Tremendous forces are now radically reshaping work as we know it. Changing employee expectations, new technologies, increased globalization, and a pressing need for agility are all transforming our relationship with work in such fundamental ways that tomorrow’s workplace will be barely recognizable. This new world of work will likely demand a very different type of HR organization to support it, as well as a complete rethink of traditional HR practices that were largely designed for the industrial era but which may no longer fit the post-industrial economy.

To explore how the HR function will evolve in the future in light of pressing business, technology, societal, and macroeconomic trends as it strives to help people and organizations be more effective, Accenture is conducting “The Future of HR” multi-year research initiative. Our goal in conducting this research is to develop actionable insights useful to HR and business executives who are seeking to ensure their HR function adapts to important new business trends and is successful in optimally partnering with their organizations as they head into the future.
About the Research

To identify the top trends reshaping the future of HR—and how HR can best adapt to create the most value for the business in light of the trends—Accenture examined this topic through in-depth, original research taking a multi-pronged approach that includes:

- Interviews with a range of business executives across the C-suite in a variety of industries and geographies
- Interviews with subject matter experts—including Accenture executives working at a variety of client organizations, thought leaders, and other researchers
- A comprehensive marketplace review, including how other functions (e.g., IT, finance, marketing) have addressed key business trends and reshaped themselves to create value
- Workshops and exploration sessions with CHROs and their direct reports at various companies
- Quantitative surveys of business executives, HR professionals and workers
- Development of actionable recommendations and tools for organizations to help them prepare for the future

Trends Reshaping the Future of HR

Accenture has identified top trends that we believe will most significantly impact the HR function in the future. They are as follows, in no particular order:

**Digital Radically Disrupts HR**
Digital technology, including social, gamification, cloud, mobile, big data and consumer applications, is transforming how people carry out their work—and how HR supports them in that effort.

**Reconfiguring the Global Talent Landscape**
HR will transform to adapt to a more global world, including adopting new talent sourcing strategies to match talent with task all over the globe, and adopting new management methods, such as supporting mobile workforces across geographic barriers.

**Tapping Skills Anywhere, Anytime**
Skills gaps are widening, and HR will be increasingly hard pressed to ensure their organizations have the right talent. To do this, HR will need to quickly tap skills when they’re needed—and where.

**Managing Your People as a Workforce of One**
Customization is poised to revolutionize the way organizations manage their people. They will no longer treat their workforce as a single entity but instead, treat each employee as a “workforce of one,” offering customized HR and talent management solutions.

**The Rise of the Extended Workforce**
Organizations will leverage the new extended workforce: a global network of outside contractors, outsourcing partners, vendors, and other nontraditional employees. HR will redefine its mission and mandate to maximize the extended workforce’s strategic value.

**Shattering the Boundaries of HR**
HR will evolve from being a clearly defined, stand-alone function that administers HR and talent management processes to one that spans disciplines and crosses boundaries to deliver cross-functional, holistic employee experiences.

**Talent Management Meets the Science of Human Behavior**
As new insights into brain science and human behavior emerge—and as analytics finally enable organizations to test hypotheses and form conclusions by analyzing a newly available treasure trove of data—HR will arm itself with the tools and insights of a scientist to drive better performance from their workforces.

**HR Drives the Agile Organization**
As the world becomes increasingly unpredictable, organizations that can adapt to changing business conditions will outperform the competition. HR will reshape itself so that the function becomes the critical driver of agility.

**HR Must Navigate Risk and Privacy in a More Complex World**
HR will adopt risk management strategies covering everything from protecting confidential information and data, to risks associated with weak hiring or turnover of talent.

**Social Drives the Democratization of Work**
Instead of relying on solutions dictated from the top of the organization, organizations will be populated with knowledge workers who harness social media to create solutions in conjunction with each other, thereby radically disrupting organizational structures, hierarchy, and job titles.
The HR Response to the Workforce of the Future

Today's HR department, although it has evolved over time, is still largely a product of the industrial-age. Most HR departments, for example, continue to treat employees much as they did generations ago—as if everyone were interchangeable and everyone were the same. HR practices ranging from linear career paths to yearly performance reviews to selection of new hires through review of resumes and interviews were created in an age when business was more stable, predictable, and oriented largely toward manual labor.

The trends we have identified from our research will demand a very different set of HR and talent management practices better suited to a highly volatile, global, and knowledge- and information-oriented age. And although the HR department has made great strides in the past ten years in becoming a better strategic partner to the business, getting more efficient, and standardizing and harmonizing HR systems and processes on a common platform, pressing business trends will demand an altogether new type of HR organization and set of goals. HR organizations of the future will need to change along the following dimensions:

**Mission and mandate**: HR organizations need an altogether new mission and mandate—one for example that incorporates working with the extended workforce as well as employees, driving agility, and improving workforce performance.

**Key responsibilities**: HR's key responsibilities will shift to include much more emphasis on facilitating the integration of talent management responsibilities into everyday work by employees through the use of social media, applying scientific findings from areas like analytics and neuroscience to the workforce, managing risk and privacy concerns, understanding key labor markets in geographies around the world, and enabling internal talent mobility through the effective brokering of talent. It will also shift largely away from performing transactional work and more toward driving workforce effectiveness.

**Skills and capabilities**: The skills and capabilities required by HR professionals will change significantly, demanding more scientific hypothesis testing and validation, analytic skills, and the ability to span boundaries and work seamlessly with other business functions.

**HR roles and organizational model**: New roles within HR will be created, such as an extended workforce manager or R&D scientist, and a variety of new organizational structures will proliferate beyond the commonly used business partner/center of excellence model in most organizations today to better enable organizational goals like agility and globalization.

**Performance metrics**: As HR changes its key activities, mission, and mandate, new performance metrics will be designed to evaluate the performance of HR—for example, metrics that include the performance improvements of an extended workforce or the ability to help an organization fluidly move talent to task as business conditions change.
About Accenture

Accenture is a global management consulting, technology services and outsourcing company, with approximately 319,000 people serving clients in more than 120 countries. Combining unparalleled experience, comprehensive capabilities across all industries and business functions, and extensive research on the world’s most successful companies, Accenture collaborates with clients to help them become high-performance businesses and governments. The company generated net revenues of US$30.0 billion for the fiscal year ended Aug. 31, 2014. Its home page is www.accenture.com.