

# Leading the people function



Leading the people function



### **Dear Chief People Officer:**

As we continue to live through a period of great change and shape the workplace of the future, there has never been a more challenging and opportunity-filled time for your role.

Leading the colleague experience — from building a talented and diverse workforce to ensuring equitable and innovative new ways of working to developing an ethical, empathetic, and high-performing culture — will be the critical driver of success for any organization.

With the spotlight firmly on you, I am confident in your ability to rise to this challenge and bring a multidisciplinary approach to the changes we face. I have met many CPOs in my various roles in Mercer, from London to Singapore to New York, and have never doubted the courage and commitment that top-tier CPOs bring. They are exceptional listeners, cultivators, storytellers, activators and ultimately transformers.

I wish you great success as you lead the reinvention of the workplace. All of us at Mercer are behind you and standing by to support you.

All the best,

Martine Ferland

President and CEO, Mercer

# The empathetic economist

In 340 BC, the Greek philosopher Aristotle introduced the idea of the "golden mean": the perfect center or balance between two extremes. For Aristotle, you could only achieve the golden mean if you had experienced both sides.

Balancing the needs of employees and of a business's strategic goals, so as to reach a golden mean, lies at the heart of a CPO's role. Lean too much in any one direction and "the light dims." This is a tough ask, and it takes a special set of skills — one that blends empathy and economics — to generate bright futures for both people and profits.

With work evolving at an accelerated pace, the CPO role itself is rapidly expanding. What once was considered crucial to the people strategy has become simple table stakes. Now, CPOs are relied upon to:

- Build new relationships and partnerships both within the organization and with external stakeholders
- Drive innovation outside the confines of foundational HR programs in order to impact the business more broadly
- Change risk-averse HR cultures into ones that allow for fast piloting and fast failing
- Create programs built for constant iteration and thus change "agnostic" and resilient

Addressing these challenges — while continuing to focus on HR's core functions — will take courage and skill. This shouldn't be a problem: Whether your executive role is badged as chief human resources officer, chief people officer or chief human capital officer, reaching the C-suite means you have courage and skill to spare.

However, getting the seat at the top table is only the beginning. Now it's time to consider the ever-evolving set of skills and requirements you need to grow your role and become the driver of both empathy and economics within your organization. Help is at hand: From our extensive work with CPOs at organizations of all sizes, in key locations around the world, we've identified five key attributes that winning people officers deploy — both as leaders of teams and as individuals in their own right.



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#### A job interview with yourself

Yes, you already have the job, but don't sit on your laurels! Why not interview yourself to dig deeper into how you can drive growth in both yourself and your company? The best part? No one's taking notes but you! We've kicked off the interview with the questions below, but you may have a few other things you'd like to ask yourself.

- How does my company make money?
   How might this change in the next five years?
- What is my company's future direction? How is this being shared with stakeholders?
- How is the competitive landscape changing?
- How is the work of our company changing?
- How is our workforce structured?
- What are the implications of the "must-win battles" for talent?
- What is the corporate appetite for bold thinking and fast failing? What cultural norms or "sacred cows" exist?
- What are the five most ambitious things I could accomplish in the next three to five years? What is needed to achieve these goals?
- What has enabled me to successfully bring about change in the past? How will these skills/competencies serve me in the future? What new skills will I need to develop?
- Is our HR function ready to respond to all the changes and challenges ahead?

### Five attributes great CPOs deploy



#### Listener

Effective **listening** sparks innovation and organizational learning, builds trust and psychological safety, and creates and energizes a collective commitment to positive change.



#### **Cultivator**

Embracing, promoting and **cultivating** a responsible position on the many different dimensions of inclusivity and well-being drives positive outcomes for people, communities and businesses. Cultivators of inclusivity don't reduce this vital work to a checklist of programs.



#### Storyteller

Reams of data are an unavoidable part of most HR functions. But data sets mean little if they are not harnessed to plot a way ahead. **Storytellers** turn information into actionable insights, use data to plan strategically and work to create a compelling narrative that all parts of an organization can buy into.



#### Activator

HR tech is freeing up teams to spend more time on creative problem-solving. **Activators** capitalize on this to help others deliver. They foster execution discipline, operational excellence, and financial and digital acumen.



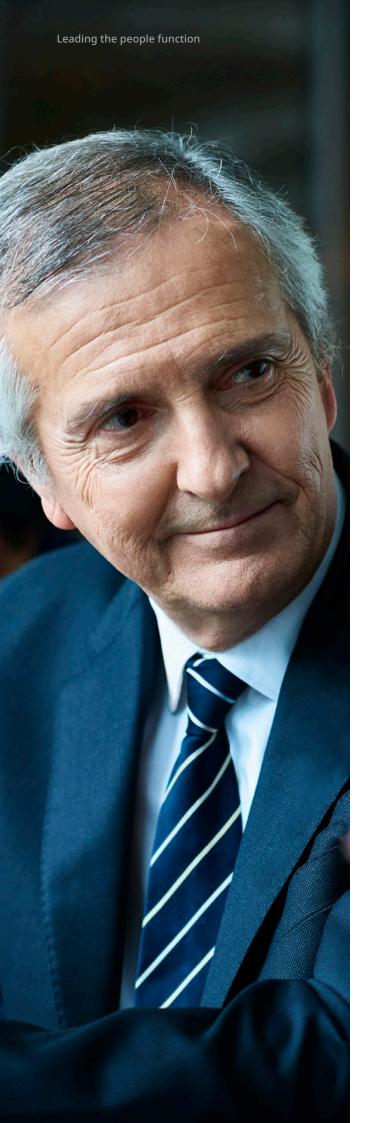
### Transformer

Two pivotal challenges sit before you: redesign work so that talent can seamlessly connect with it, and create an employee experience that meets the workforce on its own terms. **Transformers** harness these key challenges to help their businesses achieve their strategic goals.

You may feel strong in some of these areas, while recognizing your weaknesses in others. But whatever your current skillset, there is a way to capitalize on all your attributes and lead your organization to success through the uncertain and challenging times ahead.

Here's how.







We know that good leaders are good listeners. To be a great CPO, consider the value of searching out and listening to multiple voices, including your fellow business leaders, your direct reports, their direct reports and so on. Practice active listening to engage with what someone is saying. This is a really effective way to expose biases, truly understand pain points, discover new ways of thinking and understand the reality of your employees' situations.

### Why be a world-class listener?

Most organizations know that employee listening is critical, particularly during a crisis, when people's views and priorities can change dramatically. The pandemic accelerated the development of employer listening: 86% of organizations strongly agree or agree that they have radically changed the way they have listened and engaged in authentic conversations¹ over the past year.

Ensuring your workforce feels they are heard requires an empathic approach to all communications, including employee research. It is important to develop unobtrusive ways to engage people through passive and active listening, by facilitating meaningful human contact and by creating communication channels that are always on/open.

<sup>&</sup>lt;sup>1</sup> Mercer. 2022 Global Talent Trends (expected publication date: Q1 2022).

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### Use listening to create structure amid change



Effective-listening programs spark innovation and organizational learning, build trust, enhance people's feelings of safety and create a collective commitment for change. Listening can also provide valuable structure and support in times of change. For example, when staff are moving to remote work arrangements, effective listening may highlight the following concerns (and so draw attention to the need for support and assistance):

**Work-family conflict:** Remote work can increase work-family conflict and cause family obligations to interfere with work and work obligations to interfere with family.<sup>2</sup>

**Burnout:** Remote work can blur the boundary between one's work and personal life. Some experts have warned that remote work may intensify the "work devotion schema," a mindset that valorizes an intense commitment to one's job, career and organization.<sup>3</sup>

**Interpersonal relationships:** Remote work can cause employees to feel disconnected from their peers, leaders and managers, particularly when they are using high-intensity remote work arrangements.<sup>4</sup>

By asking the right questions, using the right methods and properly timing your listening actions, you can reap the significant benefits that come from truly understanding what issues are most relevant to your workforce.

It is more important than ever to consider the diversity of your workforce and the various different people and roles within it. Alongside your "conventional" employees, you should also consider the increasing number of gig workers and contractors. It is important that all voices should be listened to and heard.

When disruption hits, it's important for leaders to address it head-on and to have communication channels in place that will allow them to actively listen and respond to the needs of a crisis-fatigued workforce. Because of this, effective leaders are modernizing the way they listen to and communicate with employees.

New and innovative approaches include digital focus groups, always-on platforms and roaming pulse surveys. These new outreach channels are coupled with skip-level meetings and hypotheses validation (using behavioral data that marries what people say with what they actually do). When done well, these activities seed predictive modeling, which can inform a range of important workforce outcomes — for example, predicting when people might leave, need a move, be at risk of burnout, etc.

#### First 100 days?

Spend your early days listening to your fellow leaders in order to understand the concerns that are their top priorities — relating to both your business and your people.

<sup>&</sup>lt;sup>2</sup> Hammer LB, Neal MB et al. "A Longitudinal Study of the Effects of Dual-Earner Couples' Utilization of Family-Friendly Workplace Supports on Work and Family Outcomes," *Journal of Applied Psychology*, Volume 90, Issue 4 (2005), pp. 799–810.

<sup>&</sup>lt;sup>3</sup> Blair-Loy M and Cech EA. "Demands and Devotion: Cultural Meanings of Work and Overload Among Women Researchers and Professionals in Science," *Sociological Forum*, Volume 32, Issue 1 (2017), pp. 5–27.

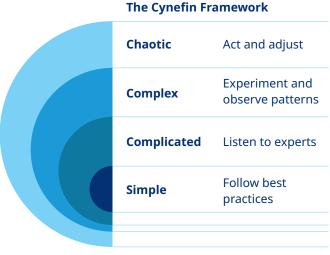
<sup>&</sup>lt;sup>4</sup> Gajendran RS and Harrison DA. "The Good, the Bad, and the Unknown About Telecommuting: Meta-Analysis of Psychological Mediators and Individual Consequences," *Journal of Applied Psychology*, Volume 92, Issue 6 (2007), pp. 1524–1541.



### What successful listeners do

- 1. Build <u>strategic employee listening programs</u> using different channels and media.
- 2. Use design-thinking and co-creation workshops to get behind the issues and find out what is driving people's feelings and sentiments.
- 3. Bridge the gap between what is being said and what is being done, in order to build models of causality.
- 4. Deliver integrative analytics and people insights that can inform planning and action.

### Get better at sensemaking, sensebreaking and sensegiving



Source: Snowden and Boone, 2007.

- The external environment is becoming increasingly complex and chaotic.
- In an unordered world, clear answers don't always exist. This means we need to shift from fact-finding to pattern recognition.
- To understand patterns, leaders will need to get better at:
  - Sensemaking interpreting events
  - Sensebreaking unlearning scripts
  - Sensegiving framing reality
- · Key questions:
  - What patterns need to be explored?
  - What scripts need to be unlearned?
  - What realities need to be framed?

### **Start listening**

- Know how your employees view your brand and how your brand is being upheld.
- Find out what is important to them as individuals, and highlight any unmet needs they might have.
- Conduct insightful conversations on a wide range of critical topics using digital focus groups.
- Benchmark to understand how your organization's current work environment compares to the competition and to demographic-based norms.
- Develop stories that wake executives up to the key aspects
  of your culture that need to change and to the drivers that
  will have an impact on the metrics that matter to them.
- Deploy regular engagement surveys, quarterly pulses and ad hoc assessments of critical, emergent topics. Do this in a planned manner with your workforce.
- Schedule regular meetings with business leaders to ensure you understand their key concerns (relating to both their strategic goals and their employees).



Being listened to spells the difference between feeling accepted and feeling isolated.

Michael Nichols, The Lost Art of Listening





Individuals frequently gravitate to HR because they're passionate about investing in people and helping them meet their full potential. As leaders in this discipline, CPOs often bring an empathetic and developmental perspective to the C-suite. This perspective informs strategy around the "typical" HR domains of employee physical, emotional, social and financial well-being. This, in turn, translates into enhancements in the productivity, engagement and overall experience of the workforce. CPO guidance also plays a strong role in informing an organization's values, culture and collective responsibility.

### Why be a world-class cultivator of employee health and well-being?

Employers who embrace and invest in the many different dimensions of well-being (and marry these with the unique needs of a diverse workforce) demonstrate in a meaningful way that they care about their employees. In fact, when workforce health and well-being programs are well thought through and properly implemented, they can deliver a variety of positive business outcomes in areas such as brand development, productivity and safety.

Employers who effectively manage health risks and proactively create a culture of caring give themselves a formidable competitive advantage. Improved employee well-being drives significant gains in performance and engagement. According to Gallup,<sup>5</sup> this type of improvement is estimated to increase productivity by 31%, lower healthcare costs by 41% and decrease staff turnover by 35%. Overall, enhancing employees' emotional, physical, financial and social health and well-being is a win-win for all concerned.

### Create a culture of well-being



It is vital to deliver programs that are relevant to your employees, providing the meaningful benefits they desire. To develop such programs, it is important to understand your employees' needs and your organization's health profile. This can be done through data capture and analysis, coupled with employee-listening techniques such as surveys, digital focus groups and stakeholder interviews.

This knowledge-based approach can help maximize the potential of your health and well-being strategy. By addressing the needs of your employees (wherever they are on their health journeys), you can identify and mitigate potential health issues and risks early on. As the Gallup findings show, this can help reduce absenteeism and staff turnover.

### What successful cultivators of health and well-being do

- Provide access to <u>customized</u>, <u>qualified</u> and <u>affordable</u> <u>healthcare</u>, <u>risk protection</u> and well-being solutions, all designed to support the prevention of illness, mitigate risks and manage acute and chronic conditions.
- 2. Integrate meaningful benefits into targeted and customized health and well-being packages.
- 3. Align benefits providers to employer goals, working with them to provide a holistic and seamless employee experience, while striving for continuous improvement. Benefits providers include insurers, but the term also encompasses a broad ecosystem of organizations, people and digital tools that can provide support.
- 4. Position benefits as an investment as opposed to a cost. Benefits are a key strategic tool, delivering value and risk mitigation for both the business and the workforce.

 $<sup>^{\</sup>rm 5}$  Clifton J and Harter J. Wellbeing at Work, Washington DC: Gallup Press, 2021.

### **Start taking care of health and well-being**

- Recognize the importance of foundational items, such as access to affordable healthcare for vulnerable portions of the workforce.
- Understand the key role employers play in addressing healthcare needs.
- Acknowledge the role digital delivery now plays in meeting employees' needs and corporate sustainability objectives.
- Understand how the pandemic has affected people's social support structures, changed their care needs and influenced their perspectives on the "moments that matter."
- Make commitments that ensure health and well-being are part of your organization's mission. Make them one of your company's core values and something for which it wants to be known.
- Take a people-first, individual-centric view. It is critical
  to understand people's unique health needs and to
  assess how these needs can be met most effectively.
  Also, ensure that any gaps in healthcare delivery are
  highlighted and addressed.
- Consider "flipping the pyramid" to focus on disadvantaged populations. Employees with the greatest need are typically provided with the least number of benefits and the weakest support.
- Understand employee perceptions of and receptivity to new types of support, including digital health innovations. Assess how these innovative approaches may provide easier "in-situ" access to the health and wellness resources people need.
- Identify any anxieties, skepticism and other barriers that are stopping the take-up of healthcare and wellness benefits.

## Why be a world-class cultivator of values and collective responsibility?

Organizations increasingly realize the importance of "doing the right thing." They also understand that this involves taking a responsible position on a wide range of issues and abiding by pledges to implement new, improved working standards. These pledges can have a positive impact on a day-to-day, office-by-office basis. They must also benefit both a company's employees and the communities in which a company operates. Responsible employment practices should:

- Cover all aspects of a job
- Offer the opportunity for employees to develop and grow within their roles
- · Provide support for people's health and well-being
- Ensure equitable, inclusive treatment and fair pay, including the provision of a living wage
- Flex and accommodate to meet changing needs
- Offer the opportunity to prepare for later life

An increasing number of organizations are advocating and adopting environmental, social and governance (ESG) goals. Equally, we know that environmental sustainability is important to many employees.

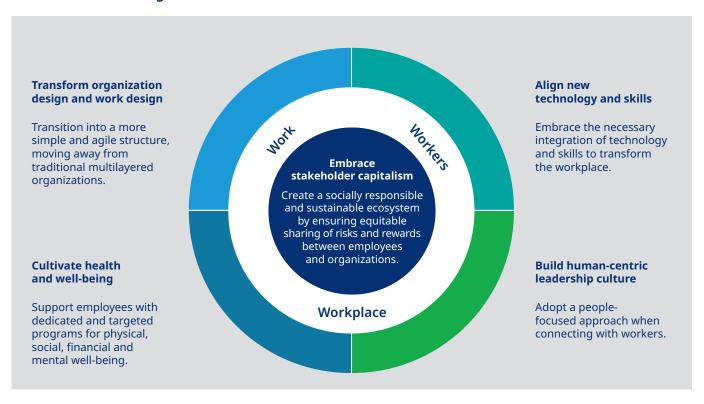
It is clear that an organization's purpose can go beyond profit and align with bigger environmental and social goals. To become intrinsically sustainable, it is important to engage with employees to decide on key ESG priorities. The entire workforce can be made stakeholders in this process. This can be done through communication that clearly connects their actions to the organization's ESG purpose and commitments.

When creating an enriching experience on the work front, organizations need to address the social and human dimension of sustainability. This means treating people responsibly, taking care of their physical and mental wellbeing, and valuing their talents and contributions. It also

involves supporting people to develop and progress as part of a new work deal. Talent marketplaces can be one effective way to help employees upskill and move forward in their careers.

It is important to remember that, while automation and digitalization are transforming work, people who feel valued and cared for are both happier and more productive. Customized employee value propositions have never been more valuable (or more highly valued). They are a key way to differentiate a company from its competitors and so attract high-quality talent. They should be tailored to employees' specific needs and should evolve as individuals progress through their careers.

### **Build a sustainable organization**





# What successful cultivators of values and collective responsibility do

- 1. Assess their firms' current ESG/responsible employment policies and practices.
- Formulate new ESG commitments, and communicate these to employees in an engaging and compelling way. It is important to consider how these commitments impact a diverse range of employees — avoid a one-size-fits-all approach.
- 3. Ensure that people's needs are incorporated into the "social" element of corporate ESG policies and goals.
- 4. Redesign work and people programs with ESG/diversity, equity and inclusion priorities at their core. Test and validate possible new enhancements or programs to ensure they resonate with people's aspirations and address any unmet needs.

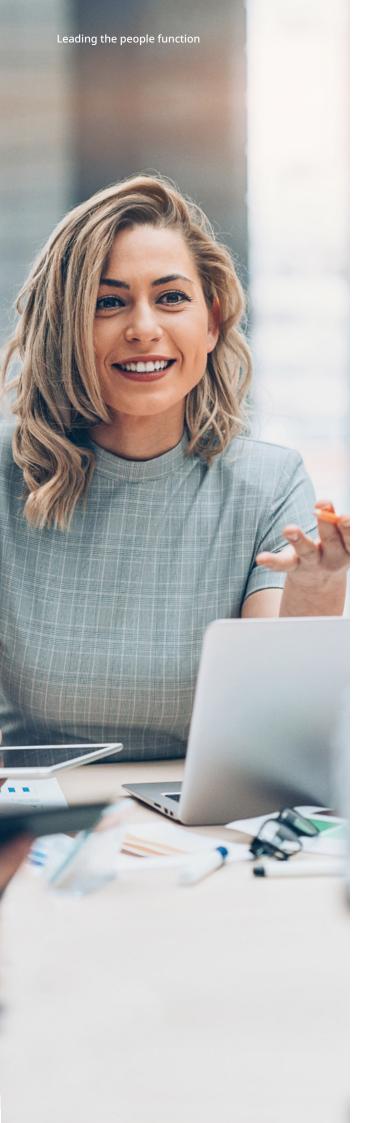
### **Start taking collective responsibility**

- Take care of the health, wealth and personal development of all workforce segments. Include those in your broader talent ecosystem, such as gig workers and workers in your supply chain.
- Build talent marketplaces and deploy talent with agility and responsibility.
- Consider embedding ESG goals into <u>short-term and long-term executive incentives</u>, and cascade these incentives through the organization to the entire workforce.
- Make sincere, time-bound commitments to remain accountable.

[Building work sustainability] also meant trying to create more of a learning organization. Building new skills in a way that people are energized and empowered to learn. It's meant offering new career and redeployment opportunities, and building tools that are much more transparent.

David Henderson, Group CHRO, Zurich Insurance







Reams of data are an unavoidable part of most HR functions. But data sets mean little if they are not evaluated to help plot a way ahead and used strategically to create actionable insights. Today's successful CPOs know how to make sense of data. They are also storytellers and know how to assess research to create compelling narratives — those that engage CEOs and other decision makers and, in turn, drive change.

### Why be a world-class storyteller?

HR and other business leaders are facing a broad set of increasingly complex corporate challenges. These are making it harder — and ever-more important — to ensure that workforces are productive, agile, diverse and engaged.

In response to these challenges, disciplined, <u>data-driven</u> <u>approaches</u> are being used to help organizations define what success "looks like," achieve their growth objectives, deliver their HR strategies and evolve their workforces.

Such data-driven decision-making — specifically designed to eliminate bias — can help address complex talent issues. These include deciding on the right skill sets for pivotal roles and achieving the optimal mix of talent and technology.

The core skills needed to implement such an approach include the ability to:

- Translate business needs into specific data requirements
- Research and analyze the necessary information to gain strategic insights
- Use the resulting insights to craft a compelling story a narrative that guides and propels action

Many progressive firms are now actually automating much of this analysis and insight, allowing people to focus on the creation of the corporate narrative and message. Artificial intelligence (AI) and human creativity are proving to be very effective partners in generating deep insights about business strategy and workforce needs.

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The most successful companies in the world draw clear and measurable links between the investments they make in their workforce and their bottom-line results. The most effective companies tend to be those that continuously analyze and optimize the relationships that exist between their people and their profits.

### What successful storytellers do

- 1. Understand the evolving business and economic context in which they work and the implications of changing times for both work and the workforce.
- 2. Model potential supply-and-demand scenarios for talent and skill needs to better understand where risks and opportunities may lie in the future.
- 3. Develop work and workforce plans to address identified gaps and areas of opportunity.
- 4. Engage business leaders and other stakeholders to turn insights into action.
- 5. Translate the challenge posed by their business's "must-win battles" into relevant action, reflect this in their HR service portfolios, and provide an appealing target interaction model.

### Start analyzing

- Develop machine-learning capabilities.
- If you don't have good data, make it your priority to get some.
- Conduct <u>predictive modeling</u> on your key workforce investment decisions.
- Understand the nuances in the insights you get from your data, and evaluate the impact they will have on your business.
- Measure KPIs and correlate these with relevant business metrics and benchmarks to understand how you compare to other organizations.



How we apply data and technology is increasingly more critical to ensure a scientific- and evidence-based profession. We need to move from a world of experience to one of science, analytics and judgement.

Scott Pitasky, Vice President, Human Resources, Amazon Consumer

Source: SHRM. Future of the Chief People Officer.





### Activator

An activator is like a world-class gymnast doing a vault exercise: She starts by staring down a long, mat-covered runway; sprints at top speed toward a springboard; leaps, twists, turns and lands on her feet. This is the activator — attempting something complex and challenging but courageous, trained, agile and confident in all aspects of the job they're doing.

### Why be an activator?

Now that automation has freed your team to spend more time on creative problem-solving, agile mindsets and ingenuity can rule the day. But without an activator to nurture, support and focus what's being done, the opportunity this presents can easily be missed or squandered.

Activators fuel agility and creativity by seeking out and passing on knowledge and by fostering <u>co-creation</u>. Both involve active listening to a broad and diverse group of people.

Knowledge can be captured in many ways: one-to-one meetings, focus groups, surveys and workshops with your HR business partners and employees. In these forums, ask: What kind of support do they need? How do they want to consume or experience HR services?

### The insights you discover can:

- Inform where and how to co-create for maximum agility and impact
- Highlight where there might be potential for radical simplification
- Shine a light on the prerequisites of new roles
- Highlight the upskilling needs for current HR personnel
- · Identify action areas relating to customer expectations
- Highlight what team interactions and behaviors should be kick-started and nurtured and what processes and tools should be improved, replaced or automated

As an activator, remember to fix the basics — quickly — and communicate these wins with your HR business partners and employees. And, in everything you do, prioritize results over comprehensive documentation and the pursuit of perfection. Remember: Agile teams focus on speedy activation, continuous testing and improvement.

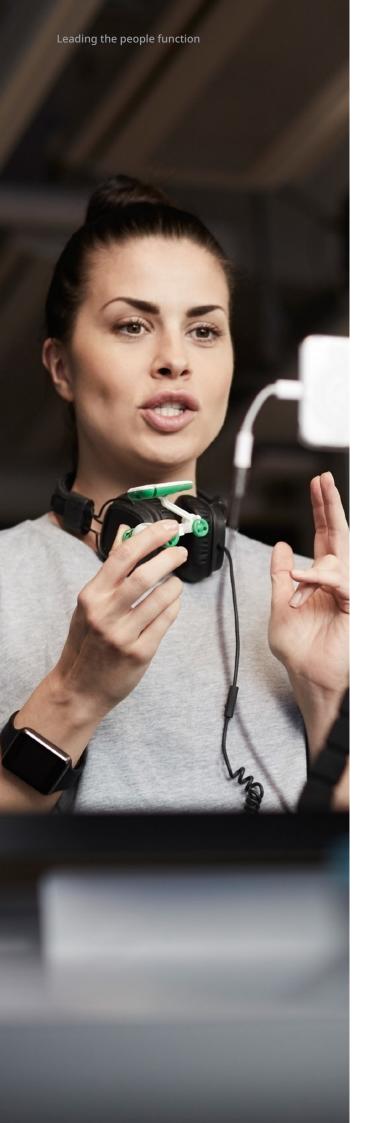
Don't undervalue the criticality of co-creation. It's a highly effective way of obtaining early stakeholder buy-in and support, and it increases engagement throughout any change process. Co-creation also results in the development of customer-centered solutions that are authentic to an organization. This, in turn, increases the likelihood of lasting positive change.

### What successful activators do

- Instill new ways of thinking into the HR team through ongoing dialogue, collaborative workshops and continual feedback.
- Apply <u>agile methodologies</u> and tools in daily HR work — through stand-up meetings, kanban boards and training/certification in human-centered design thinking.
- Look at HR work through the lens of a <u>target interaction</u> <u>model</u> this will allow you to design and develop the most effective collaboration between HR and the workforce.
- 4. Capture all insights from input/feedback sessions to look for patterns, trends and key pain points.
- 5. Create a prioritized roadmap to achieve quick wins and track progress against long-term objectives.
- 6. Make sure changes are supported by existing or new programs and policies.
- 7. Establish key success metrics to monitor performance and build momentum.
- 8. Test and validate along the way, and recalibrate as necessary.

### **Start activating**

- · Gain insight by listening.
- Design and co-create an agile strategic plan with a cross-functional team.
- Put in place a continuous-learning model.
- Socialize your plan with HR business partners, peers and teams.
- Iterate, iterate, iterate.
- Keep communication lines open, and revise your plans as necessary.





Never has the CPO's seat seemed more important or been more scrutinized. Unparalleled attention is now being focused on the "people agenda" by CEOs and board members. Executives and HR professionals are in agreement that defining future workforce needs is currently the primary agenda item. As a result, CPOs now have the opportunity — and the budget — to bring innovative work practices into their organizations.

Innovative thinking (such as workplace design, jobs versus skills and talent ecosystems) has become pivotal to organizational survival. In 2021, three-quarters (76%) of companies planned to enhance their build-from-within talent strategies, and over half (58%) planned to increase the use of variable/contingent talent pools.

A strong, agile and innovative HR function is the key driver to get this agenda on the road. This is where the importance of the CPO as a transformative force comes in.

### Why be a world-class transformer?

As we noted at the beginning, CPOs and the organizations they serve face two pivotal challenges. First, how will we redesign work to enable talent to flow to it as seamlessly as possible while enabling its perpetual reinvention through upskilling and reskilling? Second, how will we reimagine the talent experience to meet all talent where they are and on their terms through economically viable means?



### What successful transformers do

- 1. Start with the work (current and future tasks) and not with the existing jobs.
- 2. Achieve the optimal combination/balance of people and automation to meet business needs (e.g., mobility bots boosting productivity in the tech space, equipment such as hoists enhancing employee health and safety in hospitals).
- 3. Consider the full range of talent engagement options (e.g., full-time, gig, freelance, alliances, projects, other alternative work arrangements, etc.).
- 4. Allow talent to "flow" to work rather than being limited to fixed, traditional jobs.
- 5. Engage talent individually and on their terms.
- 6. Continuously optimize the talent experience.
- 7. Enable the workforce to be a stakeholder in the current transformation of work.

### Why be a world-class work and skills transformer?

- Data sets are more available, accessible and cost effective than ever before.
- AI is being used to make skills-based practices simpler and more personal.
- Human capital management (HCM) systems are connecting the dots across a wide range of processes.

It is clear that those companies that can deliver skills at scale will outpace their competitors and be in a better position to adapt their business models and their people in periods of uncertainty. With skill-based approaches boosting workforce ROI (by better matching skills to demand), it is no surprise that this whole issue is firmly on the C-suite agenda.

The chasm between the skilled and unskilled is widening, as is the gap between organizations that are proactive when it comes to skills and those that are reactive. When it's done well, a company's skills strategy becomes an essential part of its employee value proposition. When done poorly, it adds to the many distractions that are currently depleting the energy of workers around the world.

### **Build a successful skills strategy**



### What successful work and skills transformers do

- 1. Deconstruct the changing work to understand the evolving skill requirements.
- 2. <u>Know what skills their talent pool currently</u> has, what skills they might need in the future and how to bridge any gaps.
- 3. Analyze workforce metrics to isolate those segments of workers that have skill-training needs.
- 4. Visualize the skills journey and the impact it can have on their business. Use this insight to build an investable business case.

### **Start building an agile talent ecosystem**

- Design new practices to address specific business needs. These should relate to the skills of critical target populations.
- Test new practice designs within select environments to ensure efficacy.
- Create a common skills taxonomy and a consistent language around skills.
- Incorporate emerging AI (where possible) to optimize your skills programs.
- Connect complementary skills-based processes across your enterprise using HCM or other data-integration systems.



### Why be a world-class HR transformer?

To successfully transform, we need to think about the HR function differently. Focus first on the interactions between HR and its customers — what we call the target interaction model (TIM), which encourages HR to really focus on its primary interactions with the different customer groups it serves. Once a TIM is established, it is then possible to dramatically refine the HR team's target operating model (TOM).

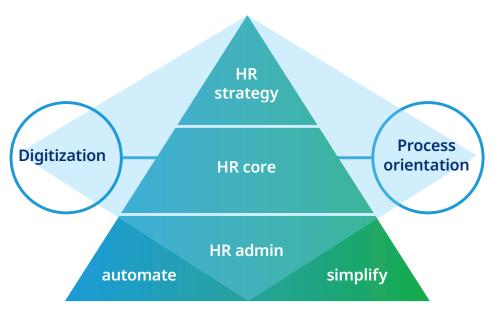
A TIM can also lead to new role definitions for HR, moving perceptions of it beyond the general "HR-business-partner" level and focusing attention on the value contributions HR makes. In a TIM world, HR professionals are more likely to be seen as "leadership partners," "people strategy advisors," "process experience designers" or "content coordinators."

Successful HR transformation comes from thinking in multiple dimensions simultaneously. Think through and align your processes, systems and content strategy with the people you serve and their experiences.

### What successful HR transformers do

- 1. Engage customers in the design of HR's TIM and co-create it with them.
- 2. Put people at the center of the HR design, thinking about each persona type and how they will want to consume HR services.
- 3. Continue to fully leverage and drive the adoption of innovative HR technologies and other types of automation.

### Transform HR to unlock the employee experience





Lisa Bisaccia, Executive Vice President and Chief Human Resources Officer, CVS Health Source: SHRM. Future of the Chief People Officer.

# Becoming the ultimate people leader — every day

Successful CPOs know their strengths, upskill their weaknesses and surround themselves with staff with complementary skill sets. It is clear that delivering the "golden mean" — meeting the needs of both employees and the business — is best done by creating and leading an HR team with an optimal balance of skills. For example, cultivating health and well-being takes active listening, data-driven storytelling and the design thinking of an activator.

In your role as leader, arm yourself with the five attributes we've highlighted. These are attributes you can mix and match depending on the needs of the moment. Using this dynamic skill set, you can redesign and radically enhance:

- Work
- · Well-being
- · The HR function
- The talent experience
- How data is collected and communicated

Ultimately, you and your people can lead your organization into a bright, shared, prosperous future.



#### Listener

Recognize the multidimensional nature of the employee experience. Enable those experiences with unique tools and techniques.



#### **Cultivator**

Mitigate cost and risk through better governance, powerful analytics and an elevated employee experience. Look at sustainability as a people issue, an investment issue and a governance issue.



#### Storyteller

Improve organizational performance and resolve complex talent issues using corporate data and insights — linked to your performative and storytelling skills.



### **Activator**

Use design thinking to explore and realize new ideas, which in turn can be used to solve organizational challenges and empower innovative problem-solving.



#### Transformer

Drive the digitalization and the democratization of work by transforming HR and the workplace. Use new operating models and organizational structures. Leverage talent, technology and governance.

### First-time chief people officer?

### A blueprint for your first 100 days

### **Getting ready: Day 1**

- Identify and document your key attributes and prepare to be challenged on them.
- As you undergo onboarding, note the effectiveness of the new-hire experience in real time.

### Days 11-30

- Record what systems HR uses, which ones are effective and which ones may need to change or be updated.
- · Conduct interviews with stakeholders.
- Conduct an activity-based cost analysis to determine where HR is spending its time.
- · Collect benchmarking data as necessary.

### Days 2-10

- Review available documentation on the organization's current business and people strategy, culture, and brand.
- Create a log to track workforce and HR issues as you identify them; explore these issues in your interviews.
- Identify your main stakeholders both inside and outside the organization — executive leadership, HR team, operations, employees, customers/clients, vendors, etc. — and set up exploratory interviews.
- Prepare guides for interviews and templates for post-interview analyses.
- Create an assessment and strategy development plan (include communication and change management).

### Days 41-70

- Develop a preliminary workforce strategy based on assessments from day one through 40.
- Develop a preliminary HR function strategy based on assessments from day one through 40:
  - HR value proposition and brand
  - Sourcing, governance, technology, talent and process strategies
- Identify the metrics you will use to measure success on your strategic vision.

#### Days 31-40

- Complete interviews and data analysis.
- Perform an in-depth assessment of findings from interviews and cost analysis.
- Schedule and conduct any necessary follow-up interviews

### Days 81-90

- Socialize your summarized findings from exploratory interviews and data analysis and your implementation plans with key stakeholders.
- Revise as necessary and obtain buy-in on your vision.

### Days 71-78

 Prepare high-level one-, three- and five-year implementation plans (these plans will become more structured after you socialize them).

#### Days 91-100

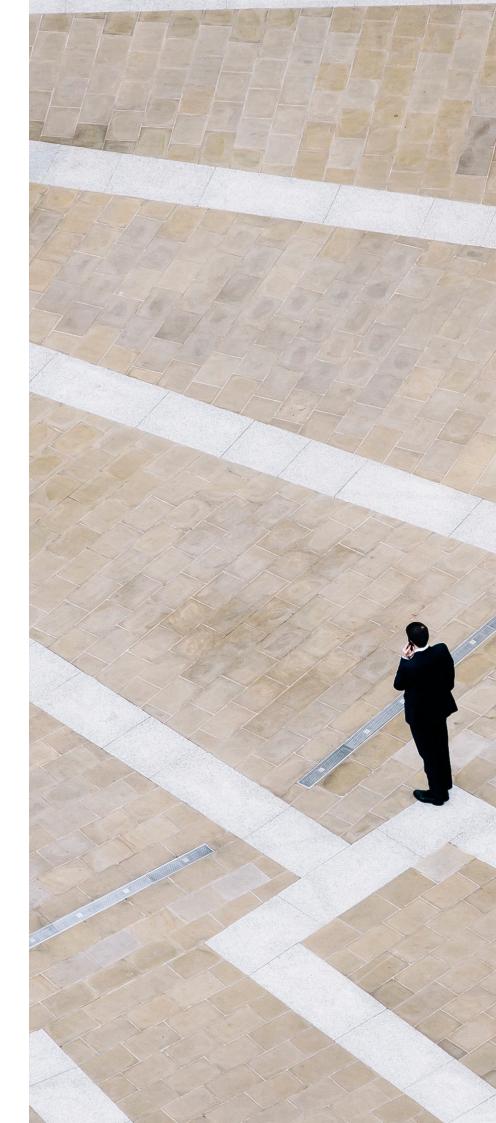
- Finalize strategy and action plans.
- · Obtain executive approval.
- Identify and mobilize an implementation team.

### Step 3

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