4 challenges impacting effective workforce management

By Kaunain Nurani   14 Jul 2020

As the effects of the coronavirus pandemic are felt across every industry in every market globally, one thing is becoming clear: life will be split between BC (before Covid-19) and whatever comes next.

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The uncertainty caused by the coronavirus is compounded by the subsequent economic damage from lockdown measures imposed to safeguard vulnerable communities from the worst of the pandemic. Companies of all sizes are in a race against time to adapt to a new, as-yet undefined normal.

The crisis is causing companies to accelerate their adoption of new workforce engagement models to ensure business continuity and productivity in a time of heightened disruption.

No industry spared from disruption

There are also distinct challenges unique to certain industries that are trying to adapt to difficult – in some cases impossible – trading conditions. The hospitality and tourism sector, possibly the hardest hit by the pandemic and resultant lockdown efforts, is on life support.

According to the International Air Travel Association, there was a 20% decline in international bookings and a 15% drop in domestic travel in Africa between March and April this year.

Global demand for commodities has shrunk, leading to a $420-million loss in revenue for sub-Saharan Africa exports to China. Supply chains have been disrupted and healthcare systems are under immense pressure from the increase in demand for treatment and screening for the virus.

The retail sector is under pressure to not only sustain services to consumers during lockdown but enhance employee safety measures and scale up e-commerce and delivery capabilities to meet a rise in demand.

New models of work

It is fair to assume that employers will look to leverage new models of work which enable a win-win for the business, its employees and other stakeholders. The external workforce - those workers who engage with the business on a contract or temporary basis - can help address short-term growth in demand without turning into a longer-term liability for the business when demand subsides.

According to a study conducted by Oxford Economics in 2018, 44% of organisational workforce spend is on the external workforce. It may be too soon to accurately assess how this figure has changed in recent months due to the pandemic; however, there will inevitably be significant shortcomings in how organisations mobilise and manage their remote workers.

Despite 65% of organisations claiming that external workers are critical to the organisation operating at full capacity and meeting market demands, three out of every four organisations lack a holistic view over their external workers. This can range from limited to no visibility about who their external workers are, what skills or experience they have, and what they are being paid.

Organisations preparing for the post-pandemic world of remote work need to focus on overcoming four distinct challenges, namely:

1. **Managing unprecedented growth in certain industries** - Employers need to enhance their ability to identify the right talent and reduce time-to-hire. This can be achieved partly through finding the best channels to source candidates and services, and partly through the use of digital tools that ease the process of managing external workers, suppliers and services.

2. **Improving margins while working remotely** - Margins will remain under pressure even with more widespread adoption of remote workers. Organisations need to leverage benchmark pricing to ensure they source talent at the right price. Benchmarks need to be both internal, based on a view of what the organisation has paid similar talent in previous years, and external, based on what other organisations within the same industry are paying.

3. **Maintaining business continuity** - Now, more than ever, organisations need full visibility over their total workforce. This allows for real-time planning and work reallocation that takes into account available resources and internal capacity.

4. **Ensuring worker safety and health** - Maintaining and managing a pool of healthcare resources is crucial during the pandemic. Organisations need to enhance their worker safety and health protocols to ensure the well-being of internal and external workers.

ABOUT THE AUTHOR

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