

hr public

accenture



HR Transformation and Future of HR
Brussel, 25 april 2013

Material part 2/2



consulting | technology | outsourcing

Institute for
High Performance

Trends Reshaping the Future of HR

March 28, 2013



High performance. Delivered.

Agenda

- Market Drivers
- Accenture Research
- Trends Reshaping the Future of HR
- Discussion Questions

Agenda

- Market Drivers
- Accenture Research
- Trends Reshaping the Future of HR
- Discussion Questions

Market Drivers Create Strategic Opportunities for HR

**New Waves
of Growth**

**Continued
Market
Volatility**

**Changing
Employee
Expectations**

**Shifting
Technology
Landscape**



Companies are rethinking their HR and HRIT strategies

Reshape Human Resources

Our research confirms that talent issues are top of mind in the C-suite

Business Issues (Ranked by Importance)	FY12 (N=938)
Attracting, developing and retaining skilled talent	1
Applying innovation to stay ahead of the competition	2
Managing change within the organization	3
Increasing customer loyalty and retention in an increasingly buyer-driven market	4=
Ensuring our operating model provides a competitive advantage	4=
Increasing the agility of the organization and systems to respond to business and market changes	6=
Acquiring new customers	6=
Aligning people, processes, and technology to support our business model	6=
Intensified pressure to reduce costs	9=
Managing risk	9=

Source: Accenture research conducted with 1,007 senior executives at global 2000 sized organizations, interviewed between September 2011 and January 2012 in 9 Countries (US, Brazil, UK, Germany, France, Italy, Spain, Japan and China).

Agenda

- Market Drivers
- Accenture Research
- Trends Reshaping the Future of HR
- Discussion Questions

Accenture Research: The Future of HR

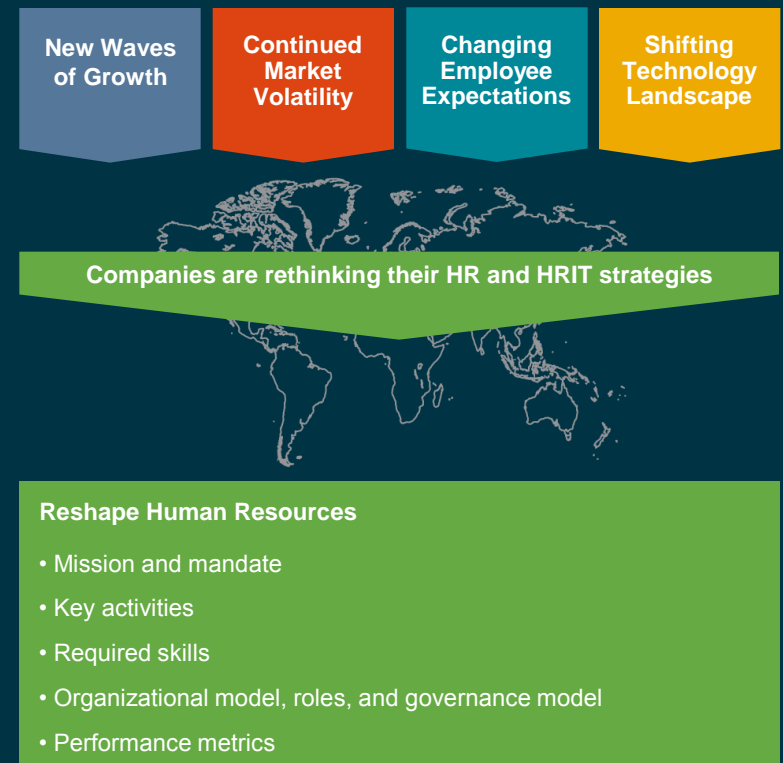
Business, technology, societal, and macroeconomic trends will likely demand an altogether new type of HR organization

Research Questions:

- What is next after “HR Transformation”?
- How should the HR function evolve over the next 5 years to create significant value for the business—given major trends?
- What will the HR function of the future likely look like, and how should HR professionals best prepare?

Research Objectives:

- Identify top trends fundamentally reshaping HR, and determine the business, workforce, and HR impacts
- Investigate leading-edge examples of organizations successfully responding to the trends by experimenting with new or alternative HR activities, roles, organizational structures, metrics, or missions
- Provide concrete, actionable recommendations regarding how HR can best restructure itself to create maximum value for the business



Accenture Research: The Future of HR

Ongoing multi-pronged, multi-year research program

Jointly sponsored by Accenture's Talent & Organization practice and the Institute for High Performance

1. Comprehensive literature review
2. Interviews with 32+ subject matter experts
3. Interviews with 46+ company HR executives
4. Workshops and exploration sessions
5. Quantitative survey
6. Development of actionable tools for organizations



Agenda

- Market Drivers
- Accenture Research
- Trends Reshaping the Future of HR
- Discussion Questions

Trends Reshaping the Future of HR



**New Waves
of Growth**



**Continued
Market
Volatility**



**Changing
Employee
Expectations**



**Shifting
Technology
Landscape**

1. The Rise of the Extended Workforce
2. The Global Talent Map Loses Its Borders
3. Talent Management Meets the Science of Human Behavior
4. Social Media Drives the Democratization of Work
5. Technology Advances Radically Disrupt HR as Usual
6. HR Drives the Agile Organization
7. Managing Your People as a Workforce of One
8. Tapping Skills Anywhere, Anytime
9. HR Must Navigate Risk and Privacy in a More Complex World
10. HR Expands Its Reach to Deliver Seamless Employee Experiences

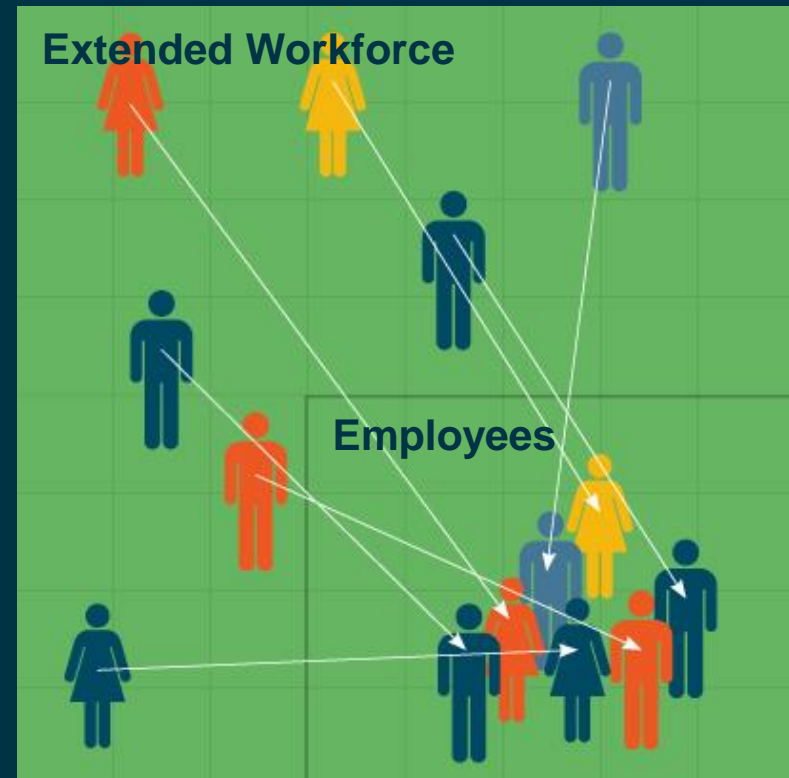
The Rise of the Extended Workforce

Human Capital Trend

- Work increasingly performed by dynamically configured teams made up of employees plus outside talent (contractors, temporary staff, business partners, outsourcing providers)

Impact on HR

- Redefine HR's customers beyond employees
- Creatively extend talent practices to include the extended workforce
- Create new organizational structures or roles that span boundaries and cross disciplines
- Use analytics to become an expert advisor on when to use the extended workforce
- Become a talent broker, and master new venues where extended workers reside (social networks, online games, clubs).



The Global Talent Map Loses Its Borders

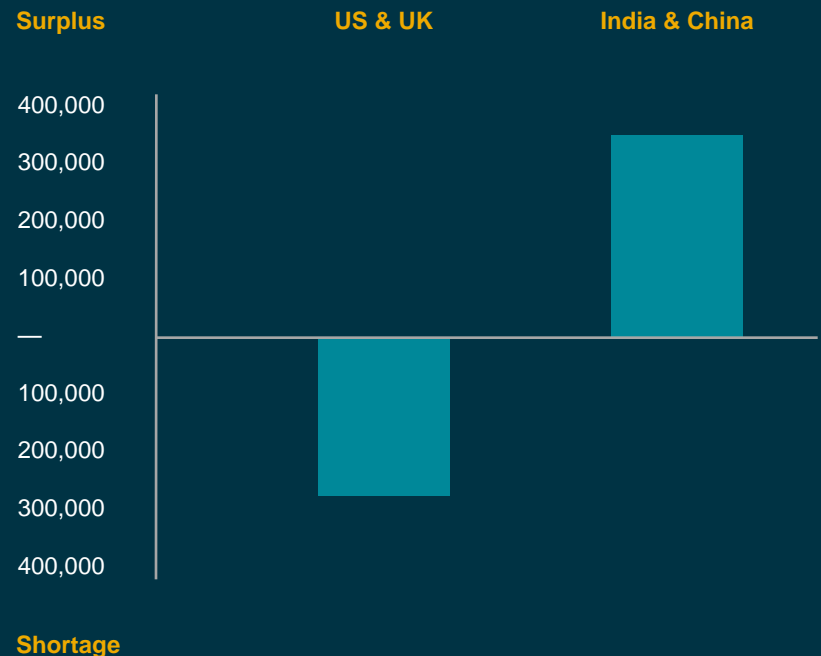
Human Capital Trend

- Companies increasingly draw on a global, diverse workforce as globalization and mismatch between talent supply and demand continue

Impact on HR

- Adopt new talent sourcing strategies to match talent with task around the globe.
- Understand geographic cultural differences, labor markets, and labor laws to best deploy talent.
- Adopt new roles and organizational models to manage a global workforce (e.g., separate HR practices for emerging and developed markets).

Analytical Talent Location Mismatch, 2010-2015



Source: Accenture Global Talent Imperative Analysis 2011 *

* Solving the Skills Paradox: Seven Ways to Close Your Critical Skill Gaps, by David Smith, Diego S De Leon, Breck Marshall, and Susan Cantrell, Accenture, 2012

Talent Management Meets the Science of Human Behavior

Human Capital Trend

- Organizations arm themselves with the tools and insights of a scientist to drive significantly better performance from their workforces

Impact on HR

- Use talent analytics to become trusted advisor to the business on how best to deploy talent.
- Harness advances in scientific information from fields like neuroscience, psychology, and sociology to improve workforce productivity, engagement, and performance



Social Media Drives the Democratization of Work

Human Capital Trend

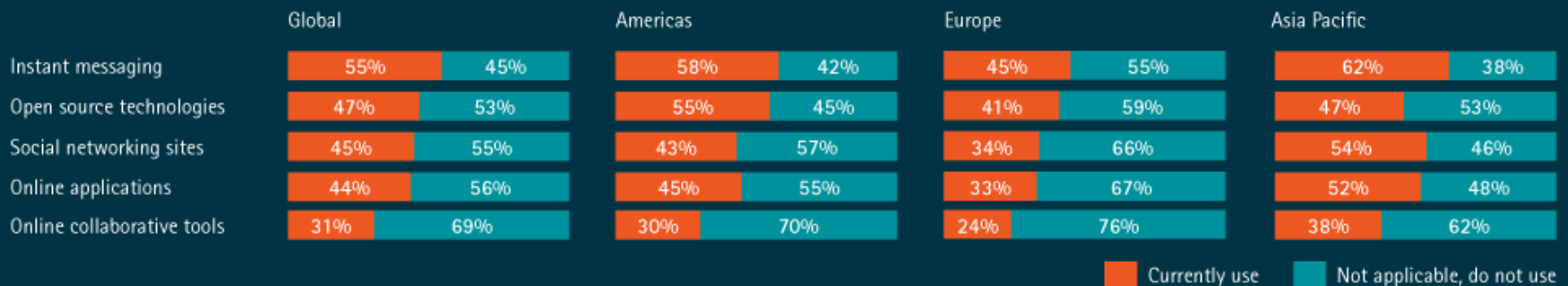
- Organizations increasingly rely on people at all organizational levels to co-create solutions across boundaries, including knowledge workers who harness social media and other technologies

Impact on HR

- Help build organizational cultures that support such work, including incentives and processes fostering knowledge sharing, innovation and engagement.
- Redefine traditional notions of leadership, succession planning, career paths and job-specific competencies.
- Enable employees to co-create talent management solutions with HR.

Extensive use of emerging technologies for work purposes, especially in Asia-Pacific and the Americas

Looking at the following list, which technologies do you currently use or access for work related activities? [Working Millennials]



Source Jumping the Boundaries of Corporate IT, Accenture Global Research on Millennials' Use of Technology, 2010.

Technology Advances Radically Disrupt HR as Usual

Human Capital Trend

- Technology transforms talent management and weaves it into the fabric of everyday business

Impact on HR

- Harness new technologies to drive analytics and fact-based decision-making
- Use IT to give greater power to employees and embed talent management into everyday work activities
- Use cloud computing to drive greater agility
- Use technologies to provide customized talent management solutions
- Integrate consumer-type applications into the enterprise



HR Drives the Agile Organization

Human Capital Trend

- Organizations under increasing pressure to become more agile in a volatile world

Impact on HR

- Accept that people no longer have static, predefined jobs.
- “Pull” expertise when and where it’s needed (not “push” it out as predefined solutions).
- Redesign HR organization to flexibly deploy skills across organizational and role boundaries based on business need.

Dimensions of Organizational Agility



Source: Accenture's Framework for Organizational Agility

Managing Your People as a Workforce of One

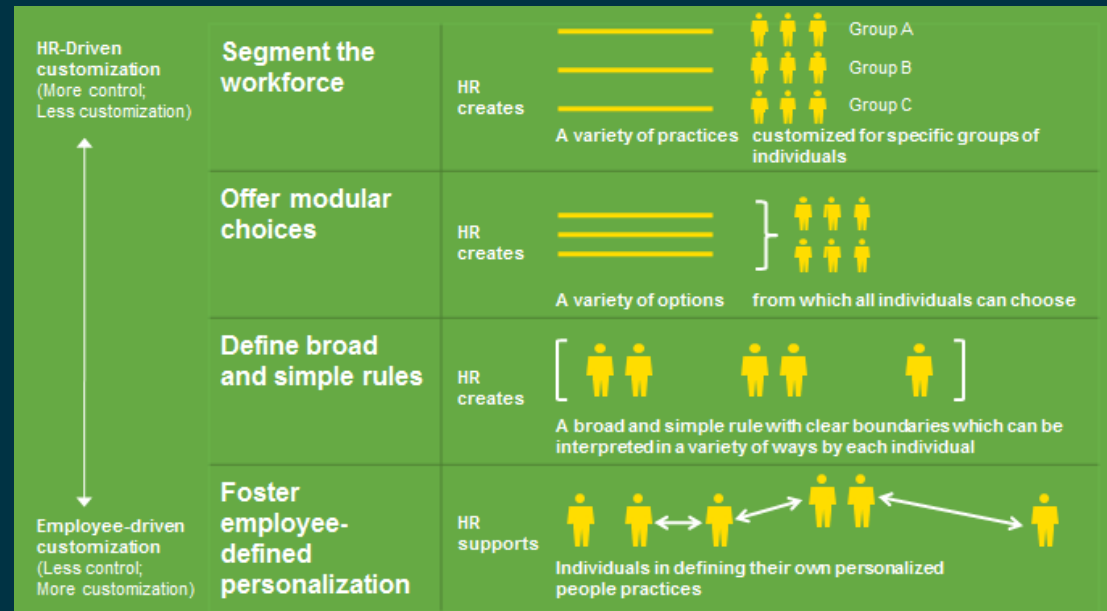
Human Capital Trend

- Organizations improve performance of diverse, knowledge-oriented workforce by customizing people practices to individual employees

Impact on HR

- Create a unique blueprint for customization.
- Adopt marketing-like approaches to customize people practices.

Four approaches to workforce-of-one customization



Source: Workforce of One: Revolutionizing Talent Management through Customization, Harvard Business Press, 2010.

Tapping Skills Anywhere, Anytime

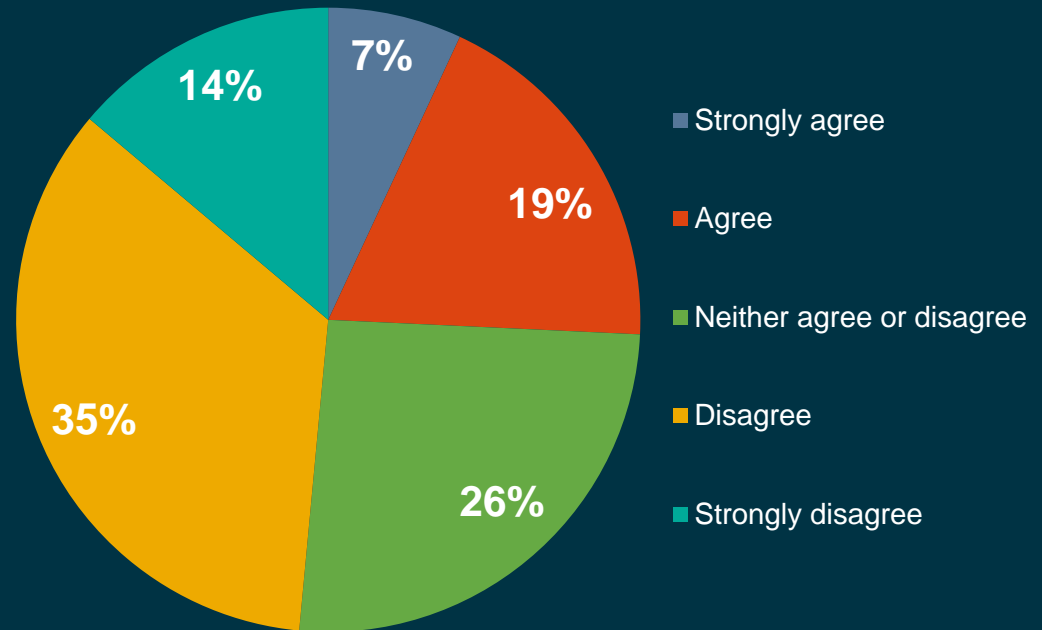
Human Capital Trend

- Key skills become scarce in a turbulent business environment

Impact on HR

- Quickly and easily broker skills when and where they're needed.
- Develop a “just-in-time” workforce – featuring a large extended workforce; proactive, global and data-driven talent sourcing strategy; and mobile, fluid traditional and extended workforce.

26 percent of workers see a gap between skills they currently have and skills they need to do their job.



Source: Accenture Skills Gap Survey, 2011*

* Solving the Skills Paradox: Seven Ways to Close Your Critical Skill Gaps, by David Smith, Diego S De Leon, Breck Marshall, and Susan Cantrell, Accenture, 2012

HR Must Navigate Risk and Privacy in a More Complex World

Human Capital Trend

- Organizations navigate data security risks, laws and privacy concerns arising in the Internet age

Impact on HR

- Advise the business on legal issues related to labor and privacy in various countries.
- Help the business balance its own interests with ethics and employee privacy when using Internet-based tools for recruiting and selection.



HR Expands Its Reach to Deliver Seamless Employee Experiences

Human Capital Trend

- Employees expect end-to-end workplace experiences, inspired by their experiences as consumers

Impact on HR

- Span disciplines and cross boundaries to deliver holistic employee experiences.
- Interact with a wide range of disciplines (strategy, marketing, operations, workplace design) to provide seamless experiences.

The Expanding Horizons of the HR Organization

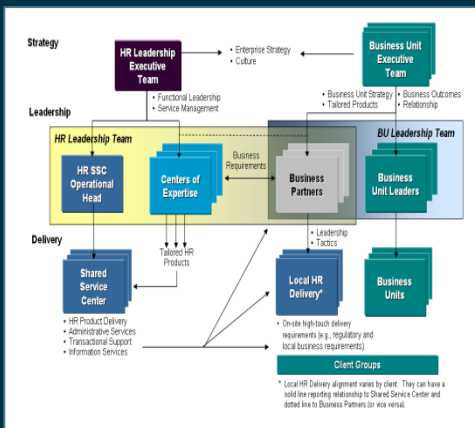


The Next Stage: Changing HR Organization Model

Where We Are Today

A single HR model is dominant

“The Business Partner/
Center of Expertise Model”



What We See Happening

A variety of models start to be developed based on business needs

Models are tailored according to business dimensions



Emerging Models

A variety of HR organizational “archetypes” proliferate (examples)

“The Finance Model”

- Large global player
- Global standards
- Lean, cost-effective
- Little change/volatility
- Homogenous workforce

“The Professional Services Model”

- Talent powered
- Value driven
- Project-based HR work

“The Networked Model”

- Volatile business environments
- Highly diverse workforce
- Talent powered organizations

“The Entrepreneur Model”

- Fast changing businesses
- Rapidly growing emerging markets where the need for speed is greater than the need for scale

Agenda

- Market Drivers
- Accenture Research
- Trends Reshaping the Future of HR
- Discussion Questions

Discussion Questions

The Role of the HR Professional

1. How might these trends impact the type of skills and experience HR professionals need?
2. Will new HR roles need to be created, and if so, which ones?

How Trends are Influencing Your Organization

1. Do you see these trends disrupting your organization?
2. Which ones, and how?

Organizing for Tomorrow

1. Do you think your organization's current HR organizational model will work?
2. Which models from other spheres (IT, strategy, marketing, finance, etc.) could be applied to HR to help it perform at its best in the future.