

# HR & TALENT

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## LEADERSHIP

## The HR function comes of age

Attitudes to work are changing – and human resources seems to be the natural candidate to form strategies to match this. But old views about its role persist. What can leaders do to change them?

Tom Ritchie

**H**R practitioners have long made the case for the employee experience to be a key strategic driver in business. With companies focusing more on the cultural aspects of employment in recent years, it seems that the profession's desired shift towards people-centric enterprise may be happening at last.

But is it HR that's actually driving this change? A recent survey by Sage has found that only 40% of HR chiefs believe that employees fully understand the function's role, while 60% of C-suite members still see it as purely administrative.

"While the role of HR has evolved significantly over the past decade, the historical perception of HR as an admin-heavy function prevails," says Eesha Phakey, head of HR and talent acquisition at Rooster, an integrated communications agency. "Long-standing perceptions can be hard to shake and the collective understanding of what a job in HR looks like simply hasn't caught up with the times."

But there are conflicting findings in Sage's survey: 91% of senior HR professionals and 96% of C-suite members believe that the function's role has "changed drastically" over the past five years. If nearly all of these respondents acknowledge the shift, why the disconnect with how most of the organisation views HR?

While the upheaval of the Covid crisis changed attitudes among workers, it might actually have reinforced traditional views of HR. Dr Lynda Folan, an HR consultant and expert in organisational development, explains that high levels of employee turnover put immense pressure on businesses' HR teams.

"Simply getting bums on seats has become a significant challenge over the past few years," she says. "After Covid, you had the great resignation and all the other resignation trends. HR teams have been forced back into that very transactional space."

This can have serious ramifications, Phakey explains. Businesses that ignore the insights of HR and pursue more obvious revenue drivers at the expense of building an effective culture may suffer in the long run.

"Any business that fails to acknowledge HR as a key strategic player will miss out on its valuable contribution to the success and longevity of that company," she argues. "We can



Dimensions via Getty Images

collect meaningful data and provide the C-suite with strategic recommendations on policy, recruitment strategy and even corporate social responsibility initiatives."

Phakey adds: "Retaining good talent will always be more profitable than recruiting, given the cost of hiring and onboarding. But, because HR is a function that doesn't affect revenue directly, smaller businesses often view the function as a luxury rather than seeing the long-term return on investment."

She believes that, despite having fewer than 50 employees, Rooster has shown a commitment to empowering her since she became the company's first head of HR in May.

She believes that there is a clear understanding of her role in the company, which she credits to its investment in supporting new tech and policies designed to improve the employee experience.

"Rooster is proud to be part of the movement that recognises the importance of destigmatising menstruation at work," Phakey says. "We've rolled out a menstrual policy this month, which was developed through direct consultation with employees to ensure that it would reflect what people want. Our HR platform has supported this roll-out as our 'single source of truth'. We can easily pull in demographic data to support the need for menstrual

and menopause policies in an agency that's nearly 70% female."

This commitment to gathering and analysing data is also fundamental if HR teams in bigger firms are to demonstrate their value. Kelly Metcalf, head of people experience at Fujitsu, reports that her team is viewed as central to the discussion on how to achieve the business's goals – and that it's influenced other teams with its analytical approach.

"Our HR insight and analytics team is widely viewed as a template for other units to follow when using data to deliver positive business outcomes," she says. "We aren't seen as a mere administrative function; HR leaders are treated like any other business leaders here. We have a unique insight into getting the best out of people and making the company a place that people want to stay at and help succeed."

This has improved the employee experience across the organisation. Diversity and inclusion training has proved popular at Fujitsu over the past few years, with many leaders across the organisation participating and then implementing new processes in their teams.

"I always take it as a compliment when other senior members of the organisation take some ownership over ideas that have originated from the HR function," Metcalf says. "Working in a values-led organisation helps in this regard. Across Fujitsu globally, we have three consistent values – empathy, trust and aspiration – that we strive to embed into our culture throughout the people-first policies we design."

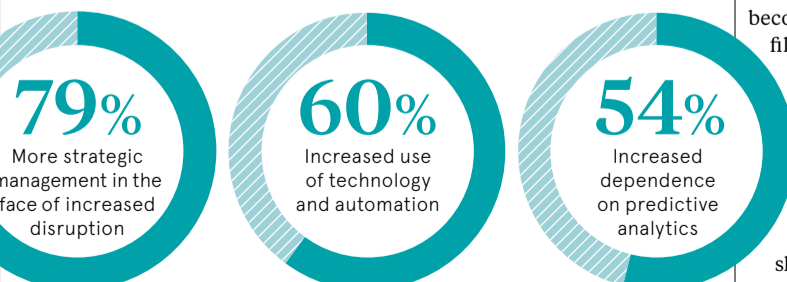
Ultimately, greater cut-through requires HR leaders to stand up for their teams and make the case for inclusion at the top table. Folan, who has held CHRO roles at companies including Tesco and Hard Rock Cafe, says: "I'd never have taken such a job if it weren't in the C-suite. Without that, you don't have the level of influence. You need to influence both the C-suite and the board."

She believes making that case will become easier as younger workers filter in. Companies that don't have a people-first voice on their boards will lose out.

"Gen Z will push us to change. If we don't start making organisations that work for people as well as profit, we'll see huge levels of churn," she says. "Whatever you do and wherever you are in the world, HR has to have a seat at the table." ●

## TOP THREE WAYS IN WHICH THE ROLE OF HR IS CHANGING

Share of HR and talent leaders saying the HR role has changed in the following ways



Mercer, 2023

## INSIGHT

## 'Employers that give HR no voice on the AI roll-out do so at their peril'

Allie Nawrat, senior journalist at Unleash, argues that the function, given its focus on people and careers, has to be involved in how AI is used

**T**he Covid crisis catapulted HR departments into the limelight. It transformed the function into a strategic business partner to employers grappling with problems including how to enable their people to work at home and how to ensure their wellbeing in the new era of remote working.

Fast-forward four years and HR has retained its seat in the C-suite, suggesting that the easing of the pandemic did not solve those problems. In fact, it has caused new ones as employees re-evaluate their priorities. This has played out in trends ranging from the so-called great resignation to quiet quitting.

The crux of this re-evaluation is that people no longer just want a salary from their employers. They're looking for more. Yes, pay remains important, but for many it isn't enough on its own. People want to feel that they do meaningful work that contributes to society.

Moreover, many are no longer prepared to waste time and money commuting when they are productive enough at home. And many choose not to work overtime and risk burnout for employers they feel don't care about them.

In this context, businesses have had to lean on the HR function for support. This has led to some improvements. For example, there has been progress on diversity, equity, inclusion and belonging in the workplace. The same goes for well-being and career development.

Then, in November 2022, OpenAI launched ChatGPT, firing a cannonball into the world of work. Employees began to worry about job security, while firms grappled with balancing the potential productivity gains with security concerns.

A year on from ChatGPT's launch, it's time to reflect on HR's position in business and determine what influence the function has had on employers' discussions about the use of artificial intelligence.

AI was the main topic of conversation at the recent Workday Rising EMEA conference in Barcelona, which Unleash attended. When we asked the question: "Does HR have a seat at the AI table?" Workday executives gave much the same answer.

The software giant's senior vice-president of strategic customer engagements in EMEA, Carolyn Horne, explained how HR tech and

transformation has become a hot topic not only for HR chiefs, but also for CEOs.

Workday's chief responsible AI officer, Kelly Trindel, added: "I've seen that change since I started working on HR and AI. HR teams are switched on – and they're coming to the C-suite with solutions."

HR departments have been quick to acknowledge the benefits of AI, according to research by Gartner, while the function has also been applying the technology to its own work, meaning that it's acting as its own case study.

Jin Yan, an economist at Revelio Labs, reports that AI is already starting to automate the repetitive elements of many HR jobs. But it is doing more than that by helping HR practitioners to focus on the more human aspects of their work.

"AI can also help HR teams predict talent needs by analysing turnover trends and build a more proactive recruiting practice," Yan notes. "For existing employees, AI can help HR teams build more personalised career development programmes and improve employee engagement using data-backed insights."

Helen Poitevin, distinguished vice-president and analyst at Gartner, reports that HR is influencing employers' implementations of AI to ensure that it's rolled out safely and responsibly. Gartner's research indicates that 60% of HR chiefs are already participating in company-wide discussions in this area.

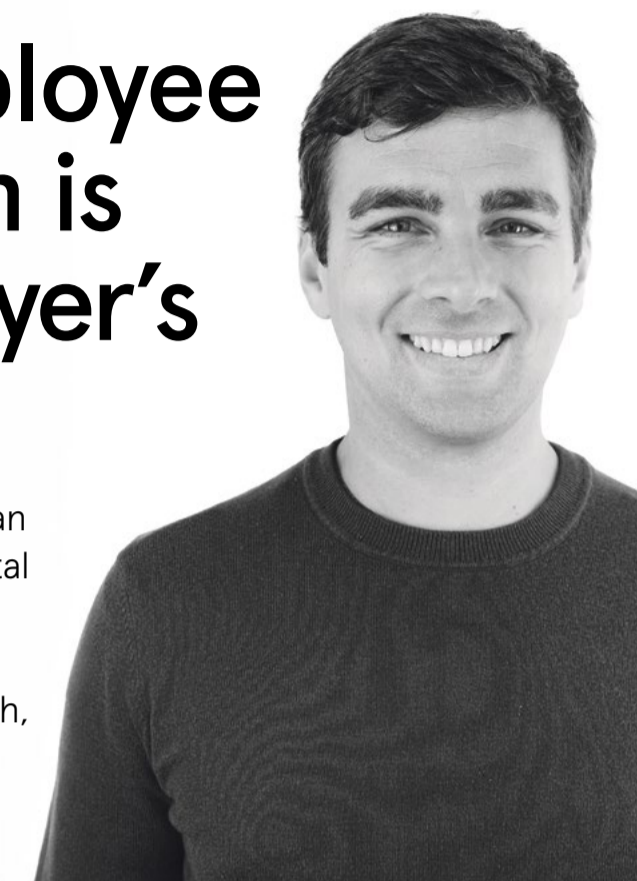
Ultimately, businesses stand to learn a lot from HR about how AI will shape the future of work. Those that give the function no voice here do so at their peril. ●



Allie Nawrat  
Senior Journalist, Unleash

Q&A  
Why employee back pain is an employer's business

Hybrid working has led to an epidemic of musculoskeletal pain among desk workers. Shane Lowe, CEO and co-founder of Vitru Health, explains why employers should take notice



## Q What has been the impact of remote work on our physical health?

**A** Data we've collected from over 30,000 of our users shows that 62% of desk workers suffer from musculoskeletal pain – up from 38% pre-pandemic. Moreover, we have seen that those who work fully remotely on average are 11% more likely to experience back pain than those in the office. You could argue that's because employees typically lack a dedicated, office-quality desk, chair and computer – but it's more complicated than that. There are other behavioural, environmental and physiological factors at play. For example, when you work from home it can be easy to fall into a sedentary lifestyle, due to the incidental exercise you're missing.

## Q Why should employers care?

**A** In 2020, legislation changed, extending an employer's duty of care to remote and home-based workspaces. That means HR and health and safety leads are now responsible for workspaces they have no access to and little visibility over. Hybrid working also doubles the number of individual workspaces that companies are responsible for, as each hybrid worker will have two workplaces. The old way of assessing and improving workspaces no longer works.

Our data also shows that an employee suffering from what we describe as a 'tolerable' level of pain is typically 15% less productive in their day-to-day work. All it takes is six people in your team with pain at this level, and you'll be losing the productivity equivalent to one full-time employee. Looking at the work we did with property-tech company Goodlord, a six week pilot led to a reduction in pain for 92% of the team who were experiencing issues.

## “ It's not possible to separate physical and mental health

## Q What is the wider impact of musculoskeletal pain?

**A** Musculoskeletal disorders account for 27% of all work-related, ill-health cases and 24% of all working days lost due to work-related ill health. Clearly, employers have a lot to gain by intervening early with the right support. Most people shouldn't get to the stage where they need to take days off; that only happens because they didn't get the right support early enough.

If you are stressed or burned out, your risk of pain skyrockets, as people under stress tend to develop habits and postures that increase strains on their bodies. Sitting in pain exacerbates all the stress in your day, especially if it prevents you from doing the things that bring you joy, such as sport or playing with your kids.

We also see wide variations in the quality of workspaces across company hierarchies. Senior members of staff are more likely to have dedicated workspaces at home, but more junior team members are often forced to work at the kitchen counter or sofa.

Our bespoke approach means employers can offer a tailored plan based on different life situations. We go beyond typical workspace enhancements and recommend things like personalised daily stretches, which we modify based on the individual's feedback and progression.

We have also launched a dedicated programme around posture. When an

employee comes back from maternity leave, for instance, it is likely that their posture has changed. In that case, we would conduct a review and reset their posture using personalised, targeted stretches. Our goal is to look at how home life and work life are intertwined, what impact this can have on musculoskeletal pain and how we can help.

Dr. Shane Lowe is CEO and co-founder of Vitru Health, which delivers evidence-based technology that reduces the risk of musculoskeletal pain for all people in the workplace.

For more information, please visit [www.vitruhealth.com](http://www.vitruhealth.com)

Vitru Health





## COACHING

# Your gen Z employees need a helping hand – here's how to offer it

Businesses are increasingly implementing coaching as a cost-effective way to support their youngest workers and teach them essential skills

Son Pham

In the seven years since Josh Akapo co-founded his creative agency, Archtype, at 16 years of age, coaching has been instrumental in shaping both him as a leader and his organisation's structure in a way that he hadn't considered possible.

Once the preserve of C-suite executives or high-potential groups, coaching has recently taken off as a benefit at every level in the workplace. Many organisations have adopted coaching programmes to deal with a crisis of disengagement, particularly among employees from generation Z. Despite being the freshest arrival to the workforce, gen Z is the least engaged generation at work, according to research by Gallup.

It's a strategy that can pay off handsomely. Recent research in the US by MetrixGlobal concluded that coaching offers a 788% return on investment based on factors including improved productivity and employee retention. Indeed,

organisations with a strong coaching culture record 60% higher employee engagement on average than those without one.

Given the rise of hybrid working, Akapo believes that coaching is a powerful tool to help younger workers navigate the post-Covid world of work, understand corporate culture and handle situations such as meetings more effectively.

"The appeal of coaching is that it helps you to become a better version of your professional self," he says. Sir Cary Cooper, professor of organisational psychology and health at the University of Manchester, has found that zoomers are different from previous generations of workers. They are questioning the value systems of previous generations and they want to work for organisations that actively prioritise workers' wellbeing, he says.

Cooper believes that coaching offers neutrality and support in addressing both professional and personal problems, because most

coaches will be highly emotional intelligent. This makes them well equipped to listen to zoomers with empathy, earn their trust and facilitate open conversations about their concerns.

Nick Goldberg, founder and CEO of coaching platform Ezra, says that coaching, while sharing similarities with other workplace wellbeing initiatives, is specifically geared towards enhancing people's performance and productivity.

"Coaches will use what they describe as Socratic questioning. This means that, rather than telling you the answer, they help you come to it yourself by challenging some of your assumptions as to why things may or may not happen," he says.

Coaching can also help to foster more diverse and inclusive workplaces. Samantha Price, talent solutions director at engineering consultancy Morson Group, notes that coaching can play a pivotal role in helping employees to grasp the significance of diversity, equity and

inclusion – and their responsibilities in promoting such things.

Price sees coaching as a technique for developing younger employees from disadvantaged socioeconomic groups – as does Akapo, who says: "It enables people to build their confidence, especially those from backgrounds where that has been forcibly stripped from them by systemic oppression."

Both of them warn against using coaching as a box-ticking diversity exercise. While Akapo notes that there has been an increase in the number of programmes, he stresses that many organisations are trying to create a culture of assimilation where people feel like they are part of that workplace by adopting its values and beliefs.

Price agrees that coaching "should be part of a comprehensive diversity, equity and inclusion strategy that includes policies, training and a commitment to meaningful change."

There isn't a one-size-fits-all approach to developing and implementing a successful and scalable coaching programme. Nonetheless, Goldberg credits the success of Ezra – it has helped organisations such as Coca-Cola and AstraZeneca – to the personalisation it offers.

"Having a one-to-one coach enables the process to be contextualised and tailored to each individual's needs," he says.

This could further be explained by the emerging trend of more personalised employee experiences in the workplace, such as custom pensions or benefit packages. Goldberg believes that technological advances have made coaching more accessible and user-friendly, democratising access to it.

"It's so much easier for people than it was four years ago, when it involved a whole process. It's digital, so people can do it wherever they like," he says.

Like any other corporate initiative, a successful coaching programme needs to be measured and reported effectively. Goldberg notes that the coaches must have some understanding of the business, not just how to coach. Otherwise, it can become "fluffy". To measure the

impact of coaching, companies can look at qualitative factors such as behavioural change and quantitative factors such as productivity before and after implementation.

Goldberg suggests using a competencies framework under which employers can select areas where they want their employees to improve in while the participants can indicate which competencies are particularly important to them. They will then be able to see the difference made by the coaching.

He reports that 41% of participants are increasingly focused on developing their "articulate ambition" skill, making it one of their top three competency choices. Other popular competencies include communicating; influencing and leading change; shaping strategy; developing self-confidence; and managing conflict.

As companies seek to recruit and retain more zoomers and young millennials, Cooper believes that coaching can provide pastoral support as well as learning and development opportunities.

"Younger people are trying to gain experience and develop relationships with people when they first enter organisations. So the irony is, as much as they are digitally savvy, gen Z workers are being prevented from establishing those relationships in a digital world," he says.

Although coaching can often be confused with "rescue" or "help" mode, according to Price, it is more about empowerment, reflection and forming an awareness of each person's unique story.

"At the heart of it", she concludes, "coaching provides the emotional intelligence that helps people to evolve from commanders into influencer-leaders."

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# What if every day was payday?

The rise of instant wage access is a gamechanger for employee wellbeing and engagement, and could also signal a pivotal change in the global financial landscape

Instant access is something that many people have become accustomed to in everyday life, whether that's managing personal finances, streaming entertainment or selecting same-day delivery on goods. It's little wonder that attention is now starting to turn to the traditional monthly pay cycle. According to WTW's 2022 financial wellbeing study, a third of UK workers live paycheck to paycheck without any spare savings for emergencies – but this doesn't have to be the future.

The evolution of the global financial system has made it increasingly possible for organisations to offer employees faster access to wages. "The traditional monthly pay cycle is changing to meet current financial trends and employee expectations," says Ben Thompson, CEO and co-founder of Employment Hero, an end-to-end employment management platform.

"With real-time payment networks becoming more common, the need for immediate transactions is affecting how payroll is handled. The old model of waiting for pay, a result of past complexities in processing payroll, is becoming outdated. People now expect faster access to their earnings."

## Strengthening relationships with employees

Enabling easier access to wages can provide mutual benefits for employees and employers. "Instant wage access is changing how companies manage their workforce, bringing clear advantages to HR and talent management," says Thompson. "Offering instant access to earned salary, known as wage streaming, lets employees access their pay immediately, increasing their engagement and feeling of value."

This has already taken off in the US, with many large organisations such as PayPal, McDonald's and Uber using instant wage access, also known as earned wage access, to support existing employees and attract new staff. Indeed, a 2022 study from ADP on

earned wage access found that 96% of employers who offer on-demand pay say it helps them attract talent.

"Daily pay helps with financial stability and managing unexpected costs, while also improving the relationship between employees and employers. It boosts motivation, cuts down reliance on credit, and gives a sense of immediate reward for work. This aligns the financial wellbeing of employees with the goals of the organisation," says Thompson.

The ability to access wages on demand, through services such as Employment Hero's InstaPay Daily, can lead to lower financial stress and overall better engagement at work. Employment Hero's solution doesn't create any form of credit for the employee. Workers can simply gain access to their money when they've earned it, rather than as a lump sum at the end of the month.

Instant access to wages also has the potential to improve employees' motivation when it comes to being flexible with their time. For example, an employer asking someone to cover a last-minute shift is more likely to get a positive response if the employee jumping in can be compensated as soon as they clock off.

A survey of Employment Hero's InstaPay users found that 98% of employees would use the service again. The same survey found that 57% of employees used InstaPay for emergencies, 36% used it to manage bills and only 14% used it for leisure, suggesting that early access to wages is particularly helping people cover essential and unexpected expenses.

## Elevating SMEs

Besides improving employee experience, offering instant wage access via an outsourced provider can also help simplify the overall payroll process. While employees can choose to be paid outside of their usual cycle, this doesn't change the payroll timings and cash flow for their employer. "A lot of HR and talent leaders are being asked to provide advanced salaries to employees. More established businesses might facilitate access

Commercial feature



to a percentage of an employee's earned wage, others on a case-by-case basis, but smaller businesses don't have the flexibility because of the impact on cash flow," says Damon Anderson, managing director of Employment Hero UK.

"One major advantage of an integrated auto-pay software system is that it allows employers to provide a powerful incentive to their staff. Employees can instantly access their earned wages using this tool, which scales effectively without negatively impacting the business. Moreover, employers can manage payroll as usual since the payroll provider handles any upfront costs."

SMEs can tap into the skills and resources of a large provider, making the payroll process easier, more efficient and compliant. Doing so can free up valuable time for decision-makers

to focus on core business activities rather than administrative tasks.

Thompson explains: "As SMEs grow, our platform scales with them, accommodating increasing payroll needs without the need for additional resources. As financial trends evolve, particularly towards immediate transactions, using Employment Hero's software keeps SMEs at the forefront of these changes, making them more attractive to current and prospective employees."

Anderson adds that SMEs, in particular, are always looking for better benefits to offer employees but that often significant benefits are the reserve of large businesses. "Health insurance is a classic one, or pension contributions," he says. "And what we can do at Employment Hero is leverage our size. As more businesses join the platform, we can use that to negotiate better benefits on behalf of all of our customers."

The transition to instant wage access could revolutionise the traditional pay cycle, enhancing financial wellbeing for employees, creating a more engaged and motivated workforce and streamlining HR processes. Leaders who want to stay ahead of the curve and offer their employees something that their competitors might not yet be thinking about should sit up and take note.

## A shift in the system

Thompson believes that the widespread adoption of daily pay will greatly affect the global financial system. "In Australia, our home market, there's around £16bn in wages that employees have earned but not yet received. If this money was paid out daily, it could reduce employees' reliance on credit cards or payday loans," he explains.

"This change would help with financial stability and give people more

“Offering instant access to earned salary, known as wage streaming, lets employees access their pay immediately, increasing their engagement and feeling of value

For more information please visit [employmenthero.com](https://www.employmenthero.com)





## FLEXIBLE WORKING

# Two careful owners: Ford's tech-fuelled job-sharing drive

The car maker is using a matchmaking app to facilitate job-sharing across the organisation. It's helping to make the business more inclusive employer, especially to staff with caring responsibilities

MaryLou Costa

**E**mma Wright has been an employee of Ford since 2001, but this year, after returning from maternity leave for a second time, she decided it was time to change how she worked.

Wright, a material cost finance manager, had gone part-time in 2021 after her first spell on maternity leave, but found that role less satisfying. It's what prompted her to seek a job-sharing opportunity.

"People who come back part-time are sometimes allocated more of a

project-based role, but that was not something I relished. The work did not match my skills particularly well, so this time around I was really keen to job-share," Wright says. "I've facilitated and managed job-shares before. That was a privilege, because I could see how valued people felt in such partnerships, rather than in standalone part-time posts."

She found her job-share partner, Jenan Alobaidi, through JobShare Connect, the matchmaking app that Ford had rolled out across its

European operations in September 2022 to help formalise the practice and popularise it.

Once a user has entered details such as their location, skills and desired roles, the tool will find potential matches for them to connect with. Over a series of conversations, they will then establish whether they are capable of working hand in glove.

Job-sharers are managed, developed and promoted as a single unit. Wright and Alobaidi happen to

have chosen to work three-and-a-half days a week each, so they are rewarded equally, but the business does not prescribe how a role should be divided.

JobShare Connect users also have access to best-practice guidance and resources to help them create an operating framework for their partnership. This enables them to establish things such as who's best placed to take the lead in various aspects of the job, based on their strengths, weaknesses and personality types.

About 40 pairs of Ford employees are working in job-sharing partnerships across Europe. The company hopes that this way of working can offer more opportunities for advancement to those who don't necessarily want a full-time position.

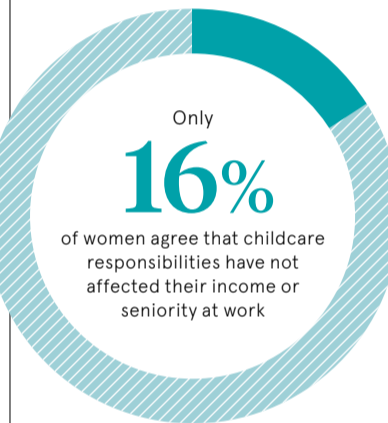
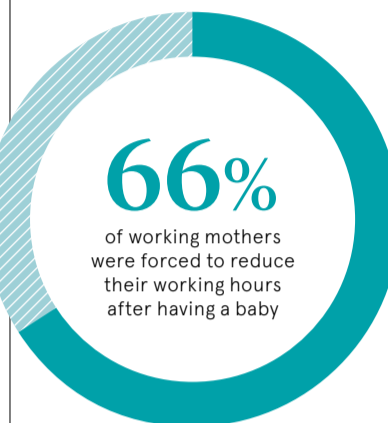
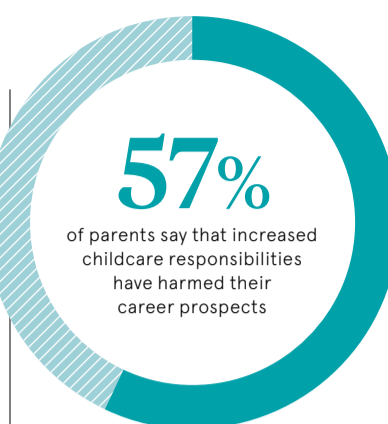
Gillian Humphries is one such employee. She has been sharing her job since 2016.

"It enables anyone to be unconstrained from realising their career ambitions by any responsibilities they might have outside work," Humphries says. "Although men do enter such arrangements, many job-sharers here are mothers. When your child is sick and you've no choice but to drop a meeting, your partner can cover it. That takes a lot of stress from such situations, which enables you to function more positively. You feel more loyal to the company, because you have had the opportunity to be a good parent and the flexibility to be a good employee."

Humphries and her long-standing job-share partner, Sian Hodgson-Wood, were recently promoted to the role of engineering director, consumer, at Ford Credit. They had originally been matched after they were both interviewed for the same vacancy. The fact that their enduringly successful partnership started more by coincidence than by active management prompted Hodgson-Wood to lead the roll-out of JobShare Connect across Ford's European operations after the app's launch in North America.

"Without this tool, you're relying on your own network and that of your manager to find a partner. In an organisation of Ford's size, it's simply impossible to know about all of the available opportunities," says Hodgson-Wood, who also founded an EU-wide employee interest group focused on job-sharing. "The whole idea of using JobShare Connect is to open up the market of potential partners and put the power into the hands of the employee."

**“Without this tool, you're relying on your own network and that of your manager to find a partner**



Harvard Business Review, 2017

Like Wright, Humphries and Hodgson-Wood have thrived on their ability to raise families without sacrificing opportunities to advance their careers. As their children have grown, they have found the flexibility of job-sharing too desirable to relinquish. Moreover, they believe that working solo would never have offered them the same level of support and reassurance.

"To be working alongside someone who can coach you and help with your development is amazingly effective at bringing you up to speed quickly and giving you the confidence and the safety net to operate at a new level," Hodgson-Wood says. "While they all credit Ford's progressive approach in finding ways to help more people succeed, they agree that it can do even more to raise awareness of job-sharing as an option and explain its benefits throughout the business."

"Because we're great believers in the value of job-sharing, we want everyone to have the opportunity. This is not just for women; it's for everyone, so I'm on an educational push," Hodgson-Wood says. "Now that we have JobShare Connect in place, this is a matter of getting more people's profiles on there. The bigger the pool, the more opportunity there is for all." ●

## Elevating talent in the age of generative AI

Organisations across all industries face a common challenge: the digital skills gap. The dawn of generative AI has only increased the urgency to equip employees with skills for the future

**G**enerative AI may have quickly become a key part of the business lexicon over the last year, but for many business leaders, a key question remains: how can they use it to their organisation's advantage? Getting a handle on new technology and finding the right talent to utilise it is a predicament many organisations continue to encounter in today's rapidly evolving digital age.

"Five years ago, bringing in technical talent to historically non-technical parts of the organisation, such as HR or marketing, wasn't even part of the conversation," says Maureen Lonergan, vice president of AWS Training and Certification. "The pandemic accelerated digitisation across industries, with cloud powering more and more areas of the business. The roles of the chief human resources officer (CHRO) and learning and development leaders have become increasingly challenging as a result. There simply isn't enough skilled technical talent available right now. The biggest challenge we hear is: 'How do I recruit and retain talent?'"

### Beyond recruitment

"The reality is you won't be able to recruit your way through this current skills gap," says Lonergan. HR and talent leaders must therefore prioritise learning and development for in-house talent if they are to succeed. This is especially true as technology becomes more complex and use cases become more specific to individual businesses. While basic tech skills or an understanding of specific software are often only a minimum requirement for many job roles, organisations must reconcile with the fact that employees need upskilling to make effective use of layered and unique technology stacks that are quickly growing in complexity.

Digital upskilling is no longer about technical staff gatekeeping all of the knowledge around technology within the organisation. Everyone from the CEO down to the sales team needs to

have a strong foundation of digital skills and an understanding of how technology fits into their role. The most innovative organisations will recognise this and ensure they bring their people on the journey with them whenever they go through any kind of digital transformation. "Investing in the skills of your people will always be the most strategic and valuable business lever you have," says Lonergan.

### Generative AI upskilling for everyone

Nowhere is this more apparent than in the emerging area of generative AI, which is further democratising a technology that was once reserved for specialists.

Business leaders need to stay on top of developments and understand how generative AI can benefit their organisation if they are to remain competitive. According to the World Economic Forum's Future of Jobs Report 2023, more than 75% of organisations plan to adopt technologies such as big data, cloud computing and artificial intelligence over the next five years. "Generative AI is not only here to stay, but it is the fastest evolving technology I have ever seen. Organisations and individuals must take steps now to hone their knowledge in this area," says Lonergan.

The accessibility of generative AI is both a challenge and an opportunity. On the one hand, its abilities and easy access have the potential to enhance productivity and innovation at all levels. On the other hand, this means that it can be tricky to control the use of the technology. Both technical and non-technical leaders need to quickly build an understanding of how generative AI could and should be used within the organisation, putting the right guidelines and guardrails in place to avoid any mishaps. For example, a lack of understanding of the hallucinations and biases that AI-powered technology can produce may lead to employees trusting false information or staff could be inputting sensitive data into public platforms without realising the risk.



Commercial feature

While the learning curve might not be steep for every role, business leaders need to take a swift and proactive approach to training if they hope to keep pace with the march of both technology and their competitors. Short courses and training programmes can go a long way in helping organisations prepare their staff for the future. For example, AWS Training and Certification offers simple, accessible training courses in generative AI and cloud for both technical and non-technical leadership roles, many of which are free.

### Technical training

It's also vital that organisations consider generative AI-adjacent skills. For example, cloud skills and data skills will be crucial to providing the foundations for the technology. And while there is a level of upskilling that needs to happen across all roles in the business, naturally a more complex technology stack is going to require more specific

technical expertise too. Integrating AI and machine learning workloads, for example, necessitates a skilled and diverse team of professionals.

As well as offering accessible courses for non-technical professionals, AWS offers training for technical roles and provides access to generative AI services. These services can be tailored to an organisation's business needs and talent, making this emerging technology available to customers of any size and developers of all skill levels. For example, businesses can choose options ranging from services with built-in generative AI that don't require specific expertise right up to building their own foundation models. Of course, to make such decisions, leadership needs to have a basic understanding of the skill levels within their organisations and what business use cases they want to use the technology across all roles in the business, naturally a more complex technology stack is going to require more specific

### Building a case for training investment

"HR leaders have made it a goal, if not their top goal, to align learning programmes to the business strategies of the organisation," says Lonergan.

Putting together a case for training is therefore about ROI. What will the business gain from upskilling staff in emerging technologies across the board? "Organisations and individuals who invest in skills training are better equipped to keep pace with innovation,

and this may be even more true with generative AI," explains Lonergan.

Leaders who invest in training talent are likely to see a huge payoff in productivity, helping increase business efficiency and innovation opportunities. According to recent research from Access Partnership, employers believe that AI could boost productivity by 47%, with large organisations expecting a 49% boost. Meanwhile, employees expect AI to boost their productivity too, with 41% saying that it could help them complete tasks more efficiently.

To confidently lead their companies into the future, executives need to brush up their own skills and invest in optimising the skills of their workforce. AWS offers more than 100 courses and learning resources on AI and machine learning through AWS Skill Builder and AWS Educate. Business resilience starts with people and now is the perfect time for organisations to start taking learning seriously.



Learn more with this incisive AWS explainer on generative AI for executives

aws

**“The reality is you won't be able to recruit your way through this current skills gap**





# Known unknowns: how to prepare people strategies fit for a digital future

The speed of technological advancement means it is almost impossible to predict the future with any degree of accuracy. So, how is HR doing it?

To say that digital transformation is revolutionising every aspect of life and business may sound like an overstatement. But is it?

By now, most companies have given some thought to the prospect of rolling out AI or broached discussions about the cloud, big data, and automation. Digital-first ways of working are increasingly serving as a springboard for businesses to redefine their strategic priorities and reinvent core people strategies.

Yet it's the speed of these developments – and the decisions that must be made in lockstep with them – that has companies in a knot. The World Economic Forum reports that 85% of organisations see technology adoption as the key driver of business transformation over the next five years. Dealing with this means rapidly changing talent skill sets, with employers expecting 44% of workers' skills to be disrupted in the next five years and 60% of employees needing upskilling by 2027.

Further complicating matters, the 2020s have ushered in the age of flexible working, prompting many firms to adapt their tech infrastructure and rethink protective policies around remote cybersecurity.

As HR leaders plan to address the challenges driven by digitalisation, well-thought-out people strategies should remain at the forefront of the function's priorities, says Sharon Broughton, head of HR and legal commercial services at Make UK.

#### HR strategy is business strategy

"The main challenge of technological change for HR is understanding what it means for the future. Too many organisations see digital transformation as something they are embracing or as too hot to handle. They're not looking at the bigger picture," Broughton explains. "Much of our work with clients is about answering the question: What will your organisation look like in five years? HR has an important voice in this

conversation to align the workforce needs accordingly."

She adds that HR can sometimes become disconnected from broad business goals by virtue of its position and proximity to employees, making it infinitely more difficult for CHROs to develop a clear vision for the company's people strategy. Here, short-termism can start to set in.

Flexible working is just one area in which many organisations get wrapped up in micro solutions rather than

“

**With any change, you need to bring your workforce with you. Too many organisations have a tendency to act rather than ask**

long-term, macro thinking. Broughton advises: "When receiving a flexible working request, take the opportunity to consider the wider organisational picture, both now and in the mid to long term, rather than just looking at it as a need to adapt that individual's working patterns. You may well find you can make a positive change across the organisation by considering if your job roles are fit for purpose. Look at them closely and make changes to the business that will take everyone forward."

The overarching vision must remain in sight. Lucy Atherton, a colleague of Broughton's and Make UK's head of HR and legal, contends that leaders should adopt a digital mindset when contemplating strategic transformations.

"HR has been firefighting in the post-Covid era, but it needs to start thinking through a digital lens. How can your home workers get the benefits from newer technologies beyond Zoom? How do you embrace effective communication regardless of location or job? Think with a digital mindset around those issues and get the business to understand that collaborative working is easier with a digital plan behind it," she says.

#### Law and ethics

Any innovation in the workplace comes with a raft of ethical and legal implications, and the boom in workplace technology is no different. While implementing a digital mindset is vital, HR must ensure processes, procedures, and related training are up to date, too.

"The devil is in the detail," says Broughton. "You may well be embracing technology, but if you haven't considered how your policies and procedures reflect and support this, alongside ensuring employees are trained to understand the details and implications, this is where problems will arise."

Next, leaders should remember that technology is an aid to human decision-making rather than a substitute.

Atherton points to artificial intelligence. Although the commercialisation of AI has marked a significant step forward, the tech is also raising concerns regarding disinformation, data protection, privacy and discrimination.

"A lot of people are using new technology in recruitment, but they are apprehensive of the risk of profiling and bias. Ultimately, there needs to be a human at the end of the decision-making process," she says.

#### Getting culture right

Arguably, digital transformation is as much a cultural change as a practical or strategic one. "With any change, you need to bring your workforce with you," says Atherton. "Some people will be nervous about technology, so transparency, trust and communication are critical."

Central to this is empowering employees to have a voice. Broughton recommends that firms delve into diverse perspectives, from grasping how employees perceive the business's current position and where they envision it heading to researching how the company is perceived in the market. "Too many organisations have a tendency to act rather than ask," she says.

Cementing the culture change needed to become a truly digital business might be a long-term goal, but HR teams are struggling with the here and now. Immediate concerns such as talent shortages, the dynamics of multi-generational workforces, and skills training are all at the forefront. Some have already begun reviewing flexible working policies and training line managers on handling employee requests ahead of the new legislation on flexible working, which is set to take effect in the spring of 2024.

The job, Atherton notes, isn't getting easier as HR chiefs will only need to get more comfortable balancing day-to-day HR processes, regulations, and longer-term culture and strategic goals.

Looking at this short-term work holistically could allow businesses to better understand their long-term goals and act appropriately. "When new regulation comes in, it shouldn't be about needing to change strategy but responding more broadly. Yes, it might present a temporary challenge, but if organisations keep their long-term goals in mind, they might be able to make the short-term more palatable," says Broughton.

What companies and their HR teams are really battling as 2024 draws ever nearer is a series of known unknowns. The digital revolution will keep marching bravely on, and employees will continue to make their doubts heard. Regardless, Broughton and Atherton agree: now is the time to set up strategies to tackle the complexities of technological innovation and – most importantly of all – to engage people on that journey.

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HR & Employment Law

#### CAREERS

## Does experience matter?

As the UK labour gap yawns wider, a sustainable solution to the nation's productivity crisis may lie in thinking outside the job-description box

Sanjuna Budhani

In 2020, a tweet by a Berlin-based software engineer named Sebastián Ramírez went viral. In it, he lamented that he was unable to apply for a job because the ad required candidates to have at least four years' experience of working under a particular framework. The kicker was that Ramírez had created that framework himself – in 2018.

This serves as a painful reminder of the 'experience needed' paradox: you need a job to get a job. But, as the requirement lists on job descriptions grow, are recruiters cutting off the blood flow of innovation?

One-fifth of businesses in the UK are reportedly struggling to plug gaps in their workforces and this country is particularly weak on labour productivity growth, according to the latest *Global Innovation Index* from the World Intellectual Property Organization. Given these factors, would it be wise to remove

79%

of recruiting professionals in the UK say skills-first hiring will be a priority in 2024

78%

of in-house recruiting professionals in the UK say they will need to work more closely with L&D in the future

50%

the greater likelihood that recruiters will search for skills rather than years of experience when looking for candidates on LinkedIn

LinkedIn, 2023

requirements such as industry experience to attract candidates with the appetite to learn?

The Frontier Economics consultancy has used data from the Office for National Statistics to examine a phenomenon called knowledge spillover. This occurs when processes developed by creative industries are adopted in non-creative industries. Research suggests that businesses with closer links to the creative industries are more innovative than average. One of those knowledge-sharing connections comes through the movement of talent between sectors, but that doesn't happen very often.

There have been several calls to diversify candidate pools, but the demand for experience remains a barrier to those wishing to explore new careers, even when they have transferable skills to offer.

The traditional approach to hiring is no longer serving organisations how it used to. In reality, roles are rarely confined to the responsibilities listed in a job description, yet recruiters still use them to test candidates' capabilities. Increasingly, businesses need a new approach to find the talent they need.

The pandemic prompted many people to reflect on what they want from their careers. Ever since, more and more people have been willing to move and take on new challenges. This means that more candidates with diverse experiences are entering the market bearing transferable skills. If these candidates are open to trying something new, then recruiters should be too.

Already, a shift to skills-based hiring has begun, as the digital transformation of business accelerates and new solutions are discovered for old problems. The focus is shifting to adaptability, flexibility and the curiosity to learn how to cope with the speed of change.

Developing soft skills doesn't require a set number of years in a particular industry. Communication and leadership skills can be moulded by any role and the ability and willingness to learn are just as important. Marion Devine, principal researcher at think-tank The



Conference Board believes that "we're coming to this interesting paradox whereby soft skills and cognitive skills are going to become really important".

Yet potential career-changers faced with a hiring manager's long list of requirements can feel that their capacity to learn is being undervalued. Joanna Kori is head of people at Encompass Corporation, a platform specialising in knowyour-customer technology. She recalls an occasion when she admired the application of a candidate who'd taken a part-time course in psychology while working.

"I knew how much discipline and character it would take for someone to do something like that," she says. But it can be hard to summarise work ethic and attitude to growth in a few bullet points.

"We're seeing jobs converge; we're seeing industries converge. We're seeing technology breaking down silos and distinctions," Devine says. The traditional approach to hiring that emphasises experience may no longer fit this evolving landscape – in effect, rendering job descriptions obsolete.

"Most of us have a job description that doesn't accurately reflect what we do. And it probably isn't going to reflect what we're doing in six months," she adds.

The need for an adaptable workforce that thrives on dissecting new technologies will only increase.

As generation Z, who will make up 30% of the workforce by 2030, enter the workplace with their hyper-digital approach and demand for work/life balance, the evolution of

the talent landscape may need to accelerate accordingly. Zoomers are digital natives, receiving education rooted in technology. They are particularly adept at learning how to use new tools.

Zoomers are also known for moving between jobs and being vocal about it on social media – often quitting if their employer's ethics don't align with their own. Businesses may no longer be able to ask for X number of years of experience in a certain field. The culture of staying in a certain industry or role for several years may be a thing of the past as zoomers and younger millennials prioritise their personal ethics, interests and wellbeing.

Disregarding such candidates simply because of a lack of longevity in a particular role or industry could be harmful to an organisation.

As Kori mentions, job descriptions need not be prescriptive. We have gone beyond what we initially thought a data analyst job should be, for instance, or what a content marketer does each day. Going back to square one and deconstructing a job description can be the right first move when shifting towards skills-based recruitment, she says.

“

**Most of us have a job description that doesn't accurately reflect what we do now or what we're going to be doing in six months**

Devine agrees, noting: "We looked at the job descriptions in the market and saw that there was a big divergence with our job descriptions. They were out of date."

Removing the long-held assumptions about the types of skills you need can help organisations align more closely with shifts in the wider landscape. Recruiters often consider the question of whether the candidate is 'a cultural fit'. But an avoidance of radical thinking may hinder those that discard candidates based on arbitrary criteria.

"While candidates might not necessarily have industry experience, perhaps they are very customer-orientated or they have fantastic media skills," Devine says.

Breaking away from the profile of an ideal candidate can offer a new perspective and career-changers can question traditional ways of working, she adds.

Taking a project management approach to hiring by identifying a set of skills the business needs and bringing employees together for project-based work can be a better way to look at hiring, Kori says. This would offer flexibility by building teams as and when required, rather than being bound by the limitations of job descriptions.

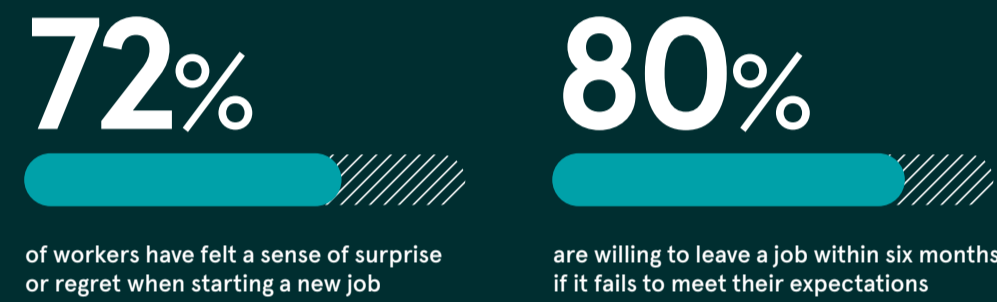
Innovation can be hard to pin down. But, as competition for talent heats up, workforce gaps widen and the pressure to innovate builds, it's worth taking a step back and deconstructing the recruitment process.

As Devine points out: "Creativity is the mindset and the willingness to ask questions, not to accept the status quo." ●



# SEALING THE DEAL

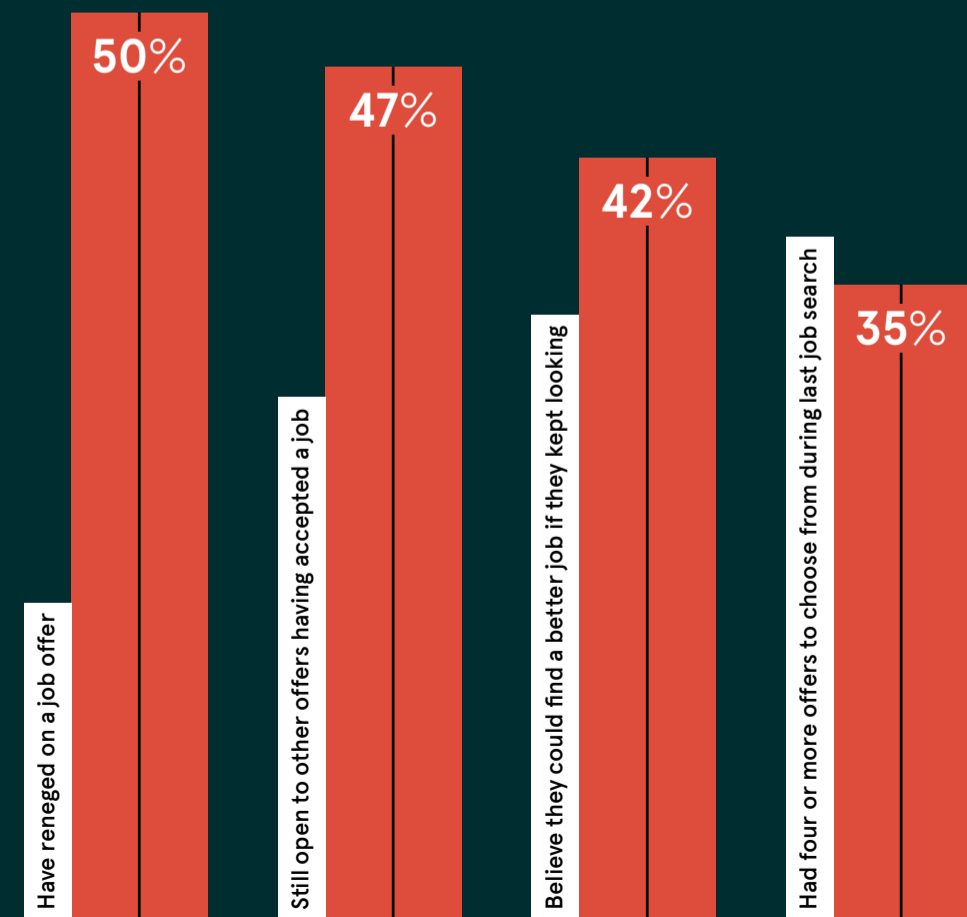
Instances of candidates reneging on job offers they've accepted, taking up counter-offers from their existing employers or leaving shortly after joining a new company are all on the rise. It just goes to show that, while the labour market may not be quite as tight as it was 12 months ago, it's still far from easy for hiring managers to bring new recruits into the fold and, crucially, keep them there. So what do HR teams need to know in order to avoid a recruitment disaster?



The Muse, 2022

## RENEGING ON ACCEPTED JOB OFFERS IS SURPRISINGLY WIDESPREAD

Share of candidates reneging on job offers, or in a position to, over the past 12 months



Gartner, 2023

## COUNTER-OFFERS ARE COMMON – AND BECOMING MORE SO

Chartered Institute of Personnel and Development, 2023

Share of UK companies that routinely use counter-offers



Change in counter-offer use over the past 12 months



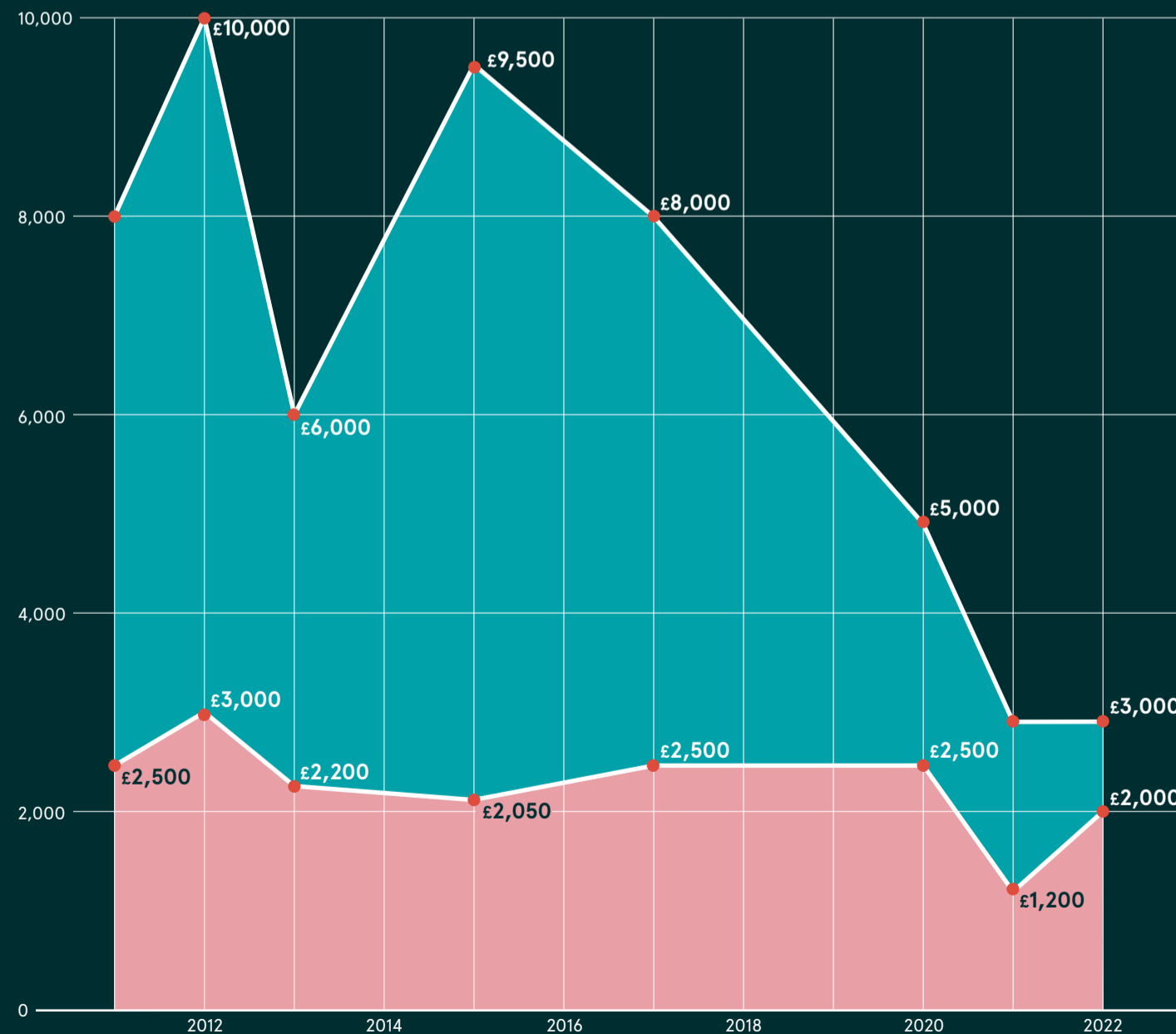
Expected change in counter-offer use over the next 12 months



## THE COST OF RECRUITING MAY HAVE DECREASED SINCE 2020, BUT BUSINESSES WILL STILL BE KEEN TO AVOID UNNECESSARY EXPENDITURE

Median cost per hire in the private sector, including in-house resourcing time, advertising costs and agency or search fees (£)

● Senior managers/directors ● Other employees

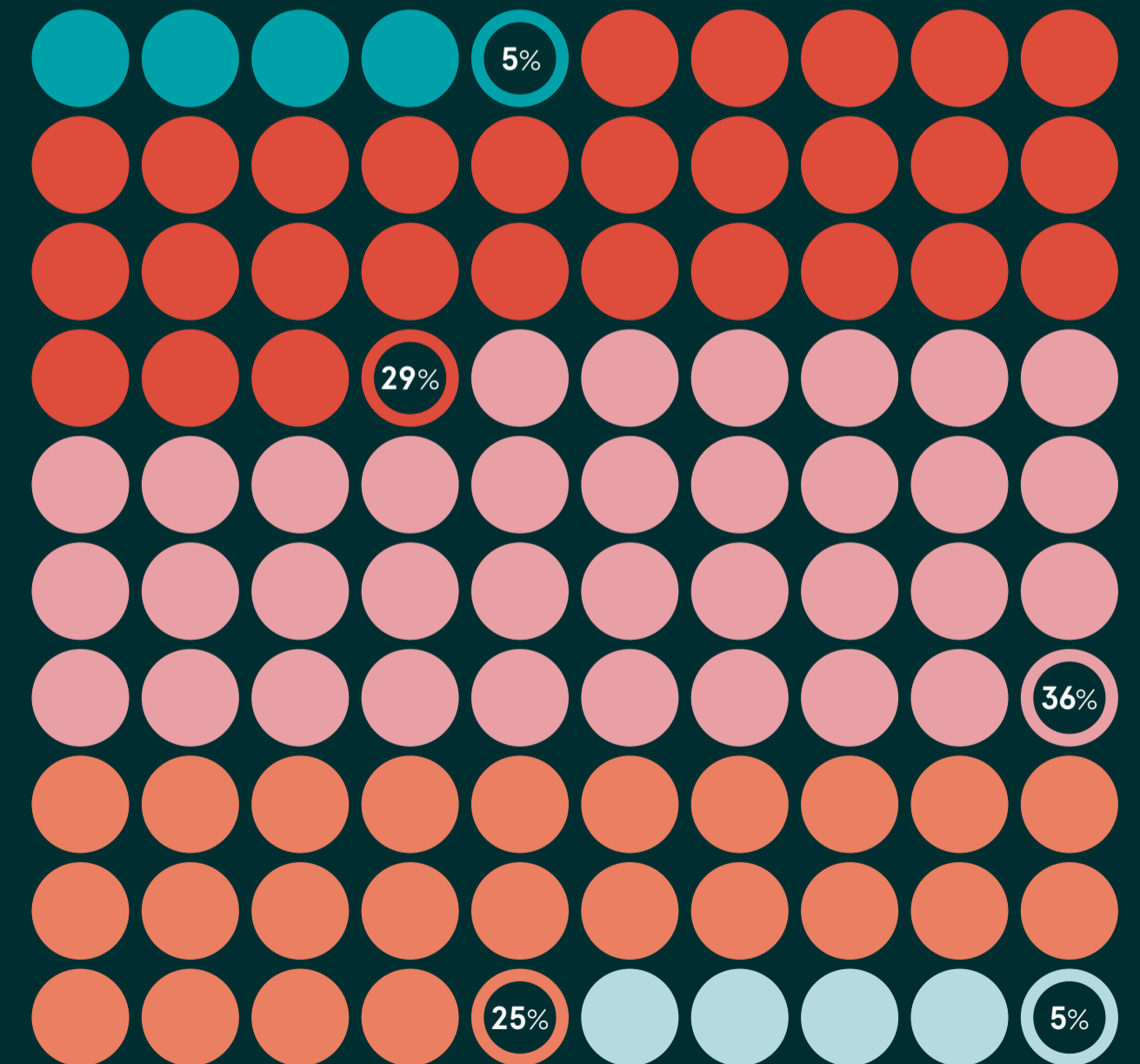


Chartered Institute of Personnel and Development, 2022

## IF A NEW JOB DOESN'T MEET THEIR EXPECTATIONS, NEW RECRUITS WON'T STICK AROUND

Typical time taken for employees to decide whether or not a new role is the right one for them

● After the first day ● After the first week ● After the first month ● After two months ● After one year



BambooHR, 2023



## INTERVIEW

# ‘Diversity works only if people can express themselves’

With 80 nationalities represented at Puma’s headquarters in Germany, its global director of people and organisation, **Dietmar Knoess**, explains how the sportswear giant goes about getting the best from its global workforce

Sam Forsdick

Nestling comfortably in the valley of the River Aurach in Bavaria, about 15 miles north-west of Nuremberg, is the town of Herzogenaurach. Herzo, as it’s affectionately known by locals, is perhaps best known as the home of Adi and Rudi Dassler – the brothers whose feud led to the formation of rival sportswear behemoths Adidas and Puma.

Since their establishment in the 1940s, the two companies have been enormously influential in the area, which was once referred to as The Town of Bent Necks, because people there would look down to see which brand of trainers a stranger was wearing before deciding whether or not to interact with them.

While the rivalry is no longer as fierce as it once was, the influence that both businesses have on the municipality remains.

“It might not have the pull of New York or London, but so far we’ve succeeded in persuading people to relocate here,” says Dietmar Knoess, Puma’s global director of people and organisation. “Some people come to Puma thinking that they’ll work here for one or two years, but they inevitably end up staying longer.”

Together, Adidas and Puma employ about 6,000 people at their HQs, which equates to roughly a quarter of Herzo’s population. Puma in particular has hired internationally: more than half of the firm’s workforce here is non-German. It has employees of 80 nationalities.

“We pretty much have the whole world represented in our office,” Knoess says.

Building an international workforce has come with many benefits

for the brand. Germany has a particularly acute labour shortage at the moment, with 86% of employers in the country reporting a lack of skills. Knoess believes that his company’s proficiency at importing talent has helped it to largely avoid this problem so far.

“The positive for us is that Puma is renowned globally and we’ve done a great job at developing the employer brand,” he says. “We have an advantage in the fact that we recruit people from all over the world. We started doing that many years ago.”

Puma’s history of hiring diverse talent has meant that the business has passed a “tipping point” where it becomes easier to attract such candidates, according to Knoess.

He adds: “In my experience, if you hire enough people with different mindsets or from different backgrounds, it no longer requires much effort. The first step is the most challenging one.”

He is reluctant to discuss diversity purely in terms of quotas and sees no need for employee networks, which have become common at other large enterprises.

“When you talk about real diversity, it shouldn’t be a discussion of gender or origin. It’s more about diversity of minds,” Knoess argues. “We could hire people from 50 more countries, but that wouldn’t make



us more diverse as an organisation. Diversity works only if you have a psychologically safe environment that lets people express themselves.”

As a company that sells its goods in 120 countries, having a broad international representation in the workforce helps it to understand the different needs of people around the globe, Knoess says.

To illustrate this, he points to the fact that Puma was responsible for developing the hijab for Moroccan international footballer Nouhaila Benzina, who became the first player to wear a head covering at the women’s World Cup this year. He describes his company’s involvement in that breakthrough moment as “awesome. It’s important that your products reflect the diversity you have within the company.”

It’s not only an ability to attract overseas talent that makes Puma stand out, according to Knoess. It’s also about employee retention, which he describes as “the best hiring strategy a company can have. Recruiting a foreign worker is easy; everyone can do it. But ensuring that they’re still with the business after five years is the challenge. The only way to do that is to create a culture that accommodates all the diverse needs of your people.”

Being aware of all these needs requires HR leaders to pay attention to the impact that international events – whether conflicts or natural disasters – have on their employees, particularly when they have a diverse mix of backgrounds.

“Of course, people are affected by what’s happening in the world and this can be very stressful for them,” Knoess says. “That’s why it is important for us to reach out and let them know that we’re here for them. It is important that we show empathy.”

Knoess has sought to develop a workplace that celebrates people’s differences. In practice, this has involved recognising various religious holidays and national days within Puma’s HQ by serving the relevant country’s national cuisine. On Brazil’s Independence Day, for example, this entailed offering employees a glass of the national cocktail, caipirinha.

“We want to always appreciate the diversity we have, but that requires you to make the effort,” Knoess stresses. “It’s a learning process; it doesn’t happen overnight.”

Regular sporting activities, including football, beach volleyball tennis and running, also help to foster a sense of belonging.

“Many people who join us from outside Germany won’t have a social network here. That’s why we offer employees a range of sports, training sessions, music courses and cooking classes – whatever works to bring people together and build up a social network,” Knoess says.

“Hiring a foreign worker is an easy thing. Ensuring that they’re still with the business after five years is the challenge

The aim is to create an environment that workers find enjoyable. “It means that coming to the office is not only about working; it’s also about meeting friends,” he says.

Knoess believes that Germany’s skills shortage will only deepen in the coming years. The national workforce is shrinking, with the minister of labour, Hubertus Heil, warning that the country faces a shortfall of up to 7 million workers by 2035.

“There aren’t too many options that you have as an employer,” Knoess says. Beyond hiring from outside Germany, as Puma already does, he believes that German businesses can encourage people to work for longer; use AI to automate some processes; and find ways to make it easier for mothers to return to work after maternity leave.

“We always need to explore a mix of these options, just to see what makes sense. This might also involve moving jobs to places outside Germany where we can find talent,” says Knoess, who adds that, while Puma already offers external childcare, it is thinking about expanding its HQ to incorporate a kindergarten and a creche.

Despite such challenges, Knoess believes that Puma must stick to its values. “As a sports brand, we know the power we have to unite people from different backgrounds,” he says. “We’re convinced that diversity drives our success.” ●

## Dietmar Knoess’s career at a glance

**Puma** 2010–  
Global director of people and organisation.

**Hugo Boss** 2006–10  
Global director of HR and facility management.

**Procter & Gamble** 2004–06  
Head of global HR, prestige and professional care.

**Wella Company** 2002–04  
Head of global human resources, consumer and cosmetics.

## Q&A

# ‘It means being clear on salary structures and how to progress’

**Virgile Raingard**, chief executive at Figures, on why now is the time to act on pay transparency



**Q A new EU directive will require companies of 100 employees or more to provide increased pay transparency for current and prospective employees as a way to close any potential pay gaps. Why should companies in the UK follow suit?**

**A** Most employers, especially global ones, will get more transparent in the salaries they offer as laws come into place in certain markets. For them, if they do it in one market they will naturally adjust their policies worldwide. In this way, it will become common market practice before it becomes a law.

AirBnB is an example: As laws on salary transparency are passed in different states in the US, requiring them to list salary brackets on job advertisements, it then makes sense for them to apply this everywhere they operate. This will push more players to do it before it even becomes a law.

Companies will win by being stronger on their compensation practices, while monitoring their pay equality and being able to proactively address any discrepancies before they become a problem. As a company, you don’t want to let people do the talking about what you do in terms of compensation – you want to own that.

**Q What is the current sentiment around pay transparency in the HR community?**

**A** Most HR professionals view the change as positive and something they have been advocating for years. But the risk around becoming transparent has been perceived as being too high as business leaders feel they should stick to their discretionary practices.

So while HR leaders tend to be advocates of pay transparency, senior leaders are often less likely to be supportive

because they are scared of the impact it could have on their company – they are aware of the state of inequality that exists within it.

**Q What’s the biggest misconception about pay transparency?**

**A** Some people think pay transparency means that suddenly everyone will know what everyone else earns, which is not the case. It means being clear on what the salary ranges, salary structures and compensation packages are in your organisation and how to progress.

By using salary brackets as part of your pay transparency policy, you can easily justify the compensation decisions you make, the recruitment process becomes more straightforward and you can better support managers by offering clarity on this topic. I always love to use the analogy of going grocery shopping and only finding out the price of something when you get to the checkout. It’s incredibly inefficient and makes no sense.

**Q What advice do you have for a HR leader who wants to introduce more transparent pay practices in their company, but is struggling to convince their senior team?**

**A** They need to build a solid business case highlighting the risks of not moving ahead with pay transparency. There’s a window of opportunity to be an early mover, and there’s going to be a penalty for being late to the table. It is going to require time and financial resources. It will require coming to terms with uncomfortable pay gaps, and you might not do it over one year, or one compensation cycle.

With the new generation of talent having a strong social media presence, companies without transparent

“Some people think pay transparency means that suddenly everyone will know what everyone else earns, which is not the case

salary practices will risk damaging their employer brand, while those that are transparent about what and how they pay people will see more employee engagement and advocacy.

There’s also evidence showing that pay transparency can be a competitive edge when it comes to attracting new talent. Gartner research show that 68% of candidates now expect to see salary information on job postings, while 64% are more likely to apply to a job that lists compensation in the description. And 44% won’t apply if a job posting doesn’t include salary information.

Businesses that remain secretive about salaries are going to end up in a position where their competitors are attracting two or three times more candidates because of their preference for transparency, and that should be enough to grab the attention of leadership.

For more information please visit [figures.hr](https://figures.hr)

**figures**





# How Oyster HR is helping companies bridge the talent gap

Large multinationals have typically enjoyed a competitive edge in attracting and managing talent from all parts of the world, but advances in HR tech are democratising global employment

**F**or companies looking to future-proof their business and grow their talent footprint across borders, the barriers to entry are lower than ever.

Mark Frein is the chief operating officer at Oyster HR, a global employment platform that enables companies to employ talent from anywhere in the world. He notes that the demand for skilled labour remains extremely high, but that “many startup and SMB recruiters are hiring from ever-shrinking national talent pools in which the largest enterprises hold the best recruitment cards.”

Back in January 2020, these were the very problems that two San Francisco-based entrepreneurs, Tony Jamous and Jack Mardack, were wrestling with before co-founding Oyster. They decided that the global playing field should – and could – be levelled.

Their vision was to unlock job opportunities for global talent and new markets for startups and SMBs by launching a platform that cut through the complexities of cross-border employment, enabling customers anywhere

to access the global talent pool. By equipping smaller players to build borderless, distributed teams quickly and compliantly, they believed this technology would be game-changing.

Guided by their vision to connect companies to global talent, Jamous and Mardack have built a global employment platform that enables companies to hire, pay and manage a globally distributed workforce. Most crucially, it enables them to access talent in 180 countries without having to establish legal entities in those markets.

In less than four years, Oyster has gone from strength to strength, achieving a valuation exceeding \$1bn (£800m). In June, the company earned B Corporation certification, becoming one of only 20 B Corp unicorns in the world and the only one in its space.

Matteo Bordin, vice-president of product at Oyster, explains how the platform has made it possible and viable for smaller companies to access global talent. “We not only ensure that the contracts are legally compliant, we also enable companies to make educated decisions on their

global workforce strategy without having to open local entities or employ local experts,” he says. The time and expense required to establish entities abroad would have otherwise been prohibitive. “Before we launched our product, smaller companies found it extremely hard to compete with large enterprises. That’s no longer the case.”

Looking to the future, Oyster is harnessing AI and machine learning to ensure that startups, SMBs and mid-market players can compliantly navigate the complex web of employment law and taxation, which differs from country to country.

“**The platform has made it possible and viable for smaller companies to access global talent**

“What we have done is basically bottle up all of that intelligence,” says Bordin. “This is where AI, machine learning and all of the other products come into play. We structure all of the knowledge around global employment across those 180 countries in an intelligence database where all the different rules about employment are stored”.

In other words, they have created their “own in-house technology to formalise all this knowledge” and have “built our platform on top of it”, as Bordin puts it.

Given that the body of relevant legislation is vast and ever-changing, Oyster has created a low-code platform for internal use called SAGE (System to Automate Global Employment) to ensure that the intel it offers to customers is up to date and consistent. SAGE enables internal staff to encode and retrieve global employment knowledge. It uses algorithms to collect, categorise and automatically update thousands of complex and nuanced employment laws,” Bordin explains.

Earlier this year, Oyster saw an opportunity to enhance its customer experience by supercharging the platform’s ability to answer compliance questions. This resulted in Pearl, an AI-powered chatbot that can answer questions about global hiring and remote work regulations.

Bordin explains: “Customers that employ internationally and in several countries often don’t know the local employment rules. They commonly have to make quick decisions on HR matters, so there’s a greater demand for receiving instant advice. Our chatbot makes that possible because most of the answers are ‘software-ised.’ This means that customers can get quick solutions, no matter where they are, in the format they require.”

“**The platform enables them to access talent in 180 countries without having to establish legal entities in those markets**

He adds that, while Pearl can be accessed free of charge on the Oyster website, the company is working on a higher-powered version that “will be integrated into the main platform in the future.”

Frein believes that this will prove to be a seminal moment for Oyster and its customers. “The vast majority of answers can be found on the platform, but more complex and niche queries often require the help of a human being. With increasing fidelity over time, AI will be able to synthesise and harness all the algorithms to provide a self-service answer for the customer in more and more cases,” he explains.

“That said, our vision, mission and core values will never change. Our customers trust us to hire, pay and care for their global employees. We’ll continue to do that, so that they and the international members of their teams can also thrive.”

For more information visit [oysterhr.com](https://oysterhr.com)

**Oyster**

## TRENDS

# HR priorities for 2024

As a new year approaches, we speak to HR chiefs about the main challenges businesses will have to deal with over the next 12 months and the strategies they’re lining up to overcome them

As told to **Sam Forsdick**

## Expanding the wellbeing offer

**Anna Capitanio**  
Chief people officer,  
Domestic & General



**W**e have a young population in the UK and, sadly, in the post-Covid era mental health continues to be a tricky topic for HR to tackle. It links back to the idea of being able to be yourself in the workplace. So our wellbeing offering is expanding from just looking after physical wellbeing to encompass more aspects of people’s mental and financial wellbeing.

Financial wellbeing is often overlooked, but it is a big part of this challenge, especially for the younger generation of workers.

Wellbeing is also linked strongly to workplace flexibility. We’re an outlier in the fact that we made the choice not to mandate certain days in the office, so colleagues are not required to be in the office at any point – and this will continue.

## Thinking holistically about experience

**Jennie Rogerson**  
Global head of people,  
Canva



**Y**ou need to have synergy between your product experience and your employee experience. I think that’s integral and the connection between the two will grow enormously over the next 12 months.

Companies need to look at the whole brand. Your employee brand and your customer brand are so interwoven that it’s important to keep those two things aligned.

For instance, one of our mantras is: “Do fewer things well,” and we want to take that into 2024. This will mean setting fewer goals, holding fewer meetings and hiring fewer people too, so we’ll have to be more intentional in our actions.

After all, having a frantic nature internally won’t help our colleagues to do better work. This means we

“**We must help employees by giving them permission to focus on fewer things but to do them to a high standard**

must try to help employees by giving them permission to focus on fewer things but do them to a high standard, before moving on to whatever’s next. This is about focusing on the tasks that can have the biggest impact on the business.



## Capitalising on the advance of AI

**Jesper Klitgaard**  
Global chief people officer,  
Netcompany



**T**here are two main topics for us to address in 2024. The first is diversity, equity and inclusion. We have been working towards this objective for a while, but the next step is to take these good ideas and initiatives and implement them.

This has involved getting closer to our employee resource groups. Taking action at the top of the organisation is important but, if you don’t engage with your staff and listen to them, it’s a bit pointless.

The other big topic for us is AI. It represents a huge business opportunity, especially for the HR function.

As soon as we started looking into the applications internally, there was great interest and support from our colleagues. We’re trying to embrace it fully – and that’s going to take up a lot of time.

HR’s role is becoming more complex. If we can use AI to take away some of the more basic tasks, that should free people up for some of the more challenging issues. It’s still early days, but I think it’s great that we’re exploring the opportunities.

But let’s not also forget about some of the key things an HR operation needs to do. We still need to have our recruitment running smoothly.

“**We’re trying to embrace AI fully – and that’s going to take up a lot of time**

And we need to provide the business with the talent it needs. The HR operation will be key for businesses over the coming year but, then again, it is always key.

## Meeting the demands of the next generation

**Amanda Rajkumar**  
Outgoing executive board  
member for HR, Adidas



**I** am not seeing enough HR professionals talking about generational theory and I think it must be part of how you train leaders. When we talk about diversity, equity and inclusion, we tend to focus on key demographics such as race, ethnicity, sexuality or gender. We don’t talk enough about intergenerational differences.

This can create problems for organisations. People from gen Z are

so value-driven and they can sniff out when companies aren’t living up to the values they espouse. We have faced these kinds of challenges ourselves, where more junior employees were pushing us as an organisation to take a stance on sociopolitical issues. HR needs to be prepared and develop a strategy to address some of those voices.

Another gen Z trend that fascinates me is that many say their most

productive hours are between 6pm and 3am, according to a survey by Adobe. This means that, by trying to fit these people into a normal corporate working day, you won’t be getting the best out of them.

If people work better later in the evening, why are we asking them to be present in the office or online at 9am? This is something that HR must consider when we talk about the future of the workplace. ●



## TECHNOLOGY

# 5 ways in which AI is helping employers to hire better...

Artificial intelligence has supercharged recruitment, both helping applicants to improve their CVs and helping recruiters to find the best talent. But there problems also lurk beneath the surface

Kendall Field-Pellow

**T**he rapid advance of AI in recent years has been transforming business practices, particularly recruitment. Gone are the days of putting a job advert in a newspaper or on a listings site and simply hoping that a suitable applicant gets in touch.

AI is helping recruiters to select the crème de la crème in a whole host of ways. Hiring managers are having to spend less time dredging through applications, which gives them more time to make measured decisions about candidates with potential – or so the theory goes.

So how is AI changing recruitment for the better? And where is it perhaps hindering progress?



**A recruiter will normally spend about seven seconds skim-reading a CV**

**1 Better applications and faster filtering**  
The humble CV is the top item in the crosshairs of the HR tech shake-up.

Tools such as ChatGPT can help applicants optimise their résumés. For instance, as Robert Symons, senior vice-president for EMEA at SmartRecruiters, puts it: “A candidate can point these new tools towards the job description and then feed that back into their own CV. The AI will identify the relevant keywords and suggest improvements to get them through the screening stage to the next step.”

That might sound as though it would render conventional CV filters impotent, but AI is helping here too. Indeed, it can help recruiting managers to handle a large number of submissions in a fraction of the time they once would have taken.

“It’s one of the dark secrets of the industry that a recruiter will normally spend about seven seconds skim-reading a CV looking for things like a competitor’s name, reviewing that profile before moving on to the next because they have

such a large quantity to go through,” Symons says. “With AI technology, it’s possible to have a ‘co-pilot’ to read across all those CVs. This goes far beyond keyword recognition. It can analyse career paths, tenure, skills and many more data points, which helps to prioritise candidates who more closely match the intent of the job description.”

**2 Chatter bots and more helpful virtual assistants**

AI-powered chatbots have come a long way in the past four years, according to Symons. For one thing, they’re making firms more accessible to potential applicants.

“Using neuro-linguistic programming and machine learning, chatbots can handle those initial interactions with candidates – for example, answering frequently asked questions and providing information about the application process. Increasingly, they can even schedule interviews and collect data throughout the recruiting process,” Symons says.

The benefits go further, he adds: “Chatbots are available 24/7 on

## ... and two ways it’s not

As promising as these applications of AI in recruitment may seem, there are still some serious issues to be worked out.

Tess Buckley, a senior AI ethicist at ESG ratings agency EthicsGrade, notes that AI’s ability to highlight candidates that seem suitable for a certain role is not an exact science. AI requires a lot of data to work, which “presents a problem, because much of the data being used is historic. Looking at this data, what are the odds that previous ‘successful candidates’ will have looked a certain way, come from a certain kind of place and even had certain names? An Oxbridge graduate who played for the lacrosse team could end up having a greater chance of being selected again. And, unlike with human bias, machine bias like this can be replicated at scale.”

The lack of transparency is worrying too. “If I submit my CV to one of these scanners, in what way am I being scored?” Buckley asks. “Is a report being given to the hiring committee? Who is being held accountable in this process?”

And what if AI-powered analysis ends up getting involved in the interview process itself? Some large firms ask candidates to record themselves so that they can use facial recognition tech to scan for certain characteristics, such as whether a candidate appears confident. Exactly how candidates will be assessed may be unclear.

“Algorithms assume that movements in a person’s face are linked to their emotions – and a lot of that is based on facial data, as well as gestures, voice tone and cadence, which looks very much like pseudoscience,” Buckley says.

What’s more, these systems could end up putting some candidates at a disadvantage.

“Some marginalised people, such as those who are neurodivergent, may not be making eye contact because it’s uncomfortable,” she explains. “I have paralysis on one side of my face, but one of the key things these algorithms look at is facial movement. I can’t help but think that I’d get a lower score.”

She points to the case of HireVue, a recruitment platform that was forced to withdraw the facial recognition tool in 2020 after an audit of its algorithms. It’s a cautionary tale for those looking to push the boundaries.

organisations’ websites. They are multilingual and they can operate across messaging platforms such as WhatsApp and Messenger.”

Indeed, an analysis of a chatbot used by one of Symons’ clients revealed that it was answering 70% of queries outside working hours.

**3 Shorter time-to-interview**

While the idea of using machines to sort through CVs and accelerate decisions about whom to invite to interview will be fairly familiar, some hiring managers are going further by using AI to arrange those meetings.

“As a recruiter, one of my biggest bugbears was scheduling interviews when you’re trying to coordinate several diaries,” Symons says. “But with AI scheduling tools we can point to the calendars and it can start promoting the available slots across them.”

Here, the value of AI lies in the fact that it can “free up time for higher-value interactions between candidates and hiring managers”, he says. “I think that’s where the technology has the most impact.”

**4 Smarter jobs boards and personalised recommendations**

One of the biggest challenges any recruiter must overcome is getting the vacancy in front of the right demographic in the first place. And, while the targeting features on sites such as LinkedIn have been around for some time, these systems are getting ever more sophisticated.

“The latest systems are more likely to highlight roles that perhaps job hunters weren’t considering. That widens the candidate’s perspective on roles,” Symons says. “It also helps employers to make better data-driven decisions and optimise their hiring processes.”

For instance, by drawing on past recruiting data, AI can identify the most effective channels for recruiters to engage suitable candidates. This can even get as detailed as automatically making small adjustments to listings to ensure that they reach the right people.

**5 More in-depth testing**

Psychometric assessments and personality tests have been gaining prominence in application processes for several years, but the advance of AI is enabling recruiters to obtain even more information about a candidate’s strengths and weaknesses.

Robert Neary, co-founder of gamified testing provider Arctic Shores, explains that “traditional types of tests gave some people an advantage and disadvantaged others, so we wanted a different way of uncovering potential”.

He continues: “The reports from these kinds of tests are a meaningful way of providing good feedback, keeping candidates engaged and giving them information about themselves. It’s an overview of their potential skills and experience that they could apply elsewhere. It also supports the interview process at the firm they’re applying to.”

# A skills-based approach to workforce acquisition

Modern organisations need to find the right balance of human skills and AI to manage their workforce effectively and produce their best work

**O**rganisations are facing two great workforce challenges: how to get work done effectively and how to take advantage of AI,” says Simon Bradberry, vice-president for EMEA at Allegis Global Solutions (AGS), a workforce solutions provider.

Skills gaps and talent shortages are keeping leaders across all businesses, no matter the industry, up at night. Meanwhile, business technology is developing so rapidly that organisations barely have time to get to grips with new technologies before something else arrives on the scene. AI is the latest of those technologies, offering great opportunities to innovate but only if organisations develop a robust understanding of how it interacts with and complements the skills of their people.

To thrive in the complex, modern business world, organisations need to get specific about the skills they require to get work done effectively. This means matching tasks within the organisation to employee skills and then understanding where technology might fill in the gaps.

The traditional hiring process, where employers create job specifications and then match these to potential candidates’ CV experience, isn’t doing organisations any favours, according to Bradberry. “Organisations are talking about becoming skills-based, but are unclear how to transition away from job specs and CVs to a tasks- and skills-matching process,” he says.

According to research from McKinsey, hiring for skills is five times more predictive of job performance than hiring for education and more than two times more predictive than hiring for work experience. And the matching of employee skills to important work tasks shouldn’t stop at hiring. Organisations need to work out how to make the best use of those skilled workers once they enter the workforce. In a survey by Deloitte in 2022, 85% of HR executives said they were considering redesigning the way work is organised so that skills can be flexibly allocated across work over the next three years.

Team silos, poor data management and a lack of coherence in hiring methods and technology can also be a barrier to understanding workforce

requirements. If different teams are using different systems and processes, how can organisations accurately access skills gaps or duplication? How can they understand which teams are being asked to do too much with too little?

Organisations need a solution that gives them a holistic view of their workforce, the vital skills they need, and the flexibility to design and redesign tasks as business needs evolve and technology becomes more advanced.

**A new approach to workforce transformation**

To facilitate the transition to a skills-based organisation, AGS has come up with a new workforce acquisition model. This new, target-operating model (TOM), developed by Bradberry and head of strategy Bruce Morton, encourages organisations to make strategic operational changes to hire and manage talent based on specific skills and tasks. It introduces a combination of new management positions within the organisation and a technology platform to underpin the framework.

The first of the key new roles is the workforce business partner. This person is a strategic advisor who helps business leaders deconstruct work into tasks and skills, as well as identify the best way to get work done using internal or external sources, including AI and automation, according to Bradberry.

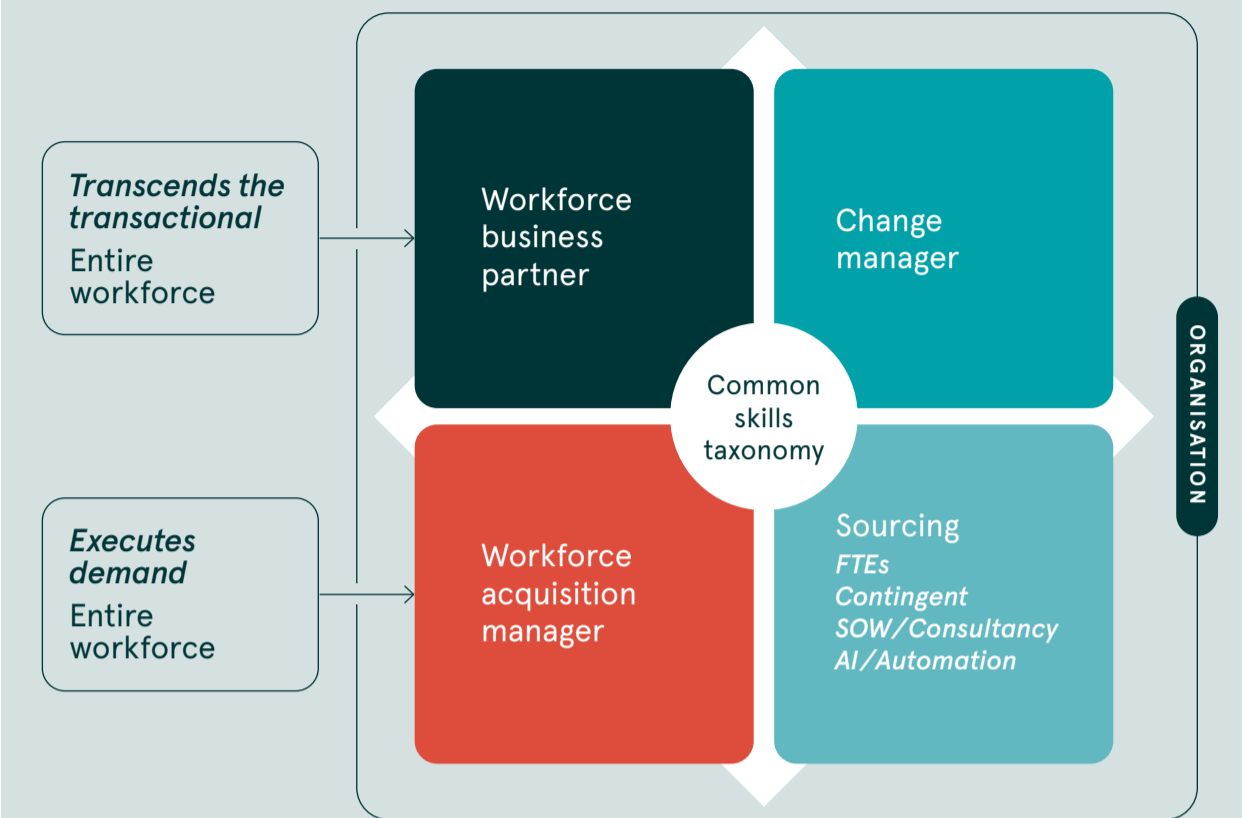
The second crucial role is the workforce acquisition manager. It is their responsibility to manage all talent requisitions across all of the available workforce channels including internal, permanent hires, contractors and service providers.

Although many organisations do not have these new roles in place, Bradberry says their introduction leads to a much clearer understanding of the skills an organisation needs to succeed and how to manage them. “From a strategic perspective, what we’re trying to do is bring these two roles together in order to harmonise all channels to the workforce,” he says.

AGS also provides a technology platform, the Acumen Intelligent Workforce Platform, that works alongside these two roles to offer a

Commercial feature

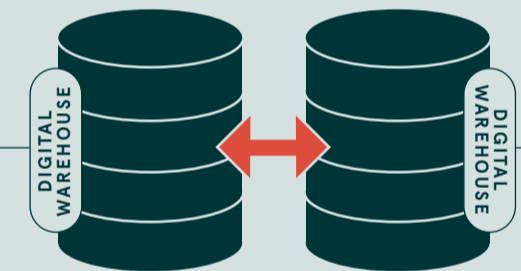
## Workforce target operating model



## TECH ECOSYSTEM

**External ecosystem**  
Agile consumer grade tools

- Workforce planning
- Data aggregation and insights
- Sourcing
- Engagement / assessment
- Talent marketplace



**Internal ecosystem**  
Systems of record

- VMS
- ATS
- HRIS
- ERP

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shymaher via Getty Images

simplified and joined-up view of how the organisation operates.

**Humans and technology working in harmony**

A key component of workforce transformation is being on the lookout for opportunities to use AI for certain tasks, says Bradberry. AGS’s system can help organisations identify individual tasks that are suitable for AI simplification, helping organisations improve the working lives of

employees, save time and reduce costs – without sacrificing quality.

Bradberry gives the example of a household name company that spent hundreds of millions of dollars a year on statement-of-work services from customers in Europe. AGS introduced an AI tool that significantly simplifies the process.

Buying statements of work from the outside market takes about six weeks, on average, Bradberry explains. “You have to evaluate the solutions, which is what takes the most time.” However, if evaluation can be achieved with the assistance of AI, he says the process can be reduced to around a week.

Leaders can sometimes feel overwhelmed by such a wide-scale transformation that requires the integration and alignment of different channels and systems, the adoption of a new way of working and a shift in job roles. As a result, organisations can come up with “micro reasons that are stopping the macro change happening”, says Bradberry.

However, he points out that if organisations can shift this mindset and

embrace change, there is enormous potential for major cost savings, improved productivity and retention, and happier employees. Bradberry believes that the new target operating model is the anchor that can be a starting point for change.

Regardless of where an organisation is on this journey, Bradberry reassures leaders that AGS can provide guidance, support and a “north star” to aim for. “A lot of organisations are wrestling with developing a target-operating model from a workforce perspective, so we can help them shape and model it,” says Bradberry. “Transition takes time, but we can help them on that journey, even if they’re still at the ‘where do we start?’ stage.”

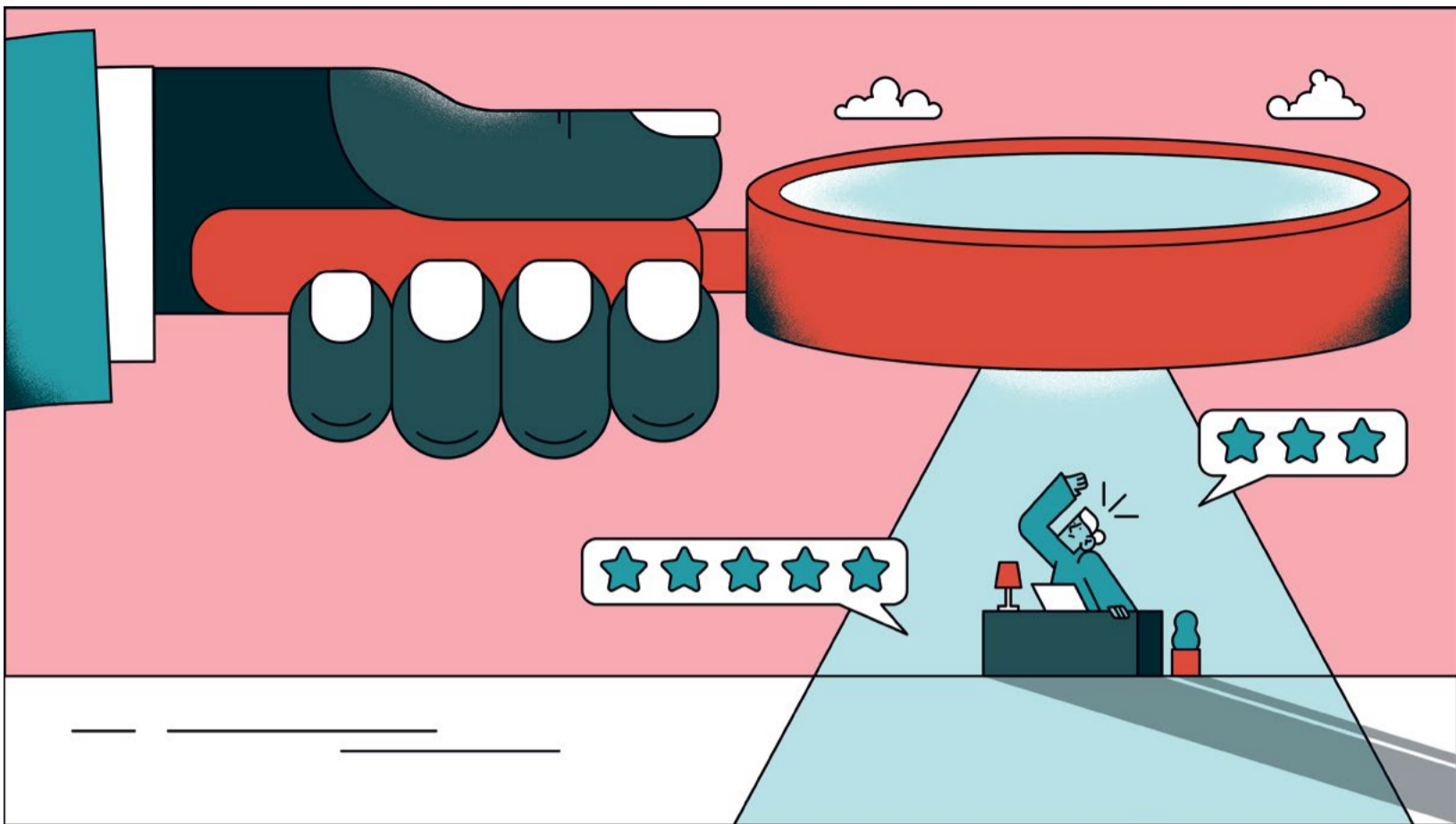
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**ALLEGIS**  
GLOBAL SOLUTIONS  
The Human Enterprise



**Organisations are talking about becoming skills-based, but are unclear how to transition away from job specs and CVs to a tasks- and skills-matching process**





OPINION

# Ditch the annual performance review and do this instead

It's that time of the year when many managers are booking review meetings. Not so fast, urges Raconteur's HR columnist, **Liz Ryan**, who recommends a more constructive alternative

Liz Ryan

**T**he end of the year is in sight, which means that it's performance review season. Many businesses will soon be calculating annual bonuses and salary adjustments. That's fine – determining rewards is a critical business process. But are performance reviews equally important? That's less clear. Is it vital for someone to know how their manager rates their work over the year? And, most crucially, do such reviews actually help businesses to perform better?

There is no evidence to suggest that they do. Employees and managers alike hate doing performance reviews and HR hates administering them. Why do we keep conducting a backward-looking process that's a massive time-suck with no clear business value, especially in a period when we should be starting to consider next year's challenges? Annual reviews are one of what I call the 10 pillars of fear-based

management. These pillars exist not to move an organisation forward, but to remind people that there is a system – and that this system is big and they are small. The performance review is a perfect example of a fear-based management practice. It has been designed to reinforce the power of an employer over its employees. If there were a compelling reason to retain the practice, we'd all know about it, but we don't. Virtually every decision made in a company requires a business case. If you need a new printer, for instance, you must make a case for procuring one. You must explain what bad thing would happen if the printer that died yesterday were not to be replaced quickly. Yet the performance reviews that take up hours of managers', HR folks' and employees' time simply happen. No one makes a business case for them and no one asks for one. Why not? Because a pillar of



“Why do we keep conducting a backward-looking process that's a massive time-suck with no clear business value?”

fear-based management does not require justification. But surely there must be some good reasons to persist with performance reviews? Let's examine the common arguments.

**1 We need performance reviews to determine pay.** As an HR exec of 30 years, I know that managers allocate salary budgets first and assign performance ratings second. They know who's getting what increase before they start their first review. They match the rating they give to the award they've already decided. No one has ever said: "Wow! I had no idea Frank would get the maximum 4.2% pay increase until I completed his performance review." If someone has actually said something like that to you, they were lying.

**2 We need them to document performance problems.** Performance reviews for so-called knowledge workers seldom use language stronger than: "Sally continues to progress in her knowledge of investor relations," even if she is an inch away from being dismissed for poor performance. When any manager approached me over the years, ready to terminate someone's contract, I'd look up the most recent review of the employee in question and always find it to be somewhere between neutral and glowing. "So you're ready to let Sally go for poor performance, but her review says that she's above average," I would say. "I know," the manager would reply. "I was trying to motivate her."

**3 We need performance reviews to help us plan for next year.** Just plan for next year. Performance reviews have zip-all to do with it.

**4 We need them so that employees can improve their performance.** Why wait for an annual meeting to help someone do their job better?

**5 We need performance reviews so employees will know how they're doing.** Just tell them. Tell people in the moment, like this: "Amazing job, Sally – way to go!" Or like this: "George, would you like me to walk you through the pricing tiers again? I know they're really confusing." Say what you need to say at the appropriate time. That's usually immediately, not several months after the fact. You build trust by being available and authentic. You destroy trust when you save up negative feedback to bushwhack someone with it at performance review time. The arguments in favour of annual performance reviews simply don't hold water. There's no reason to stop your whole operation once a year to fill out endless forms and hold tedious, meaningless, soul-crushing meetings.

Any manager can meet an employee at any time to discuss anything. There's no need for an annual meeting to go over what someone did well or badly over the past year. If members of your team want your feedback, they'll ask for it. We can evolve past performance reviews – and we must do so if we want to keep talented employees focused on their goals, your customers and each other. Their boss's opinion, if we're honest, isn't all that important. Staying connected to their power source – the aspects of work that keep them engaged – is everything. If we kill off performance reviews, what should we do instead? Have a one-on-one planning meeting with each team member annually or more often. Talk about current priorities and future projects. Talk about methods and tools. Talk about people and situations, roadblocks and solutions.

You don't need to hand out grades. That's the old-school, fear-based bit that can and should disappear forever. You've hired adults. They don't need letter grades or designations such as "above average", "fair" or "poor". Every day, we improve at doing some things, realise that we're simply not meant to do other things and muddle through everything else. Evaluating employees from all sides has never made an organisation or its culture great and never will. The more human we can make our workplaces, the better life will become for everyone – employees, customers, shareholders, vendors and communities. Pay your employees what the market pays, so that you don't lose them. Meet, talk, plan and celebrate. Leave the bureaucracy, grading and fear behind. Step into the future and get all those hours and brain cells back where they belong: invested in delighting your customers and celebrating your latest successes. ●

# Enabling a great employee experience through a personalised approach

Traditional employee surveys offer too little insight and take too long to action. Instead, C-suites and HR can use behavioural science, coupled with human-centred technology, to take a more personal approach with privacy at its core



**P**roductivity and performance are key concerns for CEOs and businesses but top-down approaches to employee listening do not lead to better outcomes. That's the belief of those behind the employee experience (EX) platform provider Welliba, who suggest a different approach must be taken to tackle the root causes of concerns.

Personalisation that is backed by behavioural science and AI offers new perspectives to meet employees' real needs, they argue, because many businesses only focus on measuring work context to assess EX. "If we can use new technology to understand the real-time interaction between employees and their environment, then management can course-correct more quickly," explains Katarina Coppé, chief commercial officer at Welliba. She contends that focusing on a person's response to their direct manager, their work conditions or their rewards leads to an incomplete picture. Coppé says people's characteristics must also be considered for EX, if it is to make a tangible impact on employee belonging and wellbeing. This can be achieved by a holistic employee-experience management approach, she suggests, while pointing out that most employees don't even get to see the results of traditional employee listening surveys. "People are not given insights into what they can do themselves to improve their

own experience," Coppé adds. "We have put employee ownership at the heart of our approach. One large multinational had a very low response rate from its traditional surveys but after turning to Welliba, this rate multiplied by 20." Welliba deploys AI-driven technology to understand what's behind issues such as attrition and job satisfaction. Welliba's EX+ platform was designed on strong foundations of behavioural science, psychology, psychometrics and traditional HR techniques – and is used in 73 countries in 11 languages. Chief information officer Achim Preuss says making the drivers of employee experience measurable allows companies to predict and explain their employees' human behaviour.

"There is also the aspect of positive psychology, understanding what makes people thrive," he explains. "Performance is the result of the capacity of a person, their abilities and skills, plus the context, the process and the mindset of that person. We collect all the signals to produce evidence-based feedback."

**Each person is unique** Welliba's approach is built on five principles:

- A science-backed holistic concept to understand experience.
- A modern alternative to old-style surveys.
- Privacy by design.
- Forward-looking data connected to business metrics.
- Live automated personalisation for each employee.

As a result, EX+ can predict how employee experience will impact people and business outcomes such as flight risk, absenteeism, psychological safety, wellbeing, trust and more. "Every human being is unique," Coppé says. "Our technology brings that uniqueness into play. EX+ understands how individual employees react, based on personal characteristics and context, and it can predict critical outcomes at scale."

Pointing to traditional methods of employee engagement, Welliba CEO David Barrett suggests that the "signal to action" is absent in most systems. Roadmaps for change then take months to produce, he says.

Barrett highlights that even when they are ready to roll out, they have virtually no connection to how the individual feels or perceives the system they work in, or how it matters to them. Instead, Welliba's solution accounts for way more of the variance in predicting people and business outcomes with "the self" as the focal point, he adds. "Many systems assume everyone is equally affected by something like their conditions, work environment or policies," Barrett explains. "But anyone with any common sense would know different humans respond differently to these stimuli."

EX+ can be configured for companies of all sizes, whether 50 employees or 80,000. It can also be used to target specific groups when HR needs additional insights or wants to provide additional support. "Our approach is very versatile," Coppé says. "We are helping a Fortune 500 company to support the employees of a recently acquired company.

Onboarding gets a lot of attention: several companies have asked us to help them get new insights into the experience of their early career talent." She adds: "We are also working with a global company to improve the wellbeing of employees across the organisation. That project will involve thousands of employees."

**Helping employees and employers** Welliba has also recently supported a leadership team during a "stressful business transformation", Coppé explains, with that project seeing personalised EX insights and guidance used to improve their wellbeing, learning and development. Privacy is core to the platform too, meaning employees "know they can be open and honest about their experience because their individual data is only accessible to them," she adds. Users are motivated by the personal feedback EX+ provides, Coppé suggests, with employers and people leaders able to see the aggregate data to understand what they can do to help, without needing to view individual employee responses.

This approach is benefiting airline pilots, who can get self-insight into their wellbeing and other aspects that may be boosting or blocking them. Their answers generate personalised guidance, and privacy by design means the information won't have negative consequences on their ability to work. "Our system helps HR to reduce the complexity of understanding employee experience to instead focus on the

root causes of problems. They can then decide where to invest resources, development and training to a specific group or across the business as a whole," Coppé adds. "This prevents investment decisions being made solely on 'anecdotes'."

Barrett challenges traditional processes, warning: "There is too much usage of blunt and superficial instruments that only capture part of what EX is really about." He adds that creating a culture based on measuring social impacts and qualitative data, while providing personalised insights and feedback, is key to ensuring "employee satisfaction". Welliba can also be used to meet the growing role of industry-specific mandatory reporting for regulation and compliance. "We're able to do targeted interventions for many thousands of people simultaneously," Barrett explains. "We are extremely strong at replacing outdated models and technologies to continually focus on data insights and services."

"Welliba's goal is to allow people to advance in a way that benefits themselves, their team, their employer and wider society."

“Creating a culture based on measuring social impacts and qualitative data, while providing personalised insights and feedback, is key to ensuring worker satisfaction”

For more information please visit [offer.welliba.com/raconteur](https://offer.welliba.com/raconteur)



PROVEN OUTCOMES OF WELLIBA EX

Employees with a high Welliba EX index are:

- 10x less likely to quit
- 14x more likely to have a high eNPS score
- 7x more likely to feel they can grow & self-improve

Welliba, 2022



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