THE RISE OF BLENDED WORKFORCE IN 2021

Modern Workplace Hiring Boost Potential of Blended Workforce in GCC



The HR Observer Businesses have recognised the potential advantages of the blended workforce model for decades – but many have struggled to manifest those advantages. Now, the dramatic growth of online recruitment portals and gig platforms has the potential to deliver the benefits of blended workforces to a much wider range of organisations.

The dramatic uptake of online recruitment methods in the GCC is clear from the results of a recent survey, commissioned by Informa Connect, of 187 organisation leaders and HR professionals across the region. Overall, survey respondents were very receptive to the concept of a blended workforce, with 64% saying their organisations were ready to adopt the model.

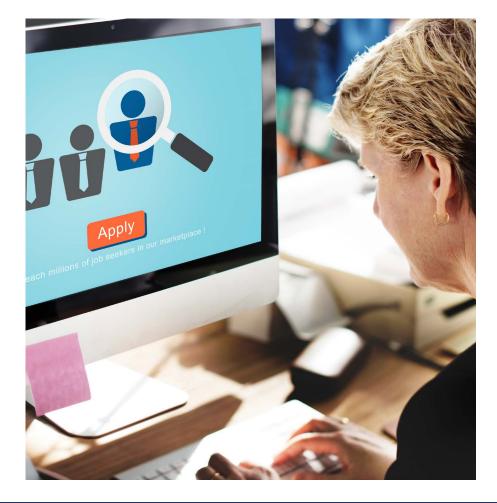
A blended workforce is one which combines traditional full-time staff with contract employees as needed, rather than deploying contract workers as a distinct bloc within an organisation. The advantages of this are increased flexibility and agility, utilising workers only when needed – which can also bring some cost advantages. The disadvantages of a blended workforce can include challenges with contract workers' integration within an organisation and culture, and – particularly in the GCC – the complexity and overheads of bringing workers on board for only a short period of time.

This latter problem is one which is coming under increased attention – and for which online gig platforms offer a solution. Alongside private sector efforts, regional governments have also recognised the demand for more flexible models of employment, and are increasingly offering ways to realise this, including Saudi Arabia's "flexible work system", Abu Dhabi's US\$145 (AED 530) contractor visa, and even No-Objection Certificates from employers willing to have their staff split their time among different jobs.

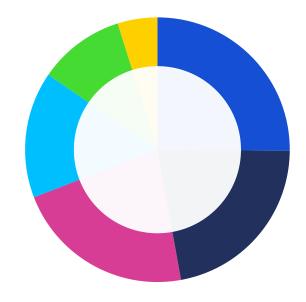
"It's not a choice anymore, it's a global movement," Bandar AlMohamadi, CEO of the government-owned organisation Future Work in Saudi Arabia, told Wamda recently. "The age of corporate structures is starting to vanish and workers now have the opportunity to work with multiple clients without being attached to one corporate body. This brings in freedom and better worklife balance, and this is what's attracting younger generations, particularly Gen Zs, to enter the labour market."

Part of Takamol Holding, under the Ministry of Human Resources and Development, Future Work's role is to supervise and guide Saudi Arabia's uptake of gig economy models. As part of this, Future Work has partnerships with local platforms – working with them, rather than against them.

Regional organisations are definitely prepared to source talent from beyond the traditional channels of recruitment. Our survey revealed LinkedIn was the joint-second preferred method for hiring contract workers, with 43.5% of respondents selecting it – and 30.5% choosing other online recruitment portals.



"WHAT WOULD BE YOUR PREFERRED WAY TO HIRE CONTRACT EMPLOYEES? SELECT ALL THAT APPLY"



| Staffing Agency / Recruitment Firm | 50% |
|------------------------------------|-----|
| LinkedIn | 44% |
| In-House HR / Recruitment Team | 44% |
| Online Recruitment Portals | 31% |
| Hiring Managers' decision | 21% |
| Other | 10% |

Survey respondents' motivations for choosing contract employees – ability to scale up or down as needed, reduced costs, quick access to talent – also suggest the speed and flexibility of online recruitment will make it increasingly attractive to regional HR professionals. The dominance of Microsoft-owned LinkedIn in the online recruitment space is striking from our survey, and it has become a truism that a well-curated LinkedIn profile is a must-have for job-seekers in many parts of the world. The platform also earns a significant portion of its US\$8.8bn revenue from paid job ads.

But faced with the growth of platforms in the Middle East which provide an end-to-end system for recruiting, collaborating and paying freelance workers, LinkedIn has announced plans to launch its own gig marketplace – to be called "Marketplace". Focused on professional roles which are perhaps less covered by other platforms, LinkedIn's move further legitimises the rise of the gig economy.

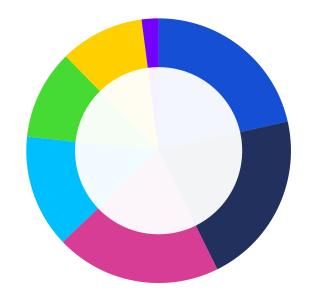
The "Readiness for the Future of Work" report from the MiSK Foundation and A.T. Kearney in 2019 sees this trend not as a fad, but as a long-term shift in how both organisations and workers approach employment.

"In 2035 employment models will be much more fluid. There will be an emergence of what is alternately called either the 'gig economy' or the platform economy. ... The future labour market will be one in which employers can locate and access the skills and talents they demand much more efficiently. At the same time, previously marginalised groups such as women, minorities and the disabled, will be able to engage in the workplace on more flexible terms, leading to a more inclusive labour market overall," states the report.

Written before the COVID-19 pandemic, this seems entirely prescient – perhaps even somewhat conservative now. While the pandemic has forced a dramatic increase in the flexibility of employers and employees, the success of new models of working in many organisations has made it clear this was a revolution waiting to happen.

At the same time, the challenges of adopting a blended workforce are real – and even more significant with workers who never set foot in an organisation's office. Integrating contract employees with their full-time colleagues, as well as an organisation's workplace culture, will remain significant issues to deal with. And while governmental bureaucracy has improved, regional focuses on nationalisation may well cause governments to look again at the use of gig platforms as recruitment tools.

"WHAT ARE SOME OF THE REASONS YOU MIGHT PREFER TO HIRE CONTRACT EMPLOYEES? SELECT ALL THAT APPLY"



| Scale up or down based on project needs | 59% |
|--|------------|
| Reduced operational costs | 58% |
| Quick access to a highly skilled talent pool with niche experience | 55% |
| Ease of replacement and eliminating wrong hires | 38% |
| Save time on recruitment and onboarding process | 30% |
| Build competitive advantage for business | 28% |
| Other | 6% |

CONCLUSION

The potential of the blended workforce model has never been so evident – nor so easy to take advantage of – for organisations in the GCC. Online recruitment portals and gig work platforms have opened up new pools of labour and new opportunities for employers and workers alike.

While challenges in adopting a blended workforce model remain, the upsides are becoming ever more attractive, and we expect increasing numbers of regional organisations to adopt the model in the near future.

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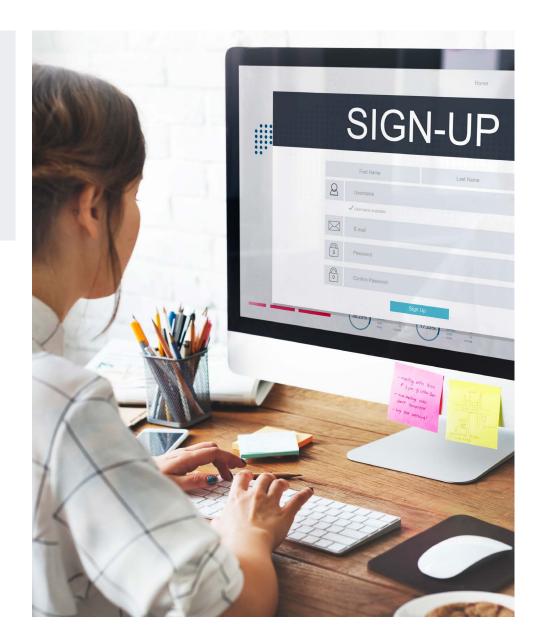
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