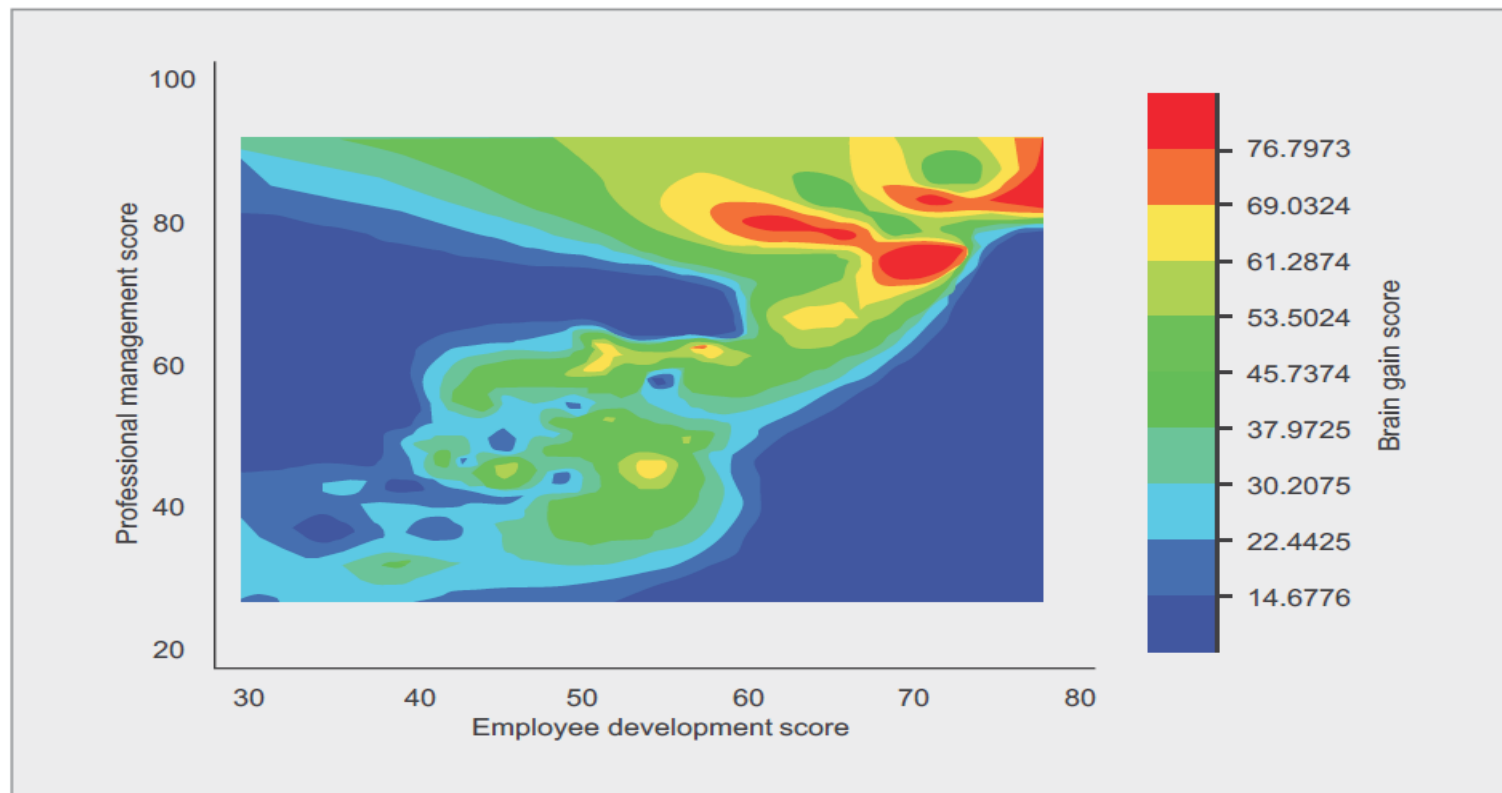
Growing talent (2): Asia Pacific example



Attract talent: “Opportunity” makes countries attractive

Business & Work context

- Clusters and networks
- Meritocracy (in management, in education, etc.)
- Employee Development



What next? Challenges into the future

GTCI 2017 argues that, to understand talent competitiveness in the coming years, it is critically important to :

Cities & Regions

THINK BEYOND URBANIZATION:

Look at the increasing role of regions and cities as a game changer of global distribution of production, jobs, trade, investment and innovation

Technology & Talent

THINK BEYOND AUTOMATION:

Technological revolution vs. management revolution

Impacts on people

- Work: project based; collaborative innovation
- Careers: spiral
- Skills: lifelong learning
- Inequalities



GTCI
Cities version