

# **HR Should Be Equal Partner in Workforce Planning**



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Most business leaders today understand the challenges and opportunities of the future of work. They view it as a top priority, and understand they must prepare their organizations as they also address the business's immediate needs.

However, a Bloomberg survey<sup>1</sup> conducted in 2018 suggests organizations are not fully prepared to implement a workforce-for-the-future strategy. One reason is that human resources typically is not yet a true strategic partner with an influential voice to shape the future workforce.

The survey shows that HR retains its traditional role in recruiting and workforce development, without having a fully engaged role in workforce strategy and decision-making. As the survey notes, this is particularly the case for decisions about technology and automation. Only 19 percent of HR respondents are involved in technology rollout and its integration with the workforce, and only 16 percent are involved in automation investments.

This white paper, the second in a series of three, focuses on HR's unique position in facilitating organizational culture and workforce change, and offers suggestions on how HR can earn its place in this important strategic effort.

## The Need to Lead

There are good reasons why HR needs to be a full strategic partner in designing the future workforce. First, powerful technological advances, such as artificial intelligence, big data analytics, and cloud technology are transforming workplaces. HR needs to lead that transformation and manage the impact on jobs, skills, and career development for employees.

A 2018 study by the World Economic Forum<sup>2</sup> found that, by 2020, the skills required to perform most jobs will have shifted significantly. According to the study, "Global average skills stability – the proportion of core skills required to perform a job that will remain the same – is expected to be about 58 percent, meaning an average shift of 42 percent in required workforce skills over the 2018-2022 period." The study also predicted that, by 2022, some 54 percent of all employees will require significant re- and upskilling.

This level of technology-driven change will affect culture profoundly, and HR is vitally important in shaping and enhancing culture. For that reason, HR should be actively involved with its business and technology colleagues before new technologies are deployed. HR can prepare the workforce for these changes.

At the same time, changing employee needs and expectations are transforming workplace culture, and HR is in the best position to help the organization adapt for the benefit of both the employees and the business.

"One big shift we're seeing is that people don't separate their work life and their professional life anymore – there is a blurring of boundaries," said Valerie Gervais, senior vice president of human resources at French multinational Saint-Gobain.

Organizations are recognizing this shift and coming to see it as an asset.

"The traditional perspective is, if you bring your whole self to work, that might be disruptive," said Kristen Robinson, chief human resources officer at Pandora, a music and podcast platform. "But in an environment where culture is important – and employee engagement drives performance and retention – if you can't let people be who they are, you're going to get less of them."

"Culture is a competitive business advantage, and as HR leaders it's largely up to us to strengthen the culture and make our companies even more competitive," Robinson said.

## HR Can Demonstrate its Worth

Clearly, HR needs to help lead culture change, but must earn its seat at the table, proving it belongs alongside the rest of the leadership team.

"To earn a seat at the table, the HR function needs to evolve," said Raj Patel, vice president for talent and organizational effectiveness at Northwestern Mutual, a financial services company. "We need new capabilities and greater business acumen to advise leadership and do the workforce planning that's required."

<sup>1</sup> Bloomberg Next, "Workforce of the Future: More Is Needed to Close Preparedness Gap," 2018, [https://www.bna.com/uploadedFiles/BNA\\_V2/Micro\\_Sites/2018/Future\\_of\\_Work/White%20Paper\\_Workforce-Future\\_Final.pdf](https://www.bna.com/uploadedFiles/BNA_V2/Micro_Sites/2018/Future_of_Work/White%20Paper_Workforce-Future_Final.pdf)

<sup>2</sup> World Economic Forum, "The Future of Jobs Report 2018," [http://www3.weforum.org/docs/WEF\\_Future\\_of\\_Jobs\\_2018.pdf](http://www3.weforum.org/docs/WEF_Future_of_Jobs_2018.pdf)

"The HR role is changing, but it's been a slow shift," said Gervais of Saint-Gobain. "In a way, we're still living in the legacy of the Industrial Revolution, performing a set of activities within a very standardized set of processes and policies."

"That's changing, as the conversations we have with leadership center on big workforce issues. This is our opportunity to get more strategic and contribute to business outcomes."

HR will prove its value by the quality of advice it offers the business.

At Intuit, a business and financial software company, chief talent officer Rick Jensen said that HR people are working directly with business strategists as they develop new products and services, to ensure they can provide the talent needed to successfully launch those products. In their consultative role, HR professionals are adapting their coaching style as appropriate.

"We talk about being great situational leaders," Jensen said. "If you have a type-A manager, that's not going to work if you have a type-B employee. It comes back to leaders getting to know people. You have to be able to flex your style in a way that you can get the most out of that person."

As recruiters, HR leaders are working to diversify the talent pool. "We challenge the status quo in a way that will open the door to a more diverse workforce," Gervais said.

The larger goal for HR, Raj Patel said, should be "a future workforce vision that aligns to business objectives, with a roadmap for every step of the transformation from strategy, to planning, to capabilities and specific roles and how performance will be measured. At the same time, we have to think about the employee experience, just as we think about the customer experience."

That's a lofty goal, but HR already is tackling ambitious programs such as leading major digital transformations. The challenge is to frame and take accountability for the future workforce strategy.

## Conclusion

Business leaders need to prepare for the future with workforce strategies that span people, processes, and platforms. HR will be key to driving this process, but it must establish a leadership position through vision and sound advice.

## Collaborate to Innovate

Creating a workforce of the future needs to be a collaborative process, and HR is a critical leader, said Carmen Fernandez, chief human resources officer for Guy Carpenter, a global risk and reinsurance company.

"Leaders and organizations are looking to HR to answer questions around how teams will work together in the future, how organizations will be structured, the types of employees and leaders we'll need, the key future skills, and the future design of careers," she said.

However, only two in five HR leaders participate in the idea generation stage of major business transformation projects, according to [Mercer's 2019 Global Talent Trends study](#). To earn a seat at the table, HR must demonstrate that it understands the business, and should be willing to challenge the status quo.

HR should "take our institutional knowledge and insight, our expertise across organization design, leadership, and culture, and our ability to predict outcomes to challenge certain mental models or assumptions in the organization to drive better outcomes."

**Content from Mercer**

<sup>3</sup> Mercer, "Global Talent Trends 2019," <https://www.mercer.us/our-thinking/career/global-talent-hr-trends.html>



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