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# Human Resource Executive®

How to use AI  
and drive success  
without sacrificing  
your ethics.

PAGE 12

## AI: Risk or Reward?

**2020 FOCUS: AI, HR  
and the Future of Work**

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While AI represents a fantastic opportunity to drive HR success—and bottom-line growth—ethical issues tied to AI represent a potential dark side of these technologies. And, according to recent research, HR leaders aren't quite confident they know how to navigate around those obstacles. Also in this section, read about a number of organizations offering AI solutions focused on HR innovation. Page 12

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Buying HR tech for tomorrow means saying goodbye to yesterday's purchasing standards. Experts, including those speaking at this summer's Select HR Tech, break down how HR leaders should approach HR-tech buying in 2020 and beyond. Also, HR Tech Influencers offer their insights on the evolving HR-tech space, and what HR leaders should have on their radar.

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### More 'Insights from a CHRO'

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### Reconsidering Blind Employees

Only about one-third of visually impaired working-age adults are in the workforce, but, HR experts note, this is a demographic with many valuable skills to contribute.



### Watch: Joan Lunden Sounds Off

In this video interview, the former *Good Morning America* co-host previews her keynote speech at April's Health & Benefits Leadership Conference.



### 5 Lessons for HR from Mr. Rogers

An employment-law expert shares how wisdom from the iconic children's television host can impact today's HR function.



## Billie Hartless: How Mitel's new HR exec 'seizes the day'

BY JEN COLLETTA

**"P**ower to the people, man. Don't underestimate the power of people," Billie Hartless recently responded when asked if she had anything to add at the conclusion of *HRE*'s interview about her HR career.

That outlook has come to define Hartless' more than 25 years rising through the HR ranks of a number of leading telecommunications and IT firms—Verizon, Nokia, HERE and Polycom. In November, Hartless became the CHRO at Mitel, a Canada-based telecommunications company with 4,200 employees. The Texas resident says she aims to bring to Mitel her people-centered vision of innovative HR: a function that empowers leaders, embraces new technology and gives employees the tools they need to bring a high-performance, values-driven culture to fruition.

### When did you first feel the spark for pursuing a career in HR?

I was in Los Angeles, working for a subsidiary of Westinghouse back in the day. It was my first role in HR, and it was just an amazing experience for me. I had a great mentor, who has since passed on, and she was the first HR leader I worked with who really coached me in many different ways. It was a regional HR coordinator role, so I had union and non-union operations, I did benefits, employee relations. I saw the power of people. The only asset that can really differentiate a company is its people. So, how do you get people together to make magic?

### When you're not in the office, how do you try to disconnect from work?

I'm a certified yoga teacher. It involves effective breathing and meditation and helps focus the mind around what you're doing, which helps to alleviate stress. I'm a runner, too. I don't run as much as I used to, but physical exercise and the ability to practice meditation and focus on concentration and effective breathing all physiologically calm the nervous system. And that really enhances overall wellbeing.

### Do you have a personal mantra that keeps you motivated?

I have "Carpe diem" tattooed on my shoulder, and that goes back to being present now. Today isn't going to happen again. Tomorrow's uncertain. What we have right now is the moment, so we have to be present in the moment and seize the opportunities in front of us.

### I saw on your LinkedIn that you list yourself as an entrepreneur in the making. Can you tell me about that?

I'm the co-owner of a hair salon in San Antonio. My sister and I went into business together a year-and-a-half ago. She's a licensed cosmetologist, and I've helped with marketing and getting us on social media, as well as taking customer calls, scheduling appointments and washing and folding towels—doing whatever's needed. My sister is still at the salon—it's called Sisters Boutique Salon. Check us out online!—while I'm off doing this new venture [at Mitel]. People tend to tell their hairstylists their entire life, so



it really connected me in a personal way to our customers and was a great reminder that all business is personal. Employees at Mitel have things going on in their lives that impact them, both positively and negatively. We shouldn't lose sight of that.

### What are one or two of the biggest evolutions that the HR function in general has undergone since you've entered the field?

How about not calling it "Personnel" anymore? That sounds so radical now. It's part of this evolution of shifting away from the function as highly administrative and mostly compliance-oriented to "How do you capture the hearts and minds of the people in your organization and unleash the talent that resides in the organization?"

### What did your first day on the job at Mitel look like?

My first day was fantastic. I had a computer, a badge, I was able to be effective, productive, log onto the tools. Day one, there were literally no hiccups. I met a lot of people. My first day I spent in our Mesa, Ariz., team meeting held by one of our key executive leaders. Great intro to the company.

### What is your most pressing short-term goal for HR at Mitel, and how about some long-term objectives?

As the HR organization, we're the architects of the blueprints of performance management. We don't conduct performance management across the organization, but we have to create the tools for managers to do that. We're also starting to look at what kind of culture we need to be successful. Mitel is approaching the 50-year mark, which is a critical time in an employer's journey to stay relevant. We have to focus on building capacity from a culture perspective to get us another 50 years. And longer term, we're putting building blocks in place to do some cultural shifts—how to cultivate our values to drive a high-performance people culture. There's a lot of power in that statement, but also a lot of work to be done, and that's what gets me excited every day.

### What do you think HR leaders need to be doing today to be able to set themselves up for success tomorrow?

We need to be strong performance coaches—I think that's our future role as HR. We empower our organizations to connect every single employee to why we're here, what we stand for and what we're doing as a company. We've architected great performance-management systems that allow us to do that but now we need to take a step back, let our leaders be empowered and now be observers of performance. Leaders drive engagement in teams; they're the ones who are our greatest retention tools. People work for great leaders, they're inspired by great leaders and they want to stay because of great leaders. So, we have to have leaders who can drive that kind of environment and engagement in our companies, and I see the HR role as being an observer of that work and giving real-time feedback. At Mitel, we're a high-performance company with a strong culture of feedback, and I think that's one of HR's greatest capabilities: to ask great questions and give great feedback.

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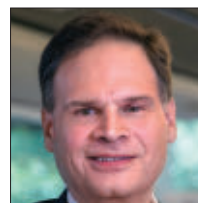
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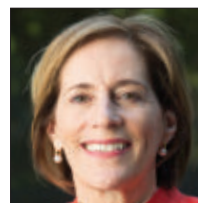
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**DAVID RODRIGUEZ**

Global Chief Human Resources Officer  
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### 2018 HR Executive of the Year

**DIANE GHERSON**

Senior Vice President of Human  
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IBM



### 2017 HR Executive of the Year

**LISA BUCKINGHAM**

Executive Vice President and Chief  
Human Resources, Brand and Enterprise  
Communications Officer  
Lincoln Financial Group

# HR Trends

## Top Story

### These Will Be the Top HR Challenges This Year

**While the issues may be unsurprising to many HR leaders, sourcing and landing high-quality applicants, along with managing future healthcare (especially the Affordable Care Act) and diversity, are predicted to be HR's toughest challenges throughout 2020, according to a survey of more than 700 HR professionals.**

The survey, XpertHR's fourth annual, reports that nearly 30% of respondents named recruiting and hiring as their most critical challenge. Most of all, of those who reported recruiting and hiring needs, 51% are "extremely challenged" in finding high-quality candidates—more than twice the number (22%) from just 2017.

"Finding skilled, qualified applicants is a struggle for many," says Beth Zoller, JD, legal editor at XpertHR. Among the solutions to this challenge are building a culture where employees want to work; seeking out untapped job markets such as older employees, veterans and those with criminal convictions; and taking advantage of non-traditional candidates (for instance, gig workers, remote workers and job shares).

"These are all tactics that employers can implement in order to meet their talent-acquisition needs," Zoller says.

As for healthcare, 50% of respondents are feeling "extremely challenged" by costs, while 27% are extremely challenged when it comes to preparing for the future of healthcare and the ACA. In fact, compared with prior years, concern over the future of healthcare and the ACA has grown considerably—only 17% found this a top concern in 2017.

"In addition to the rising cost of benefits, employers must address the needs of different generations and provide benefits that each group finds useful," Zoller explains. For example, she says, older workers may be more interested in long-term disability, while younger workers may want benefits such as daycare and gym memberships.

"Today's employers need to strike a balance and determine which benefits are most valuable and attractive to their workforce," Zoller says.

Next up on the difficulty scale is diversity and inclusion. Zoller says this issue today goes beyond race, sex, ethnicity, age, national origin and religion, and includes differing work experiences, sexual orientation, educational status, marital status, socioeconomic status, physical characteristics, life experiences, background and upbringing.

XpertHR's survey found that 38% of respondents reported managing diversity to be extremely challenging.

Zoller believes it's incumbent upon HR leaders to lead the way and incorporate diversity across the company, embedding it in the organizational culture, with the goal of creating an inclusive and tolerant workplace.

"Diversity efforts start at the top with the buy-in of key stakeholders and upper management who can see the value diversity can bring," she says. "It must be tied to business goals and aligned with corporate strategies."

Other strategic HR concerns survey respondents characterized as "extremely challenging" include employee engagement, morale and satisfaction (34%), employee retention (31%) and managing work/life balance (20%).

To review the full survey results, visit [xperthr.com](http://xperthr.com).

—Tom Starner

### IBM and Others Are Tackling Credential Verification

**Soon, HR professionals may not have to worry about the tedious job of verifying a job applicant's learning credentials. A new consortium is building a global clearinghouse called the Learning Credential Network, which uses blockchain technology to store permanent, verifiable records of job seekers' skills and academic qualifications.**

The consortium was founded by five organizations: IBM; Central New Mexico Community College (CNM); an anonymous Australian university; the National Student Clearinghouse; and VetBloom.

"Blockchain is a technology that solves issues around trust, transparency and provenance," explains Alex Kaplan, global leader of AI and blockchain for learning credentials at IBM. "Verification is built into the technology, eliminating the need to work with email or paper [forms]. No other verification is required."

Besides mitigating the risk of fraud—applicants using fake credentials—the LCN can help employers produce a list of potential workers with desired skills, credentials or qualifications.

Among the key concepts behind the LCN is digital self-sovereignty, adds Kaplan. Job candidates will own this information and have the power to decide what information they want to share with employers.

"Employers can look across all skills, how they align with jobs of the future or projects they anticipate handling, and help employees better map

their own career pathways," Kaplan says, adding that the LCN could also store information about employer courses or tests that employees completed or passed. As an example, he points to IBM's digital-badging program,

applicant information, the LCN will enable recruiters to focus on more important aspects of recruiting. But, some people may rely too much on these data and not take full advantage of opportunities to gather valuable information, such as

*"Employers can look across all skills, how they align with jobs of the future ... and help employees better map their own career pathways."*

—ALEX KAPLAN, IBM

which has issued more than 1.5 million badges to people for passing tests or finishing technology courses.

#### An Array of Benefits

LCN's goals include higher-ed institutions no longer having to be middlemen between employers and students.

"This isn't really our core competency," says Tobe Phelps, chief technology officer at CNM. "We want to extricate ourselves from this [verification] process and allow students and employers to communicate more effectively."

It may not be long before the consortium reaches out to job sites like Monster.com or Glassdoor. Phelps says the LCN can validate information on applicants' resumes and then pre-populate online templates with their education and training history.

Meanwhile, Phelps is beta testing the LCN with his own employees who graduated from the school or completed CNM courses and is developing a free LCN phone app for students.

"Being able to sift through an employee's or job candidate's information easily and map it against skill sets and degrees makes this a powerful tool," Phelps says.

#### Just the Facts

By removing the grunt work involved with verifying

during candidate interviews, says Scott Simpson, HR consultant and chief technology officer at Cambria Consulting.

Take several applicants competing for the same position. While the LCN verifies their degrees and employment history, it can't assess whether they were self-starters, good at their jobs, strong communicators, effective problem solvers or team players, Simpson says.

"People are looking for better ways to evaluate performance," says Simpson. "Right now, we can't store reliable, subjective information. Organizations would be reluctant to create public, permanent records that have a lot of subjectivity to them."

In the future, he says, artificial intelligence may provide subjective information on employee performance. Until then, he says, HR professionals can mine the LCN for insights into educational and employment trends.

Although useful, Simpson adds, the LCN streamlines only a portion of a recruiter's job.

"It's not anywhere near the whole of the recruiting process," Simpson says. "But, on the plus side, people can spend less time chasing down details and more time looking at candidates' value-add and what they can bring."

—Carol Patton



# How Recruiters Can Hit a Homerun

While attending the University of Massachusetts, Matthew Mottola played first base for the UMass Lowell River Hawks baseball team. Back then, baseball monopolized a big part of his life, hopes and dreams. But after graduating in 2015, reality hit: Only 10.5% of college athletes make the pros after graduation, leaving Mottola to search for a traditional job.

Mottola, now a lead growth with the Microsoft 365 freelance toolkit, says his athletic experiences helped prepare him for the world of work. They challenged him to develop raw discipline

faced real deadlines and real outcomes.”

At a time of low unemployment and a shortage of skilled talent, employers are searching for qualified candidates to fill key positions. Many have developed special recruiting programs that target seniors, veterans or candidates of color, for example. But some are filling their talent pipeline with athletes, an untapped community of skilled workers who can succeed in fast-paced, high-pressure, competitive environments.

## Life after Sports

Several years ago, Quicken Loans Inc., developed a strategic recruiting plan targeting student athletes, says DJ Bridges, university relations manager at the mortgage-lending company.

“We found that athletes bring a diverse thought process and a set of

intangibles—skills like coachability, leadership and time management—that they’re able to easily translate into the real-world workplace,” he says, adding



Student athletes attend a career fair at the University of Michigan.

and time-management skills, focus on outcomes and foster his ability to work in adverse conditions where outcomes can’t be controlled.

“When I was an athlete, I learned how to optimize my time and withstand pressure,” he says. “If I didn’t have a good sports year, I could lose my scholarship the next year. I was under a lot of pressure,

that Quicken hires up to 100 college athletes every year. “The skills they built and learned through athletics allow them to come into a



DJ Bridges, university relations manager for Quicken Loans, presents to student athletes from Wayne State University during its Golden Ws Awards ceremony.

company and do well right off the bat.”

Bridges’ company developed a series of free workshops for student athletes that address various topics, such as how to build a resume, budget and buy a house. The workshops are offered during late afternoons or early evenings to accommodate an athlete’s training schedule, which can be equivalent to a full-time job.

The company also invites employees—who are former college athletes—to mentor student athletes after being hired or talk about their own sports and career experiences at workshops, career fairs and office tours. At one career fair, he says, Quicken brought employees from each of its 13 companies to engage with student athletes.

“[Student athletes] may not have the extensive experience that another student on campus might have but that doesn’t mean they’re not great candidates,” says Bridges.

The Michigan Athletics Career Center at the University of Michigan partners with roughly 1,000 employers to fill jobs, says Cody Riffle, employee relations coordinator at the center.

“The best way to make sure your job opportunities

are on top is to build a brand within the university,” he says, adding that, of those 1,000 employers, only 50 to 100 routinely sponsor monthly or quarterly events like workshops or after-game pizza parties.

Riffle says employers need to align themselves with colleges that recruit student athletes for jobs in their industry. Take a school that mostly partners with healthcare companies; if you’re in IT, you may be better off going elsewhere.

“You may be placed on the back burner because you’re in IT, not healthcare,” he says, explaining that the majority of the school’s career fairs may focus on healthcare jobs. “You may not get the same level of commitment as healthcare companies if the university doesn’t bring in a broad range of employers.”

## Overcome Biases

Companies can also create micro-internships for student athletes. Unlike traditional internships, where students work on site during the summer on a specific project or task, micro-internships offer a remote component.

“Identify a handful of hiring managers who have projects and give them ways

to engage student athletes for these projects,” says Jeffrey Moss, founder and CEO of Parker Dewey, an organization that facilitates micro-internships between companies and college students. “Part of the trick is helping hiring managers appreciate the value that student athletes bring by overcoming biases they may have. Companies oftentimes filter candidates based on their grade-point averages and majors, even though they’re not good predictors of success.”

Another best practice is to ask employees to work with their college alumni network to figure out how to engage student athletes. Moss says employees usually enjoy “giving back” to their alma mater, and this also helps them feel more valued by their employer.

“One of the challenges for both college athletes and companies is the lack of appreciation for the crosswalk between skills that make successful student athletes and skills required for successful professionals across all roles,” says Moss. “Student athletes have those core [business] skills that are most valued.”

—Carol Patton



## How HR Can Improve the Remote-Worker Experience

When it comes to remote work, things aren't always easy, despite the lack of commute, relaxed dress code and increased flexibility for personal and family priorities.

A recent NetMotion survey of 285 mobile employees identified five categories of frustration: poor network connectivity, under-performing tools and software, slow and dated devices, restrictive security and compliance, and collaboration and communication issues.

Despite the tech orientation of these challenges, HR can play a mission-critical role: to help ensure that remote workers receive the same quality of employee experience as in-office colleagues do. This is especially important as remote employees are a huge and growing segment of the U.S. workforce. A mid-2019 report by the Bureau of Labor Statistics found that some 36 million people, or 25%, of U.S. employees, work from home at least part of the time.

"Having the right software, the right IT equipment and a really strong culture that values the individual experience is key," says Christina Balam, vice president of human resources for NetMotion, a mobile-software provider. "It is far too easy to forget about remote workers because you're not seeing them every day."

HR's role is not to direct tech choices, but rather work with the IT team to develop strategic priorities for remote workers to steer which devices, software and connectivity are chosen. This balances IT priorities like personal and company data security with HR concerns about usability, efficiency, convenience and team collaboration.

"HR has an opportunity to be real change agents and help modernize the employee experience," adds Ben Brooks, founder and CEO of PILOT Inc., a software-based employee-coaching platform, who also had a six-year stint in HR at three Marsh & McLennan companies.

While IT budget considerations may make a company fall behind in the latest tools and tech, Brooks says, HR can encourage adoption of more modern approaches that will impress younger and more tech-savvy employees and also improve talent acquisition and retention.

Today's workers are used to tech advances at home like voice commands for their lights and 4D televisions—and they expect the same level of technology from their employer. "HR



- Poor network connectivity
- Under-performing tools and software
- Slow and dated devices
- Restrictive security and compliance
- Collaboration and communication issues

has a lot of skin in the game because they're not able to recruit and retain people [without offering these same conveniences]," Brooks says.

HR also can advocate for end users, he suggests, funneling feedback and providing strong business reasons for improving the remote tech experience to encourage strong performance.

### A Real Connection

Successful teams have five things in common, according to a recent Microsoft collaboration with IDEO: team purpose, collective identity, awareness and inclusion, trust and vulnerability, and constructive tension.

"In our research and through conversations with customers, we've seen [that] the most successful organizations collaborate across HR, IT and facilities to achieve a common vision that considers how culture, technology and physical space can come together in a way that helps build engaged and motivated teams who feel connected to the organization's mission," says Veronika Kiseleva, product marketing manager for Microsoft Teams.

While digital collaboration can be very effective as a productivity tool, tech can also help with the drop-off in emotional context, as well as an increase in the time and energy required to work remotely with team members. Kiseleva says that's why Microsoft Teams was designed to incorporate emojis, GIFs and high-quality video calls.

Balam of NetMotion adds that team collegiality is helped by inviting remote workers to periodic in-person and virtual meetings, bringing new hires to the central headquarters for orientation to build a connection to the team, and having line managers and leaders make a concerted effort to maintain regular contact with remote workers.

To blend tech with connection, Brooks suggests "virtual happy hours" when all the remote members grab a beverage of their choice and hop onto a connecting technology for concalls, video calls or text chats, simply to talk with each other.

### Risky Business

There are risks, of course, for not paying attention to what remote workers are doing from their home office or café. In addition to the obvious personal/company data privacy and security issues, there are also compliance and liability risks, says Joel Windels, chief marketing officer for NetMotion. Examples include violating the European Union's General Data Protection Regulation, visiting gambling sites or conducting web searches on suspicious topics.

"It might be something even more severe, [such as if there's] a terrorist incident or some kind of alarming event and they've been browsing weapons websites, [which is] something that ultimately the companies are responsible for," he adds.

Brooks notes that HR should also ensure that employees' home-office set-ups don't violate the company's ergonomic standards and policies regarding workplace-injury prevention: "Do they have a large monitor, or are they looking at their tiny laptop screen all day? Do they have the right desk or chair? If they are going to video conference, do

they have the right lighting? We buy everyone a professional light that they can set up and they look attractive and they don't look like they're in a ransom situation when they're on a video conference."

HR can also play a role in encouraging people to use technology the company makes available. You won't get buy-in, Brooks says, unless you "market it to them and make it sexy and exciting. They won't use it if we don't make this fun and easy."

Finally, because HR's mission is to improve the employee experience, there's been a slight rise in some tech-oriented HR roles. Much of that shift has been aimed at improving the employee experience involving HR-related technology—and, to an extent, with tech in general—says Richard Veal, global practice leader in communication and change management with Willis Towers Watson, based in London.

"More attention is being paid to the employee experience, which is a strong general trend," he says. "Remote workers ought to benefit from that."

—Maura Ciccarelli

## Upcoming Events

**Feb. 24–26 Training 2020 Conference & Expo, Disney's Coronado Springs Resort, Orlando, Fla.** This conference is designed to give attendees skill-building content, covering train-the-trainer essentials, behavioral analytics, digital learning, emerging technologies and more. It is co-located with the pre-conference Learning Leaders Summit and the post-conference Innovations in Training field-trip event. For more information: [trainingconference.com/2020/index.cfm](http://trainingconference.com/2020/index.cfm).

**March 23–25 2020 People Analytics & Workforce Planning Conference, JW Marriott Turnberry, Aventura, Fla.** Attendees will hear how high-performing organizations are creating a competitive advantage with workforce analytics. Learn how to balance just-in-time talent demands with long-term planning, build your workforce planning and analytics function, apply analytics across the talent lifecycle and more. For more information: [HumanCapitalInstitute.com](http://HumanCapitalInstitute.com).

**April 15–17 Human Resource Executive® Health & Benefits Leadership Conference, ARIA Resort & Casino, Las Vegas.** The *Human Resource Executive®* Health & Benefits Leadership Conference is the largest event focused on employee benefits, healthcare and wellness. Designed for both private and public-sector benefits and HR professionals, it is the place to gain innovative strategies, immediate solutions and practical takeaways to craft a solid benefits program that will attract and retain top talent, improve employee wellbeing and engagement, enhance productivity and more. All sessions are created and delivered by senior executives from leading organizations, both large and small, to give you a high-caliber learning experience covering voluntary benefits, healthcare, retirement, work/family, technology, and physical, mental and emotional wellness. For more information: [LRPMediaGroup.com](http://LRPMediaGroup.com).

**April 27–28 2020 Inclusive Diversity Conference, Hyatt Regency San Francisco, San Francisco.** This conference will show attendees how to leverage

neuroscience, data and simple behavioral design to make diversity and inclusion part of the everyday organizational culture. Get tools and best practices, uncover strategies that can be implemented right away, change-management techniques and more. For more information: [HumanCapitalInstitute.com](http://HumanCapitalInstitute.com).

**May 5–8 American Payroll Association's 38th Congress Convention & Expo, Gaylord Palms Resort & Convention Center, Kissimmee, Fla.** This event allows attendees to build a customized education program from a wide variety of workshops covering topics pertaining to domestic and foreign payroll, HR, benefits technology, career development and more. It provides networking and the opportunity to hear the latest legislative and regulatory changes directly from government representatives and industry experts, as well as featuring the industry's largest payroll, AP and finance expo. For more information: [AmericanPayrollAssociation.com](http://AmericanPayrollAssociation.com).

**May 17–20 ATD 2020 International Conference & Exposition, Colorado Convention Center, Denver.** This is the largest event for talent-development professionals worldwide. It will provide attendees with knowledge, strategies and solutions needed to effectively train and develop talent. Gain insights into the latest trends, best practices and new solutions for designing, delivering, implementing and measuring learning programs. For more information: [atdconference.td.org](http://atdconference.td.org).

**June 9–11 Select HR Tech, Caesars Palace, Las Vegas.** The creators of *Human Resource Executive®* and the HR Technology Conference & Exposition® will hold this inaugural conference to provide hands-on learning for HR leaders about HR-technology trends and tools. Attendees will have the opportunity to take part in facilitated conversations with peers, in-depth master classes and group discussions with industry analysts, as well as explore an expo for one-on-one conversations with vendors and experts. For more information: [LRPMediaGroup.com](http://LRPMediaGroup.com).



## Will Babies at Work Be the New Norm?

While the concept of bringing a very young child to work isn't new, formalized programs in private and public organizations are on track to give millennial and Gen Z employees the flexibility they crave.

About 200 companies offer such programs, according to the Parenting in the Workplace Institute. Also, in December, New Hampshire joined Arizona, Kansas, Nevada, North Dakota, Washington and Vermont in allowing state employees to bring infants to work.

Gov. Chris Sununu said the program dovetails with a proposed voluntary paid-family-leave program to make New Hampshire “a place people want to work and to help state government stay competitive.”

Such programs typically allow parents to bring children over 6 weeks old into the workplace, given it has already been set up to promote a safe and healthy environment for the new denizen. The arrangement usually ends when the child becomes mobile or is 6 months old—whichever comes first, as long as the parents and kids follow a set of co-worker- and productivity-friendly rules.

Attracting and retaining workers—including those on the younger side—is tough in a tight labor market but, in some organizations, well-planned and fairly implemented babies-at-work programs can be an HR boon, says Marta Turba, vice president of content for WorldatWork, the Total Rewards Association.

“It inserts a level of humanity and care into the workplace,” Turba notes. “Employees really want to know that they work for a company that cares about people [and] about families.”

Along with the trend come the HR challenges.

Establishing a detailed written policy provides good checks and balances, notes Carla Moquin, who founded the Parenting in the Workplace Institute in 2007. Her website provides parents with information about companies that have successful policies and offers guidance to new moms and dads about pursuing the creation of such programs with their own employer. Free downloadable template policies are built on lessons learned at other organizations.

Moquin says starting with a pilot program is a wise move, to make sure the approach is the right one

for the employer and the employees. Key program principles include establishing clear expectations for the employee's performance during the arrangement, being specific about which workspaces are safe for having babies in them, establishing an alternative caregiver arrangement—a fellow worker, for example—if the parent needs to focus on work instead of the baby's immediate needs and creating an easy “out” for both the employee and the company if the situation isn't working.

Jennifer Edwards, partner at the law firm BakerHostetler in Columbus, Ohio, reaffirms the need for co-worker considerations, including offering

alternative locations for the co-worker or the parent should the baby be distracting.

“It's important to have a written policy that is gender-neutral,” she adds, “since recent [cases] have focused on new fathers being treated differently than new mothers.”

Successful programs give the employee

flexibility, the employer a more loyal worker and build a culture that makes everyone feel more connected, Edwards says. “If it's a family-based company, for example, or one that already has pretty extensive leave benefits and it is already geared towards supporting new parents, we're going to see [programs like these] be more successful in those situations.”

—Maura Ciccarelli



## SCOTUS: Is ‘OK, Boomer’ Discriminatory?

The U.S. Supreme Court in January heard oral arguments in a case that will

determine whether the federal government should have a lower standard of proof in Age Discrimination in Employment Act cases than the private sector and state and local governments. Specifically, the issue is whether a federal employee has to prove that age was a “but-for” cause in the agency's personnel action—meaning the ultimate decision would not have been made without considering age—or whether age was simply one of the factors in the decision.

Employee representative Roman Martinez argued that the statutory language in the ADEA requires personnel actions to be made free from “any discrimination based on age,” which means agencies are liable when age is taken into consideration in a personnel action. Although SCOTUS previously held (in *Gross v. FBL Financial Services Inc.*) that the provisions of the ADEA applicable to the private sector and local and state governments require proving that age was a but-for cause of the action, Martinez said Congress specifically wrote separate language for the federal sector, which shows that the same standard does not apply. The Equal Employment Opportunity Commission also previously held that *Gross* does not apply to the federal sector.

Martinez argued the ADEA also covers the process leading to that ultimate decision, both of which must be free from discrimination based on age. This standard only requires showing that age was a factor in the process or action, he added.

Chief Justice John Roberts asked what would happen if an agency employee made a comment like “OK, boomer” to an applicant, wondering if the “age was a factor” standard “would become just a regulation of speech in the workplace.” Martinez responded that an age-based comment could be actionable, if, for example, a selection committee noticed applicant A was a “boomer” and considered age in selecting a younger applicant.

Justice Department Solicitor General Noel Francisco argued that “there is no indication that Congress would have wanted to create a lower standard of proof for the federal sector than for local and state governments.”

Justice Ruth Bader Ginsburg disagreed, noting that, if Congress “wanted the same standard, then they would have used the same language, but they didn't, so I would then think the federal government standard is more plaintiff-friendly.”

—Anjali Patel

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# AI: Risk or Reward?





## As the use of artificial intelligence continues to skyrocket within the HR realm, the consensus is that ethics issues surrounding AI for HR represent real risk if not handled correctly, and early.

BY TOM STARNER

The debate over the role of artificial intelligence in HR—from recruiting to workforce planning to performance—has become moot: There's no doubt that AI has arrived and is expanding rapidly in the HR space. But, not so fast, some experts say. While AI represents a fantastic opportunity to drive HR success (and, by extension, bottom-line growth), ethical issues tied to AI represent a potential dark side of these technologies.

The good news is, chief HR and people officers can successfully navigate this rapidly changing, growing trend by steering clear of those ethical speed bumps in the first place. They must take a smart, steady, planned approach to circumvent negative outcomes.

However, surveys show that HR leaders are not sure they have that situation under control quite yet.

For example, Deloitte's *2019 Global Human Capital Trends Survey* found that 22% of 10,000 respondents in 119 countries are using AI within their organizations; plus, 81% predicted growth in the use of AI. Yet, in the same survey, a mere 6% said they are "very ready" to address the impact (ethics issues included) of AI and related solutions—including cognitive technologies and robotic-process automation (RPA)—on their workforces.

Also, a recent joint report from Willis Towers Watson and the Society of Human Resource Management found that 36% of chief people officers say they are prepared to think about how technology such as AI can be used to execute work in the future—but only 26% report they have the technical acumen to evaluate these new, growing technologies.

Clearly, the rise of AI and machine learning are creating both demand and dissonance among HR leaders globally. It seems AI can be a true HR savior or, on the flip side, can create a slippery slope leading to potentially damaging consequences. Execution is critical.

### Define the Goals

By and large, many organizations are "horribly unprepared for answering the question around how to ethically use the data they collect for effective AI use, for a variety of reasons," says Brian Kropp, group vice president with Gartner.

For one thing, Kropp says, many HR leaders are not really thinking about this challenge to the degree they should. He offers the example of business leaders, HR or otherwise, trying to use the data that's being collected to make decisions outside the scope of what the information was intended for.

For instance, Kropp encountered one company that had been tracking when employees come in and out of the building, with the original goal of trying to figure out what sort of real-estate footprint it needed. As it turned out, at the same time, executives were looking to trim headcount. One of the business leaders figured it was OK to use the data to root out employees who were coming in late or leaving early. In essence, those employees could be expendable because they weren't committed to the

organization. That strategy didn't happen (HR stepped in and stopped it), but it makes a clear point about ethical considerations when it comes to data use.

"It's not that those business leaders were mean, terrible people," Kropp explains. "They're smart, creative leaders trying to better understand their business and using this data to try to help make decisions. But things can turn out quite differently in a case like this."

In another example, Kropp says, companies might scrape internal communications data using AI to try to gauge employee sentiment—on its face, a great idea. But if they say they're keeping the data confidential and anonymous, what happens when, during data collection, an employee reports being sexually harassed at work?

HR leaders are in a bind because they feel they should investigate the claim, yet they also said data collection would be confidential and not attributed to any individual.

"What is the appropriate ethical use of that data?" Kropp asks. "That's where ethical violations will occur. It's important to be certain you're not doing anything to cause non-intended results or skewed or biased results, which will ruin efforts to use the data for good."

### Strive for Transparency

Ravin Jesuthasan, author and managing director at Willis Towers Watson, says that, while AI certainly has the potential to transform HR, it is imperative that HR leaders continue to enhance their digital acumen—which includes having a detailed understanding of the mechanics and consequences (intended or otherwise) of AI.

"AI needs data to power it, but the data need to be bias-free and ethically acquired," he says, citing Unilever's use of AI in talent acquisition as a prime example. "They were actually able to reduce the bias in their recruiting by explicitly ensuring that addresses and hobbies were not considered by their algorithm. HR needs to create the space to learn and practice in this domain."

It is also critical that HR embraces a mindset of perpetual reinvention, including a culture of continuous learning and experimentation, he adds.

"HR needs to make digital enablement part of its core capabilities and not a 'hobby,'" Jesuthasan says. "This means dedicated roles and continuous market scanning to understand the latest developments in technology and how they might be leveraged by the organization and HR."

Meg Bear, senior vice president of products at SAP SuccessFactors, says AI-powered technology has been rapidly growing over the last several years, but employers are just scratching the surface, with most still experimenting.

"Every vendor is recognizing that using AI to automate and accelerate high-volume business processes—like matching qualified candidates to jobs and identifying career suggestions based on 'people like me'—is beginning to pave the way for better efficiencies," she says.

Bear cites example of sales teams accessing real-time information and guided assistance to help them close



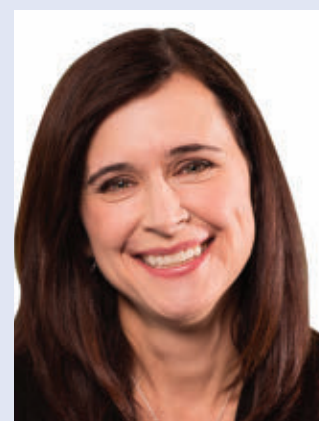
**Ravin Jesuthasan,**  
managing director,  
Willis Towers Watson



**Meg Bear,** senior vice  
president of products,  
SAP SuccessFactors



**Montra Ellis,** senior  
director of product  
innovation,  
Ultimate Software



**Cristina Goldt,**  
vice president of HCM  
products, Workday

## AI Readiness

Here's a look at what 10,000 respondents to Deloitte's 2019 Human Capital Trends Survey had to say about AI:

They use AI now	22 %
They predict growth in AI's use	81 %
They're "very ready" for its impact	6 %

deals. Also, business leaders can use real-time comprehensive business data (sales, finance, operations) to predict outcomes—leading to better-informed decisions on where to invest time and money. Data can also demonstrate results, making it possible to test and learn at scale.

**"It's important to be certain you're not doing anything to cause non-intended results or skewed or biased results, which will ruin efforts to use the data for good."**

—BRIAN KROPP, GROUP VICE

PRESIDENT AND CHIEF OF  
HR RESEARCH, GARTNER

Ultimately, Bear says, AI will help HR professionals directly impact business results in a way that aligns with the new pace of competition. But she also issues a warning: AI should be leveraged to augment the human experience—not replace it.

"Technology is a force multiplier, and AI is an exciting new capability," she says, noting that SAP SuccessFactors is working with global customers to make sure it applies the right technology to improve business outcomes. "We are mindful of both the benefits and risks of AI, so we have established ethical guidelines and are always focused on the importance of reliability, security, privacy and quality."

According to Montra Ellis, senior director of product innovation at Ultimate Software, AI—in the short term—will likely have the greatest impact on recruiting, with recruiters looking to cast the widest possible net to find diverse candidates. On the other hand, they don't want to "drown" in applicants who don't match a candidate profile.

Despite recent examples to the contrary (such as Amazon's now-scraped AI tool that discriminated

against women), Ellis says she believes that software, when deployed correctly, is critical to addressing hiring bias. One of the main issues with AI-assisted recruiting today means identifying a "good" candidate is a process that involves evaluating both objective and subjective skills, she

says. Unfortunately, biases—conscious or unconscious—exist and can creep into the examination of a candidate's resume or expertise.

To truly move beyond potential biases, Ellis says, companies must incorporate third-party software tools that have access to millions upon millions of aggregated data points—from all types of industries, companies and geographies—to dilute individual company or industry bias and introduce diversity into

the training set.

"When it comes to the ethics of AI, one of the most important actions a company can take is to strive for clarity and transparency on the impact AI software will have on their employees and customers," Ellis says. "Whether it's respecting privacy or ensuring that all voices are heard, the more transparency in AI's role, the easier it will be to welcome these advancements as an augmentation, rather than fear them as a replacement."

### 'Automate to Elevate'

Above all, Ellis notes, AI within HR realms must "work for the people and never against them. I fundamentally believe that the role of AI is to amplify the power of people, not replace them."

Cristina Goldt, vice president of HCM products at Workday, says the HR industry is seeing the increased use of machines to surface predictions and data-driven insights, but Workday itself continues to rely on people to make judgments about those predictions and insights.

"HR is increasingly leaning on data insights to drive decision-making," she says. "We're also evolving

## SOLUTIONS SPOTLIGHT

A look at a handful of companies doing interesting and noteworthy AI work.

### BUSINESSSOLVER

HR Area: Benefits

**What They're Doing:** The company created Sofia, an AI-enabled personalized benefits assistant that can provide real-time, 24/7 support to workers regarding their benefits. She offers support, answers questions and can assist in helping employees make benefits selections. BMW, American Water and Coral Tree Hospitality are among the companies using Sofia; more than 11 million individuals are served.

**Why It's Innovative:** "It simplifies everything," says Sony SungChu, Businessolver's vice president of data science and innovation. "People can get information at any point in time. It's as simple as [asking], 'Are my dependents verified?' instead of having to call into a call center and going through and authenticating. You just go to your mobile device, go to the Sofia app and ask about your dependents. It's a lot easier than having to go out and find the information."



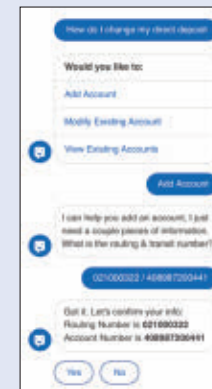
### PAYCHEX

HR Area: General HR

**What They're Doing:** Automation has long been embedded on the back end of Paychex Flex—a cloud-based HCM solution from Paychex, a provider of benefits, payroll and other solutions—but the company recently introduced a customer-service chatbot to the product that is designed to enhance the user experience and drive efficiencies. Paychex Flex Assistant, supported by natural-language processing, debuted in 2018, equipped to answer more than 200 questions from customers and their employees about its HCM suite. Bias can be a concern with NLP-

powered chatbots, which is why Mike Gioja, senior vice president of IT and product development, says Paychex is "specifically avoiding use cases right now that would drive us towards bias or our bot training itself." The company has also been more conservative than most in rolling out customer-facing, AI-powered solutions to ensure users can derive accurate insights and information. "In my view, the worst thing that could happen is a customer who is relying on our AI-powered recommendations ends up making the wrong decision for their organization due to a faulty model on our end," he says. "For this reason, we are obsessed with testing, re-testing and testing again."

**Why It's Innovative:** In some cases, the bot maturation for a specific topic has reduced live-agent interactions by more than 25%, Gioja says. Clients have reported reduced time-to-task completion, device independence and channel stickiness since the virtual assistant was incorporated into Paychex Flex, he adds. The improved efficiency has enabled service providers to have "more high-value, consultative



towards a paradigm where the data find us through personalized recommendations, such as curated tasks, learning recommendations and story-based reporting."

She says machine learning will continue to drive increased efficiency in HR. For example, machines can find anomalies in processes like payroll or boost recruiting success, and can also sort through resumes and surface candidates who are strong matches.

"We have too much data to sift through manually, so machine learning is helping us 'automate

to elevate,'" she says. By that, she means automating where it makes sense to work at the pace of business today and elevating HR to a more advisory role by leaving tactical tasks to the machines. In addition, she says, this increase in data volume is going to naturally force reporting to evolve—a need for a smarter, "story-based" reporting model to surface insights from the data. This new era of augmented analytics will be a game-changer for organizations and a way to amplify HR's data literacy, Goldt explains.



interactions rather than focusing on those that are more administrative and tactical in nature,” Gioja says. The bot adjusts behavior based on information it has gathered about the user, such as the client’s subscriptions and security access. The experience is further personalized by answers tailored to a user’s preferences as a verbal, visual or physical learner. For instance, if a user asks the chatbot how to make changes to direct deposit, he or she can learn how through a written document, a video vignette or a guided, interactive tour through messaging. “Over time,” Gioja says, “the bot learns a user’s preference and will always offer the favored method first.”

## PHENOM PEOPLE

HR Area: Talent Acquisition and Management

**What They’re Doing:** The talent experiences within an organization can be segmented into several stakeholder categories—candidate, employee, recruiter and manager, for instance—and Phenom People is using intelligent tools to fuse all four into one continuous network. Its Talent Experience Management platform enables clients to “look at the whole experience, from talent acquisition to talent management to talent evolution, all in a single point of view,” says Mahe Bayireddi, Phenom People CEO. The platform features omnichannel functionality to allow for a global reach, as well as seamless connections that enable personalization from the time a candidate enters the system through to employment, supported by an integrated career chatbot. “What are the right kind of jobs based on what you’re searching for, what you’ve applied for, what you’re interested in? And when you become an employee, do you want to change jobs within the company, what skills do you have versus what skills do you need?” Bayireddi says. “Everything is built on an AI infrastructure that is personalizing for you at every step of your journey.”

**Why It’s Innovative:** Phenom People’s Enterprise Talent Graphs analyze candidate data and utilize predictive intelligence to support job matching—allowing recruiters to fill open positions with better qualities of hire. Also on



the recruiter side, the Candidate Pipeline tool drives the creation of robust databases of candidates, with prompts and suggestions for taking action, as well as automated communication and engagement opportunities. “When you personalize for a candidate, it’s not just helping that person; you take the same data and really transform it for a recruiter: ‘This is what this person wants,’” Bayireddi adds. “You can hire, then, based on what you’re looking for while also giving the candidates the right experience as they become employees.”

## TALESPIN

HR Area: Training

**What They’re Doing:** Talespin offers virtual-reality tools that help employers develop talent, teach key skills and align people with opportunities through advanced workforce analytics, explains Jack Makhoul, Talespin’s vice president of sales and licensing, enterprise learning. Its VR training products provide customers with AI-powered training simulations that engage employees and accelerate learning. Its CoPilot tool allows employees to practice real workplace interactions by mimicking conversations that an employee might have at work—simulating anything from performance reviews to sales conversations and leadership training to firing.



**Why It’s Innovative:** “It can be hard to get enough real-time practice engaging in difficult conversations, so it takes much longer to build competency,” Makhoul says. “With CoPilot, trainees can practice scenarios where soft skills are critical before being faced with a complex real-life situation. Through CoPilot, employees are free to fail, get feedback, retry and improve without feeling like someone is watching and imposing judgment. CoPilot is helping employees and HR managers better prepare for complex interpersonal situations and feel more comfortable and confident.”

—Compiled by Jen Colletta and Kathryn Mayer, relying on insights from HRE Emerging Intelligence columnist John Sumser

## CHRO Wish List

Through the holiday season, we asked a few chief HR officers what was on their HR tech wish list. Here are excerpts of some of their responses:

### Better video tools for connecting workers

“We can never overcome the fact that geography does play a role in driving high performance and we can’t get as rich of an experience with video and collaboration tools as we do face-to-face. Building rapport in relationships is still critically important, though video can go a long way toward helping create that connection. The technology is getting smarter and smarter but, still, when I facilitate online meetings with multiple people, we have people talking over each other. I think the continuation of the technology we’re seeing, where video is able to focus in on the person who is talking and mute mics of others, can really help create great online meetings.”

—Billie Hartless, CHRO, Mitel

“There will be a natural evolution that we might not notice until we look back and reflect,” Goldt says. “For example, in the last few years, we’ve started to rely on digital assistants [think Alexa, Siri and Waze] in our consumer lives. In the next two to three years, the enterprise space will catch up.”

Gartner’s Kropp says companies, and HR executives in particular, should create their own employee “Bill of Rights” on data, focusing on how they’re going to use the data they collect. What are the things they agree

to do or not do with data needed for an effective AI strategy? For example, are they going to be transparent with employees about what data they actually collect? Are they going to turn over decisions to an algorithm, or is the algorithm only going to provide recommendations, and a human being has to sign off on every decision?

“We’re finding—and what we really believe—is that, if companies don’t create their AI ethics Bill of Rights, what will invariably happen is that well-meaning business leaders will use that data and information with the

best of intentions but potentially make ethically poor decisions,” he says.

Another strategy Kropp offers is using AI within HR to create a new role in the company, a “head of data ethics,” so to speak. That person preferably should be housed within HR, not IT or legal, because HR represents the most balanced, innovative approach to data ethics.

As an alternative, some employers are partnering with academics at their local universities to help them sort out the ethical dilemmas existing with AI use.

### A tool that accurately measures culture

“Working in HR, I’ve tried to find the balance between efficient automation and human interaction. As the demand for transparent and inclusive workplaces increases, a solution that would allow us to more accurately measure our culture was on the top of our tech wish list ... I think it’s easy to identify a problem and find a quick tech solution to use as a Band-Aid and hope it works. But HR is a people-first industry and we must be strategic with the tech solutions we invest in ... My wish for this one-stop solution was granted [in] December when we launched Pluto, a D&I platform that uses proprietary blockchain and privacy technology to help us continue to foster a safe and inclusive workplace ... We’re thrilled that this technology has provided a safe and personalized platform that delivers deep insights and allows us to engage with our employees in a way that we couldn’t before.”

—Karen Niovitch Davis, partner and CHRO, Prosek Partners

“The major challenge is, when an issue arises, do you have a set of rules that you can look at and say, ‘Here’s how we deal with this,’” Kropp says. “Because, in the moment, it is human nature to take the easiest path, which may not be the right one. To get to a result that is the least painful regarding the use of AI, you have to have the rules set in place before you are confronted with a problem.”

Send questions or comments about this story to [hreletters@lrp.com](mailto:hreletters@lrp.com).



Buyer beware: Shopping for HR technology is going to be a different game in 2020 and beyond. Several Select HR Tech presenters offer guidance on how HR leaders should gear up for the shift.

BY TOM STARNER

# Purchasing Tech for Tomorrow

**K**eeping up with the dizzying array of new or updated technology products can be mind-boggling for HR decision-makers.

Yet, among the potential confusion, one thing is clear, according to experts: Purchasing HR-tech software today requires a fresh perspective, as the old ways no longer work—for a variety of reasons.

“Part of the problem we see in the market is people just are just going in and saying, ‘Let’s find a new HR system,’ but things have changed so much,” says Vinnie Mirchandani, founder of Deal Architect and a longtime thought leader on trends in software, outsourcing and offshoring. “It’s much better for HR decision-makers to look at something like recruiting, for instance, as a stream, as a process.”

Next, he says, take a hard look at the tools available today that can help completely reimagine the recruiting process.

“It’s all about the art of what’s possible; don’t just jump in and do what you did the last time,” he adds. “When it comes to reimagining HR processes—not just recruiting, but all of them—you, of course, have to factor in human skills, but you have to factor in machine skills, too.”

## Cloud Delivery has Changed the Game

According to Karen Piercy, a partner at Mercer in the HR Effectiveness segment within the Talent business, as basic functionality



Karen Piercy

becomes much more common across technologies, the focus during software selection and purchasing is primarily on user experience and the ability to meet specific



business challenges. As a result, vendor demonstrations are becoming longer, with scripted agendas and scenarios.

“Employers are including more people in the decision-making process, and particularly in the vendor demonstrations,” Piercy says. “References are important for companies to validate what they hear from vendors but also to make connections with other organizations they can continue to contact during implementation and beyond.”

Plus, she adds, it’s no surprise that cloud technology has changed the entire landscape. Mercer, in fact, comes across practically no organizations looking to purchase non-cloud solutions, and it’s likely that very few vendors are even selling them at this point.

“The drive to replace on-premise solutions continues full-throttle—

particularly as organizations are seeing investments by vendors go to their new cloud products, rather than the on-premise versions,” Piercy says.

Above it all, the emergence of artificial intelligence/machine learning is the most exciting trend, she says, noting that Mercer has seen a spike in the past year in AI-powered HR solutions, especially in the area of career development.

“These new technologies can



Craig Johnson

really help organizations provide targeted career support to employees through technology,” she says. Such technologies can act as career coaches by sourcing

feedback on competencies, recommending training programs, identifying internal job opportunities, and showing career paths and potential next jobs to employees.

“This is an area where HR can say they heard the request from employees and do it in a way that is affordable and scaleable,” she says.

Mercer’s Craig Johnson, a partner in the firm’s Career Workforce Communication and Change group, adds that today’s greater focus on employee experience means decisions can’t be made in a silo—that is, without thinking about how decisions impact the employee experience, something that had not been part of the buying decision-making in the past.

“Once you have an HR-technology strategy and roadmap, sharing that with the appropriate stakeholders at the appropriate time and in the appropriate way will help you align leaders and



eventually help you communicate the correct messaging to all end users,” Johnson says, adding that leadership alignment also can help HR leaders each step of the way on their technology journey—from approving budgets to championing messaging.

Lastly, training and education on using new technology helps with adoption, but he warns that HR leaders must be sure to have a plan/approach for this. For example, don’t wait until a few weeks before the technology is going live for communication and training.

“Think about your stakeholders and their specific needs and adjust/deliver communication and train in ways that align to those stakeholders,” Johnson says.

Chris Pinc, managing director of HR Software Product Management in the Talent and Rewards Business at Willis Towers Watson, says several shifts have changed focus for software and HR technology. The first is the aforementioned move from on-premise to cloud-based software.

“What you’re buying is what you see today, plus all of the likely enhancements that’ll come over the coming years,” he says. Pinc says truly understanding the roadmap for a product and release cycle is critical, including what enhancements will be forced upon HR buyers versus what kinds they can select—and versus what kinds they are going to have to pay extra to use.

“All of that needs to be taken into consideration when buying today,” he says.

Pinc says another new focus is the shift away from solely relying on desktop capabilities to mobile, particularly for employee-facing platforms.

“People are much more on the go,” he says. “They are growing up doing things on mobile devices, and that trend has just been accelerating.”

Pinc says he also sees a shift away from thinking about HR as the primary user to thinking about employees as the primary user, which means HR buyers have to keep employee experience at the forefront, and consider how software will impact it.

“What’s really key in buying new technology is to think about areas of



Christopher Pinc

the HR space where it makes more sense for employees to be doing things on their own versus where it still makes sense for HR to play a role,” he says, noting the broader impact

## PEOPLE SIDE OF DIGITAL

By Jason Averbook/Columnist



# A Digital Mindset for the New Decade of Work

Do you ever look back on your New Year’s resolution (if you make them)? Do you even

remember what it was? Maybe you resolve the same thing every year—either because it’s a persistent goal or because you never actually meet it. Maybe your resolution never even makes it to February.

We begin every year with similarly big and lofty goals for our organizations and for HR. If we’re going to draw a parallel, New Year’s resolutions feel kind of like performance reviews of old: We look in the rearview mirror at past performance, decide what we don’t like and throw an ambitious stake in the ground for future performance. Wouldn’t it be great if we remembered and revisited our resolutions all year ... if we treated them like True North on our compass ... if those resolutions functioned like a lightning rod for the curveballs, pace of change and shifting sands we know will come our way?

That’s where trends and insights play a key role. If we understand the needs of our modern organizations, the evolving expectations of the workforce upon whom we rely to deliver to the market and our customers, and the availability of solutions and techniques to power experiences and drive outcomes, we can better shape an organizational digital strategy that spans our workforce experience goals. In other words, these themes shape our people priorities. More importantly, they help us close the gap between the world we live in and the world of work.

### Stop Thinking Technology—Start Thinking Digital

In 2019, mindset, people and process emerged as the most important parts of digital transformation—which can’t be about technology alone, or else we may miss the biggest opportunity of true transformation: improved workforce experience. Last year, we finally embraced workforce experience as the most important HR/people priority. The value of AI redefined as augmented intelligence helped us acknowledge the value of improved *transactions* for a better *experience*. Finally, the value curve changed for HR technology where our experience layer—what the workforce interacts with—drives a continued focus on integrations and a return to best-in-breed buying strategy.

Shifting from technology to digital requires designing for the internal customer—your employees, business, line managers and team leaders—and not for the simple sake of HR getting the data they need. All of this demands experience COEs, or centralized delivery of one seamless, frictionless experience for the workforce. When you do all of this, your HRBPs can be proactive, focus on predictive people intelligence versus data and are tied to the business rather than tied to the HR department.

The shift to workforce experience as the preeminent priority of HR reinforces several additional paradigm shifts:

- HR doesn’t drive engagement of the workforce. The business drives engagement.
- HR technology is not a function; it’s a conduit to deliver messaging to the workforce.
- Workforce technology can only move from adoption to addiction by creating an experience.
- We need to shift the focus of our design, the core of our strategy and our empathy to the recipients of the experience we deliver.

This experience should span every moment that matters in the employee journey, by the way. Do this: Pull up your career site. Beautiful, right? Bright, colorful pictures of smiling faces playing ping pong. Happy. Fun to interact with, easy to find what you’re looking for, makes you feel good (we hope). Now, pull up your employee intranet, your “portal.” Does it scream bright and happy, easy breezy? It’s usually an ugly link farm we’d rather not get lost in.

Create a frictionless workforce experience that offers the right product to the right people at the right moment through the right channel. Understand what people need and when, meet them where they are and make it easy for them to do their best work. If that’s a beautiful experience that leaves a smile on the faces of those in our workforce, we have suddenly started treating our internal employees like internal customers. It’s time to bridge the gap between the outside world and the world inside work and to bring that experience to our workforce. That’s how we win the war for talent. We wage it for the people inside our own business.

All of these shifts require a new mindset and new skills for HR: skills like value creation and marketing, storytelling, persona design to capture the mindset of people in the workforce, enhancing process design as an experience path and design capabilities. An experience economy demands development of these skills as core capabilities within our organizations, and all of this requires empathy. Shifting our focus to the workforce. Thinking differently. Designing an experience for the empty chair rather than for the HR user.

Workforce 2020 is about the workforce—and it’s about time.

*Jason Averbook is a leading analyst, thought leader and consultant in the area of HR, the future of work and the impact technology can have on that future. He is the co-founder and CEO of Leapgen, a global consultancy helping organizations shape their future workplace. Send questions or comments to [hreletters@lrp.com](mailto:hreletters@lrp.com).*

## HR IN THE FLOW OF WORK

By Josh Bersin/Columnist



# Surprise! The Skills of the Future Aren't Technical

The IBM Institute for Business Value recently surveyed approximately 5,670 executives

across 48 countries to learn about the skills needed to execute business strategies. The top finding of the research is that approximately 120 million workers may need to be retrained or reskilled as a result of AI and intelligent automation.

Yet, the research also revealed that, while technical and digital skills are in high demand, executives are placing highest priority on behavioral—or soft—skills. Of 12 technical and behavioral skills identified through the research, executives placed highest priority on:

- a willingness to be flexible, agile and adaptable to change;
- time-management skills and ability to prioritize;
- ability to work effectively in a team environment; and
- ability to communicate effectively in a business context

Certainly, digital and technical skills remain in high demand, but companies can hire or retrain relatively quickly to close these gaps. However, a 2018 study by Bloomberg NEXT showed that four out of 10 companies believe that recently graduated employees lack the soft skills needed to be successful in the workplace, including emotional intelligence, complex reasoning, and negotiation and persuasion.

The data are quite clear: Digital-skills gaps are being addressed; the leadership- and behavioral-skills gaps are not. And these are the skills that are critical to dealing with the challenges most businesses are facing every day—adapting to constant change; prioritizing our time to work on the most important things, even as priorities shift; learning to listen and collaborate in a team; and understanding how to communicate ideas, findings and recommendations in a compelling way contextualized to the business. These “soft skills” (that term has to be retired, by the way) are complex and behavioral in nature, and they represent uniquely human skills that cannot be done by machines.

### Economic History Points This Out

Economic history shows that, over the last 30 years, highly routine jobs have plummeted in value (toll takers, assembly workers). Technical jobs (engineers, programmers) have fallen slightly behind, partly because the technology keeps changing, and many technical jobs are being automated. Jobs with high social skills (sales, leadership, project managers, marketing) have increased in value, and those that require both technical and managerial have increased the most.

I lived this in my own personal life. I graduated from school with bachelor's and master's degrees in engineering and, within a few years, I realized that engineering alone would not excite me. I also saw that engineering careers started out fast, but also plateaued

early. So, I ended up going into sales, marketing, and later, management.

Most of you know quite well that the biggest challenges you have at work are not technical. Rather, they involve managing your time well, finding out how to work in a team, and learning how to influence, support and coach other people.

Even the jobs of data scientists are becoming more hybrid, as shown in a 2019 analysis by Burning Glass. Highly paid data scientists are now expected to understand how to interpret data, consult with their internal clients and communicate their ideas in a compelling and business-relevant way.

In the case of HR, I like to think about this as the “full-stack” HR manager. (“Full stack” is traditionally used to describe an engineer who knows everything from hardware to operating systems to databases to user interfaces.) Today's HR leaders have to know a lot about all domains of HR, plus we need to understand technology, economics, behavioral science and business as well.

### Time to Build Corporate Capability Academies

To address soft-skills gaps, you need to offer a wide range of development opportunities, including formal development, self-directed learning, developmental assignments, apprenticeship programs and moving talent across functions and business units.

I am also seeing a need to create what I call corporate capability academies, designed to upskill and reskill people for complex roles. Based on the T-shaped skills model, such academies are not only places to develop deep expertise in certain skills, they are also ways to develop broad skills. In every domain, there are both deep and broad skills needed, and our role in transforming teams is to help people develop both.

For instance, digital skills (understanding SEO, HTML, data analytics, visualization, AI, cloud systems) are now broad skills for most modern professional roles. We all need to understand them to a degree. It's only software engineers or cloud designers who need deep skills in programming, user interfaces, AI and algorithms. So, you might decide to build a digital-skills academy that encompasses the basic skills needed across many domains and then a vertical set of programs focused on the deep digital skills needed for specialized roles such as digital marketing or digital HR.

Developing the complex, behavioral-related skills people need for the complex, hybrid roles of the future will be one of your biggest opportunities in HR and L&D. Now is the time to think about it.

*Josh Bersin is an analyst, author, educator and thought leader focusing on the global talent market and the challenges and trends impacting business workforces around the world. Send questions or comments to [hreletters@lrp.com](mailto:hreletters@lrp.com).*

of disintermediation happening today across the economy.

“It's called taking out the middle man, and HR is not immune to that,” he says, comparing this trend to people who book their own travel or make a dinner reservation using technology, without having to ask someone else to do it.

### Move Back to Best of Breed?

Pinc predicts that the trend for the next five years, at least, is a move back to a system for core HR capabilities, with more of a focus on best-of-breed capabilities for strategic pieces. He notes many core HR-system vendors are trying to do too much, expanding very broadly. Integrated talent-management/HR suites have consistently wrestled with how much to expand in recent years, in terms of how much ground to cover. At some point, Pinc says, they start to get perhaps too big, rendering their offerings not robust enough and prompting HR to pull back and refocus on best-of-breed choices.

“It has been a real big movement in the past couple of years towards best-of-breed capabilities to supplement core HR systems,” he says.

“It's still really the early days, honestly,” Pinc adds. He still sees many organizations trying to consolidate down to a single core HR system and then move to the cloud, or move off of outdated performance- and compensation-management processes.

“There's a lot of work that's still happening in Excel spreadsheets that really should be done through compensation planning or compensation-analysis functionality,” Pinc says. “That's going to change, but it will take time.”

### Getting the Most Value for the Dollar

Mirchandani says that, while HR should be leading on the topic of HR technology, too often many HR decision-makers aren't dealing with future tech challenges, especially when it comes to return on investment.

“You'd think HR would be all over it, saying, ‘OK, how is every one of my employees' jobs going to change?’ But many of them are not thinking about it, honestly,” he says. “They're reacting to things more than proactively managing things.”

Mirchandani cites the procurement process as an area that will continue to change and notes HR leaders have a great chance to ensure they are getting the most for their investments. For example, the systems-integrator process has changed quite a bit due to the Software as a Service world. As such, HR buyers are not so much concerned about software hosting or application management; rather, they are focused on the implementation aspect of buying new software.



“With that, rethinking the procurement process must be factored into buying decisions,” he says. “There are now websites that are scoring systems integrators, something that wasn’t available in the last go-around.”

That tougher scrutiny is forcing every systems integrator to certify its consultants and costs. HR leaders must take advantage and make smarter, more efficient decisions, he says.

“It’s a different set of checks and balances on the systems integrators that we didn’t have the last time major buying decisions were being made,” he says. “Now, the buying audience needs to know, ‘Hey, the market is completely different now.’ ”

With the continuing trend to SaaS delivery, he explains, buyers should hopefully pay less with higher project-success rates. After all, HR buyers no longer need to worry about disruptive upgrade hassles every couple of years because the SaaS process can move more easily and smoothly do two to three releases/upgrades annually.

“You’ve got to plan for those and decide what features to adopt in each release,” he says. “So, there’s a new type of burden, but it’s nothing compared to how difficult the upgrades used to be.” Mirchandani, in fact, once called the old HR-software upgrade process as risky as “refueling in mid-air” because shutting down a business for upgrades could go seriously wrong.

HR-tech buyers today, he says, should look at what they spent on their internal staff and integrators on the last wave and strive to maximize their ROI.

“Unfortunately, I don’t see too many companies asking, ‘Why am I paying the same amount again?’ or ‘Why am I paying even more now?’ ” he says, adding that HR should dictate the terms and expect to see efficiencies over the course of a five-year contract.

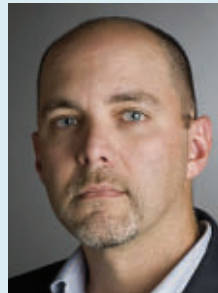
“I don’t think HR buyers have been demanding enough in terms of the payback from SaaS. Clearly, they benefited from it, but I don’t see the dollar value showing up yet,” Mirchandani says. “That needs to change as we move into this new world of HR-technology shopping.”

*Send questions or comments about this story to [hreletters@lrp.com](mailto:hreletters@lrp.com).*

Vinnie Mirchandani will team with HR-tech industry expert Brian Sommer, founder and president of TechVentive, to deliver the closing keynote address, “Don’t Let the Past Dictate Your HR Tech Future,” at Select HR Tech. The new conference from the creators of Human Resource Executive® and the HR Technology Conference & Exposition® debuts June 9-11 in Las Vegas. For more information, visit [selecthrtech.com](http://selecthrtech.com).

## INSIDE HR TECH

By Steve Boese/Columnist



# Single Suite or Best of Breed—Which is Better?

No matter how much time passes and how technology evolves, some of the primary

challenges that organizations face remain constant. One such challenge—the “single-suite versus best-of-breed” systems debate—seems eternal, so let’s explore it in more depth, with the hopes of helping you research HR-technology solutions.

### A Brief Review of the Debate

A “single suite” of HR applications is a solution delivered by a single HR-technology provider that supports all of the primary functions for HR and people management in one integrated system—HR, payroll, benefits, recruiting, talent, learning, etc. Proponents argue that, with one system managing all HR processes, users have a single design and workflow to learn; data move naturally throughout all of the applications; and the organization has only one vendor relationship to manage. Additionally, some organizations like to have a single suite that covers HCM technology as well as finance, manufacturing and other ERP processes.

The “best-of-breed” approach advises selecting the “best” or most capable individual applications for specific HR functions and process areas (like recruiting, learning, benefits, etc.) and taking advantage of their superior capability (when compared to single-suite solutions). The core of the argument for this approach is that best-of-breed vendors are fully dedicated to just one main process area and can create solutions that offer the newest and best features and design, providing a superior user experience and better outcomes than single-suite solutions.

### Why is This Debate Important?

Before specific tech decisions can be made, an organization often develops an HR-systems strategy—a process that usually includes going through the single-suite versus best-of-breed debate. In this stage, organizations evaluate the relative strengths and weaknesses of each approach, review the solution-provider landscape and consider the organization’s overall enterprise-technology footprint and strategy.

Sometimes, the decisions on HR technology are somewhat out of HR’s direct control, particularly when the organization’s IT or CIO organization has traditionally wielded the decision-making authority over technology purchases. In these instances, single-suite approaches to HR tech may be more likely, as CIO-driven organizations often like to standardize with a single provider and platform. In other instances, HR leaders have more influence over HR-technology decisions, and the functional and capability arguments that can favor best-of-breed providers carry more weight.

### All Things Being Equal Then ...

The most difficult debates to settle are those where compelling reasons for each side can be clearly recognized and communicated. Such is the case for the single-suite versus best-of-breed question. To sum it up as simply as possible, with single-suite approaches to HR systems, the organization sees a significant benefit from the native integration and data flow across all the HR applications. Things like converting applicants to new hires, launching onboarding, getting employees set up on payroll and benefits, and enrolling them in learning courses all become much easier when the supporting systems all are components of a larger tech suite. Consolidated reporting that touches multiple functional areas is simpler, as all the data reside in a single platform. And finally, user experience, training and overall maintenance are generally better and simpler in a single-suite environment.

In the best-of-breed approach, the organization and its users often get newer, more innovative, more modern solutions for their specific functional areas, so supporters argue that the “best” solutions for each functional area is better than having all solutions reside in one suite, which often comes with tradeoffs and decreased capability. Of course, this approach comes with its own tradeoffs—chief among them, the challenge of effectively integrating a set of disparate systems in order to process HR and business transactions and conduct consolidated reporting.

This debate has been running for what seems like forever, and it will likely continue to be litigated far into the future. The complexity, costs, resource commitment and technical challenges make actually developing a comprehensive suite of HR-technology applications (not to mention, apps for finance, manufacturing, CRM, etc.) extremely daunting. Thus, at any given time, especially for larger enterprise customers, there are not many technology providers offering capabilities that are deep and broad enough to be considered true single-suite solutions. But these few are very well positioned in the upper end of the HR-tech market. And, with the constant investment and innovation from the broad collection of HR-tech start-ups, we’re guaranteed to see a steady stream of new best-of-breed solutions entering the market as well.

For HR leaders, staying informed and current on the HR-tech marketplace has never been more important, as the decisions HR leaders make about technology—such as in this ongoing debate—will have lasting impacts on the organization and its people. Hopefully, many of you will continue your HR-tech research and learning at the 2020 HR Technology Conference.

*Steve Boese is a co-chair of HRE’s HR Technology Conference & Exposition®. Send questions or comments to [hreletters@lrp.com](mailto:hreletters@lrp.com).*



## Navigating the Shifting HR-Tech Space

Our HR Tech Influencers sound off on tech topics that should be on your radar. BY HRE STAFF

**B**elow are excerpts of Q&As with several of our inaugural HR Tech Influencers about the dramatic shifts taking place in the world of HR technology (for the full list of Influencers, visit [hrexecutive.com/top-100](http://hrexecutive.com/top-100)):

**Emily He**  
Senior Vice President of Human Capital Management, Cloud Business Group, Oracle

**Are there certain strategies that are more effective than others when it comes to getting your workforce to use new HR technologies?**



The key is having a people-centered approach. Be sensitive to the challenges for your employees and remember that each employee or

department may have a different level of familiarity with new technologies, such as digital assistants or AI.

In order to achieve a successful implementation for your workforce, personalize your approach. Take the time to understand the concerns, challenges and opportunities specific to each team or department and tailor the onboarding to fit their needs. This way, they will immediately see the benefits to them specifically and will be more interested in working it into their workflow.

**AI Smith**  
Chief Technology Officer, iCIMS

**How can HR leaders best make the business case for HR-technology investment?**



Be sure to highlight what the technology has the potential to address today *and* in the near future—and do so by focusing on ROI. Identify

your pain points and find a solution that will solve these pain points and save your business, both in terms of cost and in time and resources. Will your proposed investment streamline manual processes? Perhaps it will decrease time to fill or empower your recruiters to connect with more job candidates, faster. These changes will translate into monetary savings and strong hires—both of which will positively impact your business' bottom line. Lead with the ROI and

support your claim with tangible use cases, and your leadership will have what it needs to evaluate the proposed investment.

**Steve Boese**  
HR Tech Conference Co-chair and Co-founder, H3 HR Advisors Inc.

**What's the most dramatic shift you see happening in the HR-tech space today?**



I think it is the continued growth and development of HR-technology solutions that incorporate artificial-intelligence capabilities that

have the potential to dramatically increase and enhance the impact of HR tech in the organization. We are seeing AI technology being introduced by HR-technology providers at just about every point and process in the employee lifecycle. Whether it is used to help organizations select the best candidates, assist managers in their one-to-one employee-coaching sessions or help employees make the best career-development decisions—AI continues to grow in impact and influence in HR and HR tech.

**Ray Wang**  
Principal Analyst and Founder, Constellation Research Inc.

**In acquiring and implementing new technologies, what are the most common mistakes HR organizations make?**



Most organizations forget that form follows function. Being enamored with one vendor based on brand may often result in a five- to seven-year escalating vendor lock-in cloud contract instead of investing in the right offering. The other big challenge is when an organization decides that a technology is a commodity and forgets that software works for people and not the other way around.

**Dan Staley**  
Global HR Technology Leader, Oracle HCM Cloud, PwC

**What area of the HR function will be most impacted by emerging technologies?**



Make no mistake, emerging technologies will impact every area of HR; however, the talent-acquisition function

will continue to be impacted significantly. Not only has the scarcity of talent and the shift towards a gig economy already forced the function to source and attract talent differently, but emerging technologies (AI, the internet of things, chatbots, RPA, gamification, etc.) are changing how candidates and employers find and communicate with each other, how candidates are vetted/screened, how interviews get conducted and hiring decisions made, and how new hires are onboarded.

**Michael Moon**  
Director of People Insights, ADP

**Are there certain strategies that are more effective than others when it comes to getting your workforce to use new HR technologies?**



There are two primary factors that drive technology adoption in the workplace: perceived ease of use and usefulness (or effort and

performance expectancy). The software must not only be easy to use and require the least amount of specialized training, it also needs to support the natural flow of how work gets done and allow users to be more and not less efficient. To help facilitate both factors, spend time understanding how work gets done today. What are your employees' pain points? Take inventory of what they need and include that in your decision-making process.

**Lance Haun**  
Practice Director, Starr Conspiracy

**How is HR technology changing the way people work?**

Great HR technology puts the actual work people do in focus. It's either removing obstacles that are unrelated to the work, like enrolling for benefits or getting a payroll question answered



or unlocking more potential that's inside every person in an organization, like putting relevant resources in the flow of work or helping them develop. Ultimately, every HR technology has to account for one—or both—of these issues to be relevant in the future of work.

**Erin Spencer**  
Senior Research Analyst, Bersin, Deloitte Consulting LLP

**How can HR leaders best make the business case for HR-technology investment?**



HR-technology investments can be a difficult case to make. It's not always easy to quantify a ROI on technology, but

every organization has outcomes or goals they want to achieve, and those outcomes should be the starting point for a business case for HR tech. Take the time to talk to both the users and the decision-makers and figure out which problems are the most pressing for an organization to solve and where tech can add value. Your organization may be interested in increasing engagement, while another may be focused on reducing time to hire or labor spend; however, once an organization understands what it's trying to solve for, they can then use those desired outcomes to build a case for technology investments.

**Shally Steckerl**  
Founder and President, The Sourcing Institute

**What area of the HR function will be most impacted by emerging technologies?**



Talent acquisition is one area where emerging tools are making it easier to use technology to drive decisions.

In the past, companies that wanted to make sense of hiring data first needed to know what message they wanted to convey, be skilled enough to manipulate data to match that message and turn the results into something that could be easily understood. Now,



with even the most minimalistic of platforms, companies can sort through decades of data using visualization tools to examine trends, such as the time it takes to fill positions and common traits of valuable employees to appropriately allocate resources and find the best talent.

**Stacia Garr**  
Co-founder and Principal Analyst,  
RedThread Research

**What's the most dramatic shift you see happening in the HR-tech space today?**



The integrated datafication of HR is the most dramatic shift occurring within HR today. While we have historically had

data within HRIS or integrated talent-management systems, that information

has lived in disparate systems, making it difficult to see the whole picture. Critically, though, both vendors and practitioners are integrating that data with new data sources—ranging from sales or financial data to “passive” data (e.g., organizational-network analysis or work-productivity tools)—which is delivering new and meaningful impact. This space is so hot that we are seeing a lot of new entrants to the market from outside the HR space, which will push the industry along further. Like with all digital data today, though, there are some serious ethics, privacy and security concerns that practitioners and vendors alike need to manage.

**Jeanne Meister**  
Founding Partner,  
Future Workplace  
**In acquiring and implementing new technologies, what are the most common mistakes HR**



**organizations make?**

One of the biggest mistakes an HR leader can make in implementing new technologies is to do this alone,

without active partnership with cross-functional stakeholders. Our learners in our online course, “Using AI 4 HR,” cite integrating AI with current technologies as one of their biggest barriers to implementing AI in the workplace. Companies committed to developing a modern workplace now have apps for workplace wellbeing, recruiting, real-time collaboration and even personalized access to temperature control and light in the office. HR must consider implementing HR technologies as a team sport and partner closely with IT, finance and communications to develop a shared

vision for technology investment and integration.

**Matt Alder**  
Talent Acquisition and Innovation  
Consultant,  
MetaShift



**What area of the HR function will be most impacted by emerging technologies?**

With so much change happening, it is difficult to pick out one area, [but] recruiting is one function that deserves a special mention. There is potential for intelligent automation at almost every stage of the recruiting process, and the key theme of the next few years will be the quest to get the optimal balance between machines and humans at each point.

*continued on the next page*

## EMERGING INTELLIGENCE

By John Sumser/Columnist



# Driving Salary Transparency with Intelligent Tools

Just about a decade ago, I left the board of directors at Salary.com after we took the company through an IPO and then sold it a couple of years later. During the time I was on the board, I learned more about salary data and its management than I imagined possible. Back

then, Salary.com was pioneering techniques that would come to be called artificial intelligence. They took massive quantities of data and used them to predict the value of a job.

There's also a wonderful story to be told about the founder, Kent Plunkett, figuring out how to buy the company back five years later. But that's another long article.

Since leaving the board, I haven't followed the company's evolution closely. So, I was surprised when the company showed me the most interesting technology I saw at last year's HR Technology Conference. I have the good fortune of getting to see the latest and greatest as it heads into the market, and this product floored me.

The power of a great innovation is never in the product itself. The automotive revolution was never one person driving a car, it was the transformation of the culture that evolved from the invention. While Google makes search seamless and easy, the value stems from the way that search became a part of everyday life.

This year, Salary.com introduced a tool that delivers a specific market price for a specific job in 15,000 different occupations. It sounds so completely mundane that you are hereby forgiven for not instantly seeing its importance.

Transformation trails innovation. The two things rarely happen concurrently. No one imagined the aerospace industry when the newspapers reported that the Wright Brothers' plane stayed aloft. The power of Salary.com's new offering is the array of things that it makes possible.

HR's compensation function is where economics is practiced in its most mystical form. Historically, the process to determine the price of a given job was a combination of generalized survey data, a bit of company policy, parametric estimations and the analysis of job descriptions. There was always a big dose of art melded with the science.

With the Salary.com market-pricing tool, a compensation analyst (or anyone, for that matter) can adjust the value of a job by taking into consideration skills, competencies, experience, education, location, company size, industry, certifications, licenses, working conditions, levels and shift differentials. The rapidly growing library of jobs contains market-pricing data for each of the subcategories suggested by those top-level groups.

The tool is a homerun for pay equity. By deeply quantifying all of the skills and variables that comprise the value of a specific job, the Market Pay Tool makes it possible to rationally compare one worker with another based on qualifications, experience, depth of responsibility and so on. It turns a difficult conversation into a straightforward reconciling of the elements of compensation.

There's an even more powerful possibility.

HR systems are plagued by a difficult problem. Only about 20% of employees ever fill out their profiles in the HR system, and most of these are “high-pos.” When a company wants to understand how to evolve the workforce for the future, the current baseline is nowhere to be found. The problem stems from the fact that the introspection required to complete the profile is challenging, and there is no real incentive for taking the time to do the work.

Salary.com's Market Pricing Tool makes it possible to imagine a project that simultaneously solves the pay-equity problem while thoroughly inventorying the skills and experience assets of the company's talent. If each boss met with each employee to determine that their job was paying the proper market rate—including adjusting for the personalized skills, knowledges and capabilities that particular employee brings to the position—both goals could be achieved simultaneously.

It's that possibility that makes this the most interesting thing I saw at the 2019 HR Tech. The Market Pricing Tool opens the door to organizational improvements not imagined by its creators.

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

continued from page 21

**Ben Brooks**  
Founder and CEO,  
Pilot Inc.

**In acquiring and implementing new technologies, what are the most common mistakes HR organizations make?**



We are too cautious in HR! I often see HR moving far too slowly and taking a backseat to other corporate functions. Traditionally, HR is one of the laggards to adopt emerging technologies in the C-suite—just compare us to marketing. We need to be more adaptable and quicker to deploy emerging technologies.

I also notice that, oftentimes, HR departments prematurely seek “enterprise-wide solutions” with cumbersome RFP processes before testing solutions with smaller groups to validate and enhance larger roll-outs—or discover multiple solutions are needed.

By being more adaptable and decisive, HR leaders can truly be the change agents we’ve long aspired to be, breaking down barriers to innovation.

**Laurie Zaucha**  
Vice President of Human Resources  
and Organizational Development,  
Paychex



**What area of the HR function will be most impacted by emerging technologies?**

The use cases for emerging technology in talent acquisition are vast and growing. From chatbots that pre-screen candidates to digital interviewing, technology is being used to source, recruit, prescreen, interview and even assess candidates often before any human contact takes place. Not only can technology result in increasing recruiter efficiency, it can also mean finding higher-quality candidates who have the right background and experience.

Automation has changed the job of the recruiter. The more repeatable tasks a machine can perform, the less mundane work recruiters need to do. That frees them up to spend more time concentrating on having high-quality conversations, creatively sourcing candidates and diving deeper into screening. This shift means today’s recruiters need to maintain an elevated skillset that includes more analytical and strategic thinking than ever before.

**Shaunda Zilich**  
Global Talent Brand Manager,  
Qualtrics



**How is HR technology changing the way people work?**

We are not just collecting data now or making decisions—we are using data to help us drive to decision. We are getting smarter on not just connecting systems but connecting data and the full lifecycle of an employee: from unaware to aware to lead to candidate to onboard to employee to alumni. [Technology is allowing us to] collect data and follow the career path with data throughout the entire now-customizable process.

**David Green**  
Managing Director, The People  
Analytics Program,  
Insight222



**How can HR leaders best make the business case for HR-technology investment?**

By focusing on the business and not HR. HR leaders need to understand how their investments

support the business strategy and/or help solve the challenges the organization has. What is the business problem we are trying to solve? How will this technology investment help? How will we measure the impact of our investment? Those are questions HR leaders should consider before they write the check for new technologies.

**Bill Kutik**  
Chair Emeritus  
HR Technology Conference  
**What area of the HR function will be most impacted by emerging technologies?**



Emerging technologies deployed properly will have their greatest impact on the workforce, not on HR. While HR will select, shepherd and most likely pay for the software, employees will be the ones using it to boost productivity, and increase communication and collaboration, finally achieving some of the promises made by three generations of HR tech—and still not yet delivered. HR will sometimes need to lead by getting out of the way.

Send questions or comments about this story to [hreletters@lrp.com](mailto:hreletters@lrp.com).

## In Search of (Artificial) Intelligence

Artificial intelligence jobs are hot, hot, hot. And they probably will be for quite a while.

In LinkedIn’s *2020 Emerging Jobs Report*, its ranking of the top 15 emerging jobs, artificial intelligence ranked at the top.

According to the report: “Artificial intelligence and machine learning have both become synonymous with innovation, and our data shows that’s more than just buzz. Hiring for this role has grown 74% annually in the past four years and encompasses a few different titles within the space that all have a very specific set of skills, despite being spread across industries, including artificial intelligence and machine learning engineer.”

Filling such jobs can be tough. Recruits who have the skills and training to fill AI jobs are the new “purple squirrels”—those with the perfect resume and qualifications who are rare finds in a competitive market for sought-after, skilled employees.

### A New Hiring Landscape

“Rapid advancements in new technologies, like AI, have quickly changed the hiring landscape,” says Charlie Ackerman, senior vice president of human resources at Bosch North America, a leading technology and service company located in Farmington Hills, Mich. “Notably, it has created a supply and demand problem, where the demand for highly technical skilled workers is outpacing the supply. Looking at the marketplace, the talent just isn’t there to fill all those positions.”

The demand for AI jobs is widespread—and not just in Silicon Valley. All industries are latching onto the benefit of big data, machine learning, algorithms and all that goes into AI.

“People hear about the boom in AI jobs, and they worry all the opportunities lie with tech companies like Amazon and Google,” says Paul Solomon, founder and CEO of Solo Management, Inc. Recruitment Service, an executive-recruiting firm specializing in the banking and brokerage industries located in New York. “That might have been true a few years ago, but now, AI-powered software is enabling a variety of enterprises, even in the medical, legal and finance sectors, which have traditionally been late adopters of new tech. With the influx of AI functions across all departments and companies, it becomes imperative to have a specialist within the organization that can identify the right kind of candidate with the right skills.”

### Train and Build

Ackerman believes this leaves business leaders with two choices: Buy talent and bring them into your organization, or build your talent internally. Ackerman opts for building talent organically and using a strategic, multi-pronged approach to build the best AI talent.

“Technology will continue to advance and change the skills required for organizations to stay competitive and succeed,” he says. “Business leaders need to be nimble and understand there’s a new hiring paradigm, one where they need to be actively involved in building, training and upskilling employees as necessary.”

“Upskilling” is a brand-new watchword when it comes to AI. Nobody is born an AI specialist; AI specialists are developed. Such development may begin at the college or university level, or companies as well as individuals may seek training to develop a specialty in AI.

### AI’s Mighty Progress—Past, Present and Future

If history repeats itself, AI is no exception. A *New York Times* article, “Emerging Careers; It’s the Real Thing: Artificial Intelligence,” once quoted an

executive recruiter who said that “most AI experts have never lacked for job offers to entice them away from their current projects.” There’s just one catch: It was published March 24, 1985.

As adoption of AI surges, the demand for skilled professionals continues, but today’s demand seems to be exploding. As the digital revolution progresses mightily, so will the search for skilled AI workers, with no end in sight.

—Jim Romeo





Human Resource  
Executive



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# Q&A

## ON HR TECHNOLOGY



**Justin Taylor, Ph.D.**  
Chief Customer Officer,  
Explorance



**Q:** What are the biggest challenges facing HR leaders today, as far as HR technology is concerned?

**A:** For too long, HR has focused on delivering processes and programs and managing their functional milestones. The technologies they're using aren't geared toward the employee experience from the employee's point of view. Luckily, that is starting to change rapidly but, with that change, comes a second challenge: data chaos. There is a lot of data, but HR leaders aren't sure it's the right kind, may not be aware of it or find it hard to act on. This is due to siloed data as well as multiple platforms and inefficient integrations. We are awash in data and poor in insight.

This is nothing particularly new, but most current-state HR-technology footprints have exacerbated the problem. This hampers HR's ability to be agile with the data to optimize the employee journey. Transactional data, experience data and business-outcomes data are a disparate jumble. Instead of strategic assets, they are often a barrier to progress and insight. Without unified talent and analytic strategies, we are left with a disjointed mess. All the data lakes and BI tools in the world can't at scale "fix," "clean," "manage" and

"prep" data that was not collected in a way to allow for strategic analytics. This is the technology challenge HR must address to sustainably increase employee engagement, reduce turnover and create advocates who will attract high-quality talent by building a strong employer brand.

**Q:** Where do you expect to see HR leaders focusing their attention in the coming months as they attempt to address those challenges?

**A:** HR leaders are looking to untangle the technology and data mess that has been created. They are trying to simplify it so their people can focus on decisions and actions, not administration and manual report creation or data cleansing. They want to shed the overhead of multiple platforms, integrations and other resource drags, which are driving dependence on IT (and probably driving their IT department crazy).

I see HR and talent executives focusing on the employee experience and challenging their teams to build solutions to optimize the experience by connecting it to the business strategy and the needs of the customers. They are shifting their analytics team's attention

away from analyzing HR's performance and increasingly asking them to connect the various aspects of the employee experience to specific talent outcomes and their impact on business-strategy imperatives.

In the short term, instead of trying to build it all themselves, HR leaders are increasingly looking to external partners. Their focus is on a single vendor to handle all elements of capturing employee-experience feedback so that their data scientists and practitioners can pull data from the same place to get the insights they need to make changes in a more agile way.

**Q:** What are areas of employee HR technology that are especially ripe for innovation?

**A:** We must advance capabilities that enable unstructured conversation, two-way feedback and expand our ability to collect, understand and act on qualitative feedback. Continuous-listening strategies must evolve to become a continuous conversation, allowing employees to voice concerns and close the feedback loop more efficiently. Machine learning will also play a critical role in consuming and categorizing qualitative data. This will open fantastic opportunities to build predictive insights on the talent outcomes we care about most.

Another area ripe for innovation is data access. The die has been cast for the democratization of people data and insights, as "citizen data scientists" demand better solutions to unlock the value of people data and analytics throughout the HR organization. This requires flexible reporting and analysis tools that also create scale through automated access to reports and dashboards.

Innovation also requires thoughtful attention to the human side. Leading HR organizations recognize that technology alone is not enough and are developing strategies to ensure that their people are equipped to fully leverage these new technologies through both capability development and process optimization. To be successful, HR departments must focus on their digital transformations with as much, if not more, rigor than their peers in other areas of the business.





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# Q&A

## ON HR TECHNOLOGY



**Mike DiClaudio**  
Principal, Human Capital  
Advisory, KPMG LLP



### **Q:** What are the biggest challenges facing HR leaders today, as far as HR technology is concerned?

**A:** What we are experiencing in the workforce, and across the workplace, is the Fourth Industrial Revolution—a convergence of artificial intelligence, robotic-process automation, machine learning and other cognitive platforms. It truly is a tidal wave that can't be stopped, and what we are hearing is that preparing the workforce for it is the biggest challenge for HR leaders today.

Meeting this challenge will require changing the overall shape, size, composition and skills needed in the workforce. HR leaders will need to automate certain tasks and hire or contract with a variety of worker types—including permanent, gig and contingent—to ensure that the organization is staffed with people with appropriate technical skills (e.g., advanced data visualization, ability to code, etc.).

It also means making a well-designed, concerted effort to “upskill” workers via training or retraining regarding digital capabilities so they'll be able to seamlessly function together with AI to drive business value.

Here's some ammunition: According to recent KPMG research<sup>1</sup> of over 1,300 HR leaders, there's a strong correlation between increased revenues and organizations taking a well-thought-out and agile approach to upskilling between 11% to 30% of their workforce in new digital capabilities over the next two or three years.

### **Q:** Where do you expect to see HR leaders focusing their attention in the coming months as they attempt to address those challenges?

**A:** According to our research, nearly 90% of HR leaders are prioritizing efforts around identifying the optimal composition of their future workforce. However, there's quite a bit of uncertainty about the best approach to this, and much depends on the nature of an organization's business.

For example, take a look at the healthcare industry. Instead of staying behind counters, pharmacists may have to operate wellness centers, and treatments and consultations may be done via virtual appointments supported by AI rather than face-to-face meetings. This will require new and different skill sets for workers. There also may be a greater need for generalists and traveling

community workers who would be supported by cognitive assistance, AI and robotics.

Regardless of industry, there will be an increasing focus on hiring skilled analytics resources, such as data modelers/scientists. These individuals are able to understand broad swaths of data, and then distill and draw insights from it. They will be tasked with interpreting data gleaned from new technology and providing insights and guidance on how to apply it to improve business and operations.

### **Q:** What areas of employee HR technology are especially ripe for innovation?

**A:** Many HR leaders are looking to invest in technology designed to enhance the “employee experience.” In fact, our research found that 95% of the organizations are prioritizing employee experience.

Why? With record-low unemployment rates in many countries, including the U.S., the demand for workers, particularly those with specialized skills, exceeds supply. So, organizations need to treat their employees and their prospective employees the same way that they treat their customers if they want to attract and retain the most talented. That means everything that touches an employee or a recruit—their digital experience, social experience, environmental experience and so on—needs to be put on the table and at the forefront of the HR agenda.

Digital-monitoring technology offers HR leaders insights into how things are progressing with workers day to day and week to week, and how to develop strategies that address potential issues. What's more, this technology can enable companies to extract performance data, including productivity data, sales data and financial data.

HR departments that haven't already done so must adopt a fundamentally new approach to HR—one that includes workforce-shaping policies and more digital experiences. To learn how HR leaders are creating a holistic approach to building the workforce of the future, visit [read.kpmg.us/FutureofHRSurvey](http://read.kpmg.us/FutureofHRSurvey).

<sup>1</sup> KPMG Future of HR Survey, November 2019



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The role of artificial intelligence in enrollment support is growing—and in the process, experts say, giving employees the resources and education they need to make better benefits decisions. BY KATHRYN MAYER

# Benefiting from AI

**W**hen BMW was overhauling its benefits plan last year—introducing three new medical plans, two new dental plans, two new vision plans and a slew of voluntary options—Taranda Frost, benefits planner at BMW Manufacturing, knew she was going to need some help.

“There were a lot of changes, so we rethought some things,” she explains. “There’s so much information out there, and you don’t expect the employees to understand everything about benefits. You know they’re not going to read everything, either.”

So BMW enlisted a new teammate to help educate employees, while easing some of HR’s burdens: Sofia, an AI-enabled personalized benefits assistant that can respond to workers’ benefits questions through chat and voice.

Sofia—the brainchild of benefits-administration company Businessolver—is available immediately, so employees don’t have to wait for an email to be returned or someone to be in the office to get their question answered. Available via desktop and app, it can help with everything from dependent verification to explaining to employees what a copay is or how a health-savings account works.

“We look at Sofia as an extension of our team,” Frost says. “She’s the first line of defense for phone calls and online as a chat. It’s worked out really, really well for us. I feel like I have another teammate.”

BMW is among a growing number of employers turning to artificial intelligence—including enrollment chatbots and improved decision support—to help human resource professionals ease administrative burdens and spread the word about employee benefits. In the process, companies deliver more personalized information to employees while better engaging them. It’s a logical step, insiders contend, as technology

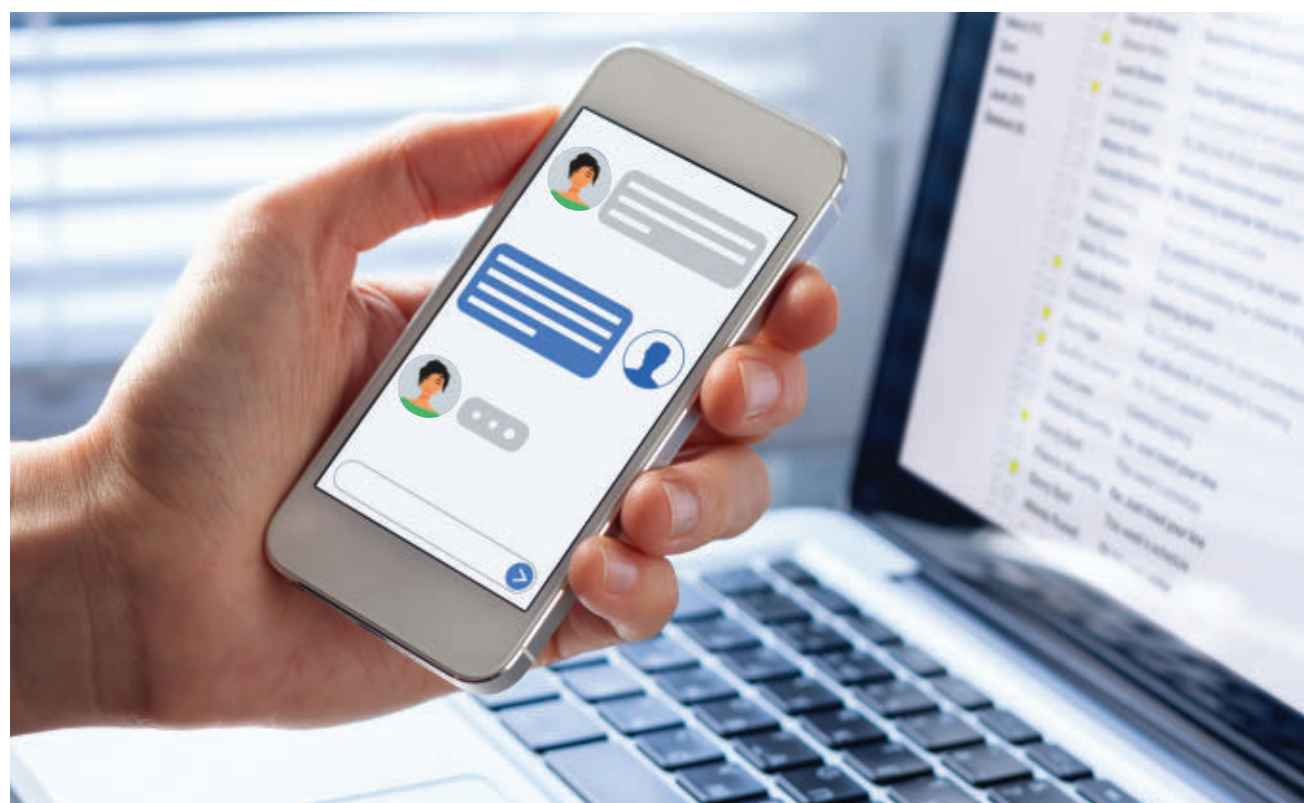


PHOTO ILLUSTRATION BY SUE CASPER

Businessolver’s Sofia is a 24/7 chatbot that helps employees navigate their benefits. The tool is among many AI-powered benefits solutions easing the administrative burden on HR professionals.

dominates personal and professional lives. The same way people look to Amazon’s Alexa to answer questions about the weather or rely on personalized recommendations from Netflix, technology has the potential to make employee benefits more digestible, easier to navigate and more tailored to the individual user, experts say.

“AI has the ability to deliver a more engaging, personalized and educational experience, giving [employees] the confidence to make the best choices,” says Steven Malme, senior vice president of platform strategy at Benefitfocus, which launched its AI-powered platform BenefitSAIGE last year. BenefitSAIGE—now used by employers including American Eagle, AmeriGas, Jim Beam and AutoZone—is designed to assist employees and employers with benefits enrollment and administration. The platform includes

a 24-hour chatbot that can answer employees’ questions and tech that identifies relevant moments in each employee’s life, such as when they have a baby or get married, and offers the right product or suggests the use of existing benefits at each milestone. It also aims to help employers engage with employees through data insights.

Though use of AI tools is especially vital during open enrollment, when they can help employees sort through benefit options and pick the best options, experts say the tech is making a difference year-round by educating and assisting workers. And, in the process, it’s easing the workload of human resource departments.

“As an HR professional, it’s extremely difficult to be everywhere at once,” says Sony Sung-Chu, Businessolver’s vice president of data science and innovation and a former HR analyst.

“People can get information at any point in time. If you have a small team of HR, how do you scale that to help so many professionals—thousands or even millions—you’re supporting? There’s so much data out there, and it’s hard to synthesize it all in one place. AI can help support. It should free up a lot of time.”

Frost knows that firsthand.

“Most companies who are under budget restraints look for ways to operate faster, cheaper and smarter, so, without a doubt—as a part of the benefits process—AI accomplishes that. It can help tackle the complexities with benefits, but it also helps with some of the day-to-day traditional tasks that have to be performed by people.”

## Making It a Success

BMW rolled out Businessolver’s Sofia in August, ahead of its October open-enrollment period that included



all new plans. It gave the company a chance not only to introduce the tool to its roughly 9,000 employees and others, including retirees and dependents, and get them comfortable with it, but also to learn what worked and what didn't.

BMW held onsite meetings with the Businessolver team and walked employees through registration for the tool and how to use the chat feature.

"It was part of our strategy to start early," Frost says. "We surprisingly didn't get pushback, and we had great attendance at the meetings."

The company also created focus groups of employees to test Sofia, which offered "very, very good feedback," she explains. To make sure different voices were included, BMW involved members of all five generations that are among the company's workforce to gauge how different age groups felt about the technology and use of the tool. The older workers had the most hesitation in using Sofia, Frost says.

But the company learned that those older employees—often not the savviest computer users—valued Sofia's voice functions so they could speak directly to her.

When it was time for enrollment, BMW made sure Sofia understood the aspects of each of its benefits plans so it could answer questions that would help employees decide which plan was best for them and their families. It also provided employees with statements on their benefits for the past two years so they understood their previous plans and costs, and let Sofia do a lot of the heavy lifting. In the first few months of using the tech, Frost says, Sofia logged 4,030 chats and 3,924 calls and reviewed 1,130 cases.

"It's pretty impressive, as far as we're concerned, for the last five months," she says.

It's been especially helpful because many of BMW's employees don't typically work 9 to 5. As the company has different shifts—many in the evenings—technology that's available 24/7 is important.

"People can get information at any point in time," Sung-Chu says. "It's as simple as [asking], 'Are my dependents verified?' Instead of having to call into a call center and going through and authenticating, you just go to your mobile device, go to the Sofia app and ask about your dependents. It's a lot easier than having to go out and find the information."

### The Power of Potential

While digital transformation has made a difference in employee benefits—think benefits apps and online enrollment—artificial intelligence is somewhat new to the field. It's been a bigger component of other areas of HR in reviewing resumes and helping with onboarding, among other tasks, but as it slowly makes its way into the benefits

arena, proponents are excited about its potential.

"It's just getting started," Sung-Chu says. "We're just at the brink of something big. We are nowhere near the true potential of AI."

One lofty goal: helping make the process of choosing benefits less daunting.

Open enrollment can conjure dread for employees. Workers hate selecting benefits as much as they hate asking for a raise, almost as much as renewing their driver's license or passport, and even more than talking about their weight, according to MetLife research.

"Employees rarely engage with their benefits outside of the two-week

open-enrollment period," Malmé says. "With so many options to choose from—including healthcare, financial [options] and numerous other insurance products, even lifestyle benefits—employees are overwhelmed by the options and confused about what benefits are best for them."



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# Benefits

One in five workers spends only a few minutes reviewing benefits offered by their employer before making decisions, MetLife reports.

Other research has found similar results. For example, Businessolver found that 30% of employees admit they are confused by their benefits. Meanwhile, just 9% of employees understand the terms “health-plan premium,” “health-plan deductible,” “out-of-pocket maximum” and

“coinsurance,” according to UnitedHealthcare.

Technology that puts some of that information at employees’ fingertips—and also provides recommendations—could change those dire statistics.

“Integrating AI into the process helps take the buyer’s remorse, fear and confusion out of the equation by offering suggestions based on years of historical and predictive data,” Malme says. BenefitSAIGE, he says, does this by

allowing employees to review unbiased suggestions and see the data—“or the why,” he says—behind the options before they select their benefits.

“AI is transforming benefits from a passive, once-a-year, confusing event to a continuous, year-round experience,” Malme says. “With resources like an always-on chatbot and mobile application to assist, consumers can rest assured that they will receive timely, personal insights



required to support their benefits decisions.”

Importantly, it also offers data to employers about employees’ healthcare and benefits decisions—which can save money in the long run.

For instance, Malme says, one employer with a significant population of diabetic employees used the BenefitSAIGE system to analyze its data, identify the employees who were not compliant with best-practice diabetic care and engage those employees to drive a 24% improvement in diabetic compliance within one year. “That kind of transformation drives significant financial benefit for the employer while simultaneously improving the quality of life for many of the employees,” he says.

## Avoiding Pitfalls

There are some pitfalls with the technology, to be sure. Getting employees to buy into it, for one thing, isn’t a given. It can take a great deal of effort from HR professionals to temper potential concerns over possible frustration, lack of human interaction and privacy issues.

To combat those concerns, HR professionals must be communicative about the change, teach workers how to use the tools and be open about why they added the technology, experts say.

Also important is watching the technology, making sure it’s working successfully and being open to making changes as workers give feedback or as technology develops.

“It’s something you constantly need to monitor,” Sung-Chu says.

Perhaps the most important thing for employers to do is make sure the technology is not a replacement for human interaction. With any tool, there should “always be an avenue to get to a human,” Sung-Chu says.

“Making sure there is human interaction is 100% a requirement,” he says. “You can think of AI as another employee on your team.”

BMW’s Frost agrees, saying that her department still holds seminars, fields questions and, overall, works to engage with employees.

“You don’t want to make everything seem so robotic that there’s no face-to-face interaction,” she says. “Our company is big on that. You still have to make the time to meet with associates.”

Benefits tech solutions, including AI, will be discussed during the upcoming Health & Benefits Leadership Conference, which will be held April 15-17 at the Aria Resort & Casino in Las Vegas. For more information, visit [benefitsconf.com](http://benefitsconf.com).

## BEYOND BENEFITS

By Kathryn Mayer/Columnist



# 5 Reasons to Attend HRE’s Health & Benefits Leadership Conference

Ah, the start of the new year (and decade!): a time to get

excited for resolutions, new goals, upcoming travel destinations—and, of course, HRE’s 2020 Health & Benefits Leadership Conference.

If traveling to HBLC isn’t on your list of 2020 resolutions yet, allow me to tell you what’s so great about this year’s event.

Here are five reasons to be excited about—and, yes, attend—HRE’s Health & Benefits Leadership Conference, held April 15-17 at Aria Resort & Casino in Las Vegas. (If these don’t excite you enough, don’t miss lots of pre-event coverage at [HRExecutive.com](http://HRExecutive.com) until HBLC.)

**An in-depth look at the hottest and most important trends.** The employee-benefits market is more exciting than ever. From the rise of financial-wellness programs and student-loan benefits to family-friendly perks and creative ways to retain and attract talent, employers are embracing a new crop of benefits—and HR professionals need to remain in the know. I’m especially excited about our main-stage events, which address some of the year’s biggest themes. They include a panel on how part-time and gig workers are influencing employers’ benefits packages and a keynote address from James Klein, president of the American Benefits Council, who will discuss what benefits and HR professionals need to know about benefits policy in a presidential election year.

**Case studies.** I write about employee benefits all the time, but there’s nothing I enjoy hearing more than the perspective of employers that are making big changes to their benefits packages and telling their stories. From why and how they implemented a benefit to the results, pitfalls and lessons learned, hearing the personal experiences of HR and benefits managers can be truly impactful. That’s why I’m excited we have some innovative employers sharing their stories at HBLC this year. Among them: American Eagle Outfitters, Comcast, Designer Brands, Lenovo, United Technologies and Walmart.

**Reconfigured tracks.** The benefits landscape is changing so much—and that’s why our featured track sessions are, too. The conference will feature eight new and reimagined tracks—all aimed at addressing some of

the biggest challenges facing HR and benefits leaders. They are:

- Hot benefits to attract and retain talent
- Rethinking healthcare in changing times
- Keeping employees engaged
- Helping employees boost financial health
- Improving employees’ overall wellbeing
- Being a better benefits leader
- Staying compliant
- Tech solutions that work

**Great networking opportunities.** It’s important to keep up with the latest news on sites like HRExecutive.com, but there is something special about gathering with peers, industry insiders and experts in the field to learn and talk. Meet and engage with peers at social events, sessions and during our many expo hall hours, where you’ll also get a chance to compare current products and services.

**Joan Lunden.** If all this wasn’t enough, award-winning journalist Joan Lunden will present HBLC’s opening keynote session on April 15. You may know her best as former co-host of *Good Morning America*, but you’ll get to know her during the keynote address as an impassioned health, wellness and caregiving advocate. Recently, Lunden has served as a special correspondent for the *Today* show and as host of the CBS series *Your Health*. She also advocates for caregiving support and brings this experience to her role as the spokesperson for the senior-referral service A Place for Mom, a company that helps caregivers and families find the right care and resources for their loved ones. I’m so excited to hear her advice for employers and HR professionals about caregiving support.

Plus, she’ll be signing copies of her new book, *Why Did I Come into This Room? A Candid Conversation about Aging*, due for release in March. Don’t miss a chance to see and meet her. I know you’ll walk away inspired.

*Kathryn Mayer is HRE’s benefits editor and chair of the Health & Benefits Leadership Conference. She has covered benefits for the better part of a decade. She holds bachelor’s and master’s degrees from the University of Denver. She can be reached at [kmayer@lrp.com](mailto:kmayer@lrp.com).*



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## OPENING KEYNOTE



### Caregiving Support in the Workplace: A Wake-Up Call for Employers

*Joan Lunden,  
Award-Winning Journalist,  
Bestselling Author, and  
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## THURSDAY MORNING KEYNOTE

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## FRIDAY MORNING KEYNOTE



### What to Know About Benefits Policy in a Presidential Election Year

*James Klein, President,  
American Benefits Council*

## CLOSING KEYNOTE



### HR Confidential: Hacks Top Employers Use to Be the Best in Benefits

*Joe Miller, President, Shortlister*

## BEHIND THE PROGRAM



**Kathryn Mayer,**  
Conference Chair;  
Health & Benefits Editor,  
*Human Resource Executive*



**Timothy D. Burke,**  
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**A Day-One  
Strategy for Employee  
Financial Wellness**

**Emergency  
Savings Benefits:  
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*Stuart Lustig, National Medical Executive for Behavioral Health, Cigna  
Paul Montanari, Chief Operations Officer, Cigna*



## **Part-Time and Gig Workers Have the Upper Hand. Is It Time to Extend Yours?**

*Ben Conley, Partner, Seyfarth Shaw LLC  
Jill Korsh, Consulting Managing Director, Deloitte/Bersin by Deloitte  
Julia Ma, Corporate Director, Total Rewards, Interstate Hotels & Resorts  
Moderator: Sherri Bockhorst, Strategy Practice Leader, Businessolver*



## **Getting Creative With Student Debt Benefits**

*Dan Bengyak, Vice President, Administrative Services, Montefiore St. Luke's Cornwall  
Todd Schmiedeler, SVP, Foundation & Workforce Development, Trilogy Health Services  
Scott Thompson, CEO, Tuition.io  
Moderator: Kathryn Mayer, Conference Chair; Health & Benefits Editor,  
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## Culture Check-up

**Organizations are increasingly understanding that culture is far more than just a buzzword. It's a critical component that must be measured and managed for the organization to succeed.**

BY JULIE COOK RAMIREZ

**W**hen Lisa Bettinger Buckingham took the HR reins at Lincoln Financial Group in December 2008, the financial-services industry was struggling to survive a global economic crisis that many economists

today believe brought the world to the brink of a second Great Depression. Just weeks into Buckingham's tenure, the Radnor, Pa.-based insurance and investment-management company laid off 12% of workers in its Lincoln Financial Distributors division. A few months later, Lincoln announced it would accept \$950 million in capital as part of the government's \$700 billion Troubled Asset Relief Program (TARP), made a public offering of \$600 million of common stock and sold Lincoln National plc, its United Kingdom unit that sold life insurance and retirement-income products.

Already a 20-year HR veteran, Buckingham—who currently serves as executive vice president and chief people, place and brand officer—wasn't surprised to find morale was low among Lincoln's then-8,500 employees (Lincoln's workforce is now 12,000). While she and the rest of the management team were confident the company would weather the storm, Buckingham knew the workforce would have to be engaged and motivated to rebuild once the dust had settled. Yet, she was concerned about

Lincoln's prevailing culture, which she describes as, "That's how we do it. This is what we do. We've done it this way forever." For the high-energy Buckingham, who left her position as senior vice president, global talent at Thomson Reuters to come to Lincoln, that simply wasn't going to cut it.

A firm believer in building a strong team, Buckingham brought Chief Diversity Officer Allison Green onboard in 2009 to help implement the changes she believed would not only engage Lincoln's workforce to help the company emerge from the financial crisis, but become a destination employer for the best and brightest in the financial-services industry. Accomplishing that goal would entail cultivating a best-in-class organizational culture, an absolute must for any organization that wants to succeed, according to Dave Whittington, partner at Calliope Learning, a Victoria, British Columbia-based company focused on leadership and learning.

"High-functioning organizations have this wonderful symbiotic relationship between their organizational strategy and their organizational culture, where the strategic objectives of the organization are supported by the culture, and the culture supports the delivery of the strategic objectives," says Whittington. "A lot of organizations claim they value their culture and consider it a key to their future success but, if you are not measuring it, how do you know that for sure?"

Measuring culture is challenging, primarily because it has long been

regarded as "too intangible, subjective and elusive to track," according to Greg Besner, vice chairman and founder of CultureIQ, a New York-based provider of culture-management software. Yet, as business leaders—and HR executives, in particular—are increasingly recognizing the role culture plays in determining an organization's success or failure, there has emerged an understanding of the need to effectively measure it.

"Measuring the culture at your company means understanding how your HR policies, programs and benefits impact everything from employee productivity and retention to your company's reputation as a good corporate citizen," says Annmarie Neal, chief human resources officer at Ultimate Software in Weston, Fla. "Measuring the return on cultural investments can feel more intangible than measuring the ROI of implementing a new product or system, but when you invest in putting your people first, the impact on the business is invaluable."

### Avenues of Measurement

Recognizing the need for a streamlined framework, a number of consulting firms and software vendors have developed processes and platforms for measuring the components that typically comprise an organization's culture. While surveying the workforce—from top to bottom—is the predominant means of gathering such information, which components are measured varies from tool to tool, says Whittington. Deciding which one to use is a matter of "finding the right fit." A values-driven organization would be better served by using a cultural-values assessment, he says, while a more technically oriented company is likely to get more bang for the buck by employing a quantitative approach.

At Lincoln Financial, four measures comprise its "engagement index"—passion, effort, advocacy and retention. Originally, Lincoln management scoffed at Buckingham's proposal to include a passion measure, but she fought to keep it—and won.

"There was a view in the organization that it seemed weak or light-hearted, so I had to make a very big case to include it," recalls Buckingham. "How I broke it down was, 'How do you feel on a daily basis when you are driving into work or taking the train or going to your office in your house? What keeps your passion alive?'"

Lincoln employs a number of avenues for gathering culture-related data. These include a biannual all-employee survey, periodic culture and engagement pulse checks, and culture input sessions, consisting of 60-minute conversations about Lincoln's culture with employees and leaders at all levels and in all areas of the business. This year, the company will pilot "daily culture pulse checks" using kiosks in three of its 12 city locations. Each

# Leadership

day, a new question will be posed to all employees who choose to visit the kiosk. Some questions will be fun in nature and are intended to spark a conversation or connection, while other questions will be specific to Lincoln's progress against strategic, cultural and engagement goals. The resulting data will be aggregated and available in real time.

"In this digital age, we chose to have kiosks because we wanted something employees could feel and touch and go up to and be seen giving feedback," says Green. "They can see what people are saying, and we can use the data in real time to help us pivot, if necessary, around initiatives and practices and as we are thinking about rolling out new programs or positioning messages."

Communicating both good and bad responses is important, but maintaining confidentiality is key to ensuring high participation and honest feedback, says David Shanklin, managing director of culture solutions for New York-based CultureIQ. "Measuring culture in an anonymous or confidential way is important because it's not always safe to speak up, or we may be hesitant to share with leaders our views on the



Lisa Buckingham, Lincoln Financial Group

frontlines," he says.

With that in mind, Buckingham's team doesn't provide a team-specific report on the surveys to any leader with fewer than eight

reports. Instead, those responses are rolled up into the next level. She credits this approach for enabling Lincoln to achieve participation rates of 88% to 98%.

## More Than a Snapshot

At Ultimate Software, three annual surveys help the company assess if it is living up to its "people-first" culture. According to Neal, this "regular cadence of surveys" provides "strategic, recurring opportunities to check in with employees around the world."

In addition to posing questions related to how employees feel about their overall experience—if they're happy at work, whether the company's programs and benefits are effective, etc.—the surveys focus on daily interactions between managers and employees, the effectiveness of communication and the development of leaders. The surveys are primarily comprised of open-ended questions, says Neal, because that allows employees to provide "honest, personalized feedback, rather than having to tailor their answers to predetermined responses."

At Lincoln, continuous measurement helps mitigate one of Buckingham's concerns: "When you are taking a pulse survey or a biannual survey or an annual survey, I always wonder whether the results are because of where they are in that moment in time or whether they are really taking that thoughtful step back," she says.

Buckingham's concern is a legitimate one, according to Susan Chu, founder of Philadelphia-based Culture Crush. "Engagement or climate is a snapshot, a moment in time, whereas

culture is the implicit and passive aspects of the company, the stuff that's underneath that you just know and feel and it's understood," she says.

Recognizing that culture measurement can't just be an annual or even biannual event, Buckingham led the initiative to create a Culture and Engagement function within Diversity and Inclusion to fulfill her vision of evolving "engagement being synonymous with a survey event to it being part of the way [Lincoln does] business and work[s] together every day." Launched in 2019, the function is responsible for "diagnosing, measuring and enhancing [Lincoln's] organizational culture and engagement levels."

In Seattle, Wash., Tammy Perkins, chief people officer at Pacific Market International, agrees that surveys are just the beginning when it comes to measuring culture. "Throughout the year," she says, "you need to create different types of touchpoints, so you aren't relying solely on some big annual survey that's more activity than impact. It's part of the rhythm of the business."

On a continuous basis, Perkins and her team seek to "activate channels of communication and find ways to gauge and assess the pulse of the environment." In addition to inviting employee feedback, that includes looking at metrics related to performance, rewards, attrition, diversity, advancement opportunities, succession planning, turnover cost per hire, referral rates and more. Externally, Perkins looks to Glassdoor to inform a reliable picture of PMI's culture.

"It's not just the fact that you are measuring the culture that's valuable,"

says Perkins. "It's the message it sends that management is listening and holding itself accountable."

Whatever tools an organization employs to measure culture, it's imperative the resulting data are used to enact visible change, says Shanklin. People are typically more willing to share feedback if they see action being taken as a result.

Since Buckingham's arrival, Lincoln's approach has evolved from "measure" to "celebrate and fix" and is currently in the process of becoming "elevate," which entails arming leaders with specific practices they can adopt to make improvements and then holding them accountable. Ultimately, Buckingham says, the goal is to get to a place where "values, behaviors and practices that promote increasing levels of engagement are the cultural norm."

While HR typically leads the effort, Buckingham says, it's important not to view culture as merely the purview of HR. It requires the commitment, support and participation of the entire business, not just to undertake a culture measurement, but to use the resulting data to improve the organization.

"For those that are trying to learn about culture, they have to really embed themselves with the business and their CEO and leadership team and make sure they are all working towards the same goal," says Buckingham. "If you are measuring your culture and you see themes and you are not addressing those, you're going to lose out."

*Send questions or comments about this story to [hreletters@lrp.com](mailto:hreletters@lrp.com).*

# Can America Make the Four-Day Week Work?

**Recent research finds the concept making headway around the world. Could it happen here?** BY MICHAEL J. O'BRIEN

A three-day weekend is usually a welcome respite for American workers. But what would happen if that treat becomes the norm? We may soon find out, if recent reports and a new book are any indication. The latest example of a truncated work week taking off is based on Microsoft Japan's experiment with a four-day work week, which led to productivity gains and other positive business-related outcomes.

The test run, which took place in August and gave employees five consecutive Fridays off, boosted sales per employee by 40%, compared with the same month a year earlier, according to the *Washington Post*. The number of pages printed in the office fell by 59%, electricity consumption dropped 23% and 94% of employees were satisfied with the program.

According to a post on its site, Microsoft Japan conducted trials of

four- and three-day work weeks that aim to "create an environment where each employee can choose a variety of flexible work styles according to the circumstances of work and life." Microsoft Japan says it challenged its employees to "work in a short time, take a rest and learn well" to further improve productivity and creativity.

Prior to Microsoft Japan's experiment, the four-day phenomenon gained attention in 2018 when

Andrew Barnes' New Zealand-based investment-advisory firm, Perpetual Guardian, unveiled its flexible-work model after a successful four-day-week trial. The project resulted in a 20% uptick in employee productivity, a 27% reduction in work stress and a 45% increase in work/life balance.

Barnes says the company started an eight-week trial in which employees worked only 30 hours a

*continued on page 42*





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*continued from page 40*

week but were paid for 37.5 hours. Based on a model of 100/80/100 (100% of pay for 80% percent of regular work time, yielding 100% productivity), the change is now permanent on an opt-in basis after Perpetual Guardian reported that job performance didn't slip and staff stress and engagement both improved.

The focus of the change was on productivity rather than work/life balance, Barnes says, and to that end, researchers monitored the trial and keep track of relevant metrics.

"We were able to independently verify what had happened from a productivity perspective," he says.

Barnes—who authored a new book about the model titled *The 4 Day Week:*

*How the Flexible Work Revolution Can Increase Productivity, Profitability and Wellbeing, and Create a Sustainable Future*—says the Microsoft Japan results are welcome, if not expected.

"It's important to say the Microsoft results are not unique," he says.

"Other companies are reporting this as well, while also delivering a more balanced home life to workers. It's just

the first big-name, big-size trial that demonstrates that this works."

Barnes says his book acts as "a definitive case for a sustainable, profitable future in which we work less, but are more productive, engaged and satisfied." In it, he argues the five-day work week is outdated and no longer fit for purpose in a hyper-connected era.

"With four-day weeks," he says, "we can have the best of all worlds: optimal productivity, work/life balance, and benefits for both employees and employers."

He says American employers would do well to tackle the issue now, as the youngest generation of workers will demand it.

"Almost 80% of millennials say they'd trade wages for time," he says. "This is a train coming down the tracks, and employers need to address that now."

Barnes' advice for those looking to incorporate a four-day week is simple: Do a trial, don't overthink it and then take a step back to see what's working.

"We often have people say [about the four-day week]: 'Great idea, but it wouldn't work at my company,'" he says. "But you don't know unless you talk to your staff and try it. If you try it and it fails, your staff will love you for the fact that at least you tried."

If implemented correctly, Barnes says, the model can help organizations tackle other issues, including wellness and environmental issues.

"As this debate broadens out, it will become easier for a U.S. audience to look at this concept and see that it makes sense," Barnes says. "Once you accept that productivity can go up, what's your argument against that?"

So are American companies really ready for a four-day work week?

Auburn University Professor Michael Wesson, chair of the department of management in the university's Harbert College of Business, says the answer is "the same as the one I teach my students when it comes to issues dealing with managing and leading people: It depends."

The main thing to keep in mind, he says, is that some jobs and types of work lend themselves to a flexible or compressed schedule, but many do not, such as service-related jobs. "Flexible schedules are easier for really large companies to install than they are for small companies or family-run businesses," he adds.

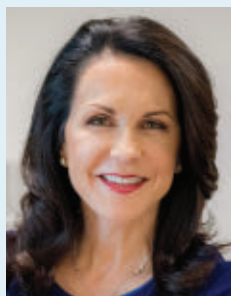
Barnes thinks we will continue to see companies experimenting with the four-day week—especially with unemployment low and recruiting more crucial to a company's success. But does he see wholesale changes in the U.S. coming any time soon?

"Probably not," he says. "We're much more likely to see it happen in Europe first, as their societal norms for work are a bit different from ours."

Send questions or comments about this story to [hreletters@lrp.com](mailto:hreletters@lrp.com).

## HR LEADERSHIP

By Eva Sage-Gavin/Columnist



# 20/20 Vision on 2020 Corporate Culture

My friends and I issue a wonderful challenge to each other at the beginning of every year. And as we embark on 2020 and a new decade, it feels right to bring it to all of you.

It's simple, but I believe the most powerful ideas are. We ask ourselves to take stock of where we are healthy in our lives and where we're not. Then we keep each other accountable for improving upon the areas that need focus, cheering each other on as we go.

As HR leaders, I invite you to take this challenge, but move it beyond your personal lives into your employees' lives. Delve deep beyond the obvious, especially if nothing initially comes to mind. So many times, we inherit or "grow up" in an organizational culture or practice. And, after some time, while we attend to what seem to be more pressing issues, we become inoculated against seeing that certain practices are no longer serving our people well.

As we move into a new decade of work—one which we anticipate will be full of explosive change—I counsel my C-level clients to look around their organizations with fresh eyes. Technology has changed humans' roles in the workplace, but our cultures have yet to evolve for humans' new needs and careers.

Social scientist Dr. Kelly Monahan, one of the colleagues I partner closely with, keeps me honest with this "fresh eyes" exercise. Her recent TEDx talk highlights four key areas where business leaders can infuse the positive—systemically, intentionally—into their cultures in a way that makes their workforce healthier. At a time when nearly half of the workforce (45%) expresses negative attitudes about the future of work, that's an infusion most of us would welcome.

First, a bit of background. Kelly talks about the tendency by leadership to try to "fix the human." In an age of technology and fast-paced business, we tend to blame humans when things aren't working. But Kelly points out that research actually shows it's not the humans we need to fix. It's work culture.

She points to medicine, a field in which practices are updated based on evolving knowledge. In business, we aren't as good at keeping up with the expanding field of knowledge on how humans work best. Many organizations still focus on getting people to work harder and faster. We need to evolve that thinking based on what we now know.

Research shows that four foundational truths can help create a healthier work culture:

1. People need a sense of stability at work, particularly when it comes to income, working hours

and work relationships. Transparency and trust with leaders can help workers not worry if their next paycheck is coming. Reasonable workloads that don't swing wildly and unexpectedly can eliminate the extreme variability that so many workers say causes them stress at work and at home.

2. No matter our role and responsibilities, we all crave intellectual stimulation. Roughly one-third of us are underemployed. In cultures that still operate on the notion of "butts in seats" from 9 a.m. until 5 p.m., intellectual stimulation may not be the name of the game. Those are also the cultures where our people tend to lack the psychological safety to contribute their diversity of thought. We have to be willing to create new models of collaboration and productivity to unlock the untapped power of employees' minds.

3. So much of our identity is tied to our work, and feeling worthy matters. We've found employees who feel they share and contribute to a company's purpose are more committed and happy—so much so that workers said they'd be willing to forego 23% of their entire future lifetime earnings in order to have a job that was always meaningful.

4. We are wired to connect. Yet, most of us exist in corporate cultures wired for competition. We live in an era where places like Britain have appointed officials responsible for coming up with innovative solutions to a rising problem—loneliness. As HR leaders, we are in a unique and powerful position to architect a culture of connection. And the data show these strong, positive cultures belong to some of the most innovative companies in the marketplace.

I mentioned at the outset of this column that my friends and I hold each other accountable for honest answers and progress. That accountability keeps us from letting other priorities eclipse our best intentions.

The same approach could work for us as HR leaders, as we strive for healthier corporate cultures. Spend some time with your HR leadership peers outside your organization to discuss your ideas. Then, check in with each other. Nothing replaces knowing we must report back on progress. And I must admit, the built-in cheering section when you hit your goals is uplifting.

Let's look with fresh eyes at our goals in 2020. So many exciting possibilities for positive change await.

*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 [hreletters@lrp.com](mailto:hreletters@lrp.com).*





Business leaders of Daivergent, including co-founders Byran Dai (center) and Rahul Mahida (second from right), represent the organization at a public event. Daivergent provides work-readiness training to individuals on the autism spectrum and those with developmental disabilities.

# Neurodiversity: Uncovering Hidden Talent

While many people on the autism spectrum struggle to secure employment, a number of leading employers are recognizing their unique potential.

BY JIM ROMEO

**M**eet Dustin. He is an adult on the autism spectrum. Dustin wanted a job. He did not want to be one of the 80% of persons with autism who never find employment.

In his case, he found employment. He did so with the assistance of Bryan Dai and Rahul Mahida, principals and partners with Daivergent, a New York-based firm that offers a technology platform to match adults with autism with job vacancies.

The firm was founded by Dai and Mahida, both of whom have relatives with autism. Their company launch was aided by SAP's iO program, which helps entrepreneurs build products,

find customers, and serve market needs and demands.

Often, bridging the gap between unemployed persons with autism and employment is a matter of developing weak or missing skills. Dustin was referred to Daivergent from a community agency that supports people on the autism spectrum. At first, he lacked the skills to fill a data-processing position.

"Over the course of three months, he took courses in SQL programming and Python. He was able to attain a certification through our training layer," explains Dai.

Dustin worked on a few projects related to data labeling, data entry and QA that helped build his resume. After three months of training, he applied for a job at a software-testing firm,

Aspiratech, as a QA analyst—and he got it.

Developing clients' skills and matching them to employers' needs are the passions that drive the Daivergent founders. "[Dustin] is someone that we look at every day," says Dai.

There are many Dustins in our world. Thanks to more aggressive inclusion and neurodiversity programs (neurodiversity denotes neurological differences among individuals), HR executives are offering training and discovering hidden talent—and they're filling jobs in the tight labor market.

## A Growing Job-Seeking Population?

According to the Centers for Disease Control (CDC), one in 58 people is on the autism spectrum. Most don't find jobs.

The CDC explains that autism spectrum disorder is a developmental disability that can cause significant social, communication and behavioral challenges. While it's difficult to discern someone with autism from others, their abilities, says the CDC, range "from gifted to severely challenged. Some people with ASD need a lot of help in their daily lives; others need less."

According to the nonprofit advocacy AustinSpeaks.org, during the next decade, an estimated 500,000 teens (about 50,000 each year) will enter adulthood and age out of school-based autism services. Of the nearly 18,000 people with autism who used state-funded vocational-rehabilitation programs in 2014, only 60% left the program with a job. Of these, 80% worked part-time at a median weekly rate of \$160, putting them well below the poverty level.

Things are changing, however.

## Once Homeless, Now A DevOps Engineer

Mark Jessen has autism. He has been employed by software giant SAP for more than four years. He first worked with SAP's Global Network Services and is currently with its Multi-Cloud DevOps team. As a senior DevNetOps engineer, Jessen works within a cloud-based network-operations environment. Prior to SAP, Jessen spent 17 years as an independent IT consultant working on various projects until migrating to his present work in network security, network design and project coordination.

"I was homeless for a few years at that time," says Jessen. "I was struggling to get back to work. Companies were not willing to look at me and take me seriously. When I found the SAP Autism at Work Program, they did take me seriously. They never forgot me."

The program was founded in 2013, with the aim of having 1% of the SAP workforce represented by people on the autism spectrum, says Jose Velasco, SAP Autism at Work ambassador.

# Talent Management

“The program intends to leverage the unique skills and abilities of people on the autism spectrum while providing beneficial value to the autism community,” he explains. “SAP colleagues on the autism spectrum are critical to the success of our company. They currently hold more than 27 role types across 14 countries.”

SAP’s program has helped fill 375 “opportunities,” as SAP refers to them. Such positions vary and include mentorships for students, internships, apprenticeships, full- and part-time jobs, as well as contracting opportunities. The program currently has more than 175 employees, contractors, interns and vocational-

school students. In the last two years, special emphasis has been placed on opportunities for students, after program leaders discovered that most employees on the autism spectrum at SAP did not have exposure to the labor market during their educational years. It’s a way of providing skills while acclimating them to the working world.

## Bridging the Gap

Connie Donnelly is the vice president of neurodiversity for New York-based firm Rethink Benefits, which offers web-based, clinical best-practice treatment solutions for employers.

Rethink’s Neurodiversity Inclusion Center combines virtual learning

and live expert support to assist employers with the hiring and ongoing management of neurodivergent individuals, says Donnelly.

“To address the needs of a geographically dispersed community,” she explains, “our online platform offers e-learning modules that provide managers and employees with easy-to-understand content on topics such as effective interviewing, communicating effectively, providing social support, and how to create a diverse and inclusive workforce.”

Donnelly cites an example of a large retailing client that employed an individual with autism. The employee was put in charge of

gathering shopping carts in the store’s parking lot; the employee excelled and was methodical about counting and returning the carts. Persons with autism often excel at patterns, mathematics and precise details.

But there are also shortcomings to overcome and manage. This particular employee was not prepared for customers to remove the carts he organized. He became upset when a cart was taken for use. Rethink’s board-certified behavioral analysts worked with the employee and his manager via role play, and he was able to build social cues and recognize that customers removing carts he had returned and lined up was a good thing, and not a disruption to his completed work. He was coached on how best to interact with customers. The employee continues to thrive.

## An Awaiting Arsenal of Talent?

Accentuating strengths and overcoming weaknesses of the neurodivergent talent pool is a recipe for success—both for the employer and the employee. Once certain gaps in social and technical skills are bridged, there’s an arsenal of talent that awaits employers from people with disabilities.

“Not many consider neurodiversity, but they should,” says Audra Jenkins, chief diversity and inclusion officer at the staffing firm Randstad US, about the employer advantages of hiring neurodiverse candidates. “Those who interpret information differently, including individuals with autism, are a pool of candidates that offer benefits to the workforce. They’re often detail-oriented, highly analytical and focused, making them great candidates for positions or careers that require a strong attention to detail.”



Jose Velasco, SAP

Jenkins emphasizes the need for recruiters and hiring managers to realize the benefits of accommodating those with unique abilities and find creative solutions.

“Different does not mean less qualified,” she adds. “Diversity only works when everyone is included, so employers must spend time and resources to develop an inclusive culture. Inclusion focuses on how we treat people of different demographics in the workplace—how we support them, how we create an environment where they belong.”

Many companies are discovering this emerging talent. In addition to SAP, others like Freddie Mac, Hewlett-Packard, Caterpillar, Dell, Deloitte, IBM, JP Morgan Chase, UBS, Microsoft, Ford and Walgreens have

## TALENT MANAGEMENT

By Peter Cappelli/Columnist



# Calculating the True Cost of Turnover

Is there a more fundamental metric in human resources than turnover costs? It’s the one measure that (almost) everyone understands and thinks is important. The

cost of losing an employee is one of the most basic factors driving investments of all kinds in HR, from more careful hiring to career paths to explicit retention exercises.

People with some history in this industry will remember the field of HR accounting, which basically generated internal accounting-like answers to the costs, and sometimes the benefits, of spending on human resources. There are still plenty of calculators that will generate estimates of the costs of turnover; however, those always seem low to me. One reason is because they often just count the cost of replacing an employee. In other words, they count what can easily be measured.

What we would like to do is know—beyond out-of-pocket hiring and onboarding costs—the effects of someone leaving on the overall operation of the business. That might include the impact of leaving positions unfilled, effects on morale—everything.

Into this question comes a new wave of economists who come at it not by trying to total up separate cost items but by looking to see what happens to overall organization outcomes before and after people leave. One of the first problems they recognize is that it depends a lot on who leaves. When a bad performer is fired, or even when a poor performer quits, we might expect the effects not to be so negative, maybe even to be good. So, how do we sort that out?

One way has been to see what happens when employees die unexpectedly. (And who says economists aren’t fun?) Death seems to hit people randomly, with respect to their job performance, or at least that’s what we think. But those studies are pretty much focused on leaders.

There’s a new (and good) study out by Peter Kuhn and Lizi Yu at the University of California-Santa Barbara.

They looked to see what happened to store performance in retail operations when employees left frontline sales jobs. The particular operation they studied had a policy where employees had to give two weeks’ notice before quitting and, for practical purposes, they did not fire or lay off anyone during the period in question.

The punchline? They saw four rounds of negative effects on performance: when an employee first gives notice, just before he or she departs, right after the employee leaves, and finally, when the new employee is brought on board. Surprisingly, two-thirds of the damage comes before the employee actually leaves: It is not the case, at least in this study, that most of the costs come from being short-staffed after the employee leaves, but no doubt that is at least partly because of the fact that these lower-level jobs get filled reasonably quickly.

Part of the reason why the costs are so front-loaded appears to be because of negative effects on the morale of peers, and part appears due to withdrawing on the part of the employee who is leaving—“Why bother?” effects. A big—and, at least for me, unexpected—part of the costs come from the time fellow employees spend trying to fill the position of the departing colleague (interviewing applicants and so forth).

What does the total cost look like? Each departure costs the company in terms of lost output the equivalent of 63 days of compensation for the employee who left, or the equivalent of about one-third of his or her annual pay. This is just the costs of lost performance of the frontline workers, not the hiring and administrative costs that typically are found in turnover calculators. That places the costs of turnover considerably higher than we might have otherwise thought, even for these low-level jobs.

*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 [hreletters@lrp.com](mailto:hreletters@lrp.com).*



# Faces of Neurodiversity

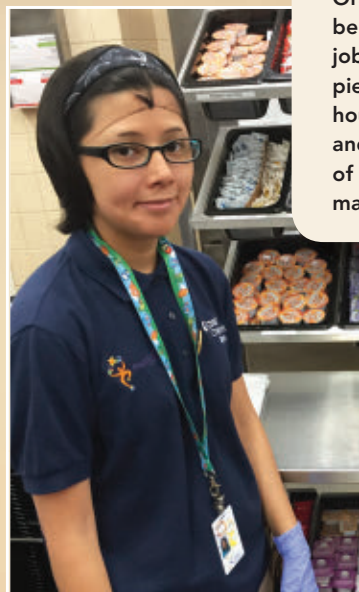
Meet some of the workers who have found fulfilling employment with support from organizations like the Regional Center of Orange County and SAP.



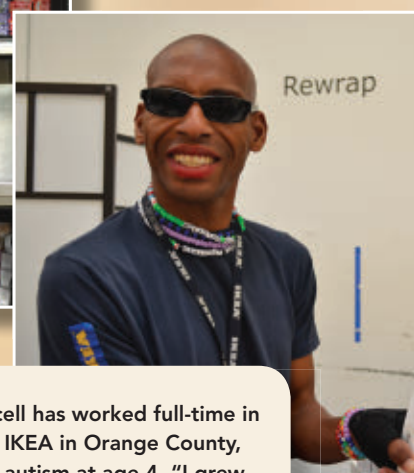
Ethan is one of the many neurodiverse workers who have secured a job through the programming at Regional Center of Orange County in California. He prepares food for low-income residents at Bracken's Kitchen and is interested in pursuing a career in the culinary arts, as well as earning certificates in digital and interactive media arts.



Mark Jessen has been with SAP for over four years, first working with Global Network Services and currently with the Multi-Cloud DevOps organization. As a Senior DevNetOps Engineer, Mark works in network operations on cloud platforms. Prior to SAP, Mark spent 17 years as an independent IT consultant working on projects large and small. He was once homeless yet now has a work trajectory in network security, network design and project coordination.



With support from RCOC, Michelle applied and was accepted to the Gillman Project SEARCH internship program at Children's Hospital of Orange County and has gone on to be hired by the hospital. In a previous job, she performed non-challenging piecework and was paid 90 cents an hour; now, she's earning \$15 an hour and is a valued and respected member of the food-services department at the main hospital campus.



For more than 23 years, Marcell has worked full-time in the Rrecovery department at IKEA in Orange County, Calif. He was diagnosed with autism at age 4. "I grew up working with many supporters at the Regional Center," he said. "I never felt that my autism held me back because of the way my family, friends and the program's service providers helped me." Marcell receives job-coaching support and independent-living services from a service provider funded by RCOC. Marcell is known around IKEA as a guy with a smile, positive attitude and a friendly word to share.

neurodiversity programs that develop and hire those on the autism spectrum.

At New York-based software-testing firm Ultra Testing, 75% of employees are on the autism spectrum. In fact, the company touts in the description of services on its website that the firm "provides highly flexible, high-quality software-testing services through exceptional onshore teams that include individuals on the autism spectrum."

Then there's Luv Michael, a nonprofit granola company in New York founded by Dr. Lisa Liberatore, an ear, nose and throat specialist who was inspired by her autistic son. It recently expanded into a space with kitchens on one level for workers to make the granola, and classrooms on another level where special-education counselors train persons with autism to work in the company.

As other employers follow the lead of companies like these and others, both employers and employees alike are discovering new opportunities and possibilities.

## Opportunities and Possibilities

Farrah Fielder is executive vice president of Florida-based Engage PEO, a firm that provides HR solutions and services for small and midsize

businesses. She points to a recent example of neurodiverse inclusion that could translate to business: Kalin Bennett, the first student athlete with autism to sign a national letter of intent to play a team sport at the NCAA Division I level at Kent State University.

Employers, coaches and others in society likely felt that it would be unlikely for someone with autism to play college basketball at the level Bennett plays—but the student athlete is proving them wrong. The same new paradigm should apply to business roles as well, Fielder says.

"As universities are shifting to include a more diverse representation of the population, so too should employers," she says. "States have vocational-rehabilitation services that assist individuals on the autism spectrum to find a work home, much as schools have provided opportunities for their students. Presenting your organization as a workforce solution enriches both your business and the community."

"What is most inspiring and instructive to me are the many success stories we have helping people with autism to achieve competitive, integrated employment," adds Arturo Cazares, associate director of

employment for the Regional Center of Orange County in Santa Ana, Calif.

RCOC is the private, nonprofit organization contracted by the state of California to coordinate life-long services and support to nearly 22,000 Orange County residents with developmental disabilities and their families. The program includes people with intellectual disabilities, autism, epilepsy and cerebral palsy.

"These employment experiences are truly lifechanging for people with autism and other developmental disabilities," says Cazares. "Being employed in the right job helps make people more confident; it highlights their skills and lets them shine and show their abilities. All that helps them to become more active, contributing members of the community."

## Everyone Is Employable

The experts agree that if employers try hard enough, seek solutions, collaborate with others, develop talent to overcome obstacles and look for strengths in lieu of weakness, almost anyone is employable.

But getting to such a point requires unconstrained thinking. Velasco of SAP recalls an "Autism at Work" panel at Duke University's Fuqua School of

Business he attended where he sat alongside a fellow panelist who was a gifted individual on the autism spectrum. He says that the person reacted to a point made that expressed the importance of bringing different perspectives to their creative processes at SAP. Velasco went on to say that it was important to "think outside the box."

"At that moment, this co-panelist jumped in," Velasco recalls. "He said, 'Why are you guys so obsessed with the box? You keep talking about the box. I never knew there was a box.' For me, that was a moment of great significance. This individual was teaching me about unconstrained thinking."

As the incidence of autism diagnoses trends upward, and companies continue to seek ways to fill many jobs, neurodiversity programs produce optimism; they are a conduit to uncover hidden talent, showing that anyone is employable—somehow, someday, somewhere.

Randy Lewis, a former senior vice president for Walgreens and father of a person with autism, said it best: "We haven't found a disability we can't employ."

Send questions or comments about this story to [hreletters@lrp.com](mailto:hreletters@lrp.com).



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## People

Compiled by Jen Colletta

The Hershey Co. has appointed **Chris Scalia** as senior vice president and CHRO. Scalia has spent 15 years with the snack retailer, most recently as vice president of global HR.



Scalia joined Hershey's legal department in 2005 and shifted to HR six years later. Since then, he has led all aspects of the company's people and culture operations, delivering strategic HR services to 14,000 employees worldwide. Previously, he was an associate in the HR Law Practice Group at Morgan, Lewis & Bockius LLP.

He earned a bachelor's degree in English and writing from Juniata College, a law degree from Penn State University and a master's in HR management from Cornell University.

Home-leasing company *Invitation Homes Inc.* has hired **Elizabeth Galloway** as executive vice president and CHRO.

Galloway brings nearly two decades of HR leadership experience, including most recently as CHRO at retailer At Home. She has also held leadership roles at PepsiCo, Owens Corning and Marathon Petroleum Co.

She earned a bachelor's degree in business administration and a master's degree in industrial labor relations from West Virginia University.

**Becky Schmitt** is the new executive vice president and chief people officer at technology consulting firm *Cognizant*.

Schmitt has nearly 25 years of experience in HR leadership, most recently at Sam's Club, a division of Walmart, where, since 2018, she served as senior vice president and chief people officer for the 100,000-person workforce; previously,

she was chief people officer for Walmart's U.S. e-commerce and corporate divisions. For more than 20 years, she worked in HR at Accenture, starting as an HR consultant and rising to become managing director for HR service delivery.

She holds a bachelor's degree from the University of Michigan.



**Raymond Hall** was recently announced as the head of HR for the Americas at *JLL*, a professional-services firm that specializes in real estate and investment management. In this position, he is tasked with overseeing talent acquisition, development, employee engagement and rewards.



He comes to JLL from the Larry H. Miller Group of Cos., where he was CHRO. Hall also spent more than 10 years as a member of the U.S. Army Special Operations Command before transitioning into the civilian sector. He has held HR leadership roles at Cargill Inc., Ulteig, International Paper Co. and Flowserve Inc. Throughout his career, he has lived and worked across Asia, Europe, Africa, the Middle East and Latin America.

He earned a master's of business administration from Pepperdine University.

**Sarah Calabria** was announced as CHRO at *Cytel*, a provider of analytical software and consulting services for the biopharmaceutical sector.

Most recently, Calabria served as senior strategic HR business partner for global corporate functions and government business at Monster. In

this capacity, she led compensation, benefits and HRIS for the 3,500 global employees. Previously, she was vice president of total rewards and HRIS at BJ's Wholesale Club and has also held leadership positions at Ocean Spray Cranberries, OneBeacon Insurance and PwC.

She earned a bachelor's degree in history and business studies from Providence College and a master's of business administration from Babson College.

Paint retailer *PPG* recently hired **Kevin R. Walling** as CHRO to lead the organization's global HR organization.

Walling comes to PPG from the Hershey Co., where he spent almost a decade as CHRO, focused on talent management, learning, recruitment, total rewards and other areas. He also spearheaded corporate communications and sustainability. Prior to joining Hershey, Walling held leadership positions with Kennametal Inc., Marconi Corporation plc, Acclaim Entertainment, PepsiCo and Manville Corp.

He earned a bachelor's degree in industrial labor relations from Le Moyne College.

**Jennifer Lentine** was recently named the head of total rewards at *Nu Skin Enterprises*. She will be responsible for all global compensation and benefits programs and serve as an internal business partner to senior leaders and HR professionals on HR issues at the anti-aging company.

Lentine has worked in total rewards across a range of industries and most recently was vice president of total rewards at Shake Shack Inc. She has also worked at U.S. Sugar, KLX Inc., Darden and JM Family Enterprises.

She earned a bachelor's degree in recreation and leisure administration from Florida State University and a master's of business administration from the University of Florida.

The *National Football League* has appointed **Dasha Smith** as its chief people officer.

She will oversee all HR operations, including talent and diversity strategies, compensation and recognition, leadership development and culture.



Smith most recently served as executive vice president and global CHRO at Sony Music, where she oversaw HR activities across more than 60 countries. She previously held HR leadership roles at a global alternative investment firm and Time Inc. Throughout her career, Smith has managed HR, marketing, investor relations, administration, facilities, diversity and corporate social responsibility.

She holds a bachelor's degree in finance from Georgetown University and a law degree from the University of Virginia.

Technology-solutions provider *Confluence* hired **Annabel Giles** for its newly created CHRO position. Giles will be responsible for developing talent-management and resourcing strategies, global rewards and change management, among other areas.

Most recently, she served as CHRO at investment firm Actis LLP and previously held leadership positions at Credit Agricole CIB and Lazard Asset Management.

Giles holds a bachelor's degree in languages from University College London and a master's degree in human capital management from Westminster University.



8

The number of years that the National Aeronautics and Space Administration has topped the list of *Best Places to Work in the Federal Government*, derived from a collection of surveys of federal workers. Overall, federal employee engagement dropped a half-point from 2018-19.

Source: Partnership for Public Service and Boston Consulting Group



65%

Percentage of employers that say the mental-health resources provided at their company are "adequate."

Source: Transamerica Center for Health Studies

1 in 3

The number of employees who say they have experienced ageism in the workplace before the age of 45.

Source: Fairygodboss



52%

Percentage of large organizations planning to increase HR-tech spending in 2020—up from 48% in 2019.

Source: Sierra-Cedar 2019-2020 Survey White Paper

\$1.7 billion

Estimated size of the people-analytics technology market.

Source: RedThread Research

12

The number of weeks of paid time off federal employees will now get following the birth, adoption or fostering of a child. The policy was part of a defense bill that President Donald Trump signed into law in December.

Source: Washington Post



40%

Percentage of U.S. workers who say generous paid time off is their most desired non-insurance benefit.

Source: Unum

47%

Percentage of business travelers who report not getting enough sleep while traveling for work.

Source: NexTravel



91%

Percentage of managers who say workplaces are less formal today than 10 years ago, a figure largely attributed to relaxed social norms and organizations catering to a younger workforce.

Source: Accountemps



50%

Percentage of workers already using AI at work in some form, up from 32% in 2018.

Source: Oracle and Future Workplace





# How does ADP help Magnolia Bakery keep things sweet?

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