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Enabling HR to be your new champion of change

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Summary

Issue/Analytical Summary

While the HR department is often viewed as the foundation of all organisations, it is also the case that when the business is undergoing a radical change in working practices, HR is expected to keep up without any drastic technical improvement or investment. The Digital Transformation of Human Resources can be delayed by financial constraints on infrastructure spending, the attitude and awareness of management colleagues and the lack of proper data to make informed decisions. IT is happy to champion the benefits of technical change but not as eager to reflect the vital part that a workforce plays in using, endorsing and improving that technology. In a world where our workforce can be mobile, office-based or both, is increasingly varied in nationality, age, health, language, gender and culture, where a workforce demands new engagement to bring out maximum productivity and quality, HR is expected manage that diversity and remain observant to future trends. To stay ahead of the game, HR requires the investment, technical transformation and data to encourage our modern workforce to drive us forward.

Key Takeways

Encourage all top-level management to put as much effort and resource into the digital transformation of HR as they would into their own organisation. The culture of the company must change to view HR as a resource building successful teams rather than a cost centre. If HR is to engage, empower and motivate the workforce to drive the business forward, it must have the corporate support to do so.

Integrate IT structure to enable interoperability and cloud-based technologies to build a consistent and effective platform to underpin shifts in HR culture.

Build modern and cutting-edge technologies to empower employees to improve the business.

Use Intelligence and data to make decisions.

Perspective

Current perspective

Encourage all colleagues to endorse your change

Business now has created a powerful set of online tools that has built a global marketplace supported by a workforce that no longer sits in the same building in the same place. The tools to assist that workforce have been developed and supported over time with some gigantic leaps and some painful slaps along the way. No one expected that transition to be seamless, it is often expensive and time consuming, even for companies whose primary purpose is building those tools. Within this transformation, the HR function has traditionally been viewed as a cost only, a necessity to be accommodated. Past studies have shown that even in HR itself, at least half of HR executives support this view. Generally, this leads to HR initiatives falling to the bottom of the pile, HR a department of cost-cutting not investment.

Now things have changed. With something as simple as a 'Like' and 'Dislike' button on the intranet, a company can tell if its workforce is truly behind its drive for success. There are now the makings of a feedback loop. If your business considers its workforce to be its greatest asset, why not trust it to help drive the business forward by investing in the tools to do that? HR can provide those tools. The relatively recent idea of immediate online surveying is now part of our daily lives, a real-time study of business change is now available as the cultural norm. As Agile methodology has hit IT, allowing change to take place rapidly and as a priority, HR tools can watch a company culture and report on it, on a daily basis, driving immediate improvements. If you can say how your experience went when walking through airport security, you can tell your business how your day went at the end of it.

Invest in the integration of HR tools in the way your other systems do

Close to 70% of organisations in a recent survey stated that they face integration issues with their existing HR IT systems. In fact, across all of these organisations, it came as no surprise that their HR departments talk the least to their IT departments. IT is widely recognized as the key organizational enabler, poor communication between these departments prevent HR from rolling out organization-wide initiatives and becoming the champions of change that can transform an organization and drive its business outcomes forward. The companies who invest in building robust

leadership pipelines and enable departments to collaborate closely often enjoy the fastest cultural change and the most effective employee engagement. Technology is the key driver in communications both internally among staff and externally to customers. Allowing technology to improve the collection of data, increase social collaboration between staff and customers and to build a robust leadership pipeline is becoming the norm for many outward-facing businesses, particularly those whose employee and client base is global.

Build modern and cutting-edge technologies to empower employees to improve the business

The main endorsement of any IT system is its rate of adoption rather than any adherence to a template or plan. A system which is not liked, is not used. One statistic which shows how HR can suffer from a mobile workforce losing faith is that about 4 in 10 job-seekers abandon technically awkward application processes. In effect, an HR application procedure which is not online and user-friendly means that the business is immediately reducing its chances of quality recruitment by at least 40%. Moreover, these recruits are the more technical ones and less likely to return to

the company for future recruitment. Dropout rates will continue to be high among the tech-savvy to until the interfaces are designed for the user. Increasingly employees are using social platforms like Twitter and Glassdoor to express opinions on workplace issues and making the inner workings of organization transparent for all. These can be good and bad, but the company which ignores or chastises what it does not like it will not grow. Social media reflects a company profile more than any other facet. If your business doesn't use this to grow, it is not using it properly.

Use Intelligence and data to make decisions

Using data across all HR processes, including recruitment, learning and development, and performance management, to inform a shift towards a data-driven approach to decision making, is crucial to improving business outcomes. There are three key steps towards this type of transformation:

As a first step, HR should develop a collated view of all employee data. To do so, HR will need to consolidate data that currently resides in multiple systems, spread across business units and geographies, into a centralized repository.

The next step should be to invest in analytics tools and skill sets so that the data can be utilized effectively.

Finally, the third step should be to establish metrics and KPIs that will enable HR to determine the effectiveness of its initiatives in line with those of elsewhere in the company.

These steps will enable HR to prioritize its strengths around revenue generation, enable the company to attract and retain the best talent and develop appropriately targeted programs. A clear and robust digital HR strategy brings with it transformation of collaboration and a streamlined, accessible leadership pipeline. Using this data to track the effectiveness of their HR programs, measure employee engagement and plan workforce needs puts the company in a very strong position to react to market forces and trends in an increasingly, rapidly changing world.

In a recent survey of US employers on their return on investment strategies, over 56% mentioned that they lack any analytical tools to effectively measure the impact of their talent management. Disconnected systems and isolated data sources create challenges in data collection which impacts greatly on HR's ability to make informed decisions on strategic issues. For instance, most HR functions have visibility into attendance records but few have comprehensive data on competency skill gaps. Such gaps in data impair HR's ability to accurately identify and prioritize investment areas for hiring and skill development.

The most successful HR functions develop strategies that clearly address these challenges in order to attract, retain and develop talent across all levels of leadership and across all areas of the organization. Efficiency of recruitment studies show that some employees do better than others. The successful HR teams build systems and frameworks to harness all this feedback so executives can make informed decisions on a regular basis.

Recommended Actions

Buyer Actions

Talent Management
If HR is to engage, empower and motivate the workforce to drive the business forward, it must have the corporate and executive sponsorship to do so. Build a robust leadership pipeline that regularly collaborates and integrates initiatives from other departments.

Streamline your processes
Integrate IT structures to enable interoperability between departments and cloud-based technologies to build a consistent and effective platform to underpin shifts in HR towards a more business outcome-driven culture. Sometimes a vanilla flavoured platform that can be deployed and shared company-wide is a lot more effective than the feature rich solution that performs limited HR functions. HR should follow through with policies that support and encourage a more flexible, mobile and empowered workforce.

Big Picture: Increase your internal connectivity
Build modern and cutting-edge technologies to empower employees to improve the business through Intelligence and data to make informed decisions. Create a seamless connectivity between employees, no matter which department they work in, to encourage the exchange of ideas, innovation and transference of knowledge and skills.

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