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Decoding Discrimination

Without consistent human oversight, AI-powered HR solutions may embed bias into the hiring process. PAGE 12

Human Resource Executive®

November 2018

COVER STORY

Decoding Discrimination

BY WILL BUNCH

Rapid advances in artificial intelligence have put machines at the helm of hiring at some companies. While AI can facilitate the process, experts say, HR should actively monitor AI-powered solutions, as the technology's potential for perpetuating bias could impede companies from hiring diverse talent. Page **12**

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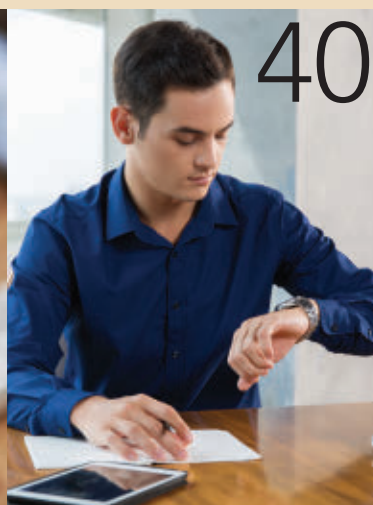
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Editorial

Making Room for Modern Families

As efforts to instate a mandated federal parental-leave policy remain stalled, many companies are taking the initiative to bolster benefits that promote a healthy work/life balance, especially as the competition for talent reaches all-time highs. Extending paid time off for new moms, allowing them to reduce their hours upon their return and formalizing flexibility are all options on the table—but, in light of new research, companies should be cognizant that their parental policies need to reflect the changing realities of modern families.

Pew Research Center recently released a report, based on an analysis of U.S. Census Bureau data, that found the percentage of stay-at-home parents is about the same—and actually slightly higher—compared to nearly 30 years ago. As of 2016, about 18 percent (11 million) of U.S. parents were not working outside the home, compared to 17 percent in 1989. While that steadiness may surprise some, what may be even more revealing is the rise of stay-at-home dads.

The percentage of moms at home dropped slightly from 1989 to 2016, from 28 percent to 27 percent, but the share of stay-at-home fathers rose from 4 percent to 7 percent during that same time frame. Researchers noted that, even when they excluded men who were home for reasons other than child care—such as a job loss—they still found an upswing in stay-at-home fathers.

According to the research, this trend may continue to expand in the coming years: Six percent of millennial dads were stay-at-home parents, compared with 3 percent of Generation X fathers when they were about the same age. In 2000, about 23 percent of Gen X stay-at-home dads reported being home primarily for child care, compared to 26 percent of millennial dads in 2016.

Women are still more likely than men to stay home from work to raise kids, but the growing share of men who are taking up that role should be on the radar of HR—especially if Generation Z workers follow in the footsteps of their millennial predecessors. Corporate policies that aim to entice high-potential employees who are parents—promising work-from-home options or flexible schedules—without being inclusive of fathers are going to miss the mark in our changing reality. Extending parental policies and programs to fathers is just one step of building inclusive approaches, as modern families increasingly include LGBT, single and adoptive parents.

Some companies have already seen the writing on the wall—unsurprisingly, many are in the tech sector. Netflix, for instance, offers a full year of paid leave for new parents, while Twitter provides 20 weeks and Facebook offers 17.4. Walmart's "returnship" program—to help caregivers who took time off return to the workforce—is gender-neutral, while PwC has instituted a policy allowing new parents to return to work on a reduced schedule while retaining full pay.

The growing percentage of fathers interested in staying home to raise kids illustrates an opportunity for HR to make a healthy work/life balance more palatable for both men and women. As modern parenting continues to evolve, companies that cling to outdated "maternity leave" and other programs that emphasize women as primary caregivers may be left in the dust. The need for companies to be proactive on this issue becomes even more clear when looking at the context: The U.S. holds the distinction as the only country in the developed world that lacks a law requiring employers provide paid leave for new mothers. If paid *maternity* leave isn't even a reality yet, full *parental* leave won't be part of the American legislative landscape for some time.

Now is the time, then, for HR to step up to the plate and ensure mothers and fathers both know they can successfully balance their personal and professional aspirations.

Jennifer Colletta
Jennifer Colletta
Managing Editor

e-mail: jcolletta@lrp.com

Quoteworthy

"We define ourselves as a creative company, and so our employees have to feel their voice is heard. We, as HR leaders, need to both understand the business strategy and ensure employees can have a voice in that."

—Jayne Parker, *senior executive vice president and CHRO at Walt Disney Co.*

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HR News

Joint-Employer Rule Would Be a Reversal for NLRB

The National Labor Relations Board recently issued a proposed rule revising the test for whether two employers are considered "joint employers" under the National Labor Relations Act, and legal experts say the revision could have a "significant" effect on companies.

According to an analysis written by Littler attorneys James A. Paretti, Jr., Michael Pedhirney and Michael J. Lotito, the proposed rule would make clear that an employer will be considered a joint employer of a separate company's employees only where that employer possesses and exercises "substantial direct and immediate control" over the essential terms and conditions of employment—such as hiring, firing, discipline, supervision and direction—of the second company's employees. Even where an employer exercises direct control over another employer's workers, it will not be held to be a joint employer if such control is "limited and routine."

Joint-employer status can be significant for an employer, they write, because "a joint employer may be required to bargain with a union representing jointly employed workers; can be subject to joint and several liability for unfair labor practices committed by the other employer; and may be subject to labor picketing that would otherwise be unlawful.

"This contrasts starkly with the prior standard," the authors write, "which required the putative joint employer to exercise actual control over essential employment terms, with such control being 'direct and immediate.' "

The authors note the NLRB's *Browning-Ferris* decision increased the number of potential joint employers and was the subject of "intense negative scrutiny," including Congressional hearings geared toward overturning the decision. Its validity is currently being litigated before the U.S. Circuit Court of Appeals for the District of Columbia. In 2017, the NLRB reversed *Browning-Ferris* in the case of *Hy-Brand Industrial Contractors, Ltd.*, but that decision was subsequently withdrawn for reasons unrelated to the substance of the joint-employer issue.

Steve Bernstein, a partner at Fisher Phillips' Tampa office, says the shifting sands of politics play a role in the timing of the proposed rule's release.

"In the bigger picture, we have an NLRB that's comprised of a majority of Republicans by the current administration, and its ideology is going to be different from the ideology of a Democrat-majority board," he says. "We're starting to see that play out now."

With this revision, the NLRB is trying to bring the rule back to one of "common sense," Bernstein says. "In a sense, the NLRB is saying they are less concerned with what could happen and more concerned with what is actually happening."

While it remains to be seen whether the rule will be adopted without any changes, Bernstein says, he would encourage HR leaders to monitor developments in this area carefully until the public-comment period ends on Nov. 13. Comments can be submitted via hard copy or filed electronically at www.regulations.gov.

—*Michael J. O'Brien*

Change on the Horizon at LinkedIn

At its recent Talent Connect user conference in Anaheim, Calif., LinkedIn officials announced the company will deliver what they say customers have long been clamoring for: an applicant-tracking system for mid-market companies.

The new ATS, called TalentHub, is currently in beta with 20 customers and will be made commercially available next year, said John Jersin, vice president of product management for LinkedIn Talent Solutions.

TalentHub is designed to make it easier for recruiters and hiring managers to collaborate on a single platform, he said. Both can evaluate candidates together, share notes and extend job offers without leaving LinkedIn, said Jersin.

LinkedIn (which was acquired by Microsoft not long ago) also announced an acquisition of its own: Glint, an employee-engagement platform, which LinkedIn acquired for reportedly north of $400 million.

"We're really excited about this acquisition," LinkedIn CEO Jeff Weiner told attendees, adding that LinkedIn itself has been a longtime Glint customer. This lets clients go beyond the anecdotal to help measure how well they're engaging their employees, he said.

LinkedIn is also rolling out a new suite of tools and enhancements designed to help companies diversify their workforces. It's introduced a new "gender tab" within its Talent Insights tool that will show recruiters the gender breakdown in a given talent pool. If, for example, the pool of qualified candidates for a position is 60 percent male and 40 percent female, each page of potential candidates a recruiter scrolls through will reflect that mix. Another new feature will show companies how their job postings are performing among different genders.

—*Andrew R. McIlvaine*

What's in Store for Holiday Hiring?

New research on major retailers' holiday-hiring practices shed light on the role that company culture may play in how—and who—the stores hire to handle the holiday-shopping boom.

A Korn Ferry report, based on a survey of 20 major U.S. retailers representing 1 million employees, found that 15 percent of them are placing a stronger emphasis on hiring seasonal workers who better align with the company's culture.

"When we come into a store, we're looking for a positive experience; to drive that, retailers need people who buy into their culture and brand, and who can live and breathe it when they work with customers," says Korn Ferry Senior Partner Craig Rowley, noting 21 percent of retailers said they're putting a greater emphasis on hiring seasonal workers with in-store retail experience to enhance customers' visits.

Rowley says retailers can up their chances of successful seasonal hires by expanding training beyond technical and operational areas to include company culture and mission. "Training should include a focus on who we are and what our customers are looking for from us," he says. Supervisors, especially those who work on the floor, can also help model culture for seasonal workers, Rowley notes.

The survey also revealed that ongoing shifts from e-commerce led 55 percent of respondents to report they will hire more seasonal staff in distribution centers—an area that Rowley predicts will be "very disrupted" by Amazon's recent announcement that it is hiking its minimum wage to $15 an hour. Nearly 67 percent of survey participants said minimum-wage and market increases in the retail industry are making holiday hiring harder this year.

However, the landscape seems to favor workers interested in permanent retail employment: Nearly two-thirds (64 percent) of retailers expect a higher ratio of permanent to seasonal employees compared to last year. About 45 percent of survey respondents said they would retain 6 percent to 10 percent of seasonal employees, while another 45 percent plan to keep between 16 percent to 25 percent. Less than 10 percent of retailers said they would only retain 1 percent to 5 percent of seasonal workers.

"For those looking for permanent work, this is an opportunity to get it," Rowley says.

—*Jen Colletta*

Coaching Apps Bolster Development

Built around a "whole-person" philosophy, San Francisco-based BetterUp's approach to leadership development is grounded in behavioral science and guided by a Science Board featuring the likes of Josh Bersin, Shawn Achor, and other thought leaders from the worlds of psychology, business and academia.

Traditional leadership development delivered essentially "the same intervention" to each participant, says BetterUp CIO Gabriella Kellerman; however, technology allows for greater scalability and personalization, empowering organizations to meet talent where they are and give them exactly what they need to develop and grow.

With BetterUp's coaching app, employees are asked to complete a 15- to 20-minute assessment, which helps match them to three different coaches from which they can choose.

"That gives the employee the agency to say, 'I prefer more of this direction or that direction,' which is really important for getting a sense of buy-in," says Kellerman. "It empowers a deeper level of connection because they have chosen this person."

Facing a challenging hiring environment, cybersecurity giant Symantec turned to the tool, says Englert, director of talent development, learning and performance. The relationship begins by setting goals based on what's important to the employee, followed by weekly formal coaching sessions for a year. Between sessions, coaches assign videos, podcasts and articles, which the employee may choose to review. Perhaps most helpful is an unlimited texting option through which employees can receive real-time guidance via 24/7 messaging through the BetterUp app.

Symantec's first 42-person cohort is currently engaged with BetterUp's platform. Englert believes this "modern approach to coaching" is far superior to Symantec's prior "legacy-oriented program," which provided three months of traditional "let's meet for coffee"-style coaching.

"Being able to scale coaching using the virtual platform and all the various collaboration and communication technologies enables us to reach a lot more people in a more cost-effective manner," says Englert.

BetterUp is far from the only provider offering leadership-development platforms. Korn Ferry, Everwise, Coursera and a host of other companies have developed similar offerings.

While he agrees that such solutions "are a great thing to have in your L&D toolkit," Thomas Davenport, a former Willis Towers Watson consulting director currently working as an independent consultant, stresses that the platforms cannot stand alone but rather should be part of a "multi-vector strategy." He cautions organizations not to fall prey to their "seductive appeal" and mistakenly believe they can merely "run everyone through any particular platform's program and declare victory."

Instead of looking at available platforms to pick "the best one," Davenport urges HR leaders to first internally define the problem to be solved, then determine which platform offers the right amount of customization for both the organization and users.

Marc Effron, president of Talent Strategy Group, is skeptical this new round of tech-based offerings will meet HR's expectations.

"There's nothing wrong with using technology to make traditional leadership-development solutions like coaching more easily accessible," says Effron. "The challenge is that every wave of technology for the past 30 years has promised that it would revolutionize development, and none has."

Effron encourages HR leaders considering such platforms to first examine the utilization rates of their organization's existing online-learning material. Typically, he says, utilization is shockingly low—just 2 percent to 5 percent—leading him to caution, "Packaging the same content into more entertaining formats or apps isn't going to increase the number of people using it."

—Julie Cook Ramirez

Redefining Failure

A new survey by EY found that the incoming generation of workers appears to be eager to learn from mistakes.

According to 1,400 Generation Zers (generally defined as those born after 1999):

- **80 percent** think failure at work can encourage innovation;

- **70 percent** say a curious and open mindset is more important to workplace success than particular skills;

- **25 percent** would be excited to get out of their comfort zone; and

- **97 percent** want ongoing feedback.

—Jen Colletta

Reevaluating the College Degree

A new survey finds a college degree may not always be required for new hires, particularly in accounting and finance.

More than half of the 2,000 executives who participated in a recent Robert Half Finance & Accounting survey would hire non-degreed candidates for positions in accounts payable, and nearly half would do so in accounts receivable. Additionally, 63 percent are willing to provide tuition reimbursement or professional development for new staffers who don't have a four-year degree.

The research suggests that large companies (93 percent) are almost twice as likely as small firms (51 percent) to provide tuition reimbursement or professional development to those new hires.

"Savvy companies are becoming more flexible in the hiring process," says Steve Saah, executive director of Robert Half Finance & Accounting, "including considering applicants who may not have all the desired education or experience outlined in the job description but possess the necessary soft skills to succeed in the role and fit with the organizational culture."

—Michael J. O'Brien

Report: Words Matter in the Workplace

In a recent study published in the *Harvard Business Review*, researchers found that the words we use to describe peers, colleagues and direct reports can impact career trajectories—and are different for men and women.

Researchers analyzed more than 600 recommendation letters for applicants applying to jobs at Rice University, uncovering that letters for women contained more instances of "doubt raisers"—short phrases that (most often unintentionally) plant doubts about the person's qualifications in the minds of employers—than those for men. Evaluators viewed the letters with doubt raisers significantly more negatively than those without them.

Additionally, letters written for women were more likely to contain "communal" words, such as "caring," "friendly" and "sensitive," while the letters for men were more likely to contain "standout" adjectives, such as "superb," "remarkable" and "exceptional."

"Identify patterns you may not have noticed previously, and hold yourself accountable," authors advise hiring decision makers.

—Danielle Westermann King

Use of Biometric Data Target of Lawsuit

A class-action lawsuit has been filed in Illinois against fast-food restaurant chain Wendy's.

The complaint, filed Sept. 11, is based on Wendy's practice of using biometric clocks that scan employees' fingerprints when they arrive at work, when they leave, and when they use the Point-Of-Sale and cash-register systems. The suit claims Wendy's does not inform employees in writing of the specific purpose and length of time for which their fingerprints are being collected, stored and used, as required by the Illinois Biometric Information Privacy Act, nor does it obtain a written consent from employees authorizing it to obtain and handle the fingerprints in the first place.

Illinois, Texas and Washington are the only states with biometric-privacy laws on the books, says Matthew Kellam, a partner at Laner Muchin Ltd. Employers in other states should still pay attention to this case, he adds. "As cybersecurity becomes more influential in our lives, there's no way [biometric-privacy laws will only affect employers in] just three states."

—Michael J. O'Brien

Amazon Ambassadors: Innovative or Unethical?

Amazon, long plagued by reports about poor working conditions and pay for workers—though it recently made headlines by raising its minimum wage to $15 an hour—is taking a new approach to manage its reputation: Fulfillment Center Ambassadors.

A report this summer in the *Guardian* outed the program, in which the company is seemingly paying workers to post positive messages on Twitter about their employment experiences at Amazon. At least 16 Twitter profiles were created in August, using Amazon's logo as their cover photo, and only the user's first name. Users describe in their profiles that they work in Amazon warehouses at locations throughout the country and in varying jobs. But they all have one thing in common: They have nothing but praise to heap on Amazon as an employer.

The Twitter users post about pay, safety, benefits and rewards practices, among other workplace issues. Amazon confirmed to the *Guardian* that the "ambassadors" are not bots, as some critics contended, but are experienced warehouse employees who freely choose to "do this full time." The statement says the workers receive their same pay, though there are few other details about the program's compensation structures.

That workers are being paid brings the credibility of their messages into question, says Michael Serazio, assistant professor in the department of communication at Boston College.

"If people don't know the workers are being paid, there could be a potential benefit to Amazon," Serazio says, but once it became common knowledge that the ambassadors are compensated for their posting, "that naturally compromised the integrity of their messages. It only works if it's authentic."

Amazon's approach has come under fire in social-media circles, including with the launch of a number of parody ambassador accounts. However, Sharlyn Lauby, HR consultant and president of ITM Group Inc., says the initiative could be seen as an extension of the debate around employee-referral bonuses. For instance, she says, if a company's cost per hire is $5,000 and an employee refers a successful new hire, why shouldn't it follow that the organization rewards the referring worker with a little cash?

"Is it possible the same philosophy applies here?" she asks. "The question is, 'Are Amazon's motives nefarious?'"

Regardless of the motives for the new program, the fact remains that social media has become integral to a company's reputation—including among current and prospective employees. "In today's competitive labor market," Lauby says, "organizations should assume that candidates are checking them out before they apply. And the most logical place to do that is on the internet and social media."

That reality means that the intersection of brand management and the employee experience has never been more important.

"Brands live in a very precious time right now, where each individual has the potential to broadcast their bad experience at a corporation to the whole world," Serazio says. "And, if it's bad enough, the whole world could take notice, both customers and employees."

Looked at from another angle, those same employees have the power to positively influence the public perception of the employer brand, seemingly the goal of Amazon's new program. But short of enticing employees with pay or other benefits to post positively on social media, how can companies incorporate workers into social-media management?

Serazio says it's pretty straightforward: "If you want employees to say nice things about the company, you have to treat your employees well. And that will naturally follow that people will then post authentically and take the initiative."

The challenge for HR, notes Jennifer Benz, CEO and founder of benefits-communication marketing firm Benz Communications, is that, once on the job, employees often have a much different experience than what was described to them by recruiters and hiring managers.

A consistent employee experience, she adds, can help fuel a positive corporate culture.

"The best thing [HR leaders can do] is to have a positive company culture to start with," she says. "If you are taking really good care of your employees, they're naturally going to be sharing and spreading those stories outside of the organization."

—*Jen Colletta*

Dealing with Demotions

When a worker is moved up a rung on the career ladder and later gets knocked back down with a demotion, it can really suck the wind out of the enthusiasm and engagement of the individual and his or her team.

It's not an isolated conundrum, either. A recent survey of 300 HR managers by OfficeTeam, a Robert Half temporary-staffing company, found that 46 percent had seen someone at their company demoted. A separate survey of more than 1,000 U.S. workers age 18 and over found that 14 percent said they had been asked to take on a lower role; job downgrades were more common among men (19 percent) than women (7 percent); and employees ages 18 to 34 were demoted more often (22 percent) than those ages 35 to 54 (10 percent) and 55 or older (3 percent).

There's a tendency to blame the job incumbent for a demotion, says Joe Ungemah, author of *Misplaced Talent: A Guide to Making Better People Decisions* and Willis Towers Watson's North America practice leader of talent management and organizational alignment. However, he notes, "It's a mature organization that stands back and says, 'How much are we at fault, and how much is the environment at fault?'"
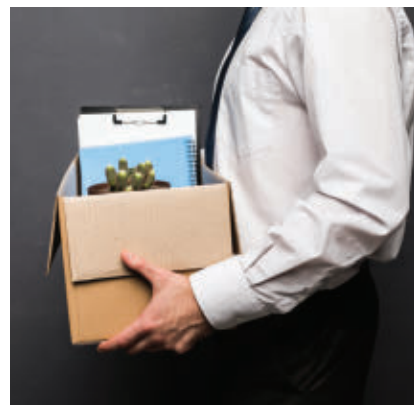
Michael Martin, partner and HR effectiveness practice leader at Aon, says companies with a high frequency of demotions should dig deeper into the "why" and shift their paradigm.

"If it was a shortcut for people to leave, then I'd say a better process would be to manage performance instead," he says. "More progressive organizations are probably redefining career pathing as being more of a lattice, so there can be sideways career pathing [or] downward career pathing. That can be a very, very good thing and a win-win for the employee and the company."

—*Maura C. Ciccarelli*

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Talent Management

By Peter Cappelli/Talent Management Columnist

What Happened to That Gig Economy?

When was the last time you heard a presentation about HR that didn't include an item about how the workforce is going "gig," which means working via online platforms like Uber or through a series of short, contract-type engagements? Many say this trend is growing so fast that virtually all jobs will soon be like this.

What if that's not true? The best evidence suggests it isn't.

One of the least-covered but most important reports produced by the Bureau of Labor Statistics in modern times came out earlier this year. It reported the results of the *2017 Contingent Worker Survey*, last conducted in 2005. The survey began in 1995 when the concern was about layoffs, which is why the BLS defines contingent work using the perception that a person's principal job won't last.

In 1995, 2.2 percent of employees believed their job wouldn't last more than a year, a figure that was 1.3 percent in 2017. That's right, there was more apparent security last year than in 1995. If we add temps and contractors to the sample, the figures are 4.9 percent and 3.8 percent, respectively.

People today may just be less worried about their jobs, and aren't seeing the insecurity that is there. Let's look then at people who aren't employees—Uber workers and contractors (anyone who is not an employee working for pay). In 2005, the figure was 7.4 percent, up from 6.9 percent in 2001, perhaps because it was the beginning of a severe recession, and some who were laid off might have called themselves "consultants." In 2017, it was 6.9 percent. That's right, it's also gone down, back to where it was in 1995. Temp work and other alternative arrangements are at virtually the same level as in 1995.

These data come from the U.S. Census, and the results are far more credible than anything else we have. "Gig" work, either in the form of contracting or short-term regular employment, has not increased—if anything, it appears to have decreased—during the period when it was thought to be exploding.

How could this be? That is the important story, and it has to do with how HR has changed. HR is now a big industry of vendors and consultants all competing for attention; the way to get it is to say something new. The electronic platform Uber used had been around at least since Elance launched in 1999, but Uber's scale and visibility gave the platform a great deal of attention. If you are a reporter looking for other examples, you'll find some, and the stories in the press about them make the phenomenon new to readers, even if it isn't new to the workplace.

Next is the piling-on phenomenon, beginning with consultants doing "studies," which are typically just surveys that reinforce the news. Before you know it, anyone trying to establish credibility with an audience ticks off a list of "facts" about what is new and includes the gig economy. Then it becomes perceived wisdom.

I'm looking to see if any of the authors who wrote that jobs are all going gig walk those predictions back. I'm guessing no. That should say something about their credibility. Will speakers continue to bloviate about it? Here we might help them along just by asking, "Excuse me, what do you think about the Bureau of Labor Statistics report showing that gig work is actually declining?"

Peter Cappelli is the George W. Taylor Professor of Management and director of the Center for Human Resources at The Wharton School of the University of Pennsylvania in Philadelphia. Send questions or comments to hrletters@lrp.com.

HR Leadership

By Eva Sage-Gavin/HR Leadership Columnist

Taking Talent to the Board

Talent management is gaining a new prominence on corporate boards. It's evolved from being an agenda item under succession planning or compensation to driving strategic decisions around innovation and growth. After all, for an increasing number of companies today, talent is the only true competitive advantage.

Companies that fail to place talent oversight front and center at the board level are taking risks. The need is clear, but the way forward isn't. There are three trends that are helping integrate HR and talent issues into the board agenda, with CHROs leading the way.

Talent Finds a Place on the Board Agenda

Traditional boards couldn't, or wouldn't, accommodate talent oversight but that's changing. I've seen boards that have expanded the scope of their compensation committee to include talent issues. Others place the topic within nominating or governance committees.

One multinational corporation recently expanded the responsibilities of the nominating/governance committee to include additional human-capital oversight. The committee collaborates with HR executives to gain insights into workforce trends, employee engagement and development. Now, the company's board proactively seeks out information on people issues, including metrics around inclusion and diversity and succession planning for key roles.

Data Create a Common Language

Through data, HR leaders can tie workforce-related decisions to tangible business outcomes in order to make recommendations. They can identify talent risks and pinpoint precisely why an organization might not be performing as well as it could be due to people or cultural issues.

The most progressive companies use anonymous engagement surveys or scans to track how employees perceive critical areas of work. Reported to the board, these surveys or scans are a barometer of a company's culture and can head off potential risks.

In Independence We Trust

Addressing risk at the board level requires establishing independent lines of communication between the CHRO and board. In my own case, gaining Section 16 status in my former CHRO role helped ensure independence. CHROs designated as Section 16 officers—executives in charge of a business unit or division who shape policy for an organization—have a higher status, and therefore more authority and accountability to go to the board, independent of management.

My colleague, Ellyn Shook, Accenture's chief leadership and HR officer, says boards need to be more demanding of HR and open information flows to enable more direct interactions. Shook is walking the walk: Accenture announced a 2025 goal of a gender-balanced workforce, and she regularly reports to the company's compensation committee about progress.

While the practice of applying talent oversight to board-level strategy is still evolving, it's already translating into deeper partnerships between CHROs and board committees, making HR leaders more critical than ever to mitigating risk and enhancing the competitive capability of today's corporations.

Eva Sage-Gavin is a former CHRO with more than three decades of experience in Fortune 500 corporations. She currently serves as the senior managing director for Accenture's global talent and organization consulting practice and as a technology board director. Send questions or comments to hrletters@lrp.com.

Calculating an ROI from Healthcare

According to MetLife's *16th Annual Employee Benefit Trends Study*, employees not only value their benefits, but 83 percent would even take a small pay cut (average of 3.6 percent) for a better selection of benefits.

The U.S. Bureau of Labor Statistics reported this summer that employer costs for benefits accounted for 31.8 percent of total employee compensation. In the private sector, insurance benefits averaged 8 percent of total compensation costs (with health insurance representing 94 percent of the total insurance costs). It would seem employers and employees would want a return on the investment, although their respective definitions of ROI are probably different.

I recently had a conversation with health-navigation company Castlight's Pierce Graham-Jones, senior vice president for growth, and Gil Potter, vice president of analytics, about the company's ROI guarantee.

I'll cut to the end of the story to avoid the suspense: I believe Castlight is using an appropriate process to calculate ROI. The vendor looks at a 12-month runoff of the prior year's employee-healthcare-claims data and applies industry-standard risk-adjustment models from Verscend Technologies Inc. (a respected healthcare-data-analytics firm) to analyze cost savings. Each person in the model is assigned a risk score, and then users and non-users of Castlight services are compared. ROI is then calculated as total savings divided by the fees paid by the employer to Castlight.

To qualify for the ROI guarantee, an employer must be under a two- or three-year contract, using a pre-identified set of products and services, and be of a certain size.

Castlight does not share the size of its customer base or the number of employers that participated in the first-year ROI analysis. However, the vast majority of its customers in the initial analysis reportedly achieved a positive return.

Castlight customer Eric Record, the wellbeing and benefits leader at Steel Dynamics, said the steel producer and metal recycler achieved a 1.5 percent reduction in healthcare spend after implementing the Castlight product. Record believes the percentage is less important than the significance of being able to credibly measure savings versus investment.

Eighty-six percent of Steel Dynamics' benefits-eligible employees enrolled in the Castlight services, and half use them regularly. Record found the company's positive ROI was driven by employees and their adult dependents choosing lower-cost vendors for medical services, and outpatient versus inpatient services.

Its success is also dependent upon senior-leadership support. Each division receives a report on program utilization, and leaders can compare their success and communicate with employees about the benefits of the program.

Until the quality of data collection improves and actuarial-based algorithms make their way into the mainstream, it is important for HR executives to carefully weigh ROI-calculation methodologies with their vendors. When ROI is difficult to measure, choose benefits based upon a balance of doing the right thing for employees and the company culture.

Carol Harnett is a widely respected consultant, speaker and writer in the field of employee benefits. Follow her on Twitter via @carolharnett and on her video blog, The Work.Love.Play.Daily. Send questions or comments to hreletters@lrp.com.
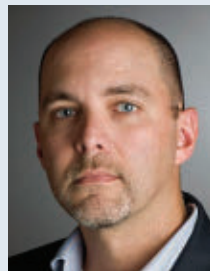
Design Thinking for HR

While you probably have heard the phrase "design thinking," you might not have considered it from an HR-technology point of view. Design thinking has been described as an iterative process that tries to understand a business problem, as well as who and what it is impacting. Those using this strategy challenge existing assumptions and approaches to solving a problem, and ask questions to identify alternative solutions that might not be readily apparent.

The following are stages of design thinking:

Empathize

The first step is understanding the business problem you are trying to solve. Design thinking suggests the designer or the project leader thinks deeply about the people who will be impacted by a new solution, engage and spend time with them to better understand their motivations and challenges, and develop a deep appreciation for any physical or environmental characteristics that are important to the solution. The key to making this information-gathering stage successful is empathy, which can help leaders get past their own assumptions and gain insight into users and their needs.

Define

During this stage, designers and project leaders review and assess the information from the first phase with the goal of defining the core problems. A key element of design thinking is making humans the central point of the problem you are seeking to solve.

Ideate

This is often the time when team members are encouraged to "think outside the box" to identify solutions to the problem statement, and these ideas often feed back to the "define" stage. All ideas should be considered, as it's important to unearth as many solutions as possible.

Prototype

In this phase, the project team's goal is to produce fast, lightweight and iterative solutions or, if it is an actual product, different versions or specific features of the product. The team can experiment with many potential solutions to find the optimal approach for each of the problems identified in the first three stages.

Test

Here, the project team and solution users will thoroughly test the complete solution or product using the best options identified during the "prototype" phase. The goal is to determine if the selected solutions can truly succeed in the real world, and not just in a small pilot or under highly controlled conditions.

This is the final phase of a classic design-thinking model, but since design thinking is meant to be iterative, the results revealed during this phase can be fed back to the "ideate" phase if the need for more solution alternatives arises. The team can even return to the "empathize" phase, as testing with users often reveals insights about their thoughts, feelings and work processes. During this phase, changes to the solution can be made to create the most complete and meaningful solution as possible.

While the concepts surrounding design thinking are not new, they have not always been applied to the kinds of challenges that HR leaders face. But as many experienced HR leaders have been telling me lately, design-thinking approaches are becoming more common and are having a positive impact on HR programs and HR-technology solutions. There's plenty of opportunity here for HR leaders to create better experiences for their employees.

Steve Boese is a co-chair of HRE's HR Technology Conference & Exposition®. He can be emailed at sboese@lrp.com. Send questions or comments to hreletters@lrp.com.

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Decoding Dis

As HR leaders increasingly incorporate AI into their systems, are they also unknowingly opening the door to bias?

BY WILL BUNCH

Artificial intelligence is already past the tipping point of becoming a prevalent tool to help companies find more and better job applicants and decide who to hire or promote. However, the emergence of AI has sparked a fascinating and important debate: Do machines making decisions that were once made by humans reduce or even eliminate discrimination—or can they actually increase bias?

For Kate Bischoff and Heather Bussing, attorneys who specialize in job-bias issues, the crux of this complicated issue can be explained by this example: If an American tech company programs a computer using AI to identify and collect wedding pictures, the experts explain, it will likely end up with scores of beaming brides in white dresses and sheer veils. But it's highly unlikely that the same machine would select any pictures of a traditional Indian wedding, where red is the preferred color for Hindu brides, who wear a colorful sari or lehenga and extensive jewelry.

"We're adopting AI very fast, for all employers, and we need to be more careful and ask harder questions of our vendors," says Bischoff, a Minneapolis-based attorney with tHRive Law and Consulting. She says the wedding case is just one example of what machines that recognize patterns can miss. Another would be a personal health monitor like a Fitbit telling a woman she needs to move around more—not realizing she's pregnant.

For Bussing, these stories illustrate a simple truth: AI "can diminish bias, and it can also amplify bias."

Bischoff and Bussing, a San Francisco-area lawyer who writes frequently on employment issues, presented a session with similar wording in its title—"How AI Technology Can Eliminate or Amplify Bias"—at the recent HR Technology Conference held in Las Vegas. Their message is essentially a warning that HR executives need to frequently test and evaluate their new AI systems for evidence of discrimination because ultimately it's humans—not machines—who are responsible for the results.

"HR is becoming the keeper of the people data, and that is a powerful place that allows for all sorts of undue influence over all of the organization," Bussing says. That makes it critical for HR executives to control any new AI systems rather than allowing the computers to rule them—to understand that computerized algorithms aren't good at finding and fixing their own mistakes and can't substitute for what Bussing notes humans bring to the table, such as "caring, empathy and responsible decision-making."

The "Same-Same" Problem

Rapid advances in AI—the algorithms that now predict, for example, the next word as you type a message, or what song you'll want to hear next on Spotify—have already led to an exploding roster of start-up companies in the HR space that market machine-learning systems to winnow out job applicants or judge potential hires based on their voice or facial expressions. Today, nearly 40 percent of companies use some type of AI for HR functions, according to a survey for Bersin, Deloitte Consulting LLP—and that number is expected to spike much higher in the next two years.

But while many see artificial intelligence as the wave of the future for HR executives seeking to recruit and retain talented, diverse applicants and make better talent-management decisions, skepticism remains. A survey conducted earlier this year by the firm Montage found that 57 percent of recruiters and talent managers remain on the fence about AI. One reason could be the mounting concern over whether this technology can fulfill one of its core promises: curbing subjective human bias.

The possibilities for misusing AI and amplifying discrimination became front-page news this fall with the disclosure that Amazon was forced to abandon a top-secret AI-hiring program it had been working on since 2015 because it discriminated against women.

Amazon's aborted project aimed to help recruiters by giving applicants star ratings on a scale from 1-5, much like the products that the online retailer sells—but its ratings were based largely on data about its past applicants, who'd been predominantly male. Embarrassed Amazon insiders told Reuters the program even discounted resumes with the word "women's" on activities, or with degrees from two predominantly women's colleges.

"I call it 'the same-same problem'," Bischoff says. "If you're saying who is a good manager and then you try to reach out and get the same thing you already have, [this] discounts having a diverse workforce [and] discounts having different perspectives in your workplace—not just diversity of gender and race … but people coming from different life experiences."

That's not just a legal problem. A recent McKinsey survey suggests that firms with a high rate of diversity among top executives gain as much as 21 percent in profitability, similar to a 2016 finding by the Peterson Institute for International Economics.

In their presentation about AI and bias, Bussing and Bischoff noted a number of points in the process where humans can make mistakes that send AI algorithms careening down the wrong track—either in what a machine-learning device is taught to do or, more frequently, in the decisions about which data are used to predict future results. Despite its advantages of speed and ability to make rational decisions

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uncolored by human emotions and subjectivity, AI, the two experts say, can essentially function like a child, with limited experience and reasoning based on a skewed perspective of what it has been taught.

Potential bias was among the topics addressed during a House Subcommittee on Information Technology hearing on AI in February. There, Charles Isbell—who studied AI at MIT in the 1990s and now is an associate dean at the Georgia Institute of Technology—told lawmakers that decades of bad assumptions about race, for example, can corrupt systems.

"It does not take much imagination to see how being from a heavily policed area raises the chances of being arrested again, being convicted again and, in aggregate, leads to even more policing of the same areas, creating a feedback loop," Isbell said, referring to how AI could affect policing. "One can imagine similar issues with [relying on AI] for a job or credit-worthiness, or even face recognition and automated driving."

In September, seven members of Congress sent a letter to the Federal Trade Commission, the FBI and Equal Employment Opportunity Commission asking federal officials to investigate whether the growing use of AI in hiring—as well as in other areas, such as surveillance and commerce—violates the 1964 Civil Rights Act or other statutes by perpetuating bias. The senators—all Democrats, including possible 2020 presidential candidates Sens. Elizabeth Warren and Kamala Harris—wrote that AI "may be unfair and deceptive."

Expanding the Recruiter Toolkit

Congressional scrutiny hasn't stopped the HR departments of some of America's top companies from plunging headfirst into the brave, new algorithm-driven world. The hospitality industry is considered a leader in adapting AI for people-management tasks—a natural evolution since large hotel chains were also pioneers in using machine-learning tools to enhance guest experiences.

At Hilton Worldwide Holdings, the hospitality giant with properties in 106 countries and nearly 400,000 employees, the firm's commitment to deploying advanced AI tools led to its recent creation of Ally, its chatbot aimed at matching candidates with available jobs and accelerating the hiring process.

"It allows us to quickly say whether this person has the talent or the ability for one of our positions," says Sarah Smart, Hilton's vice president for global recruitment. The goal is to save Hilton's recruiters time while drawing a richer pool of applicants. Hilton is pleased with the results, but Smart stresses that the company doesn't want machines replacing human judgment.

"We thought about AI as one of the tools in the recruiting toolkit," she

"We have to watch the data because we can't prevent problems until after they manifest. What we can do is keep the right perspective."
—EMPLOYMENT ATTORNEY HEATHER BUSSING

says, noting it's not a replacement for recruiters but rather a way to make their jobs easier.

The success of Ally has led Hilton to become one of a handful of companies to contract with HireVue, which provides pre-hiring assessments that use facial- and voice-recognition tools to gauge a candidate's personal qualities, such as empathy, motivation and skill of engagement. HireVue advertises itself as a vendor that specializes in removing bias and tells clients that it goes the extra mile to neutralize any pre-existing bias about race, gender or age that might be built into the original data.

Candidates have reported good experiences with Hilton's AI-powered processes. HireVue's system evaluates short videos applicants submit, and Smart says the candidates enjoy having the ability to record the videos on their own time. Hilton measures the Net Promoter Score—a scale of brand satisfaction—among its job applicants and saw that number skyrocket after the machine-based interviewing, which in turn is creating higher-quality hires, she says.

In light of Amazon's AI misfire, Smart stresses that Hilton's AI projects benefit from the firm's global reach and its prior commitment to diversity. "We come to the plate with more gender balance and diversity," she says, "while [Amazon's] tool only enhanced a gender imbalance."

Buyer Beware

The moves into AI by companies such as Hilton, rival Marriott International and high-tech firms like IBM have led to a flurry of consultants

and law firms offering advice about how such organizations can avoid discrimination.

Zev Eigen—an MIT-trained attorney who specializes in the intersection of data science and employment law—founded and is the chief science officer for Syndio, an AI-based start-up that aims to identify and solve problems around pay equity.

Eigen explains the potential problems with bias in AI by invoking the now-familiar process that credit-card companies use to detect fraud—by flagging, for example, a charge for gasoline in Texas when the cardholder lives and makes most purchases in California. The AI systems for Visa or Mastercard, he notes, can only make those judgments based on the user's past behaviors. When firms design AI programs around job seekers, their available data tend to cover only the applicants who've already been hired—an incomplete picture.

"These employee-learning systems never see which applicants are being rejected," Eigen says, which creates the risk of locking in racial or gender bias.

The attorney is also working with a project called Data Tree Data Science, which helps firms identify qualified job applicants with past criminal records. This is a population that could be harmed by AI-rooted hiring, since many firms have routinely, for decades, rejected any applicant who checked the box for a past conviction.

Eigen says he advises companies that are plunging into machine-learning systems to take steps to understand how AI improves—or doesn't improve—on humans making similar choices. One client told him its new AI-based system

for hiring saved the firm $8 million, but his response was: "Compared to what? Did you test any alternatives?" He routinely advises companies to evaluate AI systems by continuing to compare the results to a control group based on human decision-making to better establish a baseline.

Bussing and Bischoff agree that responsibility falls on the HR executives who purchase and implement the new AI systems to question the vendors about what their algorithms actually do and then constantly monitor and evaluate the results—working with the company's lawyers or consultants when necessary. The ultimate liability for any discrimination, Bussing notes, is going to rest with the company, not its contractor.

"We have to watch the data because we can't prevent problems until after they manifest," she says. "What we can do is keep the right perspective."

The key, she and Bischoff have argued, is understanding that AI algorithms are not producing facts but informed opinions—and sometimes these are based on incomplete information.

At IBM, HR executives say they're well aware of how a male-designed personality test crushed an incipient revolution in women becoming computer programmers during the 1960s and '70s. This historical knowledge has informed current work with its popular and widely promoted Watson AI systems.

This fall, Big Blue rolled out what it calls the Adverse Impact Analysis feature for its new AI toolset that the high-tech giant calls IBM Watson Recruitment. The system, which IBM officials describe as a "bias radar," goes through an organization's historical hiring data to identify potential unconscious biases in areas such as gender, race, age or education.

When Harvard- and MIT-trained neuroscientist Frida Polli left academics to get her MBA and—besieged by job recruiters—decided that AI could improve the hiring process, she founded start-up pymetrics in 2013. She also made testing for and removing potential bias a key part of her pitch to a client roster that now includes firms like Accenture and Tesla. One of the ways the firm does that, Polli explains, is through its separate database of 50,000 job seekers whose race and gender are known, specifically to test algorithms for bias.

Nevertheless, Polli has a message for HR executives: Buyer beware when it comes to the growing thicket of start-ups.

"I would urge the consumer to approach AI with a healthy skepticism," she says. "If a vendor says they're bias-free, ask for documentation."

Send questions or comments about this story to hreletters@lrp.com.

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President and Co-founder,
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AI and Recruiting — What You Need to Know

John Sumser,
Principal Analyst, HRExaminer

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For the first time, "Most Admired" HR executives shared insights at HR Tech, where changing workforce dynamics and the increasing importance of people analytics also took center stage. BY *HRE* STAFF

Learning from Leaders

Among the takeaways at the HR Technology Conference & Exposition® in September was the need for HR to embrace innovation. That means it's incumbent, many speakers said, on HR leaders to harness emerging technologies to not only prepare for the changing realities of work, but to pioneer new approaches in this evolving environment.

Following are some of the highlights from this year's conference:

"Most Admired for HR" Leaders Speak Out

This year, the HR Tech Conference featured its first-ever panel of CHROs from "The Most Admired Companies for HR," an annual ranking produced by *HRE* in partnership with Korn Ferry. The panel, moderated by conference co-chair Steve Boese, included Jayne Parker, senior executive vice president and CHRO at the Walt Disney Co.; Peter Fasolo, executive vice president and CHRO at Johnson & Johnson; Ellyn Shook, chief leadership and HR officer at Accenture; Matthew Breitfelder, managing director and chief talent officer at BlackRock; and Joanne Smith, executive vice president and CHRO at Delta Air Lines.

Boese got the discussion started by asking the panelists what "great HR" looks like today.

"HR has evolved during the last five years to the point that it's now all about human beings, as opposed to people being the subjects of the process," Shook said. "We can have a very human experience in our companies today thanks in part to technology."

Shook noted that, with hundreds of thousands of employees spread across the globe, it's difficult to impossible for Accenture's leaders to connect in person with employees at all of its locations. These days, Accenture's leaders are addressing that challenge by attending employee meetings

Panelists on the "What it Takes to be a Most Admired Company for HR" session included HR Tech Conference co-chair and moderator Steve Boese (from left); Jayne Parker, senior executive vice president and CHRO at the Walt Disney Co.; Peter Fasolo, executive vice president and CHRO at Johnson & Johnson; Ellyn Shook, chief leadership and HR officer at Accenture; Matthew Breitfelder, managing director and chief talent officer at BlackRock; and Joanne Smith, executive vice president and CHRO at Delta Air Lines.

around the world via three-dimensional holograms of themselves when they can't make it in person.

"They can see our facial expressions, they can see our humbleness—it lets us create a more human experience," she said.

Fasolo said great HR means "having a talent mindset at all times. HR leaders have to be very good at picking winners and getting them to join and stay."

At Disney, the HR focus is on ensuring that employees feel that their input is valued, said Parker.

"We define ourselves as a creative company, and so our employees have to feel their voice is heard," she said. "We, as HR leaders, need to both understand the business strategy and ensure employees can have a voice in that."

Boese asked the panelists what they do to ensure their corporate cultures help drive business outcomes.

"At Johnson & Johnson, we have a proud history of our culture being

driven by our credo, which states that our first responsibility is to the doctors, nurses, patients, mothers and fathers, and all others who use our products and services," said Fasolo.

It's critical, he added, for companies to ensure that the people they're putting into leadership positions make it possible "for employees to bring their best selves to work every day."

The panelists also discussed the importance of diversity and inclusion for business outcomes.

"When you dial up diversity, it leads to greater innovation," Shook said.

As a "storytelling organization"—through its movie, television, theme park and other divisions—Disney knows it can't tell great stories to a wide audience if the company itself isn't diverse, Parker noted.

"The work of diversity is critical," she said. "The Disney Co. cannot do what it's supposed to do for its shareholders without a diverse group of employees."

At BlackRock, the CEO has a "no-replicants" mantra, Breitfelder said. "If the people you're hiring, as a manager, are just like you, then you have a problem," he said. The investment company, which has $6 trillion under management for its clients, looks for diversity of background, education, race and gender in the people it hires, he added.

"We've found, for example, that people with liberal-arts degrees make excellent investors," he said. "It's important to identify the skills of candidates and get past the arrogance that says there's only one model that succeeds. We need people to come to our team who will challenge and create tension because it works."

Companies must invest in their employees' knowledge, Parker said, even when it doesn't have an immediate ROI to the workplace. This is especially critical in the media industry, which has changed dramatically within the last few years.

"We're introducing a program called Disney Aspire, in which we're going to pay for our 80,000 hourly employees to take college classes in whichever area they choose," she said. Disney will pay the tuition upfront and will reimburse the employees for the cost of books and fees. The company plans to devote $150 million over the next five years to the program.

"Our goal is to set them up for success in the future," said Parker.

Creating an HR Data Culture

Having the right HR tools is great, but how do you get them to the people closest to the work being done, the ones who can actually use them?

During a conference session titled "Empowering Managers: Using People Data Analytics for Retention and Business Growth," Lisa Maxey, director of compensation and HRIS at GBW Railcar Services, explained how the company partnered with ADP to connect its managers and workers in the field with the right technology to improve business objectives like talent management and data management.

GBW Railcar Services was the largest independent railcar-repair network in North America—until this summer, when it was reabsorbed by its parent company.

"It's simple—we fix trains," Maxey said.

But the company was intent on fixing how managers attracted, managed and retained the right employee mix, especially for hourly employees who are critical to the organization's success.

With $300 million annual revenue across 35 U.S. locations and 1,500 employees distributed remotely, the company employs a mostly non-desk population of skilled laborers. Indeed, 75 percent of all jobs are hourly positions held by "low-tech-savvy" men with an average age above 40.

The tight labor market and a lack of workers with the required skills for the job, such as mechanics and welders, added to the company's challenges. "It is so difficult to find any type of workers that, if you are looking for someone, you're trying to take someone from another job," Maxey said.

Hiring and retaining workers with specialized skills is key for GBW, she said. "If you're having a problem with turnover, it's going to impact your other metrics because our employees are the ones generating the revenue."

Before the ADP adoption, Maxey said, managers were lacking "visibility" in regard to hiring goals.

"We were terrible at it," she said. "Our managers might hear about a hiring goal in a meeting once a year, but they'd lose focus because they didn't see it every day."

ADP's Mobile Insights allowed them to see interactive, real-time dashboards on their smartphones because "90 percent of the day, most managers are away from their desks and out in the field."

Dashboards included metrics such as headcount, overtime, turnover and "cool" things like the average tenure of a team, all in real time instead of in a monthly report, she said.

The company required its managers to log in daily to ADP Insights to look at time cards and job costing and to ensure they had everyone clocked in correctly. The organization also encouraged managers to "look at your dashboards and then you can say, 'Maybe I need to get back to the recruiting team to schedule some interviews because two people just left unexpectedly.' "

The faster you can get people through the recruiting process, the better, and after it started using Insights, GBW was able to decrease the time between application and offer letter from 50 to 60 days to 20 to 30.

"We were able to really flatten it out to a consistent level," Maxey said.

One of the lessons learned through the process, she said, was to ask if the company's HR data structure is the right one.

"How does your business look at data? You should map [HR data] parallel to how your whole organization looks at data."

Indeed, before the ADP adoption, GBW used 57 different operations codes to define separate job activities, including many for different—yet very similar—types of maintenance tasks.

"A high-level executive wanted us to use all those codes," Maxey said. "But when the data showed that 30 of those codes hadn't been used in the last six months, we were able to say: 'I'm not just *telling* you it's a bad idea [to have that many codes], I'm *showing* you it's a bad idea.' "

The company now only uses about a dozen codes, she added.

As for the lower-level managers, Maxey said, they were initially struggling with the adoption because many were first-time managers and hadn't gone to business school. "So we learned you need to talk about the 'why' of the numbers, not just the numbers themselves," she noted.

To that end, during rollout, the company focused on interpreting data with managers and business leaders, she said, and it made all the difference.

"You don't have to be a data expert to use these systems," Maxey said. "The front-line people are the experts, so leverage their experience and knowledge to achieve the outcomes your organization needs."

The Importance of Career Paths

There's a new workforce dynamic today, in which the power differential has swung over to employees.

That's according to Anne Fulton, author of *The Career Engagement*

Pitchfest Winner to Highlight Hiring Bias

Stephanie Lampkin says that when it comes to hiring a diverse and inclusive workforce, "companies may be investing in marketing to say they care about it but, if you peel it back, you see they haven't done much." Enter Blendoor, which impressed the judges so much with its inclusive recruiting and people-analytics software that it beat out 29 other start-ups to win the first-ever Pitchfest at HR Tech.

Lampkin is the CEO and founder of the three-year-old company that currently employs seven workers in its San Francisco headquarters. Her team created the app that aggregates diverse talent from multiple sources to broaden a company's talent search and then uses blind reviews and analytics to mitigate unconscious bias from source to hire.

As the inaugural Pitchfest winner, Blendoor was given the opportunity to present at the conference's "Next Great HR Tech Company" session, won booth space at the 2019 event and received a $25,000 prize donated by the Randstad Innovation Fund.

"We've already used half of the prize money on developers," Lampkin says, adding that the company will soon release its next version.

(The fund also awarded a $5,000 prize to Talvista for being named the best diversity solution at Pitchfest.)

Diversity in hiring is a topic Lampkin knows all about. Even with a degree in management science and engineering from Stanford and an MBA in entrepreneurship and innovation from MIT, she encountered difficulties trying to find work in Silicon Valley after graduation.

So when she learned through that experience that many tech companies were having trouble sourcing qualified female and minority candidates, she set out to create a solution.

When companies use the Blendoor app, it presents recruiters with candidates who are sourced from strategic partnerships with universities and groups such as the National Society of Black Engineers and the Society of Women Engineers. The candidates are presented to recruiters without a name, photo or any age-identifying information (such as a college graduation date).

"We are tapping into those member databases, and we're hoping to become the largest depository of diverse talent," Lampkin says. "We see an opportunity to unearth signals correlated with future performance, which don't necessarily reflect historical data, and we're bullish on how effective we'll be for candidate job-matching given that we have such a diverse dataset."

Once the candidates are presented to a client, Blendoor integrates with the company's HR systems to track candidates based on demographics to identify where and how bias happens.

"This transparency drives accountability within organizations, teams and even individual hiring managers," she says.

Lampkin says Salesforce will begin using the app this fall for its Futureforce recruiting strategy. It will also promote the app to potential candidates on college campuses to improve its own employer branding while also capturing more comprehensive data around the source of diverse candidates.

Meanwhile, AOL solicited Blendoor to implement an internal matching system for incoming interns this past summer. The most attractive feature of the app, according to AOL's Technology and Talent Integration Leader Alicia Anderson, is the ability to match candidates with hiring managers based on pre-populated structured data rather than traditional resumes and job descriptions.

In addition to measuring bias in hiring, Lampkin says, Blendoor also provides metrics that demonstrate the ROI of diversity and inclusion initiatives, adding that those metrics can be monumental when trying to convince a skeptical C-suite.

"Executive buy-in is usually the challenge" when it comes to implementing D&I initiatives like diverse hiring programs, Lampkin says. "The heads of D&I are always really passionate, but the C-suite or board doesn't often match that passion, and you need that level of buy-in."

One of the newest features Blendoor is currently beta testing is BlendScore, a diversity and inclusion rating of companies based on demographics of the company's leadership team, retention statistics and strategies, recruiting practices, bias and social-impact initiatives.

"We want it to be sort of the *U.S. News and World Report* ranking on diverse hiring," Lampkin says, adding that it creates "a competitive landscape" for companies looking to hire a diverse and inclusive workforce.

"We want highly qualified candidates to go into interviews and have that score [for a company] so they can ask recruiters about it," she says.

Given the prevalence of news headlines about race and diversity issues, Lampkin says, the timing for Blendoor seems optimal.

—*Michael J. O'Brien*

Game and founder of Fuel 50, who co-presented a session at HR Tech titled "The Next Frontier of Uberization at Work: Career Pathing for a More Engaged Workforce."

Thanks to that power shift between workers and organizations—due to the current talent shortage—employers need to redesign a career experience to fit the transformed world in order to combat rising quit rates and falling engagement scores, Fulton said. Indeed, according to Randstad, 86 percent of employees leave their jobs due to a lack of career development.

And the problem only seems to get worse with younger workers, Fulton said.

While two-thirds of millennials are expecting a better career-development experience than previous generations received, 70 percent of them will be working in jobs that will be "radically affected" by automation, she said, adding that McKinsey research shows 375 million workers globally could be displaced in their jobs by 2030 due to automation.

Companies are looking for new ways to "future-proof" their workforces in order to retain sufficient talent to be able to meet their strategic objectives. But workers are seeing a "significant" disconnect between what HR is offering and what they need, Fulton said.

"While 60 percent of HR leaders think they're doing a good job giving employees a clear career path, only 36 percent of employees agree," she said. "So what we need to do is increasingly personalize the career proposition to meet the individual's needs.

"We need to design careers around experiences, not positions, to increase satisfaction," Fulton added.

To that end, her firm compiled its top best-in-class practices for organizations to deliver those experiences:
- Invest in internal talent mobility;
- help employees understand why career agility is important;
- enable career growth on all levels of the organization, not just high-potentials;
- help leaders do a better job of career coaching;
- help leaders understand the importance of being "talent agents" for their people; and
- increase visibility of career paths and the internal talent supply for leaders.

"If you can do those six things," she said, "you're going to get the business outcomes you are looking for."

Also during the session, Shreya Nidadavolu, a career and team growth specialist at Indeed, shared details of her company's MADE Inside Indeed career-development program and its four different learning tracks.

By John Sumser/Emerging Intelligence

Understanding Intelligent Tools

A significant number of the start-ups offering intelligent tools for HR technology are made by people with no expertise in the problems they claim to solve. Their services are pulled together by data scientists and software designers who have never actually had the problem the products address. While this is not a kiss of death, it is worth exploring as part of any buying decision.

What perspective and understanding are needed to design HR-technology solutions? On one hand, if you have never had the problem, it may be difficult to see that the issue is more complex or different than it appears. On the other, experienced people tend to bring their blinders to problem solving or get lost in the weeds; it's possible to know too much about an area to actually improve it.

Depending on the problem itself, either approach may be right. If you are hoping for dramatic innovation, pick the novices. If you want forward progress with the current problems, pick an expert. Powerful process breakthroughs usually come from solution providers who don't know what they don't know.

It's worth noting that there aren't many roles that give an individual a comprehensive view of an entire HR silo. In general, HR reflects the company and its circumstances. It's rare to find a company trying to execute a general HR theory and mission. This is particularly true in recruiting, where the local labor market, specific roles being filled and the volume of recruiting make powerful differences in what approach makes sense. How you fill 7,500 call-center seats is very different than how you hire 2,500 software developers.

Still, the absence of a comprehensive understanding that matches the buyer's environment is an essential consideration when using intelligent software. Be wary of tools that fix little problems. And be especially wary of tools that seem to be looking for problems to fix. It's too easy to end up with unintended consequences or software that does things that don't matter.

It's refreshing to find a company that is as concerned about understanding and solving customer problems as it is with building software.

Beamery is committed to expanding its comprehensive view of recruitment marketing and delivering that knowledge to the industry. The London-based start-up is built around product development, marketing and customer success.

When its workers don't know or don't know enough, they learn by teaching, creating comprehensive content that they distribute to the industry. Their manuals on GDPR and recruitment marketing are comprehensive and useful. The Recruiting University offers the sort of training that fills a 30-year gap. It's all done in the spirit of reciprocity. Rather than bombarding their "lead funnel" with spam, they know that users appreciate the value and will remember them when the time comes.

This same reciprocity and comprehensive understanding are at the core of the Beamery product offering.

Beamery is a tool for automating the flow of data, email and other communications between a company and its labor market. The system enables triggers, filters and actions in an environment designed to account for almost any imaginable scenario.

It is essentially a complete toolkit for recruitment-marketing automation. It's not AI, but you can fuel the automation with tools that learn. The goal is the delivery of compelling experiences for each candidate (or potential candidate) who interacts with the company.

The most important part of implementing Beamery is building the foundational data organization and structure. This looks like detailed definitions of personas for the various roles at a company. Once the foundation is in place, the system is flexible enough to add all the necessary complexity. Tagging and tracking can be automated simply and efficiently.

Because it's one framework, process visibility comes easily. Implementing GDPR-compliant workflows is built in. The tool can be configured to tag, filter, respond, move forward, reject and screen on a case-by-case basis while retaining system-level sensibilities.

Its value is much larger than just automation of recruitment marketing. The system is designed to deliver powerful, positive experiences for both recruiters and candidates through thoughtful design, ease of use and outcome-directed processes.

Beamery is also comprehensive. Because the company literally writes the book on fundamental topics, it has the breadth necessary to deliver a real foundation for intelligent tools to be built on top of it.

Reciprocity is baked into the Beamery solution. By practicing what it teaches, the company has learned how to build a tool that gives all players in the process solid levels of respect.

John Sumser is the principal analyst at HRExaminer, *where he researches the workplace impacts of data, analytics and AI and the associated ethical issues. Send questions or comments to hreletters@lrp.com.*

The first is called "Manifest Your Vision," in which employees seek to understand what's important to them and where they envision their careers going. Next is "Achieve Your Goals," which allows workers to learn the "tools, tricks and tips to really take a skills-based development approach to create dynamic action plans for themselves," Nidadavolu said. The third is called "Dare to Ask for Help,"

which provides employees with networking, mentoring and coaching opportunities. The final piece of the program is "Evolve as You Grow," in which "Indeedians" can seek further experiences to promote continous growth.

"It all goes back to that HR philosophy: We care about what you care about," she said. "We want to make sure what we do has an impact.

And to me, there's nothing better than a career success story."

HRE will continue its coverage of the HR Tech Conference in December.

Talent Acquisition

Recruiting expert Conni LaDouceur says the phone remains the single most effective tool for reeling in candidates.   BY ANDREW R. McILVAINE

The Buzz About Recruiting

It may be the age of the internet, but the phone still reigns supreme when it comes to engaging candidates, especially for high-level positions. That's according to Conni LaDouceur, who brings decades of executive-search experience to the table—first at Heidrick & Struggles and then at her own firm, EQC Talent Sourcing Experts. She'll be presenting at the upcoming Recruiting Trends & Talent Tech Conference this February in Las Vegas.

That's not to say that other, newer tools are any less important than the phone. In fact, LaDouceur, whose session is titled "Do This, Not That: Talent Sourcing for Speed and Success," says recruiters need to combine phone sourcing with the efficient use of web-sourcing strategies to identify not just the talent that's most easily found, but the talent that's the most qualified for the position they're trying to fill. In her session, LaDouceur will talk about the free tools recruiters can use to source talent and how neuro-linguistic programming can help assess and identify top talent effectively.

We recently caught up with LaDouceur to get her take on the most effective ways to find and engage top candidates and what she likes most about her job.

Are there some recent recruiting developments you're excited about?

Well, it's not a recent development, but there's a software tool called Yesware that's really interesting. It enables us to see when an email is opened so we can immediately pick up the phone and say to the person, "I see you're opening up the email right now, I'd love

Conni LaDouceur

to talk to you." We get to know immediately when an email is opened. It's improved our ability to connect with people.

Isn't that a bit intrusive?

Well, the point you just made gets to several other points of the question, and that is that people just aren't picking up the phone to the extent that recruiting requires. Recruiting is outreach; it implies you're reaching out to bring someone who has the qualifications for a given role on board. In our case, as a sourcing company, and a longstanding sourcing company with expert professionals, we're relied upon to fill challenging engagements—to find candidates for positions that, in some cases, companies haven't been able to fill for years, even after posting on a variety of different sites. We do that by using fantastic tools supplemented by telephone outreach. We use the phone to identify who's in the role now, how many people the person manages—you can't determine these things just by the person's title. Now, some people may find this method intrusive, but what I can tell you is that candidates have come back to us when their department has a need to fill because they found that we're professional and persistent. We're excited about every new tool or method that comes down the pike until we try it. They're disappointing largely because the types of engagements for which we hire are so specific that the various tools that are popular in sourcing right now just can't help us.

What are some recent roles that you've filled?

We just filled a position at a major chemical company, a probiotic design scientist, that was open for two years. We filled a position for vice president of special collections at a major research library, a position at Georgetown University and we just finished an engagement to find a compensation analyst for one of the world's largest financial-services advisory firms. We've filled a wide variety of roles in a bunch of different industries—we've filled positions for gold-mining companies in South America, we've found specialists in laying undersea cable, we've called into trailers in the oil sands of Alberta.

Can you share some of your secrets for finding great talent?

I guess it begins with our strategic checklist for research: We ask clients 33 questions, 20 of which are used for identifying the qualifications that candidates must have, and others

for identifying the nice-to-haves. You want to find out how many people the person will be managing and the companies where the client wants to hire from.

We help our clients determine who the best performers are in a particular industry. We actually do that by working with research libraries. If we're trying to find a candidate working in software development, for example, we call the San Jose Public Library. There are a lot of independent directories that list org charts and executives, and it's important to at least avail yourself of this information—which includes a full roster of titles, direct phone numbers and email addresses—rather than relying solely on LinkedIn, where you only find out what people choose to write about themselves.

Once we've identified the 10 people we feel are the best candidates for the role, we call in to their companies to identify their peers, who they report to, how many people they manage

making more in salary than the client had anticipated, we can go back to the client to decide whether they still want to pursue this person or whether they want to look at the person's second-in-command, who may have the potential the client is looking for. If the candidate isn't interested in the role or can't relocate at this time, we make sure to obtain their recommendations. And we never directly say, "Can you recommend someone?" Instead, we thank them for sharing all that they did about their background and say, "Let's talk about the people you know who might be qualified for this role. Is it the person who hired you or interviewed you? Who's the best manager you ever worked for?" We have 20 questions we walk people through. In this line of work, it's important, above all, to do the three Ps: politeness, professionalism and perseverance.

Where do you think recruiters fall short today in their approaches to finding and attracting great candidates?

I think so many are just reluctant to pick up the phone. There's so much information that's available just for the asking. I'm not against texting—we absolutely want to avail ourselves of all the tools we can—however, picking up the phone to identify a person's entire team before you reach out to them can reveal so much. I've seen stats that 80 percent of recruiters stop trying to reach someone after the third phone call. Well, of course candidates are busy; they're gainfully employed high performers, so you have to turn their heads. If you've called eight times and you're not getting a response, then you have to modify your message to something like, "I know you're not interested in looking at opportunities right now, but I want you to know just what you're saying no to." Some people will call us back and say, "Enough already," and we'll say, "Let's talk for just a minute."

Which skills do you believe are must-haves for recruiters?

I think personality leads to a great recruiter and it's not going to be whether the person's an extrovert or an introvert, it's whether they have curiosity and a competitive nature. For me, I never want to fail, and I always want to meet or exceed the client's expectations. As for skills, I think the ability to use the phone to uncover information is a great skill to have because there's just so much information out there waiting to be unveiled.

What is the most rewarding part of working in this field?

It's finding the qualified talent that the client didn't know about, finding

and bringing to the table the talent the client told us they were most interested in.

The beauty of this job is that it's like what Walt Disney said: It's fun to do what others think is impossible. We get to work in all kinds of industries, and I love learning about who the movers and shakers are and what makes everyone tick. It's fantastic and it's fun.

Send questions or comments about this story to hreletters@lrp.com.

Sneak Peek: 2018 North American Talent Board Candidate Experience Awards Research

Guessing what your candidates think about your recruiting process is one way to look at things, but what if you had 130,000 job seekers tell you the unvarnished truth about their candidate experiences?

That's exactly what we have in the *2018 North American Talent Board Candidate Experience Awards* benchmark research, which is still being analyzed. It provides honest, invaluable insights about the current state of the candidate experience at 200 companies big and small across industries, illustrating what helps and hurts an employment brand, what job seekers really want and much more.

We'll issue the full research report early in 2019. In the meantime, enjoy a little taste of the bittersweet data insights we'll be dishing out.

The Improvement Trend Continues

Overall improvement in the candidate experience continues to climb nationwide, according to the 2018 data. That means candidates are more willing to increase their relationships with employers as customers, candidates and brand champions. Candidates of 2018 CandE Award-winning companies told us they're:

• extremely likely to apply for jobs again (33 percent more often than for all other participating companies);

• extremely likely to refer others (35 percent more often than for all other participating companies); and

• likely to increase their relationships with brands that provided a great candidate experience (33 percent more often than for all other participating companies).

On the down side, candidate resentment against brands that provide poor candidate experiences also continues to increase. In fact, resentment has risen a few percentage points every year since 2015, from 41 percent to 50 percent today.

Have You Called Your Candidates Today?

Taking the time to call rejected interview-stage candidates results in higher positive candidate ratings—and a positive impact on your business and brand. Unfortunately, 2018 data show that only 10 percent of rejected candidates receive personal phone calls from recruiters and hiring managers. (Fifty-eight percent receive automated email replies, and 22 percent get personal emails.)

Now here's the interesting thing: When candidates receive automated rejection emails, they rate their overall candidate experience an average of 2.6 out of five stars, and they rate their interview experience 2.5 stars. However, when candidates receive a personal phone call from recruiters or hiring managers, their ratings jump to 3.4 and 3.3 stars, respectively—a compelling difference.

It isn't always easy for recruiters and hiring managers to make personal calls, but it sure as hell makes a difference to your candidates. And it can be the deciding factor in convincing silver medalists to apply to your jobs again.

Perceived Fairness Makes a Big Impression

CandE Award-winning organizations (companies that have the highest positive candidate ratings in our research) have the highest levels of perceived fairness among job seekers. And fairness, to put it bluntly, is what more candidates long for in every single recruiting interaction. Perceived fairness has a huge impact on candidate attitudes toward you and your job offers.

So, what does perceived "fairness" mean? It means you acknowledged candidates' initial interest in your organization in a timely way. You made certain candidates understand the next steps in your recruiting process after they apply. Your automated and human communications were clear and consistent. You gave candidates ample opportunity to convey their qualifications. You provided definitive closure when you determined they weren't a fit for the job. And you gave them feedback after rejecting them.

Providing feedback is a hallmark of a great candidate experience, yet our early 2018 research shows that only 20 percent of North American candidates are receiving general feedback from employers … and only 5 percent are receiving specific feedback. Lots of room for improvement!

The Ghosting Phenomenon

A *USA Today* story this summer highlighted a scary employment/recruitment trend known as ghosting: Candidates are increasingly blowing off scheduled job interviews, accepting offers but not showing up to work and even vanishing from existing positions without notice. "In the hottest job market in decades," the author wrote, "workers are holding all the cards. And they're starting to play dirty."

There's no arguing that the job market is robust and, as a result, candidates have more power. But I'd argue that employers still hold most of the cards. After all, they're the ones with the jobs. Even so, employers also have the power to hamstring themselves by providing sub-par candidate experiences.

A lousy candidate experience doesn't necessarily justify ghosting. But when candidates' time is disrespected, for example, ghosting is understandable. The good news, according to our 2018 data, is that candidates' time is being disrespected 22 percent less than it was in 2017.

Again, ghosting is just one of the latest talent trends that bears closer scrutiny. The important thing to remember is that the candidate experience can haunt both ways—and a scary experience isn't good for anyone.

The complete *2018 North American Talent Board Candidate Experience Awards* benchmark research report will be available early next year. Until then, we'll continue to analyze and release findings from this year's program.

Kevin W. Grossman, who will present at Recruiting Trends & Talent Tech Conference in February, is the Talent Board president and board member responsible for all aspects of the Candidate Experience Awards worldwide. Talent Board is the first nonprofit research organization focused on the elevation and promotion of a quality candidate experience.

Benefits

How employers can leverage the innovation early-stage vendors are bringing to market. BY DAVID SHADOVITZ

Don't Fear the Start-Up

Every facet of HR is being disrupted by technology—and benefits is hardly an exception.

If you have any doubt, just ask Dave Kerrigan, a self-described "geek" who has worked in the healthcare space for the past 20 years. Kerrigan is the principal and managing director of Sante Nasc LLC, an advisory firm that is in the process of building a database of early-stage, mid-stage and established vendors that sell products and services to self-funded employers, benefit brokers and consultants.

At next year's Health & Benefits Leadership Conference, which will be held April 24 through 26 in Las Vegas, Kerrigan will lead a breakout panel titled "Don't Fear the Start-Ups: Engaging Early-Stage Companies to Impact Your Health and Benefits Efforts."

So, where are these start-ups targeting their efforts? Kerrigan believes that engagement and enrollment are at or near the top of the list.

"I'm seeing technology increasingly being used to drive more engagement," Kerrigan explains. "In the past, I signed up for a wellness program and the wellness coach would call my house and, inevitably, it would be right during dinnertime. I'd say, 'Sorry, can't talk right now.' And then I wouldn't really feel compelled or motivated to call them back. I'd tell them to call me back at another time—and I might not answer the call."

But today, Kerrigan continues, people can open an app on their phones and have a video chat with someone for just a couple minutes when they're on the train. "It makes it a lot easier to engage people," he says.

Another example, Kerrigan says, is a wellness app that recognizes that you've entered a restaurant and suggests what foods you might want to consider eating because of certain dietary concerns.

Kerrigan also cites several new tools aimed at addressing the challenge of elder care. Until now, he says, employees with elderly parents have been forced to take a leave of absence to manage their care. But with the help of caregiver-support programs, those employees now have access to a network of geriatric-care managers who can do a full assessment of the situation and help to create "an infrastructure of support," whether it be a ride-sharing program for a medical appointment, food delivery or something else.

The critical question start-ups need to address for their clients, Kerrigan says, is whether employees are truly engaged in the tool or service.

An Influx of Dollars

Recognizing these and other opportunities, private-equity firms have lately opened their wallets in a serious way.

According to Rock Health's *2017 Year-End Funding Report: The End of the Beginning of Digital Health,* there were 345 deals in 2017, up from 324 in 2016. Investments topped more than $588 million in 2017, compared to $424 million a year earlier.

The pace of investment isn't likely to slow anytime soon, Kerrigan predicts.

As new tools and technologies continue to emerge, Kerrigan says, companies are going to have to address the inevitable problem of "point-of-service fatigue."

"If you have a separate vendor for every condition under the sun, you are going to be in a tough spot because you're going to have to hire people just to manage the 20, 30 or 40 vendors that are managing digestive health, heart health, diabetes, asthma and more," he says.

Both platforms and partnerships have a major part to play in tackling this problem, Kerrigan says.

In the case of the first, he says, "You've got a platform that has a bunch of vendors that are impacting a bunch of different areas. They are hand-selected, vetted in advance. That makes it easier because the integration is built in and the employer and benefits professional can select the platform and solve 70 percent of the challenges they may face."

In contrast, Kerrigan says, the partnership play is a little different in that it's not a platform, but a way for an organization to potentially choose two or three vendors that have partnered together and potentially offer rate relief or connection points among them.

Together, he says, the two approaches (platforms and partnerships) should go a long way to providing some relief.

Risk Mitigation

Of course, employers are taking a risk when they hitch their wagon to early-stage vendors that have yet to prove themselves.

Before jumping in, Kerrigan says, HR and benefit leaders need to explore what their leadership team has done before, what sort of funding they have and what growth they've experienced since launching their start-up. "All are key indicators of future success," he says.

Kerrigan cautions that start-ups aren't for everyone. "If you've got an employer that's typically a slow follower versus a fast follower, if it doesn't embrace innovation, if it isn't willing to try new things, then it's probably not going to be a good idea to dive into the early-stage company space to solve healthcare cost or shopping problems."

Historically, Kerrigan says, HR departments have been a cost center, not a revenue center. So, it's only natural many may be risk-averse. He also points out that buy-in from the organization's top leaders can often make the difference between success and failure.

"You need leaders who understand that the way things are being done isn't working—or at least may not be working well enough—and are no longer comfortable sticking their heads in the sand."

Send questions or comments about this story to hreletters@lrp.com.

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WHAT'S AHEAD FOR HR

Trying to predict the future is a risky proposition, especially in a corporate environment that evolves by the day.

Still, we requested that a handful of experts do just that, asking thought leaders from vendor companies to answer the following question: What's ahead for HR?

On the pages that follow, they offer their forecast for the human resource profession, sharing their views on the most pressing matters on the horizon. They also shed light on how HR leaders can overcome these hurdles, from shifting HR applications to the cloud, aligning the human touch with technology or transforming to an inclusion-first culture.

As you read on, we hope you gain thoughtful insights and actionable advice to address what's coming down the pike for HR.

Michael Burke
CEO of Talent, Rewards and
Performance, Aon

PERSPECTIVE: 2019

WHAT'S AHEAD

Why Data and Empathy are Both Needed to Drive Digital Transformation

The key drivers of digital transformation—profitability, customer satisfaction and increased speed to market—are posing major disruption to legacy businesses, and this upheaval is being echoed in the workforce.

For some, these shifts might spell panic. But at Aon, we view this differently. We're seeing the beginnings of a fundamental shift in the way humans create value at work, and it's one in which the people still matter more than the technology. Technology may be behind this digital disruption, but this isn't actually a tech "problem," and the "solutions" won't be found in tech alone.

Success in this new era requires considerations for both the technology and the human being—rather than one replacing the other. In other words, your long-term sustainability isn't about mastering a workforce plan or a technological innovation alone. You'll also need empathy for the people whose jobs are changing and for those whose jobs are becoming obsolete. True transformation requires the heart and the head—reinforcing the core values that hold your company culture together. Finally, you must put your workforce transformation at the core of your business strategy.

Designing the Jobs of the Future

To build a workforce that ignites innovation and better meets the changing expectations of your customers, you must embrace a strategic approach to planning. The external environment is changing so rapidly that workforce planning should be an ongoing process, making it more important than ever before for HR to play a strategic role.

Additionally, it is important to ensure that your organization has the right skills and behaviors to adapt to market changes in a dynamic manner. While technical skills will certainly be critical in the digital economy, they are only part of the formula for success. You will also need your people to show up with the "soft" skills needed to connect with customers and collaborate with one another.

Finally, your people strategy must go beyond attracting and retaining the key talent you need now. It must also focus on creating an environment that promotes continuous growth once they join your teams. You must focus your workforce planning on building a structure and culture that allow high performers to continuously develop their skills and thrive.

Identifying and Elevating the Right People

Success in this digital era will depend on organizations being able to attract, retain and motivate the right people. Resilience, adaptability, flexibility and curiosity will be the keys to building a nimble workforce. Many of these critical capabilities are viewed as hard-to-capture "intangibles," forcing hiring managers to rely on gut feelings or intuition. However, modern assessment tools can substantially increase the odds of hiring the right person by applying rigor, fairness and validity in assessing target capabilities.

And this doesn't just apply to vetting external hires. It's important to think in terms of upskilling and reskilling current employees, not just hiring and firing. If you focus too much on recruitment rather than talent development, you risk losing out on the wealth of organizational knowledge and talents of your existing employees.

Understanding the strengths of your workforce and displaying empathy for your employees shows your values as an organization and creates a positive company culture. It isn't just about the data, and it isn't just about the math. It's about the soul of your company.

A New Way to Measure and Reward Performance

Rewards programs are where your human-capital strategy should connect directly to your business performance. In other words, can you tie the ROI of your total-rewards program directly to the business outcomes you are looking to drive? How often do you measure this?

The fusion of rewards, people analytics and performance drivers should be on the mind of every HR leader in 2019. There are ways to predict the employees who are going to have the biggest impact on business performance, and you can know in advance what types of rewards are going to drive the performance your business requires. In other words, now is the time to adopt a more rigorous, data-driven approach to optimize and align your rewards program to business objectives, market data and your workforce's needs. It's a win-win for both the employer and employee.

To read our full whitepaper, *Workforce for the Digital Age*, go to https://aon.io/DigitalTransformation.
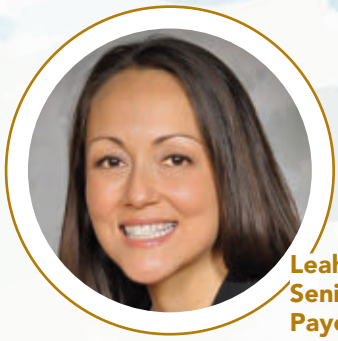
WHAT'S AHEAD

Leah Machado, SHRM-SCP, SPHR
Senior Director of HR Services,
Paychex

Five Opportunities to Integrate Technology into Your HR Department

Every day you hear about the critical role technology plays in an efficient, strategic HR department, but how do you know which tools to implement and how to best utilize them? When it comes to HR technology, investing in the wrong tools and trends can be as big a hurdle as never implementing HR technology at all. Here are five opportunities for integrating HR technology in a way that works for your HR department:

1. Use HR data analytics to drive efficiency and strategy. The continued evolution of HR technology is introducing more granular access to data that helps inform decision-making in real time. The *2018 Paychex Pulse of HR Survey* found that 95 percent of HR professionals currently use analytics, up from 90 percent in 2017. Those who are using analytics are doing so to target HR communications more effectively (77 percent), but analytics are also often used to make more informed decisions (83 percent) and defend those decisions to senior management (85 percent). When HR leverages technology and analytics effectively, there is less room for manual error and disparate data, which results in a full picture of HR activities and impact. Less time spent, fewer mistakes and higher-quality insights pulled from the HR system means increased tactical efficiency and more time and information you can dedicate to maximizing HR's contribution to helping to meet organizational goals.

2. Implement solutions designed for employee self-service (ESS). According to another recent Paychex survey, 73 percent of employees agree that they expect employers to provide them with a high level of ESS that allows them to accomplish various HR tasks on their own, and 80 percent of respondents prefer to accomplish these key HR tasks via desktop or mobile devices rather than a paper form. Yet, one in four business owners does not offer any level of non-paper ESS. Offering ESS provides employees with the quick ability to make changes and stay engaged with HR processes, and it also facilitates the shift of HR leaders to more strategic roles, as it reduces HR workloads and helps your team focus on strategic tasks and responsibilities that can't be handled through an automated solution.

3. Integrate social-collaboration tools to promote employee engagement. Similar to ESS mobile apps, social-collaboration tools in the workplace offer a level of familiarity and resemblance to personal apps, helping engage employees from the start. Social collaboration offers the ability for both private conversations and wide collaborations, facilitating a more agile workplace and improved internal connectivity. These tools also incorporate ESS. For example, social collaboration allows for streamlined, personalized onboarding, offering employees access to the forms, information and people they need to start on the right foot. With tighter integration between social-collaboration tools and human-capital-management solutions, you can manage these tools from a single source and draw insights based on a complete picture of what's working for your company and what's not from an HR perspective.

4. Cut down on time spent on administrative tasks with an automated HR solution. According to the *Paychex Pulse of HR Survey*, 79 percent of HR leaders feel their current automated HR solution helps them play a more strategic role in their firms, while 77 percent think it helps them increase efficiency. Using an application software for record-keeping, time and attendance tracking, and benefits administration can drastically cut down the time you spend managing these tasks—plus, it will help provide those ever-important analytics and give your employees easy access to their own information.

5. Implement recruiting and applicant-tracking software. This technology helps streamline every step of the recruitment process, from posting jobs to all of the major job and social sites, such as LinkedIn, to communications with the candidate and tracking the progress of the candidate from recruit to hire. The multi-step recruiting process is housed in one place, so you can select the best candidates for current openings and house resumes of candidates who may be a good fit for future positions.

Understanding how HR technology can work for you and your ever-changing business can be overwhelming. But an evaluation of your current processes and a desire to increase efficiency and better streamline your HR function can greatly benefit your organization in the long run. With that in mind, it's important to choose a solutions provider(s) that can provide what you need now, as well as grow with your business and innovate as the industry continues to change.

WHAT'S AHEAD

Anne Bucher
Senior Vice President,
Client Experience & Technology, Cielo

The Future of Diversity and Inclusion

While diversity and inclusion are often named among the top priorities of organizations, the conventional thinking on the topics is entirely backward. In fact, even the order of how we say "diversity and inclusion" should be reversed. Inclusion and diversity, anyone?

Most organizations take the approach of first focusing their recruitment efforts to bring in candidates who represent diversity, primarily in areas like race and gender, and then look at how they can make their culture more welcoming. Instead, before launching new recruitment strategies, organizations should look inward to assess whether they have a truly inclusive culture, which can create a positive employer brand that makes it easier to attract diverse candidates.

Inclusion must come first, and it must be authentic. Imagine if an organization were successful in hiring diverse candidates, partly because they sold them on having an inclusive culture. Once the candidates became employees, however, they discovered that the reality was entirely different. They found that their views are not supported, their contributions are not appreciated and their career paths remain stalled. Those employees won't stick around very long, and the company's employer brand will be worse than ever, making future hiring even more difficult.

This change in the way we think about D&I will be key for businesses in 2019 and beyond. It's not just a matter of bringing in diverse candidates, but also broadening the definition of diversity to include age, ethnicity, sexual orientation, background and perspective. While achieving a truly diverse workplace has always been a challenge, it is compounded by the current talent shortage and historically low unemployment. Statistics show, however, that the effort pays off.

According to research by Deloitte, businesses that do well in D&I see the following benefits:

- 34 percent higher profits for companies that promote women;
- 39 percent higher customer satisfaction; and
- 22 percent increase in productivity.

3 Steps to Inclusivity

To build this inclusive culture, HR teams should follow three steps:

Step 1: Realize that diversity means more to your company than just being fair or being able to check the "We are diverse" box. Companies that fail to grasp the true value behind being inclusive and diverse will never effectively meet their goals. Instead, they will likely end up with a diversity plan that simply consists of a blurb at the end of their job postings.

Step 2: Look throughout your company and figure out where you have room for improvements and how your diversity statistics match up with the local market. For example, a company may seek a 50-50 balance between candidates of two different races, but the market population may be 70-30. Once your analysis is complete, you can develop attainable goals.

Step 3: Embed your company's attitude toward inclusivity into the organization's branding. This is done most effectively through social media, but keep in mind that candidates can tell when your diversity plan is limited to buzzwords and finding diversity-related stock photos. Highlight real employees with diverse backgrounds who play impactful roles. Tell stories of how your organization's benefits and programs help strengthen company culture. Continuously evaluate these programs to make sure they are indeed working.

Getting Outside Help

The journey toward true D&I can be a long, difficult one, so there's no shame in seeking out a little help along the way. Many organizations lack the planning, technology solutions and metrics to effect the change they want, both operationally and culturally. An outside partner can bring experts who are free from the day-to-day responsibilities of your business, able to focus solely on helping D&I flourish.

Going it alone requires a huge investment of time and effort, and any misstep along the way can result in lengthy delays or a process that ends up flawed and ineffective. HR teams need to be open to the idea of enlisting the aid of a recruitment partner, like an RPO provider, that has studied the issue in-depth, and even has products designed to break down the barriers to achieving optimal D&I.

The world is only going to continue to get more diverse, and businesses that don't adapt will not attract the best talent and capitalize on the benefits of a workforce that truly reflects the population and their customer base. Finding a partner that has the right expertise and experience to help build diverse and inclusive practices provides the best chance of success.

Ryne A. Sherman
Chief Science Officer,
Hogan Assessment Systems

PERSPECTIVE: 2019
WHAT'S AHEAD

Saying Goodbye to the Charismatic CEO

In the 1970s, economists put forward Agency Theory to describe the tension between principals and agents. According to the theory, CEOs and their shareholders inherently have different interests. Shareholders wish to maximize the value of their investments (e.g., by growing business or increasing stock prices). CEOs are motivated to keep their jobs. According to Agency Theory, the resolution of this tension is met via compensation. Simply put, the CEO's compensation alone will encourage his or her motives to align with those of the shareholders.

There are three problems with this theory. First, CEO compensation is weakly and erratically related to firm performance. Indeed, certain compensation packages (e.g., stock options) often lead to decreased performance. Second, the fundamental assumption that CEOs and shareholders have inherently different interests is often incorrect. History is replete with examples of leaders who have worked to better the outcome of their own group. Third, reliance on Agency Theory has led to ballooning CEO compensation packages and the rise of the "charismatic CEO," with resulting disaster for organizations. The purpose of this article is to put an end to the charismatic CEO and anoint the "humble CEO" as the successor.

Humble CEOs Make a Difference

Humility is defined as "freedom from pride or arrogance; the quality or state of low self-preoccupation." Thus, humility is the opposite of narcissism. Charisma is defined as "a compelling attractiveness that can inspire devotion in others." In principle, humble people can be charismatic, and narcissists can be charismatic. In reality, charismatic individuals are far more likely to be narcissistic. In fact, charisma is so closely linked to narcissism that the leadership literature often equates the two. Therefore, by emphasizing the selection of charismatic CEOs, organizations have inadvertently and repeatedly selected narcissists as their leaders. This is a problem because:

- narcissists won't accept responsibility for failure and will blame others;
- narcissists take the credit for their team's success, alienating their staff;
- narcissists won't listen to feedback and can't learn from experience;
- narcissists feel entitled to special privileges; and
- narcissistic CEOs ruin organizations.

Unfortunately for organizations and their members, charismatics and narcissists are quite skilled at landing leadership roles. Most leaders are selected through interviews and resumes. Charismatics and narcissists perform extremely well in interviews and falsely inflate their resumes. Thus, they are far more likely to emerge as leaders. All of this is compounded by the tendency of academic research on leadership to define leadership as "the skill set it takes to get into leadership roles," which is a critical mistake. A better definition of leadership would be "the skill set it takes to build and maintain high-performing teams." That is, leadership effectiveness should be about finding the right individuals to work together to outperform the competition and benefit the group.

Achieving Leadership Effectiveness

One of the most compelling studies of leadership was conducted by Fred Luthans and colleagues. They studied 457 managers from different organizations over a four-year period using assessments, interviews, ratings, behavioral observations and performance data. They identified two groups of high performers: those who rapidly advanced and those whose teams performed well. There was about a 10 percent overlap between these groups, meaning that very few managers belonged to both. Those who advanced rapidly spent their time networking. Those whose teams performed well spent their time working with their teams.

Another compelling study of organizational success was conducted by Jim Collins and his students. They identified eleven Fortune 1000 companies with 15 years of mediocre performance followed by 15 years of superior performance. For each company, they also identified a matching comparable company in the same industry that showed no changes in performance over the same time period. The CEOs of the high-performing firms were humble and competitive, not charismatic.

The point here is that leadership *emergence* and leadership *effectiveness* are not the same thing. Charismatics and narcissists are good at leadership emergence. Those with humility are good at leadership effectiveness, specifically:

- taking responsibility for failure and defending their team;
- giving credit for success to their team;
- listening to others and being receptive to feedback;
- promoting fairness and responsibility; and
- building organizations.

Unfortunately, humble leaders are often overlooked by their organizations because they spend so little time self-promoting and networking. Valid assessments of personality are necessary to root out charismatic leaders and identify high-performing yet humble leaders. After four-and-a-half decades, 2019 is the time to say goodbye to the myth of the charismatic CEO.
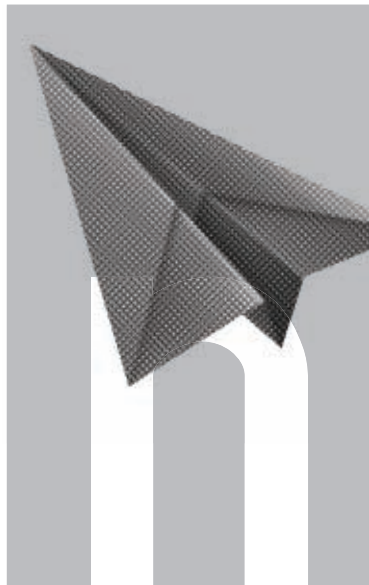
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Chris Michalak
CEO, Alight Solutions

From AI to the Cloud: Four Trends Reshaping HR

We're in a unique time where technology is advancing at an incredibly rapid pace and where, as consumers, our expectations are rising in tandem with that pace of change. While the HR industry hasn't traditionally been at the forefront of technology advancements, I believe the industry is at an inflection point. When I think about the future of HR, I believe there are four major market trends that are impacting the industry and reshaping HR:

1. The continued technology shift to the **cloud**—in HR and beyond.
2. The rise of **consumerism** in the workplace.
3. The race to gain efficiency through **automation**.
4. The importance of **integration** to fuel efficiency and bring greater value.

Cloud

The use of cloud-based services is rising in popularity across personal and business applications, and HR is leading this trend. According to ISG, over 50 percent of companies will rely on cloud-based solutions for their HR applications by 2020. In Alight's own business, by the end of 2019, 75 percent of our clients will have moved from standard, hosted platforms to cloud-based HCM.

Finance is also moving in this direction—providing a unique opportunity for organizations to capitalize on one integrated solution with support across HR and financials, bringing even greater access to data and insights. I anticipate this shift to continue across the shared-services functions, as more organizations refresh their technology stack and take advantage of the speed and efficiency cloud-based platforms provide.

Consumerism

People are accustomed to highly personalized, on-demand experiences in nearly every aspect of their lives. From music selections to grocery shopping to movie recommendations, all are customized to individual desires, preferences and habits—and in the palm of their hands. Why should their experiences at work be any different?

As people look for greater insight and greater accessibility in all aspects of their lives, more and better data will be necessary to build technology that will allow them to navigate and execute decisions. Gartner anticipates that, by 2020, augmented analytics using machine learning will expand the accessibility of data to more people and organizations. Coupled with more pervasive personal analytics, companies will be able to use these data to create personalized and specialized virtual assistants, including health and financial assistants, improving people's experiences at work and life.

Automation

Automation is probably the biggest trend impacting the broader marketplace, and it's impacting HR, too. I believe the next couple years will be a race to gain efficiency through automation in every industry—including ours. According to ServiceNow, by 2020, nearly nine out of 10 companies say they will need greater automation to handle work volumes. And machine learning ranks among the fastest-growing jobs on LinkedIn as of December 2017, with nearly 10 times more jobs posted in this area than five years ago.

HR functions are moving fast toward automation, with the exception of a few specialized positions like labor relations and strategy development, according to McKinsey. Areas like payroll and time recording are further down the automation path, while others like performance management and recruiting administration will likely develop over the next few years.

Chatbots leveraging artificial intelligence and natural-language processing are a practical way HR can use technology to help its people. Chatbots, such as Alight's Lisa, can be deployed on benefits platforms to answer questions about benefits, pay or other issues, freeing up people to focus on the highly personal moments that matter in their employees' lives.

In the case of Lisa, "she" has chatted with 1.1 million different people and answered over 2 million questions since April 2017.

Integration

Companies are working with strategic partners that can more seamlessly integrate into their organization and provide a wider breadth of capabilities. Today, many HR departments source, negotiate, contract with and manage vendors across traditional benefits, voluntary benefits, talent management, etc. Working with a trusted single-source partner that can integrate a wide variety of providers under a single platform brings greater efficiency, allowing HR to focus on strategic initiatives and at the same time help workers navigate the complex array of benefits options.

As HR increasingly leans into leading-edge technologies and capitalizes on market trends, it is no longer lagging, but leading the charge to bring greater innovation and forward thinking to organizations. The advancements we're seeing and will continue see in the HR industry are incredible—I'm excited that Alight is at the center of that change.

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It's time for employers to step up, experts say, and bust the growing phenomenon of candidates and employees disengaging and disappearing.

Ghosting: A Scary New Trend?

BY TOM STARNER

Fueled by record-low unemployment, the ongoing U.S. economic boom has boosted most employers' bottom lines.

But to Eric Van Duren, director of system talent acquisition at Spectrum Health in Grand Rapids, Mich., one not-so-welcomed outgrowth of rising stock markets and falling unemployment has been "ghosting."

Loosely defined as the practice of ending a relationship by suddenly, inexplicably withdrawing from all communication, ghosting is no longer just an online-dating phenomenon or a way to slip out of a party. According to experts, ghosting has increasingly crept into the workplace, and it's causing pain—mainly lost time and wasted resources—for HR, employers and recruiters.

"The primary factor for the rise of ghosting in the talent area is a robust economy," says Van Duren, noting that a booming economy raises the likelihood job candidates will have a number of options during their search. "When a candidate has multiple opportunities, it increases the chances of them disengaging from your hiring process."

There are recent data to strengthen the notion that ghosting, practically unheard of in recruitment even as little as two years ago, should be starting to scare employers looking to stay well-stocked with talent.

According to a survey on workplace ghosting from Clutch, a B2B research, ratings and reviews firm in Washington, 507 full-time employees and job applicants polled disapprove of companies that ghost *more* than they disapprove of candidates who ghost. In fact, 35 percent say it's "very unreasonable" for a company to ghost an applicant, compared to only 21 percent who say it's "very unreasonable" for an applicant to ghost a company. Also, nearly half of job seekers (41 percent) believe it's reasonable for candidates to ghost employers.

Among job seekers who believe ghosting is reasonable, 48 percent believe it's best to ghost during the early stages of the interview process, and the further an interview process progresses, the less acceptable they view ghosting. Still, nearly one in 10 job seekers thinks it's reasonable for an applicant to ghost after he or she accepts a job offer, or for a company to ghost a candidate after it extends an offer (8 percent). Among those who have ghosted employers, the most common reasons given were that they accepted another job offer (30 percent), never heard back from the company (23 percent) or decided the role was not a match (19 percent).

"Ghosting often boils down to something less dramatic than you might think," according to Michelle Delgado, the content developer at Clutch who managed the research project. "It can just be that people miscommunicate on both sides."

A surprising survey result, Delgado notes, was the role inaccurate job postings can play in prompting candidates to disengage. For example, a person may think he or she is interviewing for a public-relations job, start the interview process and halfway through realize the employer was actually looking for a salesperson.

"Sometimes [employers are] posting very generic, inaccurate job descriptions," she says. "That can snowball into making the candidate feel like the company doesn't really care who they're hiring or maybe they don't really know what they're looking for. Ghosting may follow."

According to Jodi Chavez, president of Randstad Professionals, a staffing firm that primarily works in the financial and legal fields, ghosting isn't just an interview trend; it also is happening well into the employment relationship. For instance, she explains, a person may start a job, work a week or even up to a year … and just decide not to come back on Monday.

"We have had cases where people are sending emails at 2 a.m. on a Saturday to their employers saying, 'I resign,' " she says. "That's happening more and more."

In other cases, Chavez says, employees report to the office and resign in person, with a little bit of a conversation yet without the two-week courtesy notice, the de facto standard.

Beth Zoller, legal editor at XpertHR, says that in the past, job seekers often submitted resumes and even went on interviews without ever hearing back from the employer. In a reversal of that scenario, she says, hiring managers are seeing a rise in candidates failing to show for interviews and individuals leaving jobs without formally quitting.

"It's especially happening among in-demand employees in the tightening job market," she adds.

Jo Weech, founder and principal consultant at Exemplary Consultants and an experienced HR and recruiting professional, says that during the past year she saw the situation firsthand

from both sides—as she sought a full-time job in recruiting while working as a recruiting consultant.

"I honestly was shocked to be ghosted by recruiters, even ones with whom I had multiple phone interviews. In one case, we even had a face-to-face interview," she says, adding that it's little wonder job candidates feel they can treat employers the way they themselves were treated. "My first question for employers is, 'Have you ghosted job candidates?' If the answer is yes, then you have to start there. Do not work another minute in the recruiting profession unless you make a solemn commitment to never do it again."
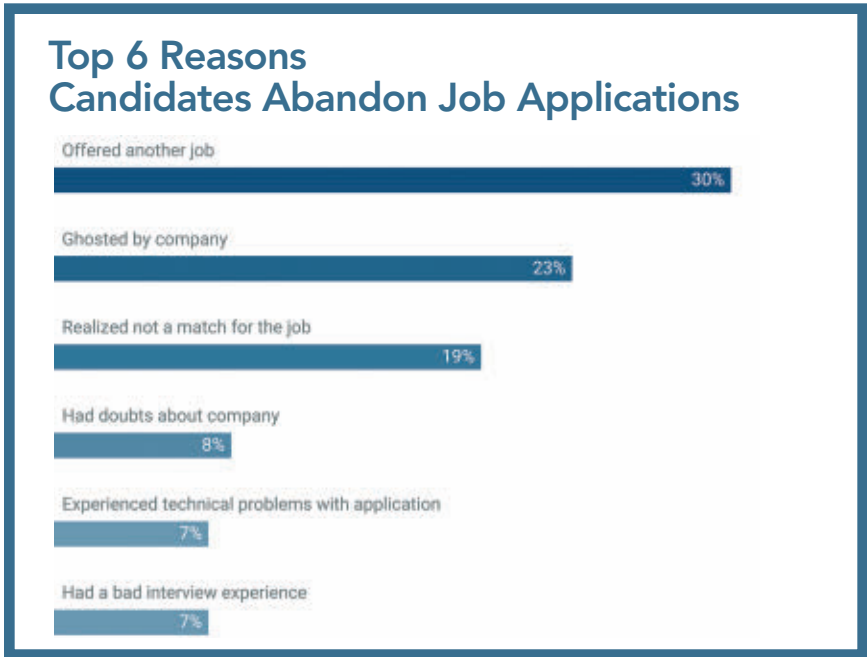
Understanding Disengagement

According to Spectrum Health's Van Duren, the company prides itself on having a team made up of skilled and professional recruiters who understand the reasons why a candidate may disengage from the hiring process and how to help candidates make the best possible decision.

"It's important for recruiters to connect and establish a relationship with their candidates so they can transparently talk through things, such as rate of pay, competing job offers and what the transition would look like," he says.

Van Duren notes Spectrum Health adjusted its high-volume hiring process to decrease the chances of a candidate ghosting. It developed an interview "blitz" model that eliminates many of the traditional delays that can come with the hiring process. To accomplish this, Van Duren's team partnered with hiring managers to pre-identify specific days each week for candidates to interview. Job seekers are then scheduled directly into those interview slots and often receive job offers the same day as their interview.

"Speeding the process up while still conducting high-quality interviews has led to us hiring a higher

Top 6 Reasons Candidates Abandon Job Applications

Reason	Percent
Offered another job	30%
Ghosted by company	23%
Realized not a match for the job	19%
Had doubts about company	8%
Experienced technical problems with application	7%
Had a bad interview experience	7%

percentage of candidates we offer jobs to," he says.

Randstad Professionals' Chavez says guarding against ghosting boils down to respect, but the meaning of that word in the recruiting world has seemingly become diluted recently.

In the past, employers saw hiring from the standpoint that a prospective employee needs the job, she says, but now the tables are more balanced. "Today, it must be a mutually beneficial relationship between the applicant and the company," she says.

"I think this is where we are seeing the candidates say, 'Wait a minute. I deserve some feedback and respect,' and companies are responding," Chavez adds, noting employers should offer an automatic response to applicants.

"That way, there is an expectation from the company that says this is what it would expect as well," she says. "Saying that from the start is important."

Streamlined Hiring

Los Angeles-based Janelle Bieler, vice president at Adecco Staffing, says

one of the best things companies can do to reduce ghosting is to streamline the hiring process.

For example, candidates in certain industries have a shelf life of only 24 hours, so Bieler urges her clients to react quickly during the hiring process to lock in top talent before a competitor does. This can be done by reducing the number of interview rounds in order to maintain the attention of promising candidates. According to Adecco's recent *U.S. Workforce Report*, 87 percent of respondents said they prefer no more than two rounds of interviews during the hiring process.

Another strategy for streamlining the interview process is utilizing artificial intelligence. Unlike human recruiters, AI can operate 24/7.

"This means that a candidate who applies for a position after normal business hours can be pre-screened by the AI tool that night and, if they pass, can set up an interview for the next morning," Bieler says.

Adecco has found that candidates are more likely to ghost if they feel

they are being left in the dark about the interview process, she says, so recruiters and employers must take the time to outline the steps and expectations with the candidate during the first interview.

"Most of all, be open with candidates about the process," she says, explaining that employers should highlight tentative timeframes, including when an offer might be made. If an offer is extended, Bieler says, it's a best practice to set a deadline for the candidate to accept or reject the position. Let the candidate know that if he or she doesn't respond by the deadline, the offer might be rescinded.

"It's important to keep candidates engaged throughout the interview process," she says, adding that this can be done by regularly providing updates on where the applicant stands and encouraging him or her to follow up with any questions or concerns.

Changing Realities

XpertHR offers a step-by-step guide for employers to reduce ghosting, starting with keeping the lines of communication open.

Additionally, Zoller notes, HR and recruiters should personalize the recruiting process and conduct meaningful interviews, preferably face-to-face sessions where they can get a good read on the candidate. It is important to attempt to ascertain the candidate's motivations, long-term goals and aspirations, and try to learn as much as you can beyond the resume or application, she says. HR and recruiters should be open, friendly and receptive to questions, and provide concrete answers so that candidates remain engaged.

It is also important to maintain a positive workplace culture and brand, Zoller adds. Throughout the recruiting and hiring process, the employer needs to make potential candidates understand the benefits of working for the employer. However, thanks to ever-evolving social-media platforms, candidates are able to conduct thorough research on a workplace and gain insights into a culture before ever stepping foot inside. "And if they don't like what they read, you may be at risk of being ghosted," she says.

Exemplary Consultants' Weech, a charter member of the Association for Talent Acquisition Professionals, says the ghosting phenomenon won't change overnight, but if everyone in talent acquisition stopped ghosting candidates, the trend on the candidate side would likely slow down and maybe even disappear. Of course, a sudden downward swing in the economy also could change the candidate-employer dynamic.

"Let's start with ourselves before we try to fix others," Weech says.

Send comments or questions about this story to hrletters@lrp.com.

Job Candidates Approve of Ghosting But Don't Like Being Ghosted

	Candidates	Companies
Very reasonable	11%	9%
Reasonable	30%	23%
Unreasonable	38%	33%
Very unreasonable	21%	35%

When Is It Reasonable for Job Candidates and Companies to Ghost?

	Candidates	Companies
Early stages	48%	36%
Middle stages	29%	36%
Final stages	14%	20%
After accepting an offer	9%	8%
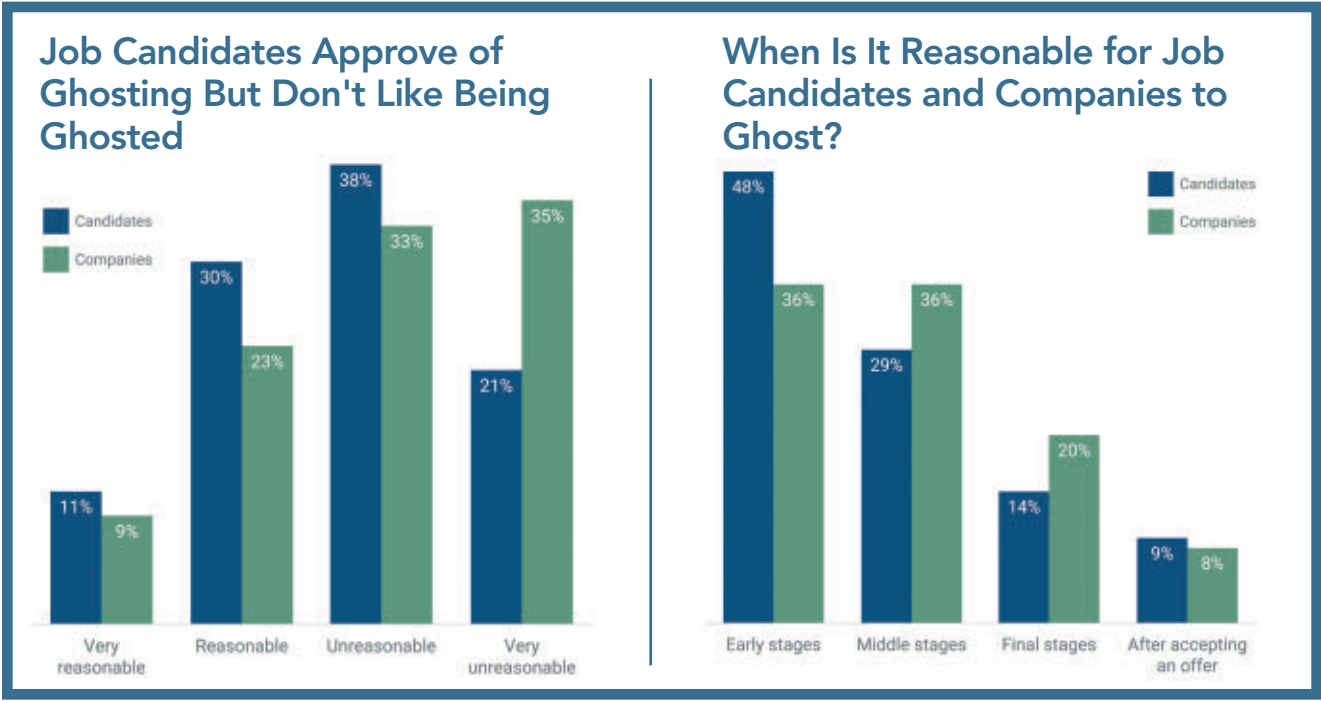
GRAPHS SOURCE: *2018 CLUTCH RECRUITING SURVEY*

Engagement

Are You Delivering A Great Employee Experience?

Three organizations looking for an edge in recruiting are taking well-rounded approaches to providing a positive experience for employees.

BY MAURA C. CICCARELLI

We all know that the talent wars will be won by the companies that deliver great EX—employee experience, that is.

Failure to attract and retain talent is the No. 1 concern of CEOs responding to the *2018 Conference Board C-Suite Challenge Survey*. As a result, organizations are "moving from treating employees as human capital to treating them as human beings, which means really understanding their needs and expectations and creating an experience where they can do their best work," says Jeanne Meister, founding partner of Future Workplace, a New York-based HR advisory and research firm that explores the future of learning and working.

Meister points to three companies—two traditional and one disrupter poised on the bleeding edge of HR—that are demonstrating a holistic approach to building a great employee experience that addresses the human factors, technology and the work environment itself.

"Perks like free food and massages lose their sizzle pretty quickly," she says. "Thank goodness, we have gone past that to what's meaningful to get and keep employees."

Hilton: Continuous Improvement Pays Off

At Hilton, the 99-year-old hospitality organization with nearly 400,000 team members at more than 5,200 properties around the world, a continuing focus on improving customer experience has helped it glean valuable lessons for delivering a great EX, says Gareth Fox, Hilton's vice president of human resources for the Americas.

"Our mission of being the most hospitable company in the world extends to our team members as

well," he says. "We've grown our Hilton Honors loyalty program to nearly 70 million members by building meaningful, direct relationships that deliver great value for our guests."

In July 2017, the company introduced Thrive@Hilton, a six-week online program taught by Arianna Huffington (CEO of Thrive Global and co-founder of the *Huffington Post*). The course is offered through Hilton University and teaches scientifically proven methods to decrease stress and burnout and improve overall health, happiness and wellbeing.

The Thrive@Hilton program also promotes a culture of continuous improvement that has led the company to shift away from the 24/7 on-call lifestyle for employees. "We are well aware that research shows workers are burning out faster than ever when they are constantly on their phones and checking email for work," Fox says. "We recognize that our team members need to recharge."

In the physical work environment, Hilton has developed its Heart of House initiative for on-site staff. This includes renovated "back-of-house" features such as revamped locker rooms, eating areas that are more like commercial restaurants instead of cafeterias and improved Wi-Fi access. Uniform choices have been expanded and include Under Armour apparel made from high-performing fabric.

On the talent-acquisition side, Hilton's HR department teamed up with IT to explore artificial-intelligence technology to increase the speed and success of hiring and improve onboarding. While still in the process of deploying AI technology to screen, source and interview job candidates, Hilton has released a chatbot that guides candidates through the process of applying for a job and setting up an interview, and it even provides an offer. Video interviews and assessments are helping improve corporate high-volume recruitment, leading to an 85 percent increase in speed-to-hire—a drop from six weeks to one week.

Building a great work culture from the inside out has led to accolades, including the No. 33 spot on *Fortune*'s "100 Best Companies to Work For."

"We are seeing these investments pay off, as increases in resources and benefits for our team members have corresponded with rising guest-satisfaction scores and parallel growth in our most loyal customer base," Fox says.

Investment in the employee experience has also helped decrease turnover by more than 4 percent in the Americas, he adds. "That amounts to a savings of roughly $4 million to the business, from loss of productivity, recruitment costs and time-to-hire."

SunTrust: Building EX on Purpose

When SunTrust, a banking and financial-services company based

Engagement

in Atlanta, spelled out its company purpose some six years ago, it not only concentrated on "lighting the way to financial wellbeing" for its clients and communities but also committed to helping its 23,000 teammates.

"It's no coincidence that since we clearly articulated our purpose, we've seen six, going on seven, years of consecutive performance improvement in our earnings per share, our efficiency ratio [and] our shareholder return," says Margaret Callihan, SunTrust's CHRO. "We believe that when you put your purpose in practice that it actually influences and impacts the culture [and] the teammate experience."

For example, four years ago, SunTrust launched an online financial-fitness program called Momentum onUp, which teaches about money management. It provides the program at no cost to its corporate clients to help their employees become more financially savvy, and to SunTrust teammates free of charge.

It's an important benefit for SunTrust teammates because surveys show that 70 percent of working adults feel a moderate or high level of financial stress in their lives. Seventy-nine percent of employees have completed the program in the last four years, and each has received $1,000 from SunTrust to jumpstart a $2,000 emergency fund. They learn about debt management, buying/renting a home, insurance, budgeting, income stream, and giving back either time or money to the community. They also receive one paid day off so they can develop a budget, set up a will or implement other money-management measures. In a 2015 engagement survey, SunTrust learned that 73 percent of participants acted to improve their credit score and 62 percent felt less financial stress.

The company has also dipped its toe into the AI world to try something really different, yet quick to set up. Enter Mo (who is gender-neutral), the SunTrust chatbot that can immediately answer questions teammates have about the company's financial-wellbeing offerings, including Momentum onUp.

"This is the beginning of a much broader strategy but a great opportunity for us," says Katherine Brune, senior vice president of teammate wellbeing and benefits.

The company has created a team to use agile methodology to develop new programs. "We love the idea of quicker feedback and quicker solutions [that are] more timely [and] more relevant," says Callihan. "We are on the path to do all of our work this way, and I think it is a real game changer as we interface with the teammate experience, with the technology [and] with the new ways artificial intelligence is going to come into the workforce."

"We believe that when you put your purpose in practice that it actually influences and impacts the culture [and] the teammate experience."
—SUNTRUST CHRO MARGARET CALLIHAN

Program ideas frequently come from SunTrust's robust roster of annual and pulse engagement surveys.

"We know that, [with] five generations in the workplace, we want to continue to evolve our [benefits] program so that it's contemporary [and] it attracts and retains top talent," says Kimberly Eul, SunTrust's leadership and teammate experience executive.

For example, SunTrust has opened state-of-the-art co-working sites in Richmond, Va.; Orlando, Fla.; and two in Atlanta to help teammates trade commuting time for productivity, all in response to calls for flexible-work options.

Another "wildly successful" program that came out of employee surveys was an expanded maternity- and parental-leave policy, says Eul. The program offers 10 weeks of paid maternity leave for birth moms plus an additional six weeks of parental leave, which can be taken in weekly increments. Fathers, domestic partners and adoptive parents are eligible for six weeks of paid parental leave as well.

"It really takes to heart those moments that really matter for our parents," says Brune.

Callihan adds, "As a purpose-driven company, we know it all starts at home."

rLoop: The Disrupter

Home is also where everything starts for the remote workers at rLoop—a think tank of designers working on high-speed transportation systems that will whoosh passenger pods in low-pressure tubes at 700-plus miles per hour from Los Angeles to San Francisco in 30 minutes, or

London to Manchester in 15 minutes. But the remote workforce doesn't mean there's no need for HR; it just gets a major assist from technology and disruptive thinkers.

The rLoop team evolved three years ago out of a small group of engineers who collaborated in their spare time to enter designs for Elon Musk and Space X's Hyperloop competition. Today, the team has coalesced to include a set of leaders such as rLoop co-founder and project manager Brent Lessard, who operates out of his Toronto home. He and his co-founders are now in the process of hiring a high-performing team by mining the best of the best from among the 1,300 volunteers who are pursuing their dream "moonshot" project.

"It all started with a couple-dozen people who were meeting on weekends and in the evenings and collaborating online," says Lessard. "We had an open-door policy and, as we started to enjoy different successes and win some awards, the numbers within the community started to grow like a trickle at first and then the spout just opened."

Suddenly, they had a lot of talented people but no easy way to engage them, filter them through to the appropriate teams and connect them to mentors. In addition, the team was based around the world in many different time zones.

"What we found is that people would join and be very excited about the concept and about working on this kind of project, but if we couldn't engage with them and get them to collaborate in a meaningful way within a very short time frame," Lessard says, "they would kind of bounce away and

we would lose a potential contributor or collaborator."

To focus on retaining contributors, the rLoop HR team organized engagement efforts using artificial-intelligence tools. "When a new member joins, we have an AI that immediately contacts them in a private message," Lessard explains. "It can interact with them, based on a predetermined workflow that we're constantly evolving. Depending on the answers to the specific questions that are provided, the AI can provide them a path."

The AI is plugged into a knowledge database that can deliver an answer instantly about anything related to rLoop, from its technology and collaboration systems to its values and culture and to professional-development opportunities. If the knowledge-base answer isn't satisfactory, the AI generates a service ticket so a team member can reply to the contributor personally; the question and the tailored answer become part of the knowledge base as well. Plus, throughout the process, the AI asks if users are comfortable with the answers, if they have any feedback or if they have concerns they would like addressed, either personally or anonymously.

"There's a commonly held fear of AI and tech like this but there shouldn't be," says Lessard. "I think they are here to complement the human side and enhance it more than replace it."

In addition to focusing on the elements of the Hyperloop, rLoop is also developing a Boeing-sponsored personal flying device and rBridge, a fast prototyping system that lets designers and engineers connect to makers and manufacturers around the world to turn designs into physical products in record time.

The rLoop ecosystem also makes it easy for the rLoop HR-recruitment team to track and learn from engagement data points and find the best existing contributors who demonstrate the key values of participating, contributing and demonstrating proficiencies before turning to external talent sources to fill positions.

It would have been much harder to create a company out of nothing even five years ago because the technology wasn't as readily available—or without cost—like it is today, Lessard notes.

"We have a 'We can do this' mentality. If someone tells us that something isn't feasible, our response is usually, 'Just watch us.' It's the scrappy attitude of the whole team that fuels our progression."

While the three companies—Hilton, SunTrust and rLoop—have different customers, products and even employee types, Meister says, all show that paying attention to great EX can give any size company an edge in the talent wars.

Send questions or comments about this story to hreletters@lrp.com.

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Those holding the senior-most HR positions for their organizations or operating companies/units are encouraged to nominate their top lieutenants. In addition, other senior executives and officers of the organizations, consultants and supplier organizations are invited to submit nominations. (Consultants and suppliers are asked to include a signed endorsement from the candidates' employer.) Candidates may also nominate themselves, but must separately submit a letter of recommendation from their supervisor (i.e., senior HR leader). The letter should be emailed as an attachment to **hrecompetitions@lrp.com** with "HR's Rising Stars Letter of Recommendation" in the subject line.

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Human Resource Executive®

Wayne Connell, vice president of HR at the *Washington Post*, has overseen the publication's HR transformation.

Writing a New Chapter

Five years after its sale to Jeff Bezos, *Washington Post*'s head of HR reflects on the massive culture shift that has helped the organization enjoy record success.

BY JEN COLLETTA

The last few years have painted a rather dismal picture of the future of print journalism.

According to the Pew Research Center, newspaper circulation has been on a steady decline for the last two decades, with weekday print circulation dipping by 11 percent between 2016 and 2017. As publications have struggled to bridge the divide between print and digital, many have suffered mass layoffs and closures. Pew estimates that employment in U.S. newspaper newsrooms dropped by 45 percent between 2008 and 2017.

However, the tale at the *Washington Post* has been a decidedly different one. With a heavier emphasis on digital, its online audience has grown from 30.5 million readers in October 2013 to a monthly average of 83 million today. It regularly breaks 1 billion page

views a month, up from an average of 217.3 million five years ago. Last year, it surpassed 1 million digital subscribers, while its average weekday print circulation in the Washington area is more than 250,000, a number that climbs to nearly a half-million on Sundays.

On the back end, the *Post* has hired nearly half its workforce in the last five years. Just last month, it announced it was hiring six reporters and an editor to exclusively cover the 2020 election.

Much of the company's recent growth was put into motion after the organization's 2013 sale to Amazon founder Jeff Bezos, says Wayne Connell, vice president of HR, who has been with the newspaper since 2005 and in his current position since 2009.

"The transition [after the Bezos sale] was epic," he says. "There are lots of case studies written about how to manage change, and we were living through a real case study."

Connell notes that, in addition to the new owner, within 18 months of the sale being signed, the company had an almost entirely new leadership team: CEO, CFO, CRO, CTO, vice president of communications, and vice president

of audience development and analytics. This was all on the heels of the *Post* hiring a new executive editor and CIO shortly before the sale.

At the time of the sale, Bezos said he aimed for the $250 million deal to bring about a "golden era" for the daily newspaper, which has been in print since 1877. Fulfilling that lofty goal meant all hands on deck, and HR was instrumental in leading the transformation.

Creating the Catalysts

To help the organization and its workers ride that wave of change, HR developed a long-term strategic talent roadmap with six elements: diversity, technology, data and analytics, culture, leadership and marketing, with a particular emphasis on the latter three aspects.

On the culture front, Connell says, leadership went straight to *Post* employees, gauging their views on the company's current culture, its strengths and weaknesses, and the direction in which it was headed.

"We were surgical about what it is we were changing from and to—a respected local newspaper with a pretty substantial website and national audience to a global digital-media company with growing national and international audiences across multiple digital platforms—without losing the core values that made the *Post* special for the past 140 years," he says. There was consensus in those conversations that the company needed to function "more like a nimble, 21st-century start-up and less like a 19th-century print newspaper," with an organizational culture to support that aim.

Three themes emerged to form the foundation of the revamped culture, or what the *Post* refers to as its "Catalysts for Change": shape ideas, redefine speed and take ownership.

The catalysts were embedded into the *Post's* "rejuvenated" intranet and its job postings. The company launched a quarterly town hall meeting with all employees—which previously were focused just on managers—during which it addresses new products and culture issues. At the event, company leaders bestow the Catalyst Award, which recognizes an outstanding employee with a $1,000 prize. Using the catalysts as building blocks, HR developed behavioral-interview guides with targeted questions designed to evaluate how candidates would embrace the catalysts. It also created a two-day certification process for hiring managers.

"If you manage one or 100, and hire once a year or 100 times, you go through this certification process," Connell says, noting that an HR representative leads the sessions, which focus on rigorous, data-driven questioning.

"And it's a certification, not training. So if you fail, we revoke your

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capacity to hire," Connell adds, noting that, in that case, HR or an adjacent manager would assume interviewing responsibilities. Streamlining the hiring process and giving managers more responsibility for hiring, he notes, have been key in the past few years.

"We've hired well and we've hired fast, and a lot of that involves teaching managers how to do it. HR's role is to provide the training, tools and support to empower managers to make high-quality decisions."

That is the idea behind the *Post*'s new Leadership Project, a suite of training initiatives, all oriented around the hands-on mantra of "See it, try it, apply it."

Among the components is the Action Learning management-training series, in which up to eight leaders—representing different departments, tenures, levels and areas of expertise—meet for about 90 minutes three times per quarter to tackle a real-life organizational challenge. An HR representative serves as a learning coach and ensures confidentiality and ground rules are respected, Connell says. Topics have involved goal-setting, delivering feedback, improving morale, coaching, hiring and culture.

"Every leader struggles with those things and they tend to feel alone, but there is always someone else in that boat," he says. "This is a powerful way to learn where you're not having to rely on the expertise of an instructor, it's not off site and it costs no money. They come together around a table, problems get solved and the group learns."

In that vein, the *Post*'s new Community program connects managers across the company to socialize, share experiences and build relationships. The quick influx of new hires, Connell says, meant many leaders didn't know one another.

"We're really busy and have a mandate on moving fast, so someone could work five doors down from you and you could see their face every day but don't know the nature of their job or have a familiar relationship, so you would tend not to leverage them."

Another learning strategy is a series of workshops led by HR. The on-site, hour-long sessions focus on practical leadership skills, such as "coaching through questions"—in which managers help employees get to an answer themselves instead of giving it to them—and steps managers can take to bring culture change out of the abstract.

"We want to give [workshop participants] a practical roadmap to do something," Conell says. "Culture change can feel nebulous and vague, but it's not above any leader's pay grade."

Career development is at the heart of another workshop, which he says

"We've hired well and we've hired fast, and a lot of that involves teaching managers how to do it. HR's role is to provide the training, tools and support to empower managers to make high-quality decisions."
—WAYNE CONNELL, VICE PRESIDENT OF HR

PHOTO THE MUSE

is especially important in light of the number of new hires in recent years. Also in the development area, all employees are invited to take part in the Growth Project, a series of events focused on practical skills building and networking.

On the Move

Amid the culture transformation has been another major shift: the move to a new office. In December 2015, the *Post* moved its downtown Washington operations from a building it owned and had operated in since 1950 to a leased space three blocks away.

HR played a central role in managing the move, particularly around its messaging.

About six months beforehand, HR began sending out "communication-relocation updates," offering everything from details on moving boxes to how to sign up for the new space's fitness center. The department created welcome packets for the new workstations that included a letter from the CEO, a custom water bottle emblazoned with "*Washington Post* Refreshed" and other tchotchkes.

It also sought to validate the emotional attachment many staffers had to the old building. During a farewell party, all employees received a T-shirt featuring a photo of the building from the 1970s as well as a keychain with their initials made from the brass letters of an old *Post* linotype machine.

"It was seismic," Connell says about the move. "All of the Watergate-era changes at the *Post* happened in that building, and some people spent their

entire careers there. So we tried to deal with the emotional level of change and not just the logistical so that people felt good about it, prepared and not blindsided."

The move to the modern, open-office concept, Connell says, was the "upgrade of a lifetime," and was in keeping with the other organizational shifts of recent years, including the 2014 launch of Arc Publishing. The company developed a "first-class engineering shop," he says, to solve its own digital-publishing problems and provide software as a service for other modern journalism outlets.

"We're providing software through Arc Publishing that allows our clients to publish journalism of all types, so in that regard, we're advocates for nurturing quality journalism beyond our own four walls," Connell says.

The evolving emphasis on digital publishing hasn't been the only reality of modern journalism the *Post* has had to grapple with.

Company leaders have had some frank discussions about the impact of today's highly politicized environment on its work, and its employees.

"We've had to think long and hard about ways to strengthen security and screenings in our new building and carefully scrutinizing the mail we receive in ways that weren't relevant at the time of the sale five years ago," he says. "There's a lot to feel good about in terms of the work we're doing but, in the process, [journalists are] getting vilified. We're not at war, we're at work, as our Executive Editor Marty Baron says, and we'll continue to be at work, but it's a challenged environment."

While the *Post* has remained a major player in national political reporting in recent years, employees themselves have also made headlines of their own. This summer, more than 400 employees issued an open letter to Bezos, as well as released a video, calling for "fair wages; fair benefits for retirement, family leave and health care; and a fair amount of job security."

The United Newspaper Guild of America represents 60 percent of *Post* employees, whose contracts renew every two years, Connell says, and the recent campaign was a "function of Guild negotiations."

"There are always things they're negotiating back and forth. I can't speak too much to the nature of that," he says, "but we are always looking at opportunities to improve the overall total-rewards package and very soon will be announcing enhancements to that package. But it would be premature of me to state that now."

While the future may hold some changes for employee rewards, the past five years since the sale, Connell says, have marked one of the most significant turning points in the company's history.

"We have undergone a major, structural, gut-wrenching change at the speed of light and we digested it well," he says. "Most companies would choke on half the change we've undergone in twice the amount of time. Did we handle everything perfectly? No. But we handled it effectively and successfully, and the results speak for themselves."

Send questions or comments about this story to hreletters@lrp.com.

People

Compiled by Danielle Westermann King

Steven C. Mizell has joined *Merck* as its CHRO, succeeding Mirian M. Graddick-Weir, who will retire at the end of November. Mizell joined Merck from Monsanto, where he was executive vice president and CHRO since 2004. In his role at Merck, he will lead the company's global HR function and serve as a member of the executive committee.

Mizell earned a bachelor's of science in industrial management from the Georgia Institute of Technology and a master's degree in management and public-policy analysis from Carnegie Mellon University.

Caesar's Entertainment Corp. has hired **Monica S. Digilio** as executive vice president and CHRO. She previously held the same titles at Montage Hotels. She has more than 20 years of experience as an HR leader, working in different leadership capacities at Kerzner International and ITT Sheraton Corp.

Digilio earned a bachelor's degree in communications/corporate communications and a master's degree in organizational development from Ithaca College.

Smarsh, a digital-archiving-solution company, recently hired **Suzanne Rudnitzki** for its newly created role of chief people officer. Rudnitzki will oversee HR, as well as the diversity and inclusion and facilities teams.

Before joining Smarsh, she served as CHRO and senior vice president of HR at Telecare Corp. She has also worked as a consultant or senior HR leader at Xerox Corp., Procter & Gamble Co., Nissan, General Motors, Herman Miller and Magna Corp.

Rudnitzki received a bachelor's degree in business administration from Western Michigan University and an MBA in marketing from Eastern Michigan University. She also authored the book *Not So Basic New Hire Orientation.*

Varidesk recently hired **Megan Masoner Detz** as its chief people officer. She will be tasked with leading HR operations and developing people strategies. Masoner Detz joins Varidesk from NTT Data Inc., where she served as senior vice president of human capital.

Masoner Detz also previously worked at HP and served on the SAP SuccessFactors executive advisory board. She earned a bachelor's degree in computer graphics from Texas Christian University and an MBA in strategy and entrepreneurship from Southern Methodist University's Cox School of Business.

Anja Hamilton has joined communications-technology company *Plantronics* as its executive vice president and CHRO. She most recently served as chief people officer at Integrated Device Technology, Inc. Previous roles include HR leadership at Electronic Arts, Ebay and Atmel.

In her role at Plantronics, Hamilton will lead all HR and people-management functions and will be a part of the executive team to help drive business strategy.

Facilities-management company *Vixxo* has hired **René Bonin** as its senior vice president and CHRO. In this role, Bonin will manage leadership development and performance management to enhance the employee experience. Most recently, Bonin worked at Iron Mountain in various HR-leadership roles.

She earned a bachelor's degree in political science and philosophy from Boston University.

Business-analytics company *Visier* has promoted **Paul Adam Rubenstein** to chief people officer. Most recently, Rubenstein served as the company's vice president of advisory services. In this newly created role, he will be tasked with developing innovative HR practices to help business leaders maximize how they use people data.

Rubenstein has more than 25 years of experience consulting and working in HR. Before joining Visier, he was a partner at Aon Hewitt and general manager of its leadership and assessment businesses. He was also a global consultant at Mercer and held various HR-leadership positions at Home Box Office, Scholastic and Hyatt Hotels.

Rubenstein earned a bachelor's degree in liberal studies from State University of New York at Stony Brook.

Wealth-management, trust and private banking-services firm *Boston Private* has hired **Joy McCune** as its CHRO. In this role, McCune will advise and coach executives, design compensation and benefits, build human-capital plans and advise on change-management initiatives across the company.

Most recently, McCune worked as CHRO at Boston Financial Data Services and previously was senior vice president of human resources at State Street Corp. She received a bachelor's degree from the University of Massachusetts.

Erik Lewis has joined *Lithia Motors* as senior vice president and CHRO. Most recently, Lewis served as CHRO for Apple Leisure Group. Other roles include senior director of human resources for Walmart International, senior director of organizational development at Sysco, and manager of people and change at PwC.

Lewis earned a bachelor's degree in Spanish and an MBA from Brigham Young University.

Energy concern *The Williams Cos.* has appointed **Debbie Cowan** as senior vice president and chief HR officer. She will lead all aspects of HR. Before joining Williams, Cowan held a senior HR leadership position at Koch Chemical Technology Group.

Cowan holds a bachelor's degree in business administration and psychology from the University of Arkansas and a master's degree in HRM from the University of Oklahoma.

Software company *Pegasystems* has appointed **Adriana Bokel Herde** as chief people officer and senior vice president. Before joining Pegasystems, she was chief people officer and chief evangelist officer at PeopleDoc. She has more than 20 years of experience in HR leadership.

Bokel Herde earned a bachelor's degree in psychology from the University of California, Los Angeles and holds a master's degree in clinical psychology from Pontificia Universidade Católica in Rio de Janeiro, Brazil. She also has a master's in adult educational psychology from Ludwig-Maximilians Universität München, Germany, and an MBA from the Massachusetts Institute of Technology, Sloan School of Business.

Chris Brown has joined web-chat provider *ProfessionalChats* as director of human resources. He has more than 20 years of experience in HR in both the public and private sectors. Most recently, he served as vice president of human resources at West Corp., an enterprise-technology company.

Brown earned a bachelor's degree in history from Columbia University and a certificate in strategic leadership for state executives from Duke University.

Ann Addison was recently named corporate vice president and chief HR officer at *Northrop Grumman Corp.*, a global aerospace and defense company. She joined Northrop from Leidos, a defense, aviation, IT and biomedical-research company where she was chief HR officer.

Previously, Addison was vice president of corporate human resources at Lockheed Martin. She received a bachelor's degree from Indiana University Bloomington.

Snowflake Computing has hired **Kathy O'Driscoll** as vice president of people. In this role, she will manage the company's global people and operations strategy.

O'Driscoll has more than 20 years of experience in HR leadership, most recently as vice president and chief HR officer at PATH, a nonprofit organization that's focused on global-health innovation. Before joining PATH, she worked in various HR-leadership roles at Microsoft.

O'Driscoll received a bachelor's degree in business administration and communications from Pacific University.

Consulting company *Psychological Associates* promoted **Christel Barbee** to director of HR. In her new role, Barbee will focus on onboarding and training, talent management and internal project management. She has more than 10 years of operations, organizational-development and managerial experience.

Barbee earned a bachelor's degree in psychology from Washington University and a master's degree in psychology/leadership development and coaching from Walden University.

Meili Chen was recently hired as vice president of HR at *Versum Materials Inc.*, a materials supplier to the semiconductor industry. Chen will be responsible for Versum's global human resources function and broadening the company's global talent-development and performance-management systems.

Chen most recently served as the global head of HR at FMC Agricultural Solutions. She has held numerous HR-leadership positions domestically and in Asia at companies including GE, Cigna, Dow and Valspar.

Chen earned a bachelor's degree in English from Tamkang University, a master's degree in curriculum and instruction from the University of Kansas, and a master's degree in organizational and intercultural communication from the University of Hawaii Manoa.

HR Marketplace

Below is a listing of products, services and solutions for human resource executives and their organizations. To receive more information from the suppliers featured in this special advertising section, please contact them directly.

Liberty Mutual

Reward your employees for their hard work and dedication with auto and home voluntary benefits from Liberty Mutual Insurance. Your employees are eligible to receive group savings on our quality coverage and exceptional service, including a 12-month rate guarantee and the convenience of payroll deduction. Visit www.LibertyMutual.com/Employers to learn more.

About Alight Solutions

As a leading provider of human capital solutions, we help our clients and their people navigate the complexity of health, wealth and HR. We combine data-driven, consumer-centered technology with personalized care and service to deliver a superior customer experience. At Alight, we are reimagining how people and organizations thrive. www.alight.com

Aon

Aon is a leading global professional-services firm providing a broad range of risk, retirement and health solutions. Our 50,000 colleagues in 120 countries empower results for clients by using proprietary data and analytics to deliver insights that reduce volatility and improve performance. www.aon.com

Cielo Knows Talent is Rising

Cielo is the world's leading strategic recruitment-process-outsourcing partner. The industry has verified Cielo's reputation for executing innovative talent solutions that provide business impact through numerous awards and recognitions, including a leader position on the HRO Today RPO Baker's Dozen list, PEAK Matrix Leader placement by Everest Group and Industry Leader designation by NelsonHall. cielotalent.com

Hogan Assessments

With more than 30 years of experience, Hogan Assessments is the global leader in providing comprehensive, research-based personality assessment and consulting. Grounded in decades of research, Hogan's assessment solutions help businesses dramatically reduce turnover and increase productivity by hiring the right people, developing key talent and evaluating leadership potential. https://www.hoganassessments.com

Products & Services

Compiled by Danielle Westermann King

Charting a Path for Job Boards

PandoLogic has released a predictive-analytics portal for job advertising, which is available with pandoIQ, the company's programmatic job-advertising platform for enterprise recruiting. The new portal offers interactive dashboards that chart real-time performance data, showing employers the effectiveness and ROI from their job advertising spend.

Real-time and historical campaign charts show users actual performance, which is measured against predictive benchmarks for the campaign period to highlight all performance data. The portal also gives users updates on job views, applicants, conversion rates, and average cost-per-click and cost-per-applicant rates across all jobs.
www.pandologic.com

A Boost for Workplace Innovation

Corporate learning and development company Kaplan Professional has launched a new assessment tool that aims to help clients measure and enhance workplace innovation. Corporate Innovation Diagnostic is designed to identify aspects of current company practices and culture that deter innovation and offer a personalized program designed to develop the skills, practices and culture needed for innovation.

The tool presents business scenarios and two questions: Do you know the best response, and how confident are you that your answer is correct? Answers are evaluated and reveal who is and isn't aligned to the most innovative practice. This helps target and tailor training and development to employees who need it most.
www.kaplanfinancial.com/businesses/lpd/diagnostics

Next Gen is Now

Vibe HCM, a provider of HCM and employee-engagement solutions, recently introduced its next-generation platform, which was built using Progressive Web App technology. PWA is designed to provide a fast, reliable and engaging user experience across all devices. It doesn't require app downloads and also supports offline work.

The platform is available in two bundled packages: Vibe Essentials and Vibe Edge. Essentials provides tools focused on engagement, pay, recruiting and other areas, while Edge is geared toward larger enterprises and is "tuned" for organizations with more complex talent strategies.
www.vibehcm.com

Facts &
Figures

Compiled by Michael J. O'Brien
Illustrations by Marthe Roberts/Shea

More Dads Staying at Home

Seventeen percent of all stay-at-home parents in 2016 were fathers, up from 10 percent in 1989.

Source: U.S. Census Bureau

Four-Day Workweeks

Fifty percent of 400 advertising and marketing hiring decision-makers surveyed say productivity would increase if their company instituted a compressed work schedule, such as four 10-hour days.
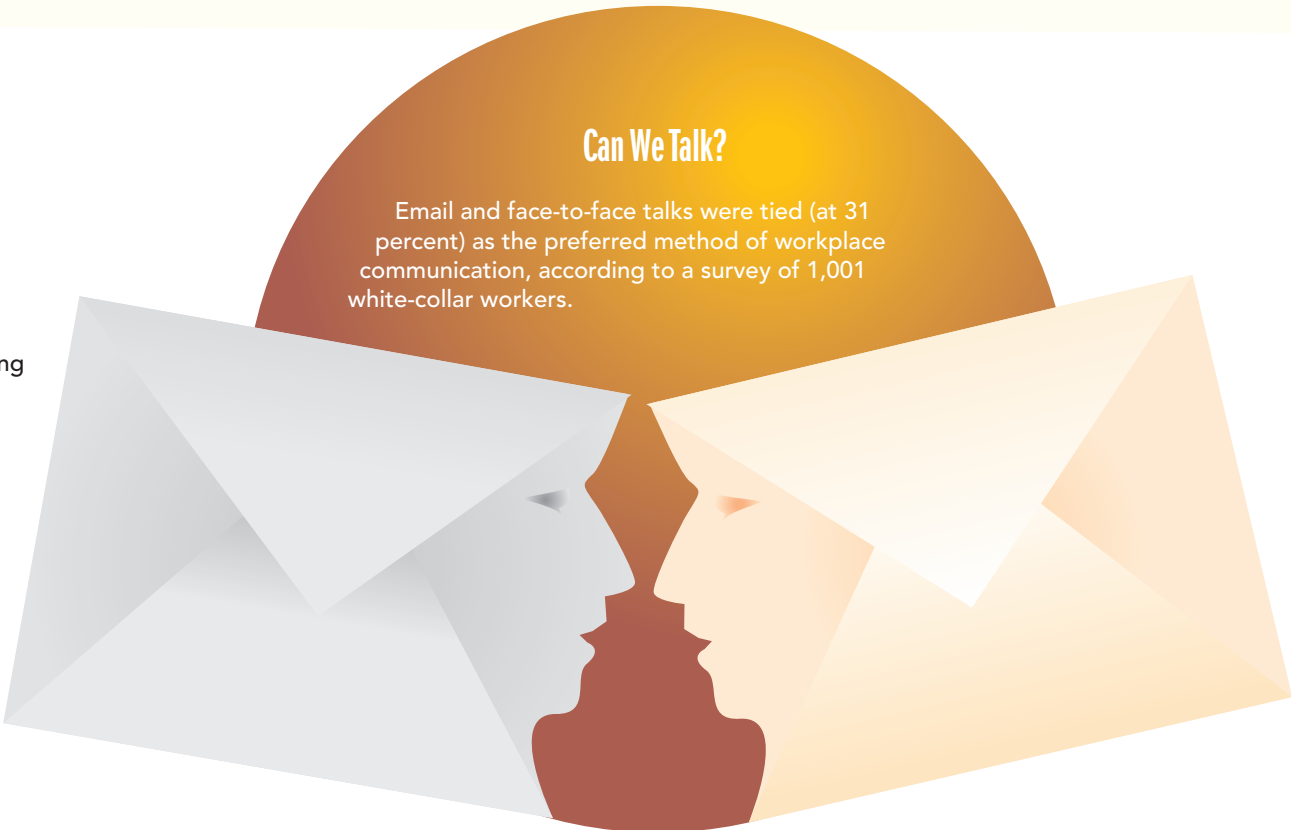
Monday Tuesday Wednesday Thursday

Source: The Creative Group

Considering Counteroffers

Fifty-eight percent of 5,500 hiring decision-makers surveyed say they extend counteroffers to employees to keep them from leaving for another job.

Source: Robert Half

Can We Talk?

Email and face-to-face talks were tied (at 31 percent) as the preferred method of workplace communication, according to a survey of 1,001 white-collar workers.

Source: *2018 Adobe Consumer Email Survey*

A Drop in Relocations

Only 3.5 million Americans relocated for work in 2017, a figure that's down 10 percent from 2015.

Source: U.S. Bureau of Labor Statistics

The Incentive-Pay Gap

Women, on average, earn 17 percent less in base salary than men. When factoring in the gender pay gap for incentive pay (69 percent), the total earnings pay gap widens to 19 percent.
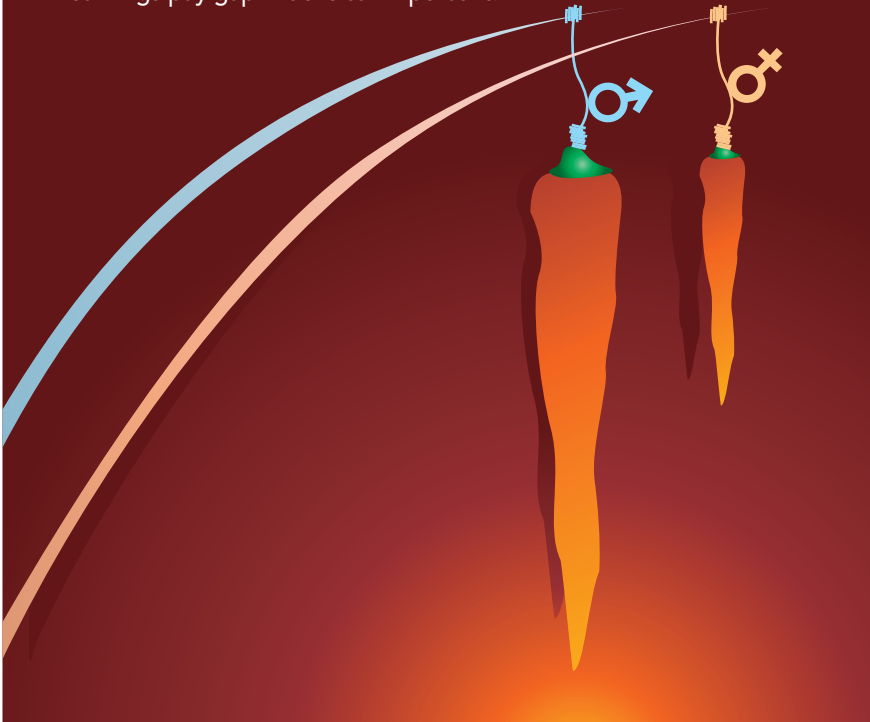
Source: ADP

Choosing Wisely?

In a survey of 100 HR executives, only 10 percent say they are "very confident" that their employees understand the health-insurance choices they are making.

HMO
Deductible
PPO
Specialists
FREE SPIN
Primary-Care Physician
Copay
POS

Source: HSA Bank

Create your
FUTURE WORKFORCE
with a **PALETTE** of **INSIGHT**

Digital transformation. It's here and it's disrupting businesses across all sectors. At Aon, we believe that creating the workforce for this Digital Age requires considerations for both the technology and the human being. After all, your organization is a large canvas filled with potential. We work with you to bring together the right combination of data and expertise to help you put the finishing touches on your masterpiece.

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