

Delivering experience to achieve value

By understanding and attending to employee experience in a far more sophisticated manner than in years past, HR can expand its role among leadership as an equal member of the executive team says **Evan Metter**



As the forces of change within the workplace continue to accelerate at unprecedented speed, disruption has become the norm that CHROs and other business leaders must live with. It's not pretty but it's not going away either. Even brilliant solutions don't last as long as they used to. But, as with any challenge, after careful assessment, solutions can be found and applied.

Yes, traditional business models are being quickly swept away by digital transformation. Yes, new technologies are reshaping operations. Slimmer margins? Changing customer expectations? Fierce competition from nimble start-ups? Yes, yes and yes. Can these challenges be met with a better employee experience?

In this new reality, in which talent is key to competitive advantage, every leader needs to think differently about their role in creating and maintaining employee experiences. Human resources executives can play a critical role here, helping build operating models that use enabling technologies to create an environment in which workers are treated like critical drivers of value.

The talent picture is complex as organisations respond to workforce pressures on four main fronts:

Diversifying workforce demographics

For the first time, corporations need to manage the presence of up to five distinct generational groups in the workforce, each with its own wants, needs and motivators. These divergent requirements complicate the process of shaping company culture and delivering on the employee value proposition (EVP).

The rise of contingent labour

According to KPMG's 2018 CEO Outlook survey, almost all companies in the US (99%) use a contingent workforce in some capacity. Increasing use of contingent and "gig" workers complicates workforce planning, creating many possible ways to achieve an optimal workforce size, shape or composition.

The shift to a consumer mindset

Employees are increasingly "shopping" for jobs, seeking tailored employment experiences that align with their personal goals and values. This mindset not only changes talent attraction and hiring strategies, it also increases the need for an employment experience that delivers a sense of deeper purpose and fulfilment.

Intelligent automation in the workplace

Automation technologies already have a deep impact on talent strategies. In addition to increasing productivity and streamlining time-consuming manual work, automation impacts workflows, increases employee reskilling requirements, and creates demand for new roles and new technical specialisations.

In this evolving workplace, creating the right employee experience can help organisations attract and retain high-value employees who deliver competitive advantage. In these enhanced environments, these employees also can work more innovatively and productively.

Research shows organisations with specific employee experience programmes and strategies report up to three times higher profit growth. Part of this growth is due to lower operating margins stemming from employees being more innovative in how they work but lower employee turnover also contributes measurable savings.

Creating this new kind of employee experience demands that leaders look at operations through a customer experience lens. KPMG's 2020 Future of HR survey reveals that 75% of leading HR organisations have a strategy in place to design an EX that mirrors and supports the customer experience. This must be built on assessments and analysis not just company programmes but also the wants and needs of each employee from their career, their workplace and their employer. From there, a company can begin to shape tailored experiences for a multigenerational workforce with many different employee types.

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Leaders cannot be limited to insights from annual performance reviews or opinion services; they need to keep a finger on the pulse of the current employee experience. What do workers want across their digital, social and environmental experiences? Is your organisation meeting those needs?

Mechanisms and technology that allow for real-time feedback and sentiment analysis can ensure that workers feel heard and allow the organisation to respond swiftly in the moments that matter.

Enhancing employee experiences means placing a greater emphasis on the structural elements that shape that work and thus shape the employees' day-to-day experiences within the organisation. Employees need to be surrounded by a platform of human-centred services that are provided or supported by HR. This means that instead of focusing on process, the HR organisation of the future will be more like a platform or service provider that meets the needs of different "internal customers" or worker groups in many different ways.

The HR dream team of the future

To deliver this, the key to it all is the expansion of HR team scope and skills. The digital transformation and analytics skillsets required to realise HR's potential as a driver of competitive advantage are not found in the traditional HR operational model.

There are some people you'll need with you in the car that you're driving. People with skills you'll require on your way to the HR operational model of the future. If you don't have them already, here's who you're going to need:

People data analyst

As we become more ensconced in the digital age, it's clear to everyone that each individual worker now brings with him or her reams of objective, subjective and third-party digital data. This ranges across everything from uploaded resumes to credit checks to buyer behaviour and more of it is available than could ever be searched for and processed. The role of People Data Analyst exists to identify, sift through, acquire, organise and communicate salient data points about individuals, groups, layers, trends and predictions of the behaviour, desires, and attributes of existing workers, candidates, new hires and emerging roles within a company.



People robotics capability manager

Whether full time or part time, you're going to need someone with one foot in the world of your human workforce and the other foot in the world of "What can now be accomplished through automation?" It's an ever-shifting world, keyed to the word "now". The People Robotics Capability Manager has to be consistently tuned in to the constantly advancing capabilities of automation. They have to know how many minutes of time spent daily by a human worker on a given task could be achieved in the same or less time via automation and/or robotics. This could range from testing a microchip to surveying a mountain top and everything in between.

People performance architect

With a focus on behavioural science, the People Performance Architect – again, seldom likely to be a fulltime role – is dedicated to understanding challenges to and creating solutions for optimising workforce performance. This encompasses the entire range of performance affecting metrics, including but not limited to physical environment (the workplace itself), flex time and remote work advantages and disadvantages, incentive strategy, work/life balance analysis and psychological drivers, particularly in the face of encroaching automation.





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Culture integrator

Company culture has become the darling of workforce shaping and not without good reason. More and more companies are discovering that a company culture that aligns to a company's performance goals and purpose attracts premium talent. As overseer of this long-ignored competitive driver, the Culture Integrator, becomes the ringleader and cheerleader for developing and sustaining a company culture of purpose, productivity and high morale.

Culture shaping starts with brainstorming and an effective manager in this role guides the process from white boarding to fruition resulting in incremental changes that drive the company steadily toward desired cultural outcomes.

With these skills you can engineer the future of not only your department but your company. Without them you run the risk sinking irrevocably into painful obsolescence.

All of these elements must come together in order to support transformation

While technology innovation is often viewed as the lever giving the most immediate results, true transformation focuses on the effects of the business strategy and its people.

KPMG recently worked with Dow, one of the world's largest science and technology companies, to undergo a major transformation within its global human resources organisation. Dow set out to provide a leading-class customer experience in the most effective way possible: by enabling a leading-class employee experience. Dow sought to shift the way it worked by redesigning the way it delivered value through HR.

Coming from a highly customised, on-premise Human Capital Management environment, Dow wanted to move its worldwide HR systems to the cloud. The transformation would have a wide impact, changing every single HR process that touches employees.

The result?

Dow now has a single, cloud-based global HR platform featuring the same processes and performance metrics for all 37,000 employees in 63 countries. Furthermore, KPMG teamed with Dow to deliver HR function and solution centre design, experience design and engineering, analytics design, tax advice and detailed change management.

We are also working closely with ADP in its implementation of a North America payroll and global time and absence system. In sum, Dow now has a leading-class employee experience to attract and retain high performers, improve customer satisfaction and accelerate business growth.

In this digital age, with the emerging and increasingly fierce war for talent and skills, creating an employee experience that differentiates employers and actually retains talent will be critical. Traditional, task-focused workplace cultures are a significant barrier to true digital transformation. Addressing and quickly closing the employee experience gap needs to be a business priority for every leader today.

The urgency to act is growing. As CEOs pressure HR leaders to respond quickly to a fast-changing landscape, traditional tools such as annual surveys no longer provide value. New tools combining cognitive, robotic, analytic, cloud and social media technologies are the go-to resources for acquiring employee experience data in real time. By understanding and attending to employee experience in a far more sophisticated manner than in years past, HR can expand its role among leadership as an equal member of the executive team.

Instead of making transformation a goal, make it a way of business. To learn more, visit read.kpmg.us/FutureHR

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