Align Workforce Strategies to Achieve Business Strategy

IDENTIFY THE TALENT DEMANDED BY BUSINESSES TOMORROW, TODAY
In the Human Age, an unpredictable and complex new reality, scarce talent has become the competitive differentiator. Companies are seeking to do more with less and must rely on the flexibility, creativity and innovation of their workforce to deliver business success. A company’s people are its most valuable resource, so having a contemporary and agile workforce strategy that aligns with and accelerates the execution of its business strategy is at the heart of business in the Human Age.

As Darryl Green, ManpowerGroup President of Asia Pacific and Middle East, points out in the 2012 World HR Congress panel discussion on “Attracting Asia Pacific’s Top Talent in the Human Age,” converging macro-economic forces that ManpowerGroup has identified indicate that talent shortages and a bifurcated landscape can make it difficult to reliably map future talent needs to business strategy, and therefore a company’s ability to attract the top talent it needs. With 45% of employers in Asia having difficulty finding the talent they need and with more generations in the workforce than ever before, companies need to think differently about how they structure work models and engage and motivate their people. In the Human Age, individuals have different motivations and expectations of work. These are just a few of the factors that need to be considered in developing a robust workforce strategy will ensure a company has the people practices needed to execute its strategy.

In ManpowerGroup’s 2012 Workforce Strategy Survey of nearly 11,000 global employers, more than 78% of respondents are operating without a fully implemented workforce strategy. Globally, only 38% of the respondents regard HR as a full business partner. These figures are indicative of a growing complacency among business leaders when it comes to sustaining their business. To turn the tables on these alarming figures, companies need to better prepare for how they will implement their business strategies. Regionally, Asia Pacific lags slightly behind the global average with just 19% of businesses reporting that they have a fully implemented strategy.
ASIA PACIFIC RESULTS:

Current approach to workforce strategy

- More than two in five employers in the three Asia Pacific countries (43%) have developed a workforce strategy compared to 34% globally.
- However, while 19% have a fully implemented strategy, 24% are facing implementation challenges.
- Among employers without a developed strategy, 34% do use workforce planning, compared to just 20% globally.

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We have a fully implemented workforce strategy: 19%
We have developed a workforce strategy, but face challenges in its implementation: 24%
We do workforce planning, but do not have a comprehensive strategy: 34%
We do not do workforce planning and have no workforce strategy at this time: 16%
Don’t know: 7%
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Q: Which of the following best describes your organization’s current approach to workforce strategy?

Asia Pacific: base 1,953 employers.

“All companies need a workforce strategy to succeed in the Human Age,” said Jeffrey A. Joerres, ManpowerGroup Chairman and CEO. “Without a strategy for structuring flexible work models, it’s impossible to adjust to fluctuating demand for products and services. Winning companies are able to identify and recruit the right mix of part-time, full-time and skilled sometimes hybrid talent needed to meet real-time and future needs.”
Pulling The Best Out of Talent

Today, companies need to analyze market conditions, driven by the macro-economic forces ManpowerGroup has identified, against their organization’s future goals to build a long-term workforce strategy that will enable them to execute their business strategy. For example, if a company is interested in pursuing business in sectors that will emerge as opportunities longer term; then given the scarcity of talent, the company must ensure it will have the talent it will need to deliver that goal. Companies need to identify which skills will be required and to create a strategy and action plan to initiate actions that will get them to their goals. For example, this might include building Human Age leaders with a pull philosophy rather than a push approach. Pull-style development is a Human Age standard, as it gives individuals more ownership over the development of skills and competencies – enabling companies to win in the Human Age.

At large, global economy’s growth model is readjusting in the Human Age – as the balance of power is shifting toward emerging and developing markets. Companies are beginning to take advantage of this shift; aligning their business and workforce strategies to exploit business opportunities and source talent in new and developing countries. According to ManpowerGroup’s 2011 Borderless Workforce research, one in four employers worldwide are seeking solutions to skills shortages by looking to foreign talent.

The chaotic nature of the Human Age is driving demand for flexibility, which in turn is increasing the scale of the global contingent workforce. Combined with the rapid evolution of technologies that are changing the way we work, Human Age workforces are the most diverse in history – generational, virtual, cultural and geographical. Companies that incorporate and embrace this diversity and productivity will find themselves able to leverage a range of skills and experiences, and take advantage of more business opportunities. However, it can be very challenging to create and then manage such a diverse workforce, requiring increasingly complex and agile strategies to manage varied motivations and expectations against the context of an unpredictable economic environment.

Many businesses consider alleviating pressure on internal scarce resources and taking advantage of external expertise by strategically partnering with specialized talent-driven solutions specialists to ensure they always have the talent they need to deliver their business strategy.

As skilled workers become increasingly scarce, companies must recast their mindset toward every aspect of workforce management, away from managing an infinite reservoir of new talent toward developing a constantly enriched pool of existing talent.

Horizontal Thinking and Sharing

Training and development inevitably forms a crucial component of workforce strategy in the Human Age, as will new collaborative work models such as horizontal management-systems that enable effective knowledge-sharing, particularly across multiple generations with different experiences and areas of expertise (i.e. technological familiarity versus years of experience). The evolution of technology poses challenges and opportunities for creating a workforce strategy that will deliver business strategy. Technology has now evolved to a point where it can serve as an enabler of human
potential, provided organizations and individuals adapt and shift their mindsets to embrace this new possibility. For example, this could include anything from integrating an internal social network to facilitate collaboration, to BigData analysis to develop more effective management or recruiting strategies.

“What we have is a network that’s called Bridge that […] is all about bridging generations. That group very often will sponsor events, discussions and sometimes things online to provide information to our workforce about the expectations of different groups, which is really fascinating.”

— Nancy Reardon, Chief Human Resources and Communications Officer, Campbell Soup

Doing more with less is now the norm, and organizations are increasingly careful about how and where they invest within their workforce. In the Human Age, organizations must recognize that people have become their most valuable assets, and augment them by structuring the right work models to create agility for their company and engaging the right people practices to empower them to deliver. This approach will lead to far greater efficiency, flexibility, collaboration and productivity. For example it will allow highly skilled and experienced workers to harness their expertise and augment their core skills, while fostering new talent at junior levels, creating a strong future generation of employees.

When Strategy Becomes Action

Translating workforce strategy into practical tactical actions is key. Many companies stop short of developing action plans assuming that the strategy will take care of itself. The magic in this process is in creating organizational and leadership alignment, accountability, execution and measurement; all of which come as a natural outgrowth of effective action planning.

ManpowerGroup Solutions enables companies to design and implement practical and actionable workforce solutions that work with the external macro and internal micro forces impacting a business in the Human Age to empower every organization with the talent they need to successfully execute their business strategy. Specifically, ManpowerGroup Solutions’ Strategic Workforce Consulting (SWC) offering leverages ManpowerGroup’s more than 60 years of experience in providing innovative workforce solutions, in-depth understanding of global macro trends and local knowledge to help companies connect workforce strategy to business strategy.

Just as with the business strategy, a workforce strategy must be revisited continually. This is an ongoing process of assessing, forecasting, and adapting to changes in the business and the talent pool itself. As part of its execution, SWC aligns a dashboard-style monitoring system to anticipate changes that affect talent strategy.
TALENT CREATES AND IMPLEMENTS BUSINESS STRATEGIES

ManpowerGroup Solutions has developed a framework to guide organizations through this process, asking the right questions, providing real insight and building customized solutions. Workforce Consulting is a multi-phased, pragmatic, and flexible workforce strategy and planning process that is aligned with and accelerates execution of a company’s business strategy.

SWC’S Methodology Accelerates Execution of a Business Strategy

Using a best practice framework backed by a set of proprietary tools and research, ManpowerGroup’s Strategic Workforce Consultants enable business leaders to develop a workforce strategy that accelerates the execution of a business strategy. The framework guides a business through the process of designing a strategic workforce plan; asking the right questions, providing real insight and creating customized solutions to fill talent gaps. At the heart of this multi-phased approach are key questions that a strategic workforce plan needs to ask and answer:

- **What's Now?** What skills and capabilities do we need now and in the future to meet our strategic goals?
- **What's Next?** What changes in the World of Work will affect our ability to attract, retain and engage the workforce that we need—do we agree?
- **What does Winning Look Like?** Where are the biggest gaps and greatest risks in our workforce strategy that will impact the delivery of our business strategy?
- **What Actions Will Make it Happen?** What practical options and choices are available to ensure we execute our workforce strategy?
- **How Will We Measure Risk & Success?** How will we measure and assess risks in the changing World of Work and how will we measure our success?

What implications does a business strategy have on our workforce strategy?

Creating a workforce strategy is a process that must be grounded in business strategy. Anticipating how a company will evolve over multiple time horizons is essential in building a meaningful workforce strategy. Working with ManpowerGroup consultants, business leaders develop a shared understanding around business strategy. Looking from the outside in, SWC works with business leaders to understand the implications of the external business and World of Work trends – the impact they can have on a business strategy – and then identify how a business strategy affects a company’s choices with regard to talent sources, work models, and people practices.
SWC CONsULTANTS ASK: As a business evolves, what capabilities and skills will it need? What roles does a company drive the most value from, now and in the future? What leadership capabilities will you need to develop to drive the business forward? To support the anticipated changes, what workforce practices will need to be updated? Taking a 360-view improves understanding of the gaps between a company’s business and workforce strategies.

IS LEADERShIPIR ALIGNED AROUND THE KEY WORKFORCE NEEDS AND CAPABILITIES REQUIRED TO DRIVE DESIRED BUSINESS RESULTS?

Once business leaders have firmly established strategic direction and identified their talent risks and opportunities based on the World of Work trends, the SWC team can assist in setting priorities, identifying specific investments, and anticipating outcomes. Working over multiple time horizons, the leadership team establishes a roadmap for a company’s workforce strategy using proprietary planning tools. Their objective is to identify what companies need to do with its workforces today to meet tomorrow’s goals.

ManpowerGroup’s popular Web-based Workforce Navigator tool helps clients through the gap identification process by connecting business needs to the workforce. Using a quantitative approach, this tool aligns leadership around future talent needs and current workforce capabilities.

Detailed Navigator results enable leaders to focus on talent priorities that will be instrumental in achieving business success in the future. Reaching this level of organizational understanding and alignment quickly translates into great operational focus and efficiency; budgeting, resource allocation, and decision-making become much easier as an entire leadership team will be aligned on the goal and how to achieve it.

A business strategy is not complete without the workforce strategy that accounts for the human element of achieving results. What key roles are critical to moving the business forward? SWC helps identify roles that are critical to a business strategy and where the highest risk of experiencing a talent shortage or a dramatic increase in talent acquisition costs.

How to Identify Pivotal Roles

Critical roles may not be the c-suite executives or senior leaders. Instead they might be the field engineer whose deep knowledge of oil reserves and geology enables them to understand the customer’s need and how to connect them with the right resource. Or it may be the rare risk manager who can bridge compliance and risk with an understanding of operations.

These roles represent pivot points in the organization where improvements in talent make the biggest difference in performance efficiency or effectiveness or provide sustainable competitive advantage.

Once pivot roles are targeted, SWC can identify specific work practices required to support a talent strategy. In doing so, companies can create the appropriate workforce mix and work models that will be most effective in driving business performance in the future.

An analysis of critical constituencies needs to be holistic and not only uncover the roles but identify the specific basic, technical, and soft skills that are critical to business success. This approach accurately pinpoints skills mismatches and the best matches.

In the Human Age finding in-demand skilled talent will become an increasingly difficult task. SWC’s methodology and consulting processes effectively enable business leaders to not only find the right talent but align needed skills with business demands.