



# The changing nature of work

## The relevant workforce



## New world HR: the employee as 'customer', connection and reward

Talent is the key to keeping an organisation relevant, but with a global marketplace commoditising the best jobs and people, it takes much more than offering a role and salary to reap returns.

With technology enabling a global market for jobs and people, organisations are in an unprecedented 'war for talent', requiring them to rethink how they attract, retain and reward employees. Add to this the need to have a 'fully optimised workforce' to combat disruption, and it is clear that organisations must put their people first.

Lisa Barry, Partner, People and Change, KPMG, says to compete in this space, it is essential to facilitate a deeper personal understanding of employees' skills, strengths, goals and purpose.

"If you have 5000 people that all have a contribution to make, they each need slightly different environments to activate their 'flow', which means to get into their perfect state of focus and contribution," she says.

Barry says to attract and make the most of talent, organisations need to create "custom-made employee experiences on scale" – considering their employees as 'customers', embracing technology to increase connection, and supporting agility and individual needs.

"There's no way out of it. The future is definitely this," she says.

### A customer journey for employees

As employees experience ease of digital communication, simple online administration, pre-emptive personalised service and fast resolution of issues from other companies, they are demanding this from their place of work.

Martin Blake, Partner and State Chair NSW, KPMG, says mapping the employee journey from recruitment through to departure can reveal the business from the employees' perspective, and highlight opportunities to offer better service.

"Follow their progression within the organisation, the learning of new skills, their development and the timeframes for that," he says. "Understand their priorities, what's important to them, and how you're able to create an experience which aligns with some of those expectations."

Blake says this helps leaders find exciting pathways for people that could lead to growth, or could spark unexpected initiatives for the business.

"It's important to make non-linear connections for people, to enable them to see opportunities and ideas that perhaps they wouldn't ordinarily have thought of," he says.

### Increase connection

To activate the best from people, it helps to understand their motivations and find alignments with the company's strategy. Blake says a key step is reframing the role of 'leader' to be one of 'coach'.

"It's a combination of using technology, in terms of data analytics, to understand what the situation is, and then enabling individuals to connect with their business coach. Reframe the boss/employee relationship and use a coaching-type model, to bring out the best in the individual," he says.

Of course there is a fine line between caring and being intrusive, which must be respectfully navigated, Barry says.

"You do have to be careful about being 'big brother'. With analytics, you can find out so much about somebody. When you know someone, it presents a leadership challenge. Do you say, 'You could grow and discover', or do you say, 'You're good at this, you're not good at this,'" she says.

Striking the right balance is essential to attract and retain good people.

"People leave organisations when you don't know them. When you don't ask enough questions about what matters to them," she says.

An additional benefit is learning more about the business challenges and opportunities they face.

"The people who know a lot about the issues in an organisation are those that deal directly with the customer, and tapping into that knowledge and their insights is very important," Blake says.

### **Building capability for agility and adaptability**

With disruption fierce, and the skills required of people changing fast, organisations must help employees increase their ability to be agile and adaptable.

"You need to help employees build skills for life, rather than just the next 2 years," Blake says.

Part of this is fostering an environment of principal-based decision making, where staff have the freedom to think and thrive, but within parameters aligned to the organisation's core strategy.

"Create the boundaries in which you operate, and then empower individuals to make decisions," Blake says.

It also helps to build a culture where the term 'fail fast and cheaply' rings loudly.

"Try new ideas that empower individuals to have a go, and create an environment where you reward learning and failure," he says.

As employees rise to the challenge, he says regular, on-the-spot feedback is helpful to keep them engaged.

"Really make the effort to focus on positive things that the individual is doing, and use their skills and leverage their strengths," he says.

### **Traditional review and rewards must change**

Connection, support and encouragement count, but there is still a place for formal reward and remuneration structures. However, Barry says with mobility and robotics prominent, and the requirements of people constantly changing, traditional annual performance reviews and standard salary structures are no longer suitable.

"Individual targets can be limiting, goals must remain agile. The examples where targets work well are team targets," she says.

A better way, Barry suggests, is to measure employee impact, not their hours or Key Performance Indicators.

"It's valuing a contribution. You can measure impact and pay on impact. We can consume talent in lots of different ways, and pay for it in lots of different ways," she says.

Of course, learning more about employees can help organisations to offer more purpose-aligned rewards – perhaps more training, location exchanges or chances to participate in community charities.

Blake adds: "The 'higher purpose' is very important – the knowledge that the work you're doing is making the world, and Australia, a better place. That should be factored into the remuneration and rewards system."

### **Relevance is the result**

Creating an engaged workforce that is supported and rewarded helps to build a relevant organisation, fit to face any headwind.

"It is about reinventing organisations to be outward looking – you're looking over the horizon – you're looking for the weak signals and the emerging trends, and thinking about how you can respond," Blake says.

Barry says focusing on people means organisations should be well resourced to disrupt from within, before a competitor disrupts it first.

"A relevant organisation is actively disrupting itself. You're actually making your capital work harder for you. I'm convinced you can get a better return on your human capital."

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