

THE FUTURE OF HR

Five Technology Imperatives





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1 Understanding HR's Future

Constant change has long been a given in business, but today, companies face an evolving landscape that is increasingly complicated and unpredictable. There's been a shift to renewed growth. But the path to growth is not always straightforward. Markets are often volatile, and competitors from around the globe move quickly to exploit opportunities. Innovations appear at an accelerating pace. And customer expectations are constantly rising and shifting. Companies today are operating in an increasingly volatile, uncertain, complex and ambiguous world, also known as a "VUCA" environment.

The challenges facing each business vary, but to a great extent, the ability to meet those challenges comes down to one key factor—talent. In a recent Accenture survey of more than 1,000 senior executives, attracting, retaining and developing skilled talent was a key concern. "With talent at the top of the agenda for many members of the C-suite, including the CEO, HR has a tremendous opportunity to have a significant impact on the business," says David Gartside, managing director responsible for the Future of HR research program in the Accenture Talent & HR Services practice.

The human resources (HR) organization is typically charged with winning the war for talent—but like the business, it too faces a dynamic, complex environment. For example, the nature of work is changing, with increasingly

global operations; a growing need for specialized skills and knowledge workers; and mobile, social and other technologies are now enabling greater collaboration and new processes. All of this makes it more critical and more difficult to find and retain the right people.

At the same time, the nature of the workforce itself is in flux, driven largely by demographic trends. Younger workers bring their own distinct expectations for development, rewards and leading-edge technology to the workplace. Older workers are retiring, taking their skills, experience and organizational knowledge with them—but it is not clear how quickly that shift will unfold. "Many workers have delayed their retirement, waiting for their investments to come back after the recession," says Cara Capretta, vice president of the HCM Business Transformation Practice at Oracle. "No one knows exactly when people are going to retire, or how it's going to impact job replacement planning and skill replacements. But in the next four to seven years, some companies could see up to 40 percent of their people shifting out of the workforce. So HR leaders are wondering how the market for talent is going to change." In the meantime, the delayed retirements of many older employees means that HR needs to meet the needs of different generations in the workplace.

As the world of business and work evolves, the HR organization will need to rethink and adapt its mission and its operations.



In all of this uncertainty, one thing is clear. As the world of business and work evolves, HR is facing new demands—and the HR organization will need to rethink and adapt its mission and its operations.

Looking for Answers

To understand the challenges facing HR executives and their organizations, Accenture has been conducting a multi-year research initiative called “The Future of HR.” This ongoing effort has identified 10 key trends that HR executives need to track and understand. (See sidebar, “Trends Reshaping the Future of HR”).

Together, these trends depict an environment that will require fundamentally new approaches for HR organizations. In a world of global competition, organizations will have to deal with a scarcity of key talent, constantly shifting skill requirements, and the need to support new business models. They will need to manage an extended workforce that includes traditional employees, contractors, outsourcing providers and partner companies. And, they will need to source talent from around the world, as the workforce transcends traditional geographic boundaries.

At the same time, Accenture research shows that HR will need to be highly agile to support new business strategies and models and enable companies to meet fast-moving competitive threats and opportunities. Tomorrow’s workforce will need to be ramped up and scaled back on demand—often, in new locations, as the execution of work moves from place to place.

Finally, HR will have to enable the changing workforce to succeed in a dynamic business environment—and meet

employees’ evolving expectations. That will mean adopting a more individualized, “workforce of one” approach to employees, delivering the right experience to different employee segments, and leveraging social technology for increased collaboration—often outside of traditional hierarchies and channels.

Accenture research also indicates that HR will play an increasingly important role in the success of companies, and underscores the need for HR to work closely with the business. However, doing so often remains a challenge. In one Accenture study, only 20 percent of employees surveyed reported that their HR department significantly supports and improves their performance at work.

Overall, HR needs to do more than adjust to these emerging realities—it needs to transform itself. “Today’s HR department, although it has evolved over time, is still largely a product of the industrial age,” notes an Accenture report on the research. “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.”

In the end, Accenture reports that the trends it has identified “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.”



Trends Reshaping the Future of HR

Accenture's ongoing research, "The Future of HR," has identified 10 key trends that are reshaping the HR function:

▸ **Tapping Skills Anywhere, Anytime**

With widening skill gaps, HR will need to quickly access critical skills on demand, when and where they're needed.

▸ **Managing Your People as a Workforce of One**

HR will need to treat each employee individually, with customized HR and talent-management solutions.

▸ **The Rise of the Extended Workforce**

HR's mission and mandate will evolve to enable it to maximize the extended workforce's strategic value.

▸ **Digital Radically Disrupts HR**

A range of technologies are transforming how people carry out their work, and how HR supports employees.

▸ **Reconfiguring the Global Talent Landscape**

HR will transform to adapt to a more global world, match talent with tasks in various locations, and support mobile workforces across geographic barriers.

▸ **Social Media Drives the Democratization of Work**

Knowledge workers will harness social media to collaborate, radically disrupting organizational structures, hierarchies and job titles.

▸ **Talent Management Meets the Science of Human Behavior**

Scientific insights and analytics will provide HR with new tools to drive workforce performance.

▸ **HR Drives the Agile Organization**

HR will play a critical role in enabling companies to adapt to changing business conditions.

▸ **HR Must Navigate Risk and Privacy in a More Complex World**

HR will need to adopt risk-management strategies covering everything from confidential data to the turnover of talent.

▸ **HR Expands Its Reach to Deliver Seamless Employee Experiences**

HR will evolve from a stand-alone function to one that spans disciplines and boundaries to deliver cross-functional, holistic employee experiences.



2 How HR Needs To Change

Over the last decade, the typical HR organization has worked hard to meet the needs of a constantly changing business environment. To a great extent, that has meant becoming increasingly efficient, keeping costs low while moving quickly to meet company and employee needs, focusing on streamlining transactions, and helping employees comply with policies. However, as the trends discussed in the Accenture research illustrate, HR needs to think about effectiveness and helping the company make better decisions about talent, rather than just increasing efficiency.

This reality often prompts calls for HR to be more strategic—and that is indeed important. But in today's environment, being strategic can mean not only high-level planning, but also being able to translate strategy into day-to-day actions—that is, delivering increased effectiveness at the tactical level and finding practical solutions to specific talent problems. For example, if a company has a workforce-performance issue, it may need to identify the concrete actions it can take to address that issue. “Should we spend X amount on soft skills or X amount on hard-skills training?” says Accenture's David Gartside. “Or should we give that money as a bonus to certain employees? Or should we recruit new people? Those are tactical business decisions that have a big impact on the company—and HR is frequently not well positioned to answer those questions.”

Overall, HR needs to transform itself so that it can think about “business as a competitive sport,” Gartside says. “The best HR departments are not focused on a war for talent—but rather on specific battles for talent. And they are focused on the performance of their workforce versus the performance of their competitors' workforce.” It's no longer enough to consider issues such as being the most attractive employer or providing clear development paths. Instead, he says, HR needs to constantly ask itself, “How can we help beat the competition?”

The best HR departments are not focused on a war for talent—but rather on specific battles for talent.

Enabling Tomorrow's HR Organization

Reshaping HR for the future will require change on many fronts. But a key factor across the board will be technology, which is both disrupting the status quo and opening up new possibilities for HR and the business.

HR will need to provide the business with insights that are data-driven and actionable and enable decisions that drive business results—and that makes technology critical. Technology is dramatically increasing the flow of data and information that is available around talent. That includes internal information about employees and their skills and competencies, and external information about competitor's employees and the talent marketplace. As



a result, HR can now access a wealth of information to drive better decision-making and truly think competitively.

At the same time, technology is creating new possibilities for supporting the workforce. Employees today are accustomed to using web self service and mobile and social technologies in much of their lives, and HR can take advantage of that familiarity to reach them in a more comprehensive, “anytime-anywhere” fashion. People are increasingly connected and interacting in new ways as they shop and bank and communicate with each other, says Oracle’s Cara Capretta, “and they expect to have the same type of access to information in the workplace.”

The Technology Imperatives

Technology, then, is driving change and at the same time enabling HR to keep up with that change—and ultimately bring order to a dynamic, fast-changing environment. But the technology itself is multifaceted, and it can be hard to know how to proceed. In developing strategies for using technology, HR executives need to think about five “technology imperatives” as they chart a course for their organizations.

- ▶ Take an integrated approach to talent management
- ▶ Use analytics to power HR decision making
- ▶ Extend HR and talent management out to the workforce
- ▶ Take advantage of advanced recruiting tools
- ▶ Leverage the cloud for efficiency and agility

Key questions

In thinking about how their organizations need to change, HR executives should ask:

- ▶ How well do we support day-to-day talent decisions that enable business strategy?
- ▶ Are we able to provide the business with actionable insights that drive competitiveness?
- ▶ Are we taking full advantage of newer technologies to connect with talent, internally and externally?
- ▶ How well are we using technology to succeed in the age of “digital HR”?
- ▶ Are we incorporating evolving technologies into our HR organization’s plans for the future?

These technology imperatives are explored in more detail in the following chapters.



3 Take an Integrated Approach to Talent Management

HR executives have long recognized that an integrated approach to talent management is critical. But putting that concept into practice has not been easy. In recent years, as the various disciplines within HR have become increasingly specialized and sophisticated, HR has actually become more and more siloed. Learning, recruiting, and performance management each have an agenda and a set of things they need to do, and they are not always coordinated.

To transcend those silos, HR needs to have a comprehensive view of the workforce—and even individual employees—that can be used to drive decisions and actions across all of HR. Developing that comprehensive view depends on the integration of technology to bring together information from across HR processes. A recent Oracle study of HR technology noted, “Technology investments are often made to streamline processes and improve data accuracy. But the full power of technology cannot be realized when companies have multiple systems of record with disconnected data streams and conflicting processes.”

Too often, however, HR has relied on a variety of individual best-of-breed systems that target specific functions. To gain an integrated perspective, HR has had to stitch these systems together, which can be difficult. As the HR.com/Oracle study noted, “HR has a long

way to go when it comes to integration. The majority of organizations surveyed report poor-to-moderate integration of their talent management applications.” The report adds that “stand-alone technology (instead of integrated technology) is surprisingly prevalent...”

The Integrated Platform

However, HR technology is evolving quickly, and recent developments—including consolidation in the marketplace—now make it easier for HR to have truly integrated systems and a more comprehensive view of the workforce. “This approach basically puts the individual best-of-breed players into a fully integrated solution, and it has changed the HR technology market significantly in a short time,” says Oracle’s Capretta. The end result: Companies can easily take advantage of a single platform that supports a full range of HR processes, including talent strategy and planning; sourcing and recruiting; performance management, learning and development; talent review and succession planning; and compensation.

With an integrated platform, HR processes are all working with the same consistent information, and the same single view of the employee. “The idea is to

Evolving technology now makes it easier for HR to have truly integrated systems and a more comprehensive view of the workforce.

connect information across the employee lifecycle, from the minute that someone is a candidate through the way in which you recruit, select, onboard, develop, coach, evaluate and promote them," says Capretta. "The technology connects all those pieces and parts so you can see how they relate to and affect each other."

Enabling Better HR Decisions

Such connections make it possible for companies to do things that can't be done with siloed systems. For example, with integrated talent management tools:

- ▶ HR professionals can not only review performance for a given job board or other recruiting channel, they can also monitor how well employees hired through that channel perform once they are on the job, and track the attrition rates associated with that channel.
- ▶ Onboarding activities can draw on information from other HR processes to help determine what training is needed by new hires, track their progress in training, and ultimately help them ramp up quickly for their new roles.
- ▶ Companies can align individual goals with corporate goals, and gain clear visibility into how each employee contributes to the success of the organization.

The integrated, holistic perspective also makes it possible to move toward an individualized, "workforce of one" approach. For example, rather than provide across-the-board raises, companies can easily tie compensation to individual performance. Or, instead of offering general

Key questions

In thinking about integrated talent management, HR executives should ask:

- ▶ Does our technology work across functions, or does it enforce traditional silos?
- ▶ Can we easily inventory skills across the global organization and match that against future business needs?
- ▶ How does development, compensation and performance management work together to engage and retain our high performers?
- ▶ Do our systems support an individualized, "workforce of one" approach?
- ▶ Are we able to clearly align learning, development, employee goals, compensation and performance management with overall corporate goals and strategy?
- ▶ Do we spend too much time and money maintaining standalone HR systems?

training, companies can shape and recommend targeted learning plans based on individual employee reviews and performance—and come up with tailored development plans to engage and retain top performing employees.

All of this "helps employees succeed, because they can see that the set of criteria they were interviewed against is the same set of criteria that they will be held accountable to when they are on the job. And it gives managers across HR a common language around skills and behaviors," says



Capretta. Ultimately this approach enables HR to truly understand the workforce, the skills that it has in place and the skills needed to meet the company's business objectives. It makes it possible to arm business managers with HR-related decision support tools that can help them in the day-to-day management of employees. And it provides the "talent intelligence" needed to take an end-to-end approach to managing talent that is focused on helping the company compete.

Finally, integrated talent management brings greater efficiency to both HR and IT. With information shared across systems, redundant data entry is essentially eliminated, which means fewer errors and less wasted time. And for IT, operating a single, integrated platform requires less time and fewer specialized skills, compared to numerous standalone systems. Such efficiencies and cost savings are, if anything, more critical than ever. "No part of any business these days is being given a free ride in terms of operational excellence and how well you run the function," says Anthony Abbatiello, managing director, HR consulting group lead at Accenture. "Everyone has to get better at being operationally excellent—and HR is no exception."

Integrated talent management can bring greater efficiency to both HR and IT, and provide the "talent intelligence" needed to help the company compete.



4 Use Analytics to Power HR Decision Making

The HR organization holds a key business asset—a wealth of data about the workforce. That data is used to produce a range of reports about the fundamentals of HR, from recruiting to training and retention. But the traditional approach to workforce data is no longer sufficient. HR needs to find better ways to leverage its data, and use it to build an agile, responsive and focused workforce.

In today's environment, HR is under pressure to understand the workforce in greater depth in order to recruit, develop and retain talent more and more effectively. At the same time, senior management is increasingly interested in having concise, up-to-date information about employees and related external factors that can be used to make business decisions and mobilize talent as strategies change. In short, HR needs to deliver more actionable information more quickly in order to keep talent in step with business goals and strategies.

A solution, many observers say, is analytics technology, which can help HR quickly examine huge amounts of data to identify trends and patterns in workforce behavior and performance. In recent years, analytics has revolutionized decision making in areas such as marketing and supply chain, and it has the potential to do the same for HR. With today's technologies—

from basic workforce analytics to predictive analytics, modeling and big data—HR can do much more than track basic performance indicators. It can understand the workforce in greater depth, find out what is happening and why it is happening, and determine the best way to move forward.

Deeper Insights into the Workforce

Today's analytics tools can be applied to a wide range of HR activities. For example, analytics can provide the insight needed to keep employee learning in step with changing skill requirements; understand which recruiting channels are producing the best candidates; identify high-potential employees; and support succession planning that extends deep into the organization—among other things.

Analytics can also give HR professionals a better understanding of how effective their actions are. For example, analysts can look for patterns in HR data that can help companies improve hiring or reduce attrition, or pinpoint areas where labor-related savings can be achieved. Having better insights that help drive performance and retention can have a significant impact, considering that the cost of replacing a worker

Today's analytics can help HR strengthen organizational performance and plan proactively rather than operate reactively.



who leaves can be as high as 300 percent of the employee's annual compensation. At the leadership level, the cost of correcting a bad hiring decision and replacing an executive can run into the millions of dollars.

Analytics can also be used to support training, development and other activities that are more closely tailored to individual employee needs—thereby helping HR deliver more customized options for employees. As the Accenture research notes, HR can use analytics to segment employees in much the same way that marketers segment customers: “Companies can group employees based on specific criteria, such as value to the company, role or generation. They can then tailor people practices for each segment. And with advances in business intelligence and analytics, organizations can now create new and more meaningful segmentation schemes. For instance, companies can group employees by a wider range of criteria that include learning styles, values, personality, wellness profiles, mobility, behavioral patterns, and networking and communication styles.” Using that approach, HR can customize programs for smaller and smaller segments, helping to increase employee performance, engagement and retention.

By providing deeper insight into workforce performance, analytics can also help HR clearly demonstrate the business value it creates—an important point for HR and business executives alike. In a recent Economist Intelligence Unit survey of CEOs and CFOs, about one third of respondents said that the unavailability of data presented an obstacle to being able to measure the value of HR activities.

Key questions

In thinking about using analytics to power HR decision making, HR executives should ask:

- ▶ Are we using analytics effectively to monitor HR performance and drive improvements?
- ▶ Can we use employee segmentation to deliver increasingly tailored HR services to groups and individuals in the workforce?
- ▶ Are we able to “look ahead” to identify employees who are at risk of leaving, or to predict team and individual performance?
- ▶ Are we using workforce data to provide a clear picture of HR performance to senior management?
- ▶ How can analytics help us be more proactive in planning programs and identifying potential improvements in HR?
- ▶ Do we have an opportunity to expand the universe of data being used in analytics to answer key workforce questions with increased speed and accuracy?
- ▶ Can we use real-time transactional data to create consistent global reports?

Forward-Looking, and Easier to Use

Those approaches are valuable because they help decision makers understand what is happening with the workforce. But now, many companies are exploring “predictive” analytics technology that makes it easier to understand what is going to happen—and plan ahead to head off problems. “Predictive analytics is one of the best and biggest things happening in HR,” says Oracle’s Cara Capretta. “The technology is able to help us do some really important things: It’s able to help us think through the consequences of



the things we do with folks, and it's able to nudge us to do some very positive things [with the workforce].

"Analytics can help us predict retention, turnover, satisfaction—things that are important for us to know about employees," Capretta continues. For example, systems can assess a wide range of factors that correlate with employee dissatisfaction and defection—such as not taking vacation time or being in one job too long—and then flag high performers that are at higher risk of leaving. That gives managers a chance to take preemptive action—a new assignment or a bonus, perhaps—to keep that employee engaged and satisfied.

Some analytics systems also let HR model "what if" scenarios to assess potential future actions. This makes it possible to ask, "if we give this high-performing salesperson a promotion, how will it affect the performance and morale of other salespeople in that group?" Or, "how will a restructuring of this department affect retention and performance?" Managers can run several scenarios, adjusting variables as they go, to come up with the actions likely to produce the best results.

A hallmark of today's HR analytics systems is their ease of use. Analytics tools can be built into HR tools so that they draw seamlessly on various data sources and provide information to decision makers through a user-friendly interface. For example, with the Oracle HCM solution, analytics are embedded in various HR applications and results of analyses are presented in visual, interactive

reports or on easy-to-read dashboards, using everyday business terminology rather than technical language. This approach lets managers use analytics as they work and base operational decisions on real-time data. Thus, analytics can be a frontline tool used by HR and business managers, with no need to involve IT in developing analyses and reports.

More Data, Big Data

At heart, analytics provides insight by analyzing large amounts of data—and generally speaking, the bigger the data pool, the better the information gleaned through analytics. Having analytics tools built into an integrated talent management system can make it easier to pull data from across HR processes and factor in things like employee engagement, cost of employment, retention, and so on. But information from other internal sources, such as finance and operations, can also be useful. So too can external data about competitors' recruiting and compensation practices and customer expectations.

All of this is driving interest in the use of big data in HR. Today, a growing volume of information is not captured in traditional databases. Instead, it is found in emails, social media, blogs and other unstructured forms. Big data systems make it possible to include this unstructured data in HR analytics to encompass a broad range of issues. For example, if a company is thinking about opening a new R&D facility in a new region, big data could help it compare employment costs and skills availability in different locations. Or it could help HR develop a deeper understanding of the employee experience in company



operations, and thus take targeted actions to increase employee satisfaction and productivity.

Overall, analytics technologies hold tremendous potential for HR—but many organizations are not taking full advantage of those technologies. According to researchers, only 13 percent of HR officers say they have the analytics and tools needed to drive their functions. For those that do pursue analytics, the effort is likely to be worthwhile. In a recent Oracle/Human Capital Institute survey, executives were asked which key metrics would be positively affected by having more robust talent insights: 58 percent said profitability and 60 percent said revenue per employee.

With analytics, HR can strengthen organizational performance and plan proactively rather than operate reactively. And perhaps most important, it can provide practical answers to the questions being asked by the business, and strengthen its role as a trusted advisor on how to best manage and deploy talent in alignment with organizational objectives.

In a recent study, 58 percent of executives said that having better insight into talent could improve profitability, and 60 percent said it could increase revenue per employee.



5 Extend HR to the Workforce

The expectations of the workforce are changing in fundamental ways. In part, this stems from demographics, as younger millennial-generation employees make up more and more of the workforce. Globalization, too, brings new perspectives to the talent pool—as does the increased use of a virtual and extended workforce operating beyond the traditional corporate boundaries.

One of the biggest changes in employee expectations is in the area of technology. Social media and mobile devices are playing an ever-larger role in everyday life, and people have become accustomed to having easy-to-use applications and 24/7 connectivity as they shop, bank and communicate. And more and more, they expect to have the same at work. Indeed, candidates will often weigh a company's use of mobile and social technologies and "bring your own device" policies when deciding where they want to work.

HR has an opportunity to leverage this trend, and use employees' comfort with consumer technologies to make HR tools more accessible and attractive. By using familiar interfaces and mobile and social tools, they can effectively "extend" HR processes out into the workforce—for the benefit of employees and the company alike.

From Home to Office

The consumerization of workplace technology has emerged rapidly, and it is likely to continue. Mobile devices continue to proliferate, and individuals are using them for a growing range of functions in their lives—and increasingly, on the job. Today, 61 percent of companies report that most of their employees use personal computing devices at work, and 54 percent say most employees use smartphones for basic work tasks, according to a recent study from Avanade, a business technology solutions and managed services provider firm. What's more, 71 percent report that they have changed at least one business process to adapt to this influx of mobile devices.

By embracing such trends, companies can make HR applications and processes more relevant, practical and appealing to a workforce that is on the move and has high expectations for technology. For example, HR self-service applications have long been recognized as a cost-effective way to extend HR tools to the workforce. But adoption of those tools has not always been as high as companies hoped. "The question used to be, 'Can we get managers to do self-service?' The answer now is that

By embracing the consumerization of technology, HR can make its applications and processes more relevant, practical and appealing to the workforce.



they probably would prefer to do self-service—if you give them something that’s useable enough,” says Accenture’s David Gartside.

In other words, the problem is not that employees are uncomfortable with the self-service concept. In fact, they use online self service all the time for shopping and banking. The problem is that HR self-service tools have often been relatively cumbersome and time-consuming. In short, those tools have not always kept up with employee expectations.

Fortunately, some HR self-serve enterprise applications have become significantly more user-friendly—a development that Gartside calls “a gift from the technology world to HR” because it is helping to drive adoption of self-service tools. Oracle, for example, has invested heavily in developing simple, intuitive interfaces for its HR solutions. These “consumer grade” interfaces are tailored to specific roles in the organization, so that they deliver relevant, useful content to employees and managers across devices, helping them to work more productively—and with increased engagement and satisfaction. This in turn helps foster the adoption of self-service tools, which reduces HR’s workload and keeps costs down.

Using Mobile and Social for Employee Collaboration

Today, meeting the expectations of employees will naturally involve both mobile and social-media technologies. Mobile capabilities are now incorporated into some enterprise HR systems, making it possible to deliver HR applications to virtually any device on an anytime-anywhere basis—while keeping corporate data secure. That means that employees

Key questions

In thinking about extending HR and Talent management to the workforce, HR executives should ask:

- Do our HR systems provide a “consumer grade” user experience that meets employee expectations?
- Do we provide mobile devices and HR tools to users and business managers—or even let them use their own devices for work?
- Are we using social media networking internally to let our employees collaborate and communicate?
- Can we track internal social media activity to help improve our processes and performance?
- Can we leverage employee experience with consumer technologies to drive adoption of HR tools?

can manage their HR information from the office, the road or home. In addition, HR can more easily collaborate with business managers on talent-related processes such as succession planning, talent reviews and recruiting. And business executives can easily access intelligence about the workforce to support planning and decision making.

Meanwhile, HR can exploit social media to enable employees to connect with one another and share a range of information—such as documents, emails, presentations, spreadsheets, and recordings—in a consistent, safe environment. In essence, social media enables employees to communicate within a broad HR and business context, helping to build knowledge and enhance collaboration. To that end, Oracle software includes an internal social network



that employees can use to communicate with each other, their managers and the company, as well as social tools that enable informal performance feedback and learning and help employees collaborate on business projects. At the same time, the data generated through these social interactions can be used to assess and improve HR processes such as sourcing, career management and learning.

Oracle also provides a social-media feature that lets employees create their own internal profile, much like they would on Facebook or LinkedIn. This profile cites their education, skills, experience and interests, and the information is validated by managers. This approach allows employees to “advertise” themselves for internal opportunities, and it enables others in the organization to locate employees with specific talents.

What’s more, with the employee managing that information, HR avoids the traditional problem of out-of-date employee profiles. “This is so much more important now, because we have a workforce that moves around a great deal and has much less tenure and loyalty with any one employer,” says Oracle’s Cara Capretta. “People now have more varieties of experiences and skills, and it’s important for the employer and managers to know about those.” The talent profile also provides a core of accurate employee information that can feed into the overall integrated talent management process to inform talent reviews, learning plans, and so forth. (See Chapter 3, “Take an Integrated Approach to Talent Management.”)

Using these various technologies, HR can extend its processes into the workforce, and put more of them into the hands of employees and business managers. This approach can have a number of benefits. It can help increase employee engagement, productivity and morale. It can foster increased team-building and collaboration across HR and with business managers. It can strengthen knowledge-sharing and learning. And it can help employees and HR make the most of HR technology, which is key to achieving a significant return on the investments in that technology. Ultimately, the combination of enterprise HR tools and today’s consumer-oriented technologies can help HR bring greater responsiveness and agility to the workforce—qualities that will be key as the future unfolds.



6 Take Advantage of Advanced Recruiting Tools

The ability to find and attract the right talent has always been important, but today, recruiting is more critical than ever—and in some ways, more challenging.

Globally, there is growing demand for highly skilled workers, and companies often struggle to find the talent they need. As an Accenture report recently noted, 34 percent of employers worldwide are having difficulty filling open positions, and just 49 percent of surveyed workers said that they have all the skills required to perform in their current job.

That scarcity of skilled talent is further complicated by the increasingly dynamic nature of business, and the fact that companies need to access changing skill sets. Accenture researchers point out that “as the business environment continues changing at lightning speed, companies will need to constantly modify the mix of skills in their workforce as well as bring in new ones. This will make it harder for organizations to keep themselves stocked with the right skills, when and where they need them.”

At the same time, technology is reshaping the talent marketplace and changing the fundamentals of recruiting. Vast amounts of information about talent are now out in the open and freely available, as candidates promote themselves on sites such as Facebook and

LinkedIn. Thus, a company and its competitors are likely to be looking at the same potential recruits at the same time.

In this environment, traditional recruiting methods are no longer enough. “Everybody has equal access to a lot of information,” says Oracle’s Cara Capretta. “So recruiting needs to be sophisticated and it needs take advantage of sophisticated recruiting tools.” Today, such tools are making it possible to leverage the wealth of available talent-market information to proactively seek out talent, and work in a growing range of channels to find and hire the right employees—quickly and cost-effectively.

Insight and Automation

The technology used to support recruiting has evolved a great deal in a relatively short time, and there are now a number of advanced recruiting tools that HR can draw on to optimize and accelerate talent acquisition.

These tools often focus on helping HR make better use of the wealth of talent data that is available today. Some recruiting solutions offer advanced search, filtering, screening and assessment capabilities that let recruiters quickly sift through massive numbers of applications

HR can leverage the wealth of available talent-market information to proactively seek out talent, and work in a growing range of channels to find the right employees.



to find the relative few candidates who are a good fit for a position. With recruiting systems that are integrated into overall talent management systems, HR can also draw on data about high-performing employees to create profiles that let recruiters look for candidates with similar traits. And with easy access to information about key competencies, post-hiring performance and retention, the recruiting function can have the performance feedback needed to keep improving its processes.

Today's technology also lets HR benefit from an increased focus on automation in recruiting. Some solutions can automate many key aspects of recruiting campaigns. Oracle software, for example, uses business intelligence-driven automation to help HR professionals manage recruiting and prioritize and schedule the automatic posting of jobs. It also provides comprehensive dashboards and reporting so that recruiters can keep close track of those automated efforts. Such automation can be especially useful when dealing with the large workloads and complexities of global talent sourcing.

Technology also lets HR automate the end-to-end tracking of the recruiting process, capturing information about job listings, candidates and actions taken as candidates move through the process. This can provide more consistent information and reduce manual effort for recruiters. And it can provide the insight and documentation needed to ensure compliance with fair hiring and employment laws.

Altogether, the ability to automate more aspects of the recruiting process brings the same kind of benefits that automation brings to other processes: It takes out cost

Key questions

In thinking about advanced recruiting tools, HR executives should ask:

- ▶ Are we leveraging the growing amount of information available in the talent marketplace?
- ▶ How quickly and effectively can our recruiters sift through candidate data to find high-value prospects?
- ▶ How can we improve our ability to use social media to proactively reach and engage talent?
- ▶ How can we tap into our employees' connections to augment our recruiting efforts?
- ▶ Are we using technology to improve onboarding and drive engagement, productivity and retention?

and time, introduces greater accuracy, and frees up professionals to spend less time on routine tasks and more time on strategic issues.

Leveraging Social Connections

As sites such as Facebook and LinkedIn create vast new sources of information about talent, they are also opening up new avenues for finding and attracting that talent. Some solutions now provide capabilities designed to help HR recruit in social media channels—to post jobs, cull through information and track recruiting. Such tools can be effective, because so many individuals—including talented job-seekers—are using social media for hours every day. Social tools also enable companies to mine their community of “fans and followers”—people who are already engaged with the company—to find potential recruits.



In addition to managing postings and leads from established social channels, some solutions also enable HR to easily create its own social media-based career site, which acts as a focal point for communicating with candidates and handling applications in online recruiting, while helping to strengthen the company's brand as an employer. Similarly, HR can build online talent communities where potential candidates with shared interests can learn from and network with one another, as well as communicate with the company. This approach lets HR stay engaged with top candidates when there is not an immediate position for them, thereby enhancing the ability to quickly tap into this "on deck" talent pool as skills are needed.

In looking for more ways to reach skilled talent, it is important to involve existing employees in recruiting efforts. They typically understand the company's needs and culture, and are thus in an especially good position to refer people for open positions. With social technology, companies can help employees be more effective in the effort. For example, Oracle software provides a social employee-referral tool that lets employees easily participate in recruiting campaigns, and even track the progress of their referred contacts and get credit for their contributions.

Experience has shown that this kind of approach can pay off. For example, when a retailer implemented the Oracle social referral tool, the employee referral hire rate rose from about 20 percent to 32 percent, and 60 percent of the new hires for mid- to executive-level positions came through this channel.

Overall, the employee efforts ended up being the equivalent of the work of four full-time recruiters.

Completing the Process

In looking at recruiting efforts, HR needs to follow through with an effective onboarding process that helps new hires succeed in their new roles. Here, technology can play a key role by helping the new employee ramp up quickly with targeted training and the ability to easily connect with the people and information needed to do the job. One approach to consider: Using a "new hire portal" that provides rich media content that introduces new employees to organizational culture, history and goals, and helps them become part of the organization.

Effective onboarding can decrease time-to-proficiency for new employees, helping them become more productive more quickly. It can also help companies retain those new employees. "People make a decision about whether or not they are going to stay with an employer within the first couple of weeks in a job," says Oracle's Cara Capretta. "So, the more you have your onboarding process together, the more quickly you engage that employee, and improve your chances of keeping them over the long run." And that in turn is key to getting the full benefits of the sophisticated approaches being enabled by today's recruiting technology—and strengthening HR's ability to access key skills in a changing business environment.



7 Leverage the Cloud for Efficiency and Agility

Cloud computing has evolved quickly from being an innovative approach to IT to being a mainstream business technology. It is changing the way people and organizations work—and the HR department is no exception.

In essence, cloud-based solutions mean that HR can purchase software as a service (SaaS), rather than run and maintain it in-house. This approach began finding its way into HR as organizations, looking for broader functionality to keep up with their changing needs, adopted niche cloud-based applications to address specific areas such as performance management. That gave HR groups access to these emerging tools. But it also brought the challenges associated with fragmented, standalone systems, such as islands of data and processes that create inefficiency and ineffectiveness.

That disjointed approach is no longer necessary, however. The market has evolved to the point where some providers now offer comprehensive cloud-based solutions that encompass the full spectrum of integrated HR applications. As a result, HR can easily access the software capabilities it needs, and deliver them to business and HR users across locations and devices. The cloud is opening up new ways for HR to tap into the power of today's technology—and HR executives need to understand how to exploit it to benefit both HR and the business.

Cost-Effective Capabilities

The cloud gives HR an alternative approach to accessing and using applications that can help address a number of key issues—starting with costs. It lets HR get up to speed with new technology without the need for upfront capital expenditures for new software or hardware. In addition, pricing plans often provide both clarity and flexibility, with a pay-as-you-go approach. The Oracle HCM Cloud applications, for example, are offered through a monthly subscription based on the number of users accessing the various software modules. A cloud-based approach also reduces the need for operational expenses for in-house application maintenance.

The cloud provides a cost-effective approach to technology in other ways, as well. Companies often turn to the cloud and SaaS for a better user experience. Vendors may provide easy-to-use, up-to-date user interfaces, and some deliver services based on the user's role, so that content is relevant and streamlined. In addition, cloud services can often be accessed on mobile devices, making them a good fit with on-the-move employees. The improved user experience is more than just a nice-to-have feature. It can drive usage

Cloud technology can help HR be more flexible and responsive in support of the business—and HR executives need to learn how to exploit it.



and adoption, which is key to getting the most business benefit out of technology. And it can enable a shift to more employee self-service and manager-controlled processes, helping to reduce the burden on—and the costs to—HR.

Enabling the Agile Business

Perhaps more important, the cloud can do much to make HR more flexible and responsive in support of the business. “As the world becomes increasingly unpredictable, organizations that can adapt to changing business conditions will outperform the competition,” Accenture Future of HR researchers note. “HR will reshape itself so that the function becomes the critical driver of agility.”

Cloud-based HR applications can support agility in several ways. For example, the cloud vendor is usually in position to refresh technology more frequently, compared to in-house IT staff. With traditional on-premises technology, an application is typically upgraded every two to three years. With the cloud, on the other hand, “the vendor may provide three updates a year, plus patches,” says Cara Capretta. And from HR’s perspective, “those happen instantaneously, and you don’t have to do all the planning and work to do the upgrade. That’s a big change from the past.”

In some cloud arrangements, HR can add new functions and applications on an as-needed basis. A company may want to use only recruiting tools, but later need to add, say, compensation or talent-review tools. That’s a fairly simple change when a provider has a comprehensive set of HR capabilities. Over time, HR’s choices from a cloud vendor

Key questions

In thinking about leveraging the cloud, HR executives should ask:

- ▶ What impact can the cloud and SaaS have on our capital and operational costs?
- ▶ How could we use improved access to evolving technology to enable business agility?
- ▶ If we could be less dependent on IT when making change, what would that mean to our ability to innovate and adopt new processes?
- ▶ If we wanted to move to the cloud gradually, what areas and functions would we want to focus on first?
- ▶ How well do we understand the ins and outs of the cloud, and its potential for HR?

may also include newer emerging technologies, because the vendor is in the business of keeping up with technology and in a position to weave it into its cloud offerings. Altogether, these factors make it easier for HR to use technology to drive innovation and reshape itself into an enabler of business agility.

On another level, some cloud-based applications can be tailored by HR professionals and business people, without the need for IT specialists. With Oracle’s cloud-based offerings, HR professionals can adjust the look, feel and behavior of different screens, add new fields, run custom reports, modify standard reports and create new process flows. In short, HR can adapt the technology to changing circumstances quickly, without waiting for changes to work their way through IT—a level of flexibility and independence that is good for both HR and IT.



Cloud Considerations

Today's cloud-computing and SaaS market provides a wide range of choices for HR, and executives will need to explore a number of factors to find the right fit for their organizations. These include operational considerations, such as whether the vendor provides the full range of applications and services needed by HR, and at what cost. Security, too, is critical: How will organizational data and business processes be kept safe, and will subcontractors be handling your data? Similarly, how does the service support legal and financial compliance across countries? And what measures are in place for disaster recovery and business continuity?

It's also important to recognize that the cloud does not need to be an "all or nothing" proposition. HR may want to move ahead gradually—to try the cloud approach in a certain region or begin with just a few processes. Some vendors make it possible to do so and move ahead incrementally. In some cases, HR organizations may want to leverage their investment in on-premise solutions—and here again, some vendors provide approaches that encompass and integrate in-house and cloud applications. In short, with today's technology, it is usually possible for HR to choose its own path to the cloud.

Finally, the cloud brings changes to the role of HR executives themselves. With the shift away from capital expenditures and toward SaaS, at least a portion of the purchasing

decisions shift away from IT and to HR. "HR becomes less dependent on IT in these technology decisions," says Capretta. "So HR needs to become more educated about the cloud—what the benefits are, what it means to HR's resources, what it means to their budget." That's a big change—and it gives HR more leeway in determining how it can best help the business compete.



8 Taking HR Forward

In a constantly changing world—and a business environment marked by “volatility, uncertainty, complexity and ambiguity”—technology will continue to play a growing role in HR’s success. Already, it is helping HR to take a more holistic approach to simplifying workforce management; finding, developing and retaining the right talent; predicting workforce changes and issues; planning in alignment with company goals; and working strategically with senior executives.

Technology is opening new opportunities for HR: It can be an enabler of HR transformation and a driver of greater efficiency and effectiveness. It can also play an important role in letting HR get closer to the business. HR professionals often talk about HR getting a seat at the senior management table—but that’s not always the real issue. “Most of the time HR has a seat at the table, but they’re not using it,” notes Accenture’s David Gartside. “HR gets to keep the seat at the table when it has value to add, and insights that help the business.” Technology helps HR deliver those insights.

At the same time, technology is not a panacea. Its effectiveness depends on designing, implementing and using it to meet a company’s specific needs—and doing so requires a close relationship between HR and IT. “Historically, HR and IT haven’t always worked well together

on some of these questions,” says Gartside. “But we’re now seeing the opportunity for HR to sit down with IT and say, “There is tremendous value to the company here. This is what we want to achieve. Let’s work together to get there.”

To engage in that conversation, HR executives will need to have a solid grasp of the possibilities and limitations of technology, and be active participants in looking for opportunities to leverage it. “For the first time in HR, our profession is being told that we need to be a technology proponent. Technology is not just for the IT department anymore. It’s for the HR professionals,” says Oracle’s Cara Capretta.

Senior management would agree, Capretta adds, pointing to the responses of some 5,000 line executives surveyed by the RBL Group, an HR strategic consulting firm. “They said that the most important thing that HR can do to add value to the business is to better understand technology, better push it, and use it to integrate the workforce to the business and get people performing better.”

“For the first time in HR, our profession is being told that we need to be a technology proponent.”



Resources

HR's Future

- Whitepapers
 HR Executives Need to Think like the CMO
- The Future of HR: Research Overview
- Websites
 The Future of HR, Accenture research site
- Infographics
 The Relationship between the C-Suite and HR

How HR Needs To Change

- Whitepapers
 HR Should Hire "Scary" Data People
- The Customer Within: How 'Employee Experience' Is HR's Competitive Differentiator
- Videos
 Change in the Business of HR
- Game Changing HR
- Infographics
 A New Day: Taking HR from Chaos to Control

Take an Integrated Approach to Talent Management

- Whitepapers
 Five Best Practices of Identifying Potential Leaders
- Three Steps to Linking Business to Talent

Trends Reshaping the Future of HR: Managing Your People as a Workforce of One

Book
 Workforce of One: Revolutionizing Talent Management through Customization

Infographic
 The Business Impact of Talent Intelligence

Videos
 Insights into Integrated Talent Management

A Step by Step Plan for Implementing World Class Talent Management
 Talent Scarcity: The New Reality

Case Studies
 Oracle Helps North Shore LIJ Align Talent Goals with the Business

Use Analytics to Power HR Decision Making

Whitepapers
 Talent analytics and big data – the challenge for HR

Trends Reshaping the Future of HR: Managing Your People as a Workforce of One

How well do you know your workforce?

Videos
 Executive Insights: Mark Hurd, President, Oracle Corporation on How Data-Driven HR Decisions Maximize ROI

Game Changing HR: A Look at Business Intelligence:

Extend HR and Talent Management to the Workforce

Whitepapers
 Social in the Oracle HCM Cloud

Videos
 A Look at Social Networking and HR

Case Studies
 Newfield Exploration and Oracle HCM Cloud Mobile

PCL Constructors Inc. Enable Mobile with Fusion HCM

Take Advantage of Advanced Recruiting Tools

Whitepapers
 Social Recruiting for Dummies

Trends Reshaping the Future of HR: Tapping Skills Anywhere, Anytime

Do you have the skills to compete?

Infographics
 Accenture 2013 Skills and Employment Trends Survey: Perspectives on Training

Videos
 Pacific Northwest National Laboratory Talks about Recruiting

Good Technology – Attracting Talent

Monsanto – Talent Acquisition

Zions Bancorporation – Talent Recruiting

Case Studies
 CSX Transportation – Successes

Prescription Taleo: Medicine for DaVita's Recruiting Function

Leverage the Cloud for Efficiency and Agility

Whitepapers
 5 Reasons to Consider SaaS for your Business

Executive Series: Accelerating Innovation with Oracle Cloud Applications

Trends Reshaping the Future of HR: HR Drives the Agile Organization

Videos
 What Cloud Can Do for HR

Game Changing HR: A Look at Cloud without Compromise

Game Changing HR: A Look at Extensibility



Appendix

Appendix A: The Oracle Human Capital Management Cloud Solution

Oracle Human Capital Management (HCM) Cloud provides a complete cloud solution that enables HR organizations to differentiate their companies with the right talent and leverage recent changes around employee experience, data and analytics and consumer technologies to their advantage. It provides a global HR foundation that supports and enables the four key tenets of modern HR, helping organizations to be talent-centric, insightful, collaborative, and mobile and engaging.

Oracle HCM is designed to help HR:

- ▶ Find and retain the best talent, with end-to-end recruiting capabilities that include social sourcing and the ability to distill insights from big data; personalized training and integrated performance, goal and rewards management; and talent review and succession planning to build richer talent pipelines and mitigate talent risks.
- ▶ Enable people and teams to work together, with built-in social tools that power collaboration across the workforce and beyond; an intuitive, Facebook-like interface that enables every employee to build a rich social profile; and critical search capabilities, workspaces and business intelligence that help employees find information.

- ▶ Give people the information they need to be effective, with real-time transactional intelligence and hundreds of pre-built KPIs; predictive analytics to guide decisions; and the ability to perform HR performance benchmarking with big data.

- ▶ Ensure systems are accessible to everyone, with personalized, easy-to-use mobile tools that work on any device; a single user experience and highly intuitive interface that requires virtually no training; and a global HR platform in the cloud that can provide access across locations and countries.

Oracle HCM Cloud encompasses:

- ▶ Oracle Global Human Resources Cloud, a complete solution that minimizes operational costs and complexity, streamlines core HR processes to eliminate waste and increase staff productivity, and enables HR to respond quickly to evolving compensation and benefits requirements and support forward-looking talent strategies. It provides end-to-end coverage of core HR, workforce management, workforce rewards, workforce optimization and workforce analytics. The solution's native social, mobile and analytical capabilities empower HR to deliver improved service to the business.

- ▶ Oracle Talent Management Cloud, an integrated talent management solution that enables HR to recruit, nurture, and retain top talent. The solution encompasses the full range of talent management processes, from social sourcing, recruiting and onboarding to learning, goal and performance management, talent review and succession planning. And it provides HR with talent intelligence and social and mobile capabilities.



Appendix B: Accenture and Oracle Human Capital Management

Accenture Human Capital Management Cloud Solutions for Oracle help clients quickly ramp up the value of their HR systems and harness the potential of their organization's workforce. To help organizations, we offer a range of services, including:

- ▶ **HR Assessment:** Our experienced team will help you evaluate your landscape and determine a specific direction for your Oracle HCM Cloud solution.
- ▶ **HR Application Implementation:** Increase productivity, accelerate business performance and lower your cost of ownership by turning a maze of systems into an integrated HR platform when you move your HR systems to the Oracle HCM Cloud.
- ▶ **Talent Management Implementation:** Use the Oracle Talent Management Cloud to source, recruit, develop and retain your most talented employees.

Accenture draws on a number of industrialized tools that can help increase speed to market and deliver business value faster:

- ▶ **Oracle HCM Cloud Computing Accelerator:** Explore which business applications support a possible migration to the cloud and which migrations would benefit your enterprise, and help identify the accompanying risks and opportunities.
- ▶ **Oracle HCM Cloud Solution Factory:** Our solution factory leverages Accenture's Global Delivery Network to help you deliver Oracle HCM Cloud solutions consistently and reliably.

▶ **Oracle HCM Cloud Jumpstart Toolkit:** We accelerate project phases, including conversion and integration activities, while leveraging Oracle's HCM Cloud tools and templates.

▶ **Oracle HCM Global Deployment Accelerator:** We help your global or enterprise Oracle HCM Cloud deployment to be consistent, while accounting for regional variations such as cultural approaches, regulatory issues and go-to-market channels.

Accenture brings a rapidly growing global team of professionals skilled in Oracle HCM Cloud and is a leader in completing large-scale HCM implementations. Accenture's extensive and demonstrated cloud/SaaS experience, including the completion of 250+ agile enterprise SaaS implementations with more than 100 clients—and we have launched approximately 1 million "seats" in the cloud overall. And with more than 10,000 experienced human capital practitioners and 20 years of HR/IT experience, we have a track record of helping worldwide enterprises develop strategies, design and build solutions, and run operations.

The Oracle and Accenture Alliance

The Oracle and Accenture alliance dates back to 1991, and since then the relationship has continued to deepen and play a growing role at both companies. Accenture is the #1 Oracle systems integrator globally—a status maintained for more than a decade—delivering industry-leading solutions to clients around the world.



Accenture was the first systems integrator to become certified as a Diamond-level member of the Oracle PartnerNetwork (OPN)—the highest level available, and a significant milestone that recognized Accenture’s depth and breadth of skills across the entire Oracle product suite.

Oracle and Accenture have formalized this alliance partnership with a unique master alliance agreement that helps Accenture access Oracle software and expertise and gain insight into Oracle product strategy, enabling Accenture to accelerate the development of software demonstrations and solutions. This agreement also makes it easier for the two companies to work together to serve customers by providing a framework for arranging blended teams, managing intellectual property and resolving issues. This approach has led to innovative joint solutions, effective teaming between Accenture and Oracle and superior customer delivery.

Accenture was also the first system integrator to have innovation centers located on Oracle campuses. These centers promote collaboration between Accenture, Oracle and joint customers. They provide an environment for testing new solutions, building proofs of concept and exploring the latest Oracle product releases and technology waves, and building pre-integrated, industry and functional solutions to deliver value faster and less expensively to our joint customers.



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