THE NEW HR: CONNECTED, DIGITAL, ENGAGED
COMPANIES IN THE COMMUNICATIONS, MEDIA AND TECHNOLOGY INDUSTRIES FACE SIGNIFICANT TALENT CHALLENGES IN THE COMING YEARS. IN A HIGHLY COMPETITIVE ENVIRONMENT, ATTRACTING TOP TIER WORKERS IS DIFFICULT, AND ENGAGING AND RETAINING THEM EVEN MORE SO.

The nature of work is being redefined as different generations enter and exit the workforce amidst a rapidly changing technological landscape. To support this new kind of work and the evolving and diverse workforce, HR now must be a digital partner, talent driver and key strategic partner contributing to the business agenda.

Accenture believes that the most successful companies will leverage technology solutions in a people-first manner: efficiently matching the supply and demand for people and skills in a highly personalized way through digital automation.

This paper analyzes current HR capabilities and discusses how HR can become a digital partner. We also describe three stages of an overall journey to market leadership in digital HR.
“Taking a people-first approach to business and technology requires deeper intelligence at all levels of the enterprise—from strategy through operations. Every decision about technology implementation, ecosystem relationships, workforce enablement, behavior design, and industry expansion must be made with people in mind—both on an individual and societal basis.”

ACCENTURE TECHNOLOGY VISION 2017
What is often lost for many companies is the “people-first” mindset necessary for the digital era. This is true for a wide range of companies, from legacy enterprises to digital natives. Many companies struggle, to varying degrees, with bureaucratic management styles that undermine the employee experience and the ability of diverse sets of workers to perform to their full effectiveness.

Legacy structures and management models often constrain innovation and reduce efficiency. This is most troubling given that this year’s Accenture Technology Vision survey found that 73 percent of executives reported that corporate bureaucracies are stifling productivity and innovation.² This directly impacts how nimble a company can be in the face of constant change, but also diminishes market capitalization and the valuation-driven power to invest in the digital economy.

In some cases, digital-born companies without legacy employment models are dominating, with fewer employees and markedly higher market capitalization per employee—more than two times that of incumbent companies.³ Yet this kind of workforce-driven business agility is a competitive advantage for any company, regardless of size or maturity. The most successful companies will leverage technology solutions in a people-first manner: efficiently matching the supply and demand for people and skills in a highly personalized way through digital automation.

Faced with increasing employee expectations for the same kind of customization and ease at work that they are used to as consumers, many HR functions are creating a new way of working by making dramatic changes in how they organize and take action, and in how they leverage digital technologies.
A new, digitally enabled HR capability is essential because the nature of work is being redefined as different generations enter and exit the workforce amidst a rapidly changing technological landscape.

**WHY REINVENT HR?**

New jobs are being created that require skills that don’t yet exist at scale. In fact, by 2020, more than one-third of the desired skill sets of most jobs will be comprised of skills not yet considered crucial today.⁴

Companies need to increase the speed of reskilling—positioning their organization and people to win in this new and ever-evolving business environment. That can only happen through digital technologies.

Consider, for example, one telecom provider that found itself facing a skills gap when it came to technology. The company lacked talent in leading-edge areas such as cloud-based computing, coding and data science. To close the gap, the company launched a new initiative aimed at reskilling tens of thousands of staffers for new roles. Over several months, employees who had undertaken retraining filled half of all technology management roles at the company and received 47 percent of all promotions in the technology organization.
As shown in Figure 1, today’s workplace and structure are often characterized by siloed activities organized by function. Training is too often ad hoc, focused on a particular tool or technology. Collaboration levels are low and workforce management tools are fragmented.

**As the workforce evolves and adjusts to market demands, several emerging trends are noteworthy:**

- Increased expansion of the workforce to include external talent sources (e.g., consultants, contractors)
- Project-oriented working groups emphasizing collaboration, speed and agility
- Insight-driven organizational management using predictive analytics and simplified, mobile-enabled, end-to-end HR technologies
- Increased freedom for employees to innovate—to “fail fast,” learn and move forward
- Continuous learning and evolution of capabilities as a core organizational competency

**FIGURE 1 | The changing nature of work and the workforce**

Source: Accenture Technology Vision 2016

**TODAY** Static workforces organized around specific skills and functions

- Siloed work generally aligned by business function (engineering, sales, marketing, design, etc.)
- Training is ad-hoc, as needed for a particular tool or technology (in which the company has generally already invested)
- Fragmented workforce management tools
- Innovation generally practiced by specific non-official groups or “lone wolves” in the organization
- Low levels of collaboration

**TOMORROW** Adaptable workforces organized around projects

- Insight-driven organizational management using predictive analytics and end-to-end HR suites
- Project-oriented working groups emphasizing collaboration, agility and skill sharing
- Increased expansion of workforce to external talent including both formal contractors and crowd platforms
- “Fail fast” and iterative development: Employees are empowered to innovate
- Continuous learning as a core organizational competency
To support this new kind of work and the evolving and diverse workforce, HR now must be a digital partner, talent driver and key strategic partner contributing to the business agenda. The focus of HR is moving toward customized, agile solutions to digitally transform the business—creating engaging workforce experiences while catering to the needs of the enterprise.

In fact, according to one analysis, a full two-thirds of CEOs of Global 2000 enterprises will be focusing on digital transformation strategies in the next several years. HR must be part of shaping the future of digital if organizations’ workforces are to remain competitive.

To make this happen, the executive level of organizations must become more tech savvy. Accenture research shows a general shortage of technology experience in boardrooms: Only 10 percent of board members surveyed reported having professional technology experience.

To dynamically access any talent inside or outside the organization, HR needs to align people around shared goals and expertise. That requires dramatically rethinking organizational structures, critical roles and accountabilities. HR must help evolve the capabilities of the business by helping employees respond to change, take initiative and shift flexibly and fluidly across the business. Finally, HR must more effectively integrate data and standardize processes across boundaries to gain valuable insights.

**In this environment, employees will consume services in very different ways:**

- Employee services in the cloud (how services are delivered)
- Mobile HR services (how processes are consumed)
- Social enterprise (how things are discovered and connected)
- Analytics-based insights (how insights are identified).
Becoming a market leader in digital HR is a journey that involves leveraging increasingly sophisticated HR capabilities to drive strategic business value and increase competitiveness. (See Figure 2.)

**DIGITAL HR: BECOMING A MARKET LEADER**

The first stage of the journey involves laying a digital foundation. The focus here is primarily on decreasing costs and increasing efficiency—making HR leaner and stronger from an operational perspective.

At this stage, CHROs might ask questions such as, “Is my workforce filling the right roles across my organization? Is it supported by streamlined technologies?”

**FIGURE 2 | The journey to digital HR market leadership**

Source: Accenture, 2017
At the second stage of the journey, companies seek competitive advantage through digital HR, increasing productivity and efficiency. Here the questions become more sophisticated, such as: “Is my workforce on-demand, adaptive and responsive? Is it operating at peak performance? Can workers retool their skills based on need?”

Reaching the third stage of the journey means that a company has developed market-leading HR capabilities that drive innovation and connectivity. Workforce-related questions at this level are even more complex: “Is my workforce enabled to tap into all knowledge networks? Is it motivated to define new products? Is it creating a competitive advantage for my organization?”

One company that has moved successfully along the digital HR journey is a global telecom equipment firm. Several years ago, in the context of digital disruption and intense cost pressures from emerging competitors, the company launched a strategic plan to return to profitability and create a sustainable and innovative business model in 18 months. HR has been a key player in executing the plan, supporting all other areas of the business to achieve their goals while also needing to meet its own objective to reduce HR operating costs.

HR leadership recognized that this was an opportunity to transform HR. This HR transformation included the globalization and simplification of multiple HR processes, the transfer of transactional activities to a shared services provider, the redeployment of retained HR into business partnership and expert roles, and the deployment of self-service capabilities for employees and people managers.

Digital technologies played a critical role in this transformation. For example, the cloud-based SAP SuccessFactors system became the new single, leading-edge HR platform for the company. In addition, a tactical data reporting solution now provides comprehensive information management and insights drawing data from multiple sources.

A self-service HR portal interfaces directly with a new ticketing system, allowing employees to directly raise and monitor their own transactions. The solution also provides answers to key questions employees and managers may have about managing their own data and team without having to contact the service center, cutting down on calls and e-mail contacts.
CONCLUSION: THE TRANSFORMED ROLE OF THE HR EXECUTIVE

As organizations pivot toward enabling world-class employee experiences (and, therefore, world-class customer experiences), the role of HR executives will be transformed.

They will become strategic partners who will:

1. Drive a leading-edge digital agenda, including advanced analytics.

2. Understand and leverage the latest advances in both organizational and personal psychology.

3. Draw on new ideas from other business functions and external sources to drive increased workforce productivity and innovation.
Where we see Communications, Media and Technology companies executing those new HR roles effectively, the results are often stronger employee engagement and loyalty, improved resource forecasting and planning, reduced cycle times, a consistently business-relevant HR capability, and value driven to the bottom line of the organization.
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Footnotes


5 Accenture Technology Vision 2016, p. 27.


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