Perspectives

Talent Management and Engagement, Business and HR Strategy, Business Environment

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Rating

8

9 Applicability
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Focus

Leadership & Management
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Concepts & Trends

Take-Aways

- To boost employee engagement, focus on priorities and help employees align with organizational goals.

- To reduce risks associated with talent shortages, comply scrupulously with immigration rules and allow for potential delays.

- To gain benefits for both the organization and employees, make flexibility a part of your organization's culture.

- Go beyond technical knowledge and boost the crucial behavioral competencies for HR professionals.

- Make data meaningful and actionable through stories and dialogue.

- Maintain the ability to manage HR technology, and stay current on technologies outside the HR field that can support HR strategy.

- Boost your business acumen, especially your financial analysis skills.

- Aspire to welcome change, and become a successful change facilitator for your organization.

- Analyze and manage your company's HR risks; use data analytics to mitigate them.

- Find new ways to help your organization close skill gaps.

Relevance

What You Will Learn
In this summary, you will learn: 1) What challenges HR professionals are facing in 2018, and 2) How HR professionals can foster their own leadership abilities and gain greater respect for their department.

Recommendation
HR professionals are encountering unprecedented challenges – as well as new opportunities to contribute to organizational competitiveness. The Society for Human Resource Management (SHRM), the world's largest HR professional association, offers deep insight and expert guidance. Human resource and workplace experts contributed articles to SHRM's report on the profession's current potentials and risks. For HR professionals who seek to stay abreast of the constant changes in the field and to offer crucial leadership to their organizations, *getAbstract* recommends this wide-ranging, actionable report.

Summary

"Companies that are able to unlock the magic of engagement will continue to outperform others." (Karen Paul, 3M)

"Sustaining Employee Engagement and Job Satisfaction"
Today's changing workplace requires new approaches to securing employee engagement, according to Karen Paul, leader of the Global Measurement Center of Expertise at 3M. For CEOs, employee engagement is one of the top-five priorities – but strategic initiatives often fail to deliver results. Although the workplace factors that contribute to job satisfaction remain the same, changes in the workplace can counteract them. Rapid pace of change, lack of clarity on priorities, reduced decision-making opportunities and pressures to increase productivity all pose obstacles to employee satisfaction and engagement. Paul recommends sharpening your focus on priorities, helping employees align with the organization's goals, helping supervisors and managers get better at execution and problem solving, finding new ways to communicate transparently, and placing special focus on improving engagement for experienced employees.

"Modernizing the Employee-Employer Relationship"
John Jersin, CEO of the recruiting software company Connectifier, urges innovation and increased awareness of crucial measures for HR professionals. Many still view workers as interchangeable machinery. To counter this, Jersin recommends placing more focus on the nonmonetary elements of compensation. Beyond merely recognizing that a healthy team culture, for example, plays into people's employment decisions and motivation, find ways to measure that culture, report on it, and use that knowledge to improve the team culture and to promote it as a benefit to prospective employees. Ensure candidates understand nonmonetary benefits so they factor into applicants' employment decisions. Whether the team environment is conducive to their needs affects people's satisfaction and loyalty to a company. Discuss candidates' values and ambitions with them as well as the reasons why they seem important to ensure that the role and the candidate align.

"Budget and headcount numbers are simple, but it's not a good kind of simplicity." (John Jersin, Connectifier)

"Tapping into the Global Talent Market"
Lynn Shotwell and Andrew Yewdell of the Council for Global Immigration note that companies globally are encountering shortages in highly skilled talent, particularly for science, technology, engineering and math (STEM) roles as well as managerial, executive and skilled-trade positions. Regional demographic changes are exacerbating the problems,

creating geographical mismatches in labor supply and demand. Increasingly, employers depend on migration systems to provide the human capital they need. But migration policies worldwide are constantly changing and becoming more complex. Many governments – notably those of the European Union and Australia – are trying to make it easier for employers to attract the talent they need. But in other places, including the United States and Canada, inadequate and inconsistent policies continue to hamper talent mobility. At the same time, governments worldwide are enforcing employment laws with more vigor, imposing stricter requirements and harsher penalties for noncompliance. Costs to employers include steep fees, significant time devoted to completing visa applications and sometimes lengthy delays in filling positions. Employers should comply scrupulously with immigration requirements, allow for potential delays and become active advocates for smart migration systems.

"Flexibility – Central to an Effective Workplace"
Ellen Galinsky, head of the Families and Work Institute, exhorts employers to support flexibility – for their own and their employees' sake. Work is eating into employees' personal time, resulting in a feeling of "time famine": Most American workers feel they don't have enough time for themselves, their partners or their families. Flexibility in the workplace could allay the problem, while simultaneously enhancing employees' physical and emotional health. Flexibility also helps to foster an effective workplace and boosts engagement and job satisfaction. However, many workplaces fail to provide flexibility, and some managers penalize workers who take advantage of flexibility policies. Flexibility must become a matter of policy and a part of workplace culture.

"HR Competencies"
Strategic human capital consultant Kari Strobel believes HR needs to revamp its concept of professionalism, so that HR professionals can help shape corporate strategy and affect company success. A Society for Human Resource Management (SHRM) study indicates the need for HR professionals to go beyond technical knowledge and boost nine crucial behavioral competencies: leadership and navigation, ethical practice, business acumen, relationship management, consultation, critical evaluation, global and cultural effectiveness, communication, and HR expertise. These competencies will enable HR professionals to lead by giving them the skills to build support for initiatives, demonstrate and communicate HR's value based on metrics, provide guidance, and help foster healthy interpersonal relationships and an environment of sound ethics and inclusiveness.

"Certify This! The Role of Competency-Based Certification in HR"
Certification for HR professionals needs to shift from focusing solely on technical knowledge to including an emphasis on competencies, which underlie organizational effectiveness. If certification emphasizes technical knowledge instead of competencies, HR professionals will be unable to support their organizations' strategic goals, and management will view HR as peripheral. To remedy this, Alex Alonso – SHRM's vice president for research – recommends adopting a new model for HR professional development, one that views behavioral competencies on par with technical knowledge. When HR professionals enjoy competency-based development and certification parallel with that of other business professionals, HR will become more integral to firms' success, and the profession will gain greater respect and acceptance.

"Beyond Data Analytics to Dialogue, Action and Results"
Your company only benefits from data if its analysis leads to change that affects results. According to Theresa M. Welbourne, head of the human capital consultancy eePulse, the

"CEOs identify human capital as the issue that most keeps them up at night." (Lynn Shotwell and Andrew Yewdell, Council for Global Immigration)

"If experiencing a time famine is a serious problem for employees, then workplace flexibility is the logical solution." (Ellen Galinsky, Families and Work Institute)

"HR functions that collect and properly use HR metrics to inform HR activity are seen as more reliable strategic partners." (Kari Strobel, AvantGarde)

"HR is traditionally seen as a distant cousin to business when, in fact, it is the engine for competitive advantage." (Alex Alonso, Society for Human Resource Management)

bridge that links data and results consists of narrative and emotion. Stories can give meaning to data, make insights memorable and motivate action. Welbourne proposes a four-step process for obtaining results from data: 1) Discern insights from data through analytics, 2) find the story in the data to make the data meaningful and memorable, 3) spur action by combining dialogue with data through the story, and 4) measure the results. Next, tell the story about this process. Documenting how data lead to results in specific ways builds organizational knowledge about how to derive bottom-line value from data.

"Developing the Next Generation of Leaders"

Ian Ziskin, president of EXec EXcel Group, sees several trends emerging in leadership development: Businesses will seek leaders who serve as "chief organizational capability officers" and help the organization become agile and adjust to change. Firms will also value leaders who deliver cross-functional, holistic solutions and those who understand the world outside the organization's walls – bringing lessons from other companies and contexts. Leadership will become more collective. Coaching will help leaders to tackle challenges before they arise by practicing responses to possible scenarios. Leadership development will become more individualized and granular, delivered on demand, and adaptable to today's ever-changing workplace. Leadership development will focus on preparing leaders to respond swiftly and flexibly to unprecedented situations.

"Aligning HR Tech to Strategy"

Sue Meisinger, former CEO and president of SHRM, believes that as technology continues to develop and become more crucial in organizational strategy, staying current will be crucial. HR professionals need to know about the latest HR technology and must understand how to use it to advance their firms' goals and increase efficiency within their departments. However, as an HR professional, you also need to understand how technologies outside your field can help support your goals. Social networking technology can aid internal communication, for example. Data analytics is generating new possibilities in decision making and management: JPMorgan Chase, for instance, pinpoints rogue traders through data mining; retail sales finance company FinCo Management is crunching data to identify the causes of turnover; and department store chain Bon-Ton is improving hiring performance, using data analysis to indicate which candidates have the best chances of success. By prioritizing technological currency, HR professionals will perform their roles more effectively but also show their companies how to succeed in today's workplace.

"Is HR Weakest in the Areas Most Likely to Impact Corporate Success?"

To serve as strategic partners, HR professionals need financial and strategic knowledge, analytical skills and an understanding of how different parts of the company relate to one another. But a Mercer survey reveals that HR leaders assessed their own department members as weakest in areas related to this kind of business savvy. Rutgers University management professor Steve Director recommends that HR professionals develop skills in financial analysis so they can make better decisions, better manage HR costs and make more powerful contributions to creating a productive workforce. By boosting their business acumen, HR professionals can both enhance their influence on their firms' competitiveness and gain greater respect.

"What Is HR's Role in Managing Change?"

Deb Cohen, senior vice president of knowledge development for SHRM, notes that change may arise from external or internal causes and that it can be either unavoidable (for example, to comply with new legal requirements) or desirable (for example, to achieve certain goals). HR departments both experience change and help the organization manage

"Story triggers emotion, which is required for memory, which is needed for action." (Theresa M. Welbourne, eePulse)

"Leadership development is all about living at the intersection of preparation and opportunity." (Ian Ziskin, EXec EXcel Group)

"Technology currency is now, and will forever be, a foundational competency for HR professionals who truly want to add value to their organizations." (Susan R. Meisinger, Society for Human Resource Management)

"The toolset that HR professional most often lack is financial analysis skills." (Steve Director, Rutgers University)

change. By 2025, HR will see major shifts in its functioning that will follow from changes in organizations' needs and from leaders' initiatives. HR professionals will play a crucial role in keeping their firms' culture in alignment with strategy. HR professionals must welcome change in their own field and become successful change facilitators for their organizations.

"The Regulatory Environment"

Elizabeth Owens Bille, associate general counsel for SHRM says HR departments must keep up with the increasingly complex regulatory landscape for businesses. Around the turn of the 21st century, states began to take the lead in employment regulation as the federal government stepped back. New regulations vary from state to state, often covering entirely new issues, such as employer access to employee's social media accounts. Local governments have also imposed regulations on firms doing business in their jurisdictions. In some areas, American companies doing business internationally must abide by other countries' laws, exacerbating the challenges to compliance. Crowdsourcing is presenting knotty questions about how to classify nontraditional workers and which rights and protections pertain to them. Courts have begun to consider these issues, but even they are struggling to apply existing law to new modes of work.

"Don't Fear Prudent HR Risks"

University of Colorado global leadership professor Wayne Cascio urges HR professionals to manage their organizations' HR risks. Common risks include failing to obtain necessary talent, making decisions based on inaccurate forecasts and allowing the company's culture to undermine the firm's strategy. HR professionals should also consider what risks might arise from their department's policies and practices and how to involve other parts of the organization in dealing with human capital risk. By analyzing data about the workforce, HR can reduce its exposure to risk. For example, workforce analytics can allow managers to identify retention risk factors. As an HR professional, initiate a risk management program by listing your organization's HR risks and ranking them according to their potential impact and the probability of their occurring. Consider whether each risk is relevant to the organization, could have a material impact, will be enduring rather than temporary and is actionable.

"Got Skills? Closing the Gap on Opportunity and Prosperity"

Eve Sage-Gavin, vice chair of Aspen Institute's Skills for America's Future advisory board, reports that skill gaps – shortages of skilled workers – are hampering business competitiveness and economic growth worldwide and across sectors. The problem is particularly acute for those firms that need highly skilled workers. Causes include fast technological change, the unpredictability of the effects of automation and the changing nature of employment itself. This new landscape requires leaders to devise new ways to build and nurture talent pools. Examples of leadership supporting talent development include Gap Inc. for Community Colleges, a collaboration of Gap and community colleges, which began as an employment-skills training program and is now evolving into a talent pipeline. The Rochester, New York, company Optimax is developing an apprenticeship program to generate a pool of workers with essential specialized skills. UpSkill America, a public-private partnership, offers development resources for employers.

"Change in HR must take root at every level if it is to be truly effective." (Deb Cohen, Society for Human Resource Management)

"The sheer number and specialized nature of the laws applicable to a given employer…can make compliance a difficult task." (Elizabeth Owens Bille, Society for Human Resource Management)

"The global accounting firm Ernst & Young… characterized HR risks as 'one of the key business risks of our time'." (Wayne Cascio, University of Colorado)

About the Author

The **Society for Human Resource Management** is the world's largest HR professional association.