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WORKING WITH THE FUTURE OF RECRUITMENT AGENCIES ALONG THE OXFORD SCENARIO PLANNING APPROACH

BACKGROUND

A friend of mine is partner of an executive search company and frequently we discuss the changes in the labour market. A few weeks earlier, we met for a coffee at his office and discussed how consulting and coaching services could add value to his clients or recruitment agencies. Obviously, there is added value for people to receive coaching when there is a need and willingness to change behaviour, so that question was answered quite easily.

However, the question triggered my interests in customer value development, something I used to do a lot in my previous career. Customer value is typically derived from pain points you can solve for the customer and that the customer is willing to pay for. After a few minutes into the conversation, I asked him who actually the client is: the job candidate or the company that pays the search firm to find the right candidates? Well, the company that pays of course, my friend answered, it is a transaction between the company and us.

I asked my friend why this is, because he told me that there is a lot effort put into maintaining relationships with the subject of the transaction, which is the jobseeker. He also said that a few executive search firms are offering additional services to jobseekers, such as executive coaching, in order to distinguish themselves from competing search firms and to attract better candidates, and also to engage with them in between jobs. This prompted me to challenge him and I suggested that the actual value is with the candidate; no access to attractive candidates, means no business.

This led me to wanting to understand the industry dynamics better and find out how future scenarios could look like. Have recruitment agencies passed their half-life on the S-curve? Is it time to get out of the comfort zone due to the influence of contextual factors and move into unfamiliar territory?

1 INTRODUCTION

In this essay I address a future scenario for recruitment agencies in developed countries and I will lean on elements of the Oxford Scenario Planning Approach, in order to suggest future business scenarios for recruitment agencies and head hunters. While head hunters are responsible for locating qualified candidates, recruiters are responsible for filling positions. Recruiters are people who are generally employed by the company that is advertising the open positions, although they

can also be third-party individuals with no affiliation to the company in question. I will use the term recruitment agencies to cover both head hunters and third-party recruiters.

2 OXFORD SCENARIO PLANNING APPROACH

Before I dive into the recruitment industry and the relationship between job providers and job seekers, I would like to discuss the Oxford Scenario Planning Approach, although several different approaches to scenario planning have emerged since it gained recognition. Scenario planning came to prominence following World War II and gained recognition in the corporate world in the late 1960s and 1970s (Ramirez et al., 2017). Scenario planning is an instrument that is often used and based on macro-economic, industry, market and internal data collection and analysis. This is the starting point for the development and assessment of scenarios to base a business model upon. The typical approach to scenario planning, forecasting and business modelling, is taking a probabilistic stance and make predictions in percentage terms or as best-case/worst-case scenarios, or a normative stance and envision what a future should look like.

The Oxford Scenario Planning Approach however is based on plausibility. By recognizing the part of uncertainty that is unpredictable (Knight, 1921) and by actively exploring the sources of the turbulence and uncertainty, the goal is to iteratively and interactively generate new knowledge and insights to help organizations re-perceive their circumstances.

A core feature in the Oxford approach is making a distinction between 1) the immediate business environment an organization inhabits (where business transactions take place) which suppliers, customers, competitors, partners, and other stakeholders, and 2) the broader environment, or context, in which it operates, which is made up of all the factors that are beyond the organisation's direct influence. Scenario planning is about exploring how the second layer might transform the first layer.

And third, successful scenario planning processes are committed to examining and understanding plausible futures as opposed to probable futures. In turbulent and uncertain conditions, it is impossible to assign precise probabilities to possible scenarios. As a result, the Oxford scenario planning approach eschews assigning probabilities to scenarios and instead focuses on identifying and developing scenarios that are perceived as plausible, challenging, and useful. Each scenario consists of a story that relates to possible changes in the larger contextual system in which an organisation operates.

According to Ramirez et al. (2017), the Oxford Scenario Planning Approach is intended to be collaborative in order to get individuals and groups at all levels and functional backgrounds within an organisation to examine an array of factors that contribute to the future and, in the process, to reframe their collective understanding of the present. For the purpose of writing this essay, I will exclude the involvement of individuals and groups familiar with the industry and I will base the scenarios on desk research. However, I invite these individuals and groups to assess the scenarios that I have developed and use them as input in their strategy development efforts.

2.1 LAYER 1: THE TRANSACTIONAL ENVIRONMENT OF RECRUITMENT AGENCIES

Employers (job providers) and employees (job seekers) can be matched internally and externally. Internally means that a position in a company is filled through internal hiring by promotion, lateral moves or demotions. External matching happens through external job seekers applying

directly for a position at a company for whom they do not work at the present moment, or through a recruitment agency who, on behalf of an employer, searches for job seekers that could fulfil the vacant position. Since scenarios are prepared for recruitment agencies, I concentrate on the latter matching process. The main actors in the transactional environment of recruitment agencies consists of their employees, job providers (companies and their hiring managers), job seekers (individuals) and competitors.

2.1.1 RECRUITMENT AGENCIES AND THEIR CURRENT BUSINESS MODEL

According to Mercado (2019), executive search's humble beginnings in the retail sector in 1926 by Thorndike Deland, grew to today's multi-disciplined executive search firms that include Financial Services, Technology, Consumer Goods, Transportation, Industrial, Health Care, Education, Public Sector and most other career sectors in the world. The executive search firms that pioneered the profession in the mid-20th century started the true practice of executive search - a process of outsourcing recruitment support to a detailed and skilled third party consulting firm to lead the search process; professionally engage with the client and candidates; conduct targeted outreach to passive candidates; complete detailed interviews, evaluations and vetting of the candidate pool; and to guide the organization to a candidate that best meets their needs. A detailed report is provided to the clients on the final candidates. It is a form of business process outsourcing where an employer transfers all or part of its recruitment processes to an external service provider.

Recruitment agencies compete with one another to make placements and are usually paid if they produce the successful job candidate to find new employees. Finlay & Coverdill (1999) find that recruitment agencies provide economic and political advantages to hiring managers. The economic advantages consist of the techniques which recruitment agencies have devised for locating good candidates, especially those who are happily employed and not necessarily looking to change jobs. The political advantages consist of the ways in which recruitment agencies' service to hiring managers, which enables the latter to strengthen their control over hiring and to deal with the challenge of recruiting new employees from competitors.

2.1.2 THE CURRENT ROLE OF THE EMPLOYEES OF RECRUITMENT AGENCIES

Working as a recruitment consultant is a multifaceted role. In the course of an average day, recruiters typically wear a number of different hats, ranging from salesperson, to writer, to media buyer, to HR professional. To be a successful recruiter, you'll need to be detail-oriented, possess good interpersonal and negotiating skills and have the ability to make decisions when reviewing candidates' applications (Roennevig, n.d.). Recruiters who work for recruitment agencies typically spend some of their time drumming up new business. This may involve contacting existing and previous clients to find out if they have any additional staffing requirements, or cold-calling new prospects. When a company retains an recruitment agency, a recruiter must get a thorough overview of its requirements. It is common for recruitment agencies to only get paid once they have successfully placed a candidate, so failure to understand what clients want is not good for business.

2.1.3 THE JOB PROVIDER AND JOB SEEKER: THE EVOLUTION FROM TRADITIONAL PSYCHOLOGICAL CONTRACTS TO BOUNDARYLESS CAREERS

Perhaps you remember the career stories of your grandparents or other members of older generations and that they always spoke of their lifelong employer. For example, my late grandmother worked 45 years for the Dutch National Post, mostly in the same position as a telephone clerk. During those days, traditional relational contracts were the norm and implicitly depended upon trust, loyalty, and job security. Sims (1994) describes traditional psychological contracts as having existed in organisations characterised by stability, predictability and growth. The workforces of such organisations were seen as permanent, and employee loyalty was built on guarantees of long-term employment and investment in training. Employee commitment was the norm and employees expected advancement within the organisation. Rousseau (1989) spoke of implicit reciprocal obligations or the psychological contract perceived by employer and employee, or in other words: what employees and employers want and expect from each other.

According to Hiltrop (1995) the psychological contract has been changing dramatically over time. As a result of all sorts of pressures and trends on both sides; characteristics of corporate employment such as stability, permanence, predictability, fairness, tradition and mutual respect have been substituted by new features of self-reliance, flexibility and adaptability. Sims (1994) adds that today's leaner organisations offer limited opportunities for advancement, and employees have learned that job security can no longer be guaranteed even for good performers. According to Waxler & Higginson (1993), the old cradle-to-grave psychological contract is gone and (DeMeuse & Tornow, 1990), according to Kanter & Mirvis (1989), loyalty to the company has given way to looking out for oneself and Cooper (1997) concludes that the psychological contract between employer and employee in terms of reasonably permanent employment for work well done is truly being undermined.

Spindler (1994, p. 328) claims that the 'old' psychological contracts based on the exchange of security for compliance have been shattered, with the new contract only now being established and psychological contracts have been increasingly replaced by transactional contracts wherein employees seek, for example, training and development to secure future "employability security" (Orrange, 2003).

According to Howes (2015) new psychological contracts, in turn, have led to new conceptualizations of careers, including that of boundaryless careers. Boundaryless careers represent a shift away from traditional careers that held lifetime employment as the norm (Hodkinson & Sparkes, 1997) and rewarded seniority with incremental increases in pay and benefits (Stone, 2002). Boundaryless careers are characterized by working across or beyond organisational boundaries in terms of both physical and psychological movement (Arthur & Rousseau, 1996; Sullivan & Arthur, 2006). Although physical movement refers to employment mobility, psychological movement refers to the degree to which someone willingly and actively develops and maintains working relationships across organizational boundaries (Briscoe et al., 2006).

Ng and Feldman (2007) proposed that occupational embeddedness be considered in conjunction with boundaryless careers, arguing that career mobility and stability decisions would likely be affected by life- and career stage. Specifically, in mid-life and mid-career, financial and family responsibilities may make career mobility more challenging than in early or late career.

Supporting this notion, past research demonstrated that both lower age and fewer years in an occupation were associated with career change (Carless & Arnup, 2011).

2.2 LAYER 2: TUNA CONDITIONS AND THE CONTEXTUAL ENVIRONMENT OF RECRUITMENT AGENCIES

During periods of turbulence, unpredictable uncertainty, novelty, and ambiguity – what the Oxford Scenario Planning Approach refers to as TUNA conditions – organisations frequently experience serious challenges that threaten existing value chains, communities, and even whole fields of endeavour. Such conditions can be unsettling and destabilising on many different levels. But they also present opportunities for organisations to reframe their strategies and innovate (Ramirez et al., 2017).

Turbulent contexts can be seen in sudden and game-changing transformations that overwhelm the relations between an organisation and the parties with whom it regularly transacts business (Ramirez & Wilkinson, 2016). Scenario planning helps strategists engage with turbulent contexts by helping the scenario learners to attend to the factors in their contexts that they consider relevant and yet beyond their direct control and influence. Situations of turbulent change characterised by unpredictable uncertainty can also involve disruptions that are unique and novel, rather than simply being faster/slower, or higher/lower, extensions of changes which have happened in the past.

It can be difficult to describe what is imaginable but not yet experienced to someone else. Almost by definition, unique and novel situations cannot be described effectively without the invention of new concepts and terminology. Concepts such as “peer-to-peer” business models and the “shared economy” are no longer unimaginable but reality.

Ambiguity arises when there are different interpretations of the same event or phenomenon. In the Oxford Scenario Planning approach, the aim is not immediately to resolve ambiguity to facilitate problem solving. Instead, the scenario planning process is designed to understand why ambiguity arises and how it can help reveal the different interpretive frames that are enabled, suppressed, or dismissed in the strategic framing contests which have become common in power-laden organisations.

2.3 CHANGES IN THE CONTEXTUAL ENVIRONMENT OF RECRUITMENT AGENCIES

I would like to address six contextual factors that are impacting the transactional environment of recruitment agencies, as described in layer 1, and lead to turbulence, unpredictable uncertainty, novelty, and ambiguity. Firstly, technological changes such as the increasing importance of social media in recruitment and screening, creating the opportunity for job providers to connect directly and more cost-effective with active and passive job-seekers. Secondly, changes in social values such as an increasing level of entitlement leading to conflict, job frustration and low job satisfaction levels. Thirdly, changes in labour markets, also driven by the 4th industrial revolution, impacting how automation substitutes for and how the net displacement of workers by machines might worsens the gap between returns to capital and returns to labour. Fourthly, the rise of the gig economy changing the traditional role of employers. Fifthly, changes in society with respect to how people learn and educate themselves, driven by the 4th industrial revolution. And lastly, demographic changes in terms of an ageing population.

2.3.1 TECHNOLOGICAL CHANGE IMPACTING RECRUITMENT AND SCREENING

In recent times, the massive growth of social media and Internet capacities and capabilities has added numerous other sourcing possibilities and activities. Some of these include Internet job boards, Internet data mining and web crawlers that continually search the web for information about employees (Nikolaou, 2014; Parez, Silva, Harvey & Bosco, 2013; Sinha & Thaly, 2013). Other capacities and capabilities include flip searching, which is a process which identifies employees that link to specific Internet sites to search for passive and semi-passive candidates, and social networking, such as LinkedIn, Facebook and Twitter.

A large body of previous research indicates that among the various social media platforms, Facebook, LinkedIn and Twitter are mainly used in the sourcing process (Caers & Castelyns, 2011; Doherty, 2010; Dutta, 2014; Singh & Sharma, 2014). LinkedIn had 467 million members in 2017 (Chaudhary, 2017) and more than 1 million professionals have published a post on LinkedIn and the average user spends 17 min monthly on LinkedIn (Chaudhary, 2017). In 2016, Microsoft acquired LinkedIn and paid 26 billion USD in cash.

As the number of users on social media increases, the use of social media channels in recruiting is gaining momentum (Dutta, 2014; Singh & Sharma, 2014). This trend results from organisations' ability of recognising the potential of these channels to attract not only active prospective job candidates but also passive and semi-passive candidates. Social networking sites such as LinkedIn, Facebook and Twitter allow recruiters to post job advertisements to lure a wide spectrum of potential candidates to easily access and apply for such potential positions, thereby enabling recruitment agencies to search for potential job applicants – even those who do not necessarily apply (Sinha & Thaly, 2013). There is evidence that recruitment agencies and organisations are realising that more and better candidates can be discovered and approached quicker and at a lower cost by utilising social networks, compared to traditional recruitment methods (Armstrong, 2006; Singh & Sharma, 2014). Therefore, it is not surprising that recruiters and organisations regard social media and networks as attractive recruitment tools, which give recruiters a competitive edge in reaching their recruitment objectives when it is done effectively (Singh & Sharma, 2014).

It is clear that the use of social media platforms has become the norm for sourcing in recruitment and recruiters believe that social media enables them to find better quality candidates. Indeed, 93% of recruitment agencies use social media to support their recruiting efforts (Jobvite, 2014). Social media is used in recruitment for a number of reasons. For instance, 30% of recruiters develop a database of followers and/or supporters by posting regular updates, and 18% use the social media platform's job search engines to advertise vacancies or to accept CVs and application forms on an organisation's behalf.

Additionally, the use of modern technologies and software has influenced the practices that emerge in employee recruitment and selection with respect to screening. According to Jeske & Shultz (2015), The information obtained using public as well as private social media profiles provides recruiters with information that would be impossible or at least more costly and time consuming to have access to than through interviewing and references that are provided (Armstrong, 2006; Singh & Sharma, 2014). Given the growth in usage of both personal (e.g. Facebook) and professional (e.g. LinkedIn) social media, it is not surprising that employers would want to tap this information as part of the employment recruitment, screening and selection

process. However, Jeske & Shultz argue that there are numerous ethical, legal and practical concerns that need to be addressed before doing so.

2.3.2 CHANGES IN SOCIAL VALUES OF YOUNGER GENERATIONS

There is a popular impression that entitlement has dramatically increased in society (Schigt, 2019). Given the increase in narcissism in younger generations, and the positive correlation between narcissistic behaviour and a sense of entitlement (Campbell, 2004), the assumption can be made that there is an increase in entitlement among adolescents. This assumption is confirmed by recent research asserting that a culture of entitlement is increasing in Western society, particularly in the younger privileged generations (Laird, Harvey, & Lancaster, 2015). Although it is unfair to paint an entire generation with the same brush, data consistently show that average entitlement levels are high among younger generations. For example, a large empirical study found that a generalized sense of entitlement had increased slightly from 1996 to 2007 (Trzesniewski et al., 2008). Greenberger et al. (2008) also reported a 300 percent increase in newspapers' use of "sense of entitlement" during a similar time frame (1996-2006). Supporting research suggests that Generation Y is characterized by high self-esteem and self-centeredness (Holt et al., 2012).

Heightened entitlement can be problematic in the workplace. In particular, research has associated the construct with conflict, abusive behaviour, job frustration, and low job satisfaction levels (Harvey and Harris, 2010; Harvey and Martinko, 2009), and subsequent high employment changes. According to the Ethics Resource Center's (2010) report, Generation Y is twice as likely as Generation X and three times as likely as Baby Boomers to consider leaving a job within one year. Similarly, Ng et al. (2010) found that half of their sample of Generation Y undergraduates did not want, or did not know if they wanted, to find long-term employment. This mentality partially might explain the short average tenure of 3.2 years for Generation Y vs 10.3 years for individuals 55 and older (US Department of Labor Statistics, 2013).

2.3.3 CHANGES IN SOCIETY WITH RESPECT TO AUTOMATION

According to Brynjolfsson et al. (2014), machines are substituting for more types of human labour than ever before. As they replicate themselves, they are also creating more capital. This means that the real winners of the future will not be the providers of cheap labour or the owners of ordinary capital, both of whom will be increasingly squeezed by automation. Fortune will instead favour a third group: those who can innovate and create new products, services, and business models.

According to Wells et al. (2017), in *The Future of Business* (2015), 30 different trillion-dollar industry sectors of the future were identified, which were grouped into clusters. It is expected that these clusters and the underlying sectors will be impacted radically by exponential technology developments. They are: information and communications, production and construction systems, citizen services and domestic infrastructure, new societal infrastructure and services, accounting, legal and financial services, and energy and environment.

The McKinsey Global Institute (2013) looked at which technologies will drive the economy of the future. They found that mobile internet, the automation of work knowledge, the Internet of Things (where many factory, office and household devices and appliances are connected to the internet), and cloud computing would all form part of a transformative information technology backdrop

and be the most significant creators of new economic value. They also singled out advanced robotics and autonomous vehicles as playing a significant part in future economic growth.

The World Economic Forum's study into The Future of Jobs (2016) saw an increasingly dynamic jobs landscape. It estimated that 65% of children entering primary school today will work in job types that do not yet exist, and that 3.5 times as many jobs could be lost to disruptive labour market changes in the period 2015-2020 than are created. While the study saw job losses in routine white-collar office functions, it saw gains in computing, mathematics, architecture and engineering-related fields.

The report identified a number of job categories and functions that are expected to become critically important by 2020: data analysts who leverage big data and AI, specialised sales representatives who commercialise and articulating new propositions, senior managers and leaders who steer companies through the upcoming change and disruption.

In addition, the report concluded that, "By 2020, more than a third of the desired core skillsets of most occupations will be comprised of skills that are not yet considered crucial to the job today. Social skills - such as persuasion, emotional intelligence and teaching others - will be in higher demand across industries than narrow technical skills, such as programming or equipment operation and control."

2.3.4 CHANGES IN SOCIETY WITH RESPECT TO THE GIG ECONOMY

The gig economy is still a relatively new phenomenon. In particular platform companies, who connect and mediate buyers and sellers through their proprietary applications (apps), such as Uber and Lyft, have grown remarkably in popularity and revenue in just a few years. However, also non-platform companies employ non-permanent staff, such as software programmers, consultants, project managers, ad interim directors, and other high-level profiles. According to Healy et al. (2017), optimistic observers see a newly empowered, flexible workforce that can choose when and where to work, or if to work at all. Also, the gig economy may help to match workers with job opportunities and thus reduce the incidence of underemployment. Others highlight the benefits of ready access to an 'on-demand' workforce for consumers and small business operators. However, the result for many workers has been increased insecurity of employment and earnings, the loss of in-work benefits, and the splintering of internal and external career paths.

2.3.5 CHANGES IN SOCIETY WITH RESPECT TO EDUCATION

Given the projected change in labour and the skills that are required, the educational tools, techniques and curriculum that we have been using for decades may no longer be fit for purpose (Xing & Marwala, 2017). Students need to understand the technologies and their potential disruptions to future job markets, recruitment and work. The fourth industrial revolution presents a set of challenges that educators need to address in order to continue delivering a relevant education to the today's students given the increasingly rapid rates that the traditional curriculum becomes obsolete.

Teaching has long been constrained by the following scenario: students needed to gather in a lecture hall to hear the professor or sit around a table to discuss with peer fellows. Technology innovation relaxes those constraints and brings radical change to higher education. Massive open

online courses, or MOOCs, is a form of education that provides stand-alone instruction online (Xing, 2016). Though much experimentation lies ahead, MOOCs threaten different universities in distinct ways. Two big factors underpin a university's costs: physical proximity requirement and productivity limitation. Because of the need for physical proximity enrolling more students is expensive considering the increase in buildings and instructors. Because of productivity limitation, the maximum number of students that can be compressed into lecture venues and exam-marking rosters are limited. MOOCs can eliminate these obstacles by working completely differently: off campus and online model; and once an online course is created, teaching extra students becomes an advantage.

In addition, according to Vestberg (2018) the idea that our formal education should end at 22 or 25 (much less 18) is now completely outdated. As technology changes more rapidly – and as humans live longer lives, with more people working well past traditional retirement ages – the need for flexible, responsive schooling and training models is acute. For example, we can and should stop reflexively associating “college years” with one's late teens and early 20s. The universities of the future will increasingly see students in their 40s or 60s pursuing new degrees – and probably also a few precocious adolescents who have already demonstrated subject-matter mastery through online courses.

2.3.6 CHANGES IN DEMOGRAPHIC IN TERMS OF AGEING

Since the mid-twentieth century, the world population has been experiencing significant ageing, which is the process that results in rising proportions of older persons in the total population (UN, 2013). Ageing had started earlier in the more developed regions and was beginning to take place in some developing countries. Demographic projections evidence an unmistakable trend of continued ageing, which would no doubt consolidate during the twenty-first century.

Population ageing is taking place in nearly all the countries of the world. Globally, the number of older persons (aged 60 years or over) is expected to more than double, from 841 million people in 2013 to more than 2 billion in 2050. Older persons are projected to exceed the number of children for the first time in 2047.

The older population is itself ageing. Globally, the share of older persons aged 80 years or over (the “oldest old”) within the older population was 14 per cent in 2013 and is projected to reach 19 percent in 2050. If this projection is realised, there will be 392 million persons aged 80 years or over by 2050, more than three times the present.

Labour force participation among older men is increasing in the more developed regions. In the more developed regions, after a long decline beginning around 1980, the labour force participation rate of older males started to increase in the mid-2000s. This is partly driven by the institution of higher retirement ages in many countries, although in more recent years, the postponement of retirement has been also affected by the financial and economic crisis, and slow ensuing recovery.

3 SCENARIO PLANNING: HOW CAN CHANGES IN THE CONTEXTUAL ENVIRONMENT TRANSFORM THE TRANSACTION ENVIRONMENT

As discussed earlier, scenario planning is about exploring how the second layer might transform the first layer. Successful scenario planning processes are committed to examining and understanding plausible futures as opposed to probable futures. Each scenario consists of a story that relates to possible changes in the larger contextual system in which an organisation operates.

There are 3 ways to conceive the future. The first conception is embodying the future in our action planning. It is the future dependent on our will. It is manifested in processes such as schedules, roadmaps with milestones, budget plans, and goals with detailed targets and action plans. Management by objectives and most kinds of plans (strategic, tactical, operational) are familiar examples of this stance on the future: the gap between our current situation and the vision to which we aspire. For example, a company aiming to quadruple profits in three years will allocate relevant targets for achieving this goal to different parts of the organization. can hide deeper assumptions about the way the world should work, such as a deeply held narrative or myth of progress.

The second conception depicts the momentum of the past, the things that have already happened and that are expected to continue to have impact on one's situation in the future. This conception of the future is informed by horizon scanning, forecast-based planning, and trend/mega-trend impact analysis. For example, governments rely on demographic forecasting to anticipate how many children are going to be born and need to be educated, or to calculate when pensions will need to be paid out and for how long.

The third conception of the future, consists of developments that are coming toward us independent of our will, such as novel developments, emerging issues, weak signals, disruptive changes, etc. Imagination plays a large role here and this conception of the future cannot be achieved through the first and second conception.

3.1 FUTURE SCENARIOS FOR RECRUITMENT AGENCIES

The changes that I have identified are of technological, societal and demographical nature and I will use these changes to suggest scenarios that could transform the transaction environment of recruitment agencies. The scenarios are meant to illustrate potential situations in the future from the perspective of recruitment agencies, which consequently lead to potential changes in the competitive environment, as well as potential changes in buyer-supplier constellations.

I have approached the scenario finding by coming from the future viewpoint of the identified changes in full effect. Each scenario is based on an angle that I have chosen, which relates to a role extension, improvement or integration in a 3rd party of the recruitment agency, and how the recruitment agency responds to the change(s).

3.1.1 SCENARIO 1: RECRUITMENT AGENCIES AS LABOUR QUALITY AND PERFORMANCE CONSULTANTS FOR EMPLOYERS

Whereas recruitment agencies are currently hired by job providers for supporting the recruitment of new employees, they can intensify the cooperation with job providers in the future by monitoring and assessing the quality of current employees as well.

Recruitment agencies are in the expert and pole position to utilise their assessment methodologies and outcomes to benchmark the current employees with active and passive job seekers' profiles, when they are hired to monitor assess current employees as well.

This would extend their current transactional role to becoming an overall labour quality and performance consultants for both future and current employees. Recruitment agencies provide value to companies by being able to signal internal mismatches between positions and current employees and are able to quickly replace mismatched employees with a qualified job seeker or suggest internal rotation.

This scenario foresees a role extension for recruitment agencies towards the current client, the job provider, who generates more value from the recruitment agency.

3.1.2 SCENARIO 2: RECRUITMENT AGENCIES AS PROFESSIONAL LIFE TIME AGENTS FOR JOB SEEKERS

In the future, careers will last longer and given the increase in job and career changes as well as the significant change in demand for skills and competencies, recruitment agencies who currently provide companies with candidates, work as personal agents of job seekers. Recruitment agencies provide extended services to such job seekers to maintain or elevate their attractiveness throughout their career, which will have a positive impact on the value both job seekers and recruitment agencies provide to employers.

Novel services include behaviour coaching, provide training and education, monitor and support physical and mental fitness, and career planning throughout the professional life of job seekers, regardless of employer loyalty. Companies will be provided with candidates that are 'up-to-spec' throughout their professional life and need less adjustment once they take up a position in the company.

The traditional from-cradle-to-grave career offered by a single employer is now facilitated by a recruitment agency from the perspective of the job seeker, whereas the recruitment agent functions as an agent for the job seekers throughout the professional life.

This scenario foresees an improvement of the value offering of the recruitment agency towards both the current client, the job provider, as well as the additional new client, which is the job seeker.

3.1.3 SCENARIO 3: RECRUITMENT AGENCIES ACT AS GIG WORKER EMPLOYERS

Given the rise of the gig economy for software programmers, consultants, project managers, ad interim directors, and other high-level profiles, and the consequences in terms of the changing role of employers with respect to these workers, recruitment agencies take over the role of these employers by providing employee services and support.

Recruitment agencies provide high level gig workers with health and accident insurance, social security, and access to retirement plans. By providing these services, recruitment agencies offer value by providing and administering traditional benefits and conditions for both temporary employers as gig workers.

This scenario foresees an improvement of the value offering of the recruitment agency towards both the current client, the gig provider, as well as the additional new client, which is the gig worker.

3.1.4 SCENARIO 4: RECRUITMENT AGENCIES AS SKILLS AND COMPETENCIES DEVELOPMENT GATEKEEPERS INTEGRATED WITH EDUCATION PROVIDERS

The fourth industrial revolution has an enormous impact on the changing demand for skills and competencies. The value of having the right skills and competencies at the right time and at the right place, as well as having talent and the right mindset, is essential for career success. Recruitment agencies are naturally close to the job market and receive direct input for the type of profiles companies are looking for.

Recruitment agencies integrate with education providers in order to secure that design of development programs matches the current demand. By being the eyes and ears for education providers with regard to employers and employee needs, recruitment agencies add value to these providers, by offering intelligence more quickly in how to bridge the needs of both parties.

Recruitment agencies team up with education providers and design education programs together. This adds value to companies, who currently cooperate with education providers such as business schools, but may risk losing their investment when the employee changes employers.

This scenario foresees integration of recruitment agencies with education providers, and extends their value offering to both the current client, job provider, and the education industry, by gate keeping and driving the improvement in skill and competencies' demand and supply at the source.

4 INVITATION FOR THE INDUSTRY TO ASSESS THE SCENARIOS AND USE THEM AS INPUT FOR STRATEGY DEVELOPMENT

The changes in the contextual environment (layer 2) that I have identified are based on literature research and I have not involved people familiar with the industry. This also holds true for my assumptions on how the contextual environment may transform the transactional environment of recruitment agencies (layer 1).

The changes that I have assumed to cause turbulence and uncertainty, and are novel and could be ambiguous, are the following six:

Firstly, technological changes such as the increasing importance of social media in recruitment creating the opportunity for job providers to connect directly and more cost-effective with active and passive job-seekers.

Secondly, changes in social values such as an increasing level of entitlement leading to conflict, job frustration and low job satisfaction levels.

Thirdly, changes in labour markets, also driven by the 4th industrial revolution, impacting how automation substitutes for and how the net displacement of workers by machines might worsen the gap between returns to capital and returns to labour.

Fourthly, the rise of the gig economy changing the traditional role of employers.

Fifthly, changes in society with respect to how people learn and educate themselves, driven by the 4th industrial revolution.

And lastly, demographic changes in terms of an ageing population.

The four scenarios as a result of the impact of these changes that I have developed, are:

- Scenario 1: Recruitment agencies as labour quality and performance consultants for employers
- Scenario 2: Recruitment agencies as professional life time agents for job seekers
- Scenario 3: Recruitment agencies act as gig worker employers
- Scenario 4: Recruitment agencies as skills and competencies development gatekeepers integrated with education providers

In order to assess whether my assumptions and scenarios have validity and are valuable to the industry, I would like to invite recruitment agencies to do so.

In order to make this assessment, the Oxford Scenario Planning approach recommends them to use Sir Geoffrey Vickers' ideas on judgement in decision making (Ramirez & Wilkinson, 2016) ideas. Sir Geoffrey Vickers was remarkable in many ways. Among the positions he held was secretary to Churchill's War Cabinet and head of the National Coal Board of the United Kingdom when coal was the number one fuel for the country's economy.

One of Vickers' main ideas was to define what in his experience contributed to making a "good" decision. He suggested that a good decision is one based on good judgment in three distinct but interrelated areas: Firstly, a sense or appreciation to judge or even reappraise where the decision is taking place, that is, a "reality check: what is going on" in its context. Secondly, a set of values to assess or judge if the decision is being made according to relevant appropriate (or good) metrics, and which will help the learner's mind to determine if the decision is effective or not in terms of "values: what it means to us", where "us" is specific to the decision maker's situation. And thirdly, judging whether the strategy (what Vickers called the direction of travel) that the decision directs or supports is right; this is the "instrumental: what can we do" judgment.

By offering a way to assess "good/bad or indifferent" in relation to a decision, Vickers' judgment framework provides an important reference point for evaluating the effectiveness of the re-

framing and re-perception function of scenario planning in the Oxford Scenario Planning approach. The quality of a decision does not depend on the accuracy of its outcome, which cannot be judged in advance, but on the quality of the judgments involved in decision making. And it is possible to assess whether the scenario planning intervention has improved such judgment capacities.

Decision makers should assess whether the scenarios contribute most to reframing the views of what is going on in the context. In so doing, will they help senior managers to make more sense of this, and upon re-perceiving give a new sense to those they manage?

Also, they should assess whether scenarios reframe the views of the direction of travel or strategic intent the organization (or set of organizations) is embarking on. In so doing, will they help senior managers to make more sense of this direction/intent?

And finally, decision makers should assess whether the scenarios reframe the values that are being used to assess whether something is right or wrong, good or bad, attractive or repulsive. In so doing, will they help senior managers to revisit the valuations they make?

In everyday life you work towards the future. In scenario planning you work with the future.

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