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“CULTURE DESIGN IS PART ART, PART SCIENCE. THERE ARE STRUCTURED ASPECTS AND THERE IS CREATIVITY, INTERPRETATION AND INTUITION”

JENNA BAKER
CHIEF PEOPLE OFFICER
GB BANK

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ARTICLE BY MARÍA BALBÁS, PRESIDENT - ELEV8

ECONOMIES OF EVOLUTION

"PUTTING HUMAN CAPITAL UNDER A MICROSCOPE, BEFORE CONSIDERING NEW TRAINING PROGRAMMES, WILL SET UP THE MOST RESOURCE-EFFICIENT INVESTMENT IN INTERNAL CAPABILITIES"

Microsoft is a prime example of a businesses that has learnt to evolve. When Satya Nadella joined Microsoft as CEO in 2014, he stripped back the business strategy to the fundamental notion that “we build tools, so that others can build more technology”, diversifying the business in the name of progression. Reframing and broadening Microsoft’s place in the market in this way, paved a path to the intelligent cloud system that is now the company’s biggest source of income.

In the current landscape of disruption and digitisation, regardless of sector, investing in technology is a pre-requisite for business growth - but so is investing in the right accompanying talent - which places HR leaders at the forefront of the drive for growth. Recent research (Public First) showed that 62 percent of surveyed businesses said a lack of digital skills had slowed their business’ growth. This data shows the tangible risks of not tackling a skills gap head on. With a dearth of skilled tech professionals and fierce competition for those that are available, businesses can no longer count on being able to enrich their talent pool through external hiring. A reliable alternative is a robust internal talent

pipeline, where employees are the beneficiaries of ongoing training and development. This will allow companies to adopt - as well as deploy new technologies - futureproofing the business from constant and relentless movement.

Ongoing training creates an agile workforce, underpinning organisational resilience. There is no one-size-fits-all solution, however, with each company needing a tailored approach based both on upskilling, which deepens an employee’s capability and reskilling, which broadens it. The resultant highly skilled workforce will also be better equipped to identify and pivot to the changing needs of the market. In terms of roll-out, top-down actions to implement

skilling efforts have also been proven successful. So, it's taken as read that HR leaders can be instrumental in building a culture of learning that opens doors for further upskilling when necessary. A company where learning is a habit has a truly agile workforce, with a strong existing skillset along with a willingness and ability to learn more, ensuring their business is equipped to thrive through market turbulence.

The recent ‘Great Resignation’, reiterated that talent loss is a genuine threat to businesses, with worrying consequences. A company that can rely on the ever-growing skills of its existing workforce is not held back by its dependence on the job market and the

availability of talent, which are typically turbulent and less reliable.

“A lack of career advancement and the absence of meaningful work” was amongst the top motivators for employees looking to leave their jobs in 2022, according to research by McKinsey. This interest in personal growth suggests that varied upskilling and reskilling programmes channelled towards what employees want to learn - be it hard skills, like coding or power skills such as leadership, in context with the changing demands of the market - will make the most headway towards business goals, all the while limiting staff attrition. Way back in 2012, Proctor and Gamble poured funds into its products and people, aspiring to become the world's most digital company. Its stock value soon fell and its CEO was eventually forced to leave. Lacking nuance and direction, this digitisation attempt was ill-fated from the start.

To underpin business growth, strategically building a long-term talent pipeline must begin with a clear understanding of the starting point, desired outcomes and market landscape. P&G's broad and poorly targeted strategy was weakened further by economic instability. Had it been executed with more precision and clearer direction, the investment may have helped them weather the economic downturn. However, a lack of effective planning led to the opposite. HR teams can be pivotal in guiding business strategy during times of market turbulence, providing careful insight into existing and needed talent resources, allowing laser-focused talent enrichment programmes and implementation planning that balances the immediate and future needs of the company. With goals and deadlines set and a budgeted map to a reskilled and upskilled workforce laid out, businesses can be confident in their growth forecasts, regardless of the wider economic landscape.

When searching for capability gaps, it can be helpful to view your team in a 'skills matrix' that compares the skills the business needs with those that individuals

already have. This will provide a helicopter view of skills at the business' disposal, highlight gaps and allow misaligned talent to be redeployed. Using this information, HR teams can then identify where upskilling should be provided, which personnel could benefit from this to progress to more senior roles and where reskilling could be offered to those who would be better positioned in a new role. Putting human capital under a microscope, before considering new training programmes, will set up the most resource-efficient investment in internal capabilities. Once existing and absent skills are identified, the workforce can

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be repositioned and enhanced, with measurable results for staff capabilities and business output. Due to the rapid pace of change within the fourth industrial revolution, there's no time for businesses to coast. Periods of calm and wider business slowdown should be viewed as indicators that training should be prioritised, in order to meet the future demands. Pre-emptive action from HR leaders to create a culture of learning and development, serves to ensure that skills acquisition and development will keep up with the ever-accelerating pace of emerging technology. Concurrently, ongoing investment in learning experience demonstrates that individual development and organisation-level commercial ambition are two sides of the same coin, which encourages long-term employee buy-in. Training programmes

that teach interaction-focused power skills will reap further rewards. Human skills will strengthen the platform for a strong company culture in which employees are motivated to learn and are invested in the progress of both themselves and their team.

In the wake of a digital skills crisis and set against the unstoppable rise of the digital economies, the adage “by failing to prepare, you are preparing to fail” is more pertinent than ever. When market disruption is continuous, preparation must follow suit. Firms who recognise the ongoing need to evolve will ensure they have robust employee development pathways, guaranteeing broad, deep and dynamic organisational skillsets and a committed workforce that is equipped to respond to changing market demands. Investing in your workforce is not a luxury, but an essential in order to ensure business strategy remains future-proof. Skilling with focus and foresight will ensure businesses are agile, resilient and in the face of change, set to excel.