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OF WORK

HOW ORGANIZATIONS EMPOWER TALENT

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REDESIGNING JOBS AND WORKING ENVIRONMENTS AROUND EMPLOYEES

Josh Bersin is an industry analyst, author, educator, and thought leader who focuses on the global talent market and the trends and challenges affecting business workforces worldwide.

Josh is a renowned keynote speaker who frequently contributes to leading publications such as Forbes, Harvard Business Review, The Wall Street Journal, and CLO Magazine. Josh is the founder of the Josh Bersin Academy, the professional development platform, and The Josh Bersin Company, an independent research firm covering all areas of HR, learning, and HR technology.

The Capgemini Research Institute spoke to Josh about the changing world of work, HR practices and operating models, and how businesses can better engage employees.

PRESSING ISSUES FOR CHROs

What are the key people issues on the CHRO agenda?

— Automation is definitely a major topic. The World Economic Forum estimates that, by 2025, 85 million jobs will have been displaced by the shift in the division of labor between humans and machines, while an estimated 97 million new roles could emerge as labor-intensive work is delegated to machines and algorithms, and humans move into more strategic, value-adding roles.

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ALMOST ONE-THIRD OF CURRENT WORKERS WERE HIRED DURING THE PANDEMIC

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127

The most pressing issue, however, is the shortage of workers in developed countries to fulfil newly created high-level design, consulting, and technology roles. Most developed countries will have shrinking populations over the next 20 years. Achieving sustained growth is challenging enough under normal market conditions, but throw in limited talent supply and low fertility rates and the situation becomes exponentially worse.

Another key issue is that almost one-third of current workers were hired during the pandemic. Companies are trying to bring people back into the office, so that they can reintegrate and re-engage with their teams – a trend we expect to continue over the next couple of years.

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Companies need to use talent-marketplace tools to facilitate internal mobility and better prepare managers to act as career coaches and advisors."

Finally, the economic slowdown is putting pressure on organizations to improve productivity, an imperative that inevitably gets passed down to workers. Striving for efficiencies is a perfectly acceptable mindset but, rather than simply heaping more pressure on employees who are already working hard, organizations need to redesign talent strategies and individual roles.

What are the implications for HR?

— Companies need to use talent-marketplace tools to facilitate internal mobility and better prepare managers to act as career coaches and advisors, so that employees are equipped to move into high-demand jobs. In a squeezed labor market, it is much more cost-efficient and effective to develop talent internally, rather than trying to hire externally. For example, suppose an automobile company moves from internal combustion engines (ICEs) to electric vehicles (EVs), instead of laying off people from the ICE unit and hiring new people for the EV unit, the company can move workers internally across departments and retrain them relatively easily, as they will already be highly trained engineers and mechanics.

Lastly, if organizations promote employee well-being, as well as enhancing productivity, employees will become brand advocates and long-term retention will naturally improve.

> ## "The smartest organizations are redesigning jobs and working environments around employees, making well-being, skills, and culture core to business design."

TRANSFORMING THE EMPLOYEE EXPERIENCE

How can organizations tackle burnout and improve employee engagement and productivity?

— The smartest organizations are redesigning jobs and working environments around employees, making well-being, skills, and culture core to business design.

US-based coffee chain Starbucks, when faced with union pressures in its stores, discovered that it offered 170,000 different drink options.[1] The numerous channels (phone and online orders, drive-through, delivery) added to this complexity; employees were overworked and tools and systems were not built to deal with it. In response, the company redesigned itself, focusing on the best-selling items and increasing productivity. Ultimately, customer experience is dependent on a strong employee experience.

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1   Starbucks website, "Customizing beverage at Starbucks stores"

In the healthcare sector, this is known as "working at the top of your license." For example, nurses shouldn't be emptying the trash, cleaning beds, or filling out forms. The most advanced companies have broken down nursing work into higher-level tasks and outsourced "non-strategic" work to machines or workers without nursing qualifications.

It's a case of going back to basics, assigning clear accountability for each task, and delegating work to the most appropriate machine, platform, or person.

QUIET QUITTING

What do you see as the root causes of "quiet quitting"?

— Quiet quitting is a symptom of an organization that is failing to listen to its employees. If an employee is overworked, underpaid, or not getting along with their boss or team, or feel that they lack psychological safety, it affects the employee experience. Several surveys have proven that the first thing people want from their employers is a sense of trust and belonging – the ability to be themselves at work and to have open conversations and relationships with peers, without any fear of negative consequences.

"Quiet quitting is a symptom of an organization that is failing to listen to its employees."

People quit quietly because they feel ignored; it takes a lot of courage to speak up when things aren't right at work. Microsoft calls this disconnect between employees and employers "productivity paranoia." [see our discussion with Jared Spataro from Microsoft]

But this is not healthy for the individual employee. Suppose they silently disengage because they feel too busy at home and don't have the energy or drive to do their job properly. In that case, the company will respond in similar fashion, "silently firing" the individual in question by labelling them low performers who should be taken out of growth programs. So, no one benefits from quiet quitting.

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> **The company will respond in similar fashion, "silently firing" the individual quiet quitting by labelling them low performers who should be taken out of growth programs."**

THE FUTURE OF TALENT MANAGEMENT

What should organizations do to make it through the labor-market crisis?

— The HR department is often overly bureaucratic and, consequently, inefficient, with siloed, decentralized groups for recruiting, training, and developing employee experience. Organizations should draw on data and talent intelligence to create more attractive career paths and focus on internal recruiting. Organizations need to develop a "systemic HR" strategy that combines the four Rs: Recruit, Retain, Reskill, and Redesign.

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> **It is at the lower levels of organizations where we see talent leaking out."**

The recruiting problem is clearly not just about filling slots, but involves understanding the capabilities, skills, and cultural and behavioral requirements of each position. Studies show that almost one-third of the workforce will change their employer this year, and more than 40% will also change industry. As well as internal recruitment, then, employers would be wise to look beyond their traditional talent pools.

Retention varies by industry. A software engineer might go for better pay or career prospects; a salesperson might leave because they don't believe in the product, or the company is failing to grow. Each case is subject to different factors, but it is at the lower levels of organizations where we see talent leaking out. Organizations should initiate early-career programs to engage younger workers, giving them more opportunities to progress within the company.

Reskilling is no trivial undertaking but requires leadership to understand both the skills that are integral to existing roles and to roles that are yet to be created. It involves bringing people together and setting career pathways, including tuition reimbursement, offering formal education (from both internal and external sources), and developmental support to transition people into new roles, rather than the more traditional cyclical training programs.

The fourth R, redesigning, can be initiated by implementing internal benchmarks. We found that high-performing organizations look to accountability teams to assess current work structures: What's the work? Who's accountable for it? And can it be automated? It comes down to building a more networked organization and connecting people across typical job hierarchies.

The job-design issue also stems partly from an outdated siloed approach, as managers ringfence their teams, meaning that individuals and their specialized skills are underused in terms of the wider organization. Democratizing of skills allows people to work where they are most required by the organization, regardless of departmental affiliation, broadening their own work horizons at the same time. It's a dramatic change in corporate culture, but the pandemic has convinced HR leaders that people are resilient enough to adapt.

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Industry analyst

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