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Human Resource Executive®

Chief People Officer Kathleen Hogan, the 2021 HR Executive of the Year, is behind a dramatic cultural shift that has boosted the company's success.

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COVER STORY

Rebooting Microsoft's Culture

BY KATHRYN MAYER

Just a decade ago, Microsoft had a huge culture problem—but today, it's enjoying a cultural and profit rebound, and CHRO Kathleen Hogan is right at the heart of that success. Read more about why she was selected as *HRE's* Executive of the Year, along with the stories of this year's Honor Roll winners: Barbara Kennedy of Western Alliance Bank and Jeff Ryan of Zynga. Page 6

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BY PHIL ALBINUS

The first in-person HR Technology Conference since 2019 returned to Las Vegas this fall, showcasing the pandemic-driven challenges that are changing HR tech.

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Shaping Culture for a Post-Pandemic Future 10

BY JEN COLLETTA

Experts say that, whether employers like it or not, the pandemic has permanently changed their cultures. Now, they need to be doing the work to shape the culture they want for the future.

HUMAN RESOURCE EXECUTIVE[®] Magazine (ISSN 1040-0443 USPS 002-565) is published monthly in January/February, March/April, May, June, September, October and November by LRP Magazine Group, an LRP Media Group Company, Suite 500, 747 Dresher Rd., Horsham, PA 19044, (215) 784-0910. Periodicals postage paid at Horsham, PA and additional mailing office. Single copy price: \$8.95. Subscription rates: In U.S., \$94.95 for one year; \$138.95 for two years; \$180.95 for three years. In Canada and Mexico, \$106.95 for one year; \$169.95 for two years; \$222.95 for three years (U.S. currency). In all other foreign countries, \$138.95 for one year; \$222.95 for two years; \$307.95 for three years (U.S. currency; prices include air mail delivery). For subscription information, call 1-800-386-4176 or FAX to (215) 784-0317. POSTMASTER: Send address changes to: HUMAN RESOURCE EXECUTIVE, PO Box 2132, Skokie, IL 60076.

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BY KATHRYN MAYER

Employer vaccine mandates are on the rise, but rolling out a successful policy requires some intentional communication work, experts say.

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- Keys to stopping the Great Resignation
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HR IN THE FLOW OF WORK

Josh Bersin/Columnist

Tech is Revolutionizing the Coaching Space

The availability and use of coaching is at an all-time high, thanks to AI, skills taxonomies, online video and the power of social networks. In the past, coaching was typically limited to senior executives because the

per-hour cost was so high. Now, AI-enabled solutions can match you to just the right coach at a fraction of the cost, bringing the power of coaches to every manager, leader and executive in your company.

Studies show that coaches can increase self-confidence, improve communication and management skills, and help individuals achieve greater professional success. I personally used a coach to transition into the Deloitte partnership, and without him, I would have been lost.

Who are the big players in this burgeoning market? Currently, these include BetterUp, now valued at around \$1.7 billion; Torch, which recently merged with Everwise; and Skillsoft, which just acquired Pluma. The market also includes a number of disruptors offering AI- and VR-based coaching. For example, Mursion uses avatars for coaching with great success. Cultivate provides nudge-based coaching based on email and other behaviors at work.

In many companies, coaching is still considered part of leadership development, so legacy companies such as Korn Ferry, DDI, Franklin Covey, BTS and Ken Blanchard also continue to offer coaching. But the real innovation in coaching is the ability to offer at scale, and this is where market disruption is taking place.

There are basically two digital disruptions going on. The first is the introduction of intelligent assessments such as BetterUp's whole person model that uses AI to identify areas of improvement, looks at individual preferences and learning styles, and then intelligently matches employees

to coaches. Through what it calls "precision development at scale," BetterUp now offers online assessment and connections to coaches for leaders, sales managers and individuals. Customers say they are happy with the solution's effectiveness, ROI and ease of use.

Torch, a fast-growing competitor, has focused on development outcomes. The company's people development platform takes a different approach by integrating coaching into learning paths, along with elements such as assessments, specialized content, mentors and peer groups through its integration of Everwise. Customers use Torch to deliver and measure behavior change from programs like leadership development, new manager onboarding and DEI.

Skillsoft, one of the largest online learning companies, provides an integrated set of leadership development offerings in partnership with the MIT Sloan School. Its library of courses includes a 360 assessment, and now, through the acquisition of Pluma, lets you assign coaches to leadership programs as well. Pluma was a start-up coaching platform and boasts Adobe, Dropbox and Skansa as clients.

More vendors will be entering this space. It would not surprise me to see Udemy, LinkedIn and other content companies add intelligent coaching soon. In a world where every coach has a video camera and can appear online, this type of development will soon be available to everyone.

The second, perhaps more explosive, part of this market is AI-based coaching through the use of algorithms incorporated into solutions. For instance, Cultivate monitors communications and interactions online to help people become more effective. This offering comes on the heels of products like Zugata (now part of CultureAmp) and LeadX, an AI-based coaching app developed by a former exec at Kenexa. Others include LeaderAmp,

Zoomi, Axonify, Vyou and HelloEzra—all of which provide intelligent nudges and microlearning.

This latter space will get even more competitive over time. Today, products like Cultivate and LeadX are unique, but Microsoft Viva Insights, designed to nudge you on topics like work/life balance and wellbeing, is getting close to this space. We can expect to see these "intelligent agents" get smarter every day.

There's no question this space will get hot, and it's going to impact the entire L&D market. AI-enabled coaching will transform all areas of L&D. I foresee platforms powered by coaching systems disrupting the traditional L&D content players.

I also strongly urge you to build an *internal coaching* network. Years ago, the head of HR for a large defense contractor told me that its internal coaching program was a lynchpin for leadership development. Each leader was expected to coach two others, requiring every executive to be trained in coaching, which proved invaluable for coaching their own teams.

If you're building your own internal coaching program, solutions from Chronus, Tandemplay and Fuel50 can connect people to coaches and immediately create an internal coaching network. And for formal leadership programs, collaborative learning platforms such as 360Learning, NovoEd and Intrepid make it easy to build leader-led online experiences.

Intelligent coaching has just begun, and as more digital tools become available, we'll all have coaches whenever we feel we need help.

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.



Bersin Details the Impacts of the Shift to ‘Work Tech’

BY PHIL ALBINUS

Good news is abounding when it comes to HR technology: The market is robust and ripe for consolidation and innovation. Meanwhile, employers are hungry for solutions to address the Great Resignation and to keep their talent engaged, satisfied and not headed for the exit. Despite this, HR leaders need to stay on top of their investment in innovation, or they could risk their talent leaving for greener and more tech-friendly pastures.

That was the message from global industry analyst Josh Bersin, who delivered a keynote at the HR Tech Conference titled “Technology Reinvented: The Big Shift Towards Work Tech.”

Bersin introduced his “10 New Truths about HR Technology.”

1. Employee Experience takes over.
2. ERP still strong, redefined.
3. Skills taxonomies and intelligence platforms are the “next big thing.”
4. Recruiting and internal mobility collide.
5. Learning in the flow of work has arrived.
6. Talent Marketplace has become a category.
7. Employee listening explodes with growth.
8. Performance, talent and learning converge.
9. Microsoft changes HR Tech forever.
10. Watch out for the Creator Economy.

Like never before, workers are voting with their feet. Each month, 2.7% of Americans voluntarily leave the workforce at a toll of 4 million jobs left unfilled each month. “People feel they have lots of power,” Bersin said.

While the vast array of companies are offering new tech solutions as part of efforts to keep employees on board, the average large company has 70 employee applications, causing workers to face app overload. “If you think employees are excited about new things, think again. We have to rethink employee experience,” he said.

Apps like Tik Tok are no longer the realm just for wanna-be social media influencers; instead, such tools can play a role in learning and upskilling and rolling

out new tools. And it’s not alone as an example of the new creator economy, which applies to HR tech as well, said Bersin.

“Smaller vendors are focused on tools to build things. At the beginning of the pandemic, [many companies] thought they were going to go out of business, but now, they build apps [with the help of smaller vendors]. This didn’t exist four years ago,” said Bersin. “We are approaching the creator economy of HR.”

Skills and recruiting taxonomies are the next big things. Companies can no longer hire and teach their employees skills in the traditional method. “They are saying, ‘We don’t care about job level, we want to know what an employee can do and what they want to do with their life. What skills do you need to get there?’,” said Bersin. He added that companies cannot trust black box, one-size-fits-all solutions to solve that problem.

“If you don’t know how a skills app works, it’s not going to work. Your HR staff and employees won’t be able to strategically use it. And no two companies have the same skill profiles,” he said.

As 40% of American employees are changing jobs and 25% are changing careers, employers cannot look for the exact same types of people to fill those roles. Instead, HR leaders must determine related skills adjacencies—a similar skill set that could help an employee accomplish the job role—and go out and hire them.

“We are bolting together recruiting and learning,” said Bersin, noting that insurance giant Allstate says 60% of its hiring is now internal and up to 30% are people who previously worked at the company. “If you don’t think about learning and recruiting, you will be left behind.”

Bersin calls the talent marketplace—the concept that firms can hire from inside their company—the “best new idea in a decade.” Research from the Josh Bersin Academy found that two-thirds of employees said it’s easier to find a job outside their company, rather than internally, highlighting the opportunities that could await employers if they invest in better tech and strategies around the internal talent marketplace.

“You can also use the talent marketplace for agile work,” he said, referencing, for instance, SAP’s job-sharing program in its Germany locations. “When an employee has a baby and wants to work three days a week, they can post that they need another SAP employee to work for them and they can volunteer for this partial job.”

While there is a hunger for learning on the job and significant opportunity for internal hiring, there is no time for long, drawn-out education, Bersin said. Instead, employees want small chunks of learning, which is spurring a new design paradigm. Virtual reality, augmented reality and avatars will drive learning in the near future. For instance, Walmart used VR for training and found a 96% reduction in training time, from eight hours down to 15 minutes. Fidelity saw a 10% increase in customer satisfaction in six months thanks to VR tools.

But, HR leaders have to be critical when it comes to new tech. “If [employees] don’t want to use it, why did you buy it?” Bersin asked.

Tools should be tested first with employees and consistently revisited once they’re rolled out, he noted.

“One company [the Josh Bersin Academy] profiled has 90 wellbeing apps and they shut off the ones that are not used at the end of the years,” he said. He called this “the Marie Kondo approach,” named after the noted decorator and clutter advisor who urges people to discard objects that do not bring them joy.

“Pilot test these technology apps; this helps give a better sense of what is successful,” he said.

More than one audience member asked if HR leaders should be pressing for a bigger tech budget. Bersin said organizations don’t have to spend a lot of money on HR tech to offer a positive employee experience. The more complex a company is, the more value there is in some of these systems but smaller companies should focus on the basics, he said.

“Smaller companies don’t want fancy learning systems,” he said. “Culture and feedback are more important than these fancy tools.”

Human Resource
Executive®

VOLUME 35, NUMBER 6

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6 Themes from HR Tech

BY PHIL ALBINUS

AI, women's return to the workplace and the Great Resignation were a few of the central topics in Las Vegas.

After the first live HR Tech Conference in two years because of the global COVID-19 pandemic, several key themes were impossible to ignore. First, attendees, sponsors and exhibitors were eager to meet one another and network safely; the feeling that people were relieved to have a live, safe event was palpable. Second, there was no shortage of urgent topics that HR leaders need to address in the coming years. Here are six takeaways from the 2021 HR Tech Conference:

The Great Resignation rolls on.

HR and business executives cannot ignore the fact that many educated and able-bodied people are opting out of the workforce. This is happening for a variety of reasons: They are leaving unsatisfactory or downright toxic workplaces, they are becoming entrepreneurs or they are following their dreams. Madeline Laurano, founder of Aptitude Research, pulled no punches: "You have to pay people more money. You have to provide flexibility to let them work from home and you need to rethink your company's standards around work and life," she said.

One keynote speaker expressed doubt that the Great Resignation was real—or at least that it is a new concept. For decades, college graduates have delayed looking for work to pursue advanced degrees and workers have resigned to become consultants or independent contractors. "The Great Resignation is the stupidest thing I have ever heard. People have realized what matters to them, and you need to offer them an emotional employee experience where they can feel human," said Jason Averbook, CEO of Leapgen. "If not, they are not going to work for you."

The next employment wave will be women returning to the workforce.

The advancements that female workers made in the workplace over the past four decades were nearly wiped out, as many were benched to become caretakers and remote schooling monitors in the wake of COVID-19.

The numbers are grim: About 3 million women have left the workforce since February 2020, resulting in the largest decline of women in the workforce since the end of World War II.

"That's a shocking, shocking statistic," Maryann Abbajay, chief revenue officer at SAP SuccessFactors, said during the closing session of the Women in HR Tech Summit.

Bringing women back to the workforce, especially to senior management roles, will require outside help. This includes mentoring and coaching, reskilling and upskilling, and providing help with child- and elder care, for example.

"How do we make sure that the managers who are feeling pressure from above, but also pressure to support their team, get a little bit more support?" asked Jill Popelka, president of SAP SuccessFactors, during the same session in describing what SAP has done. "In addition to trying to model these things, we wanted to give them the opportunity to take a day off to focus on internal business, to schedule what they need to in order to make their lives balanced and healthy and sustainable."

This crisis is also an opportunity for women to find better jobs that address their needs as well as their

ambitions, said Rebecca Henderson, CEO, global business, and executive board member of Randstad.

"We will see more women resigning and leaving for jobs that recognize their expertise, but they are going to go for lower-title jobs for work/life balance reasons and not their careers," she noted.

Talent acquisition is drowning in resumes, old thinking.

Whirlpool receives an average of 200 resumes for each job opening, which is why it turned to AI-powered assessment tool Plum. "Not only did we want more efficiency in the hiring process, we wanted to identify high-quality people ... to pass them on to our managers," said Doug Haaland, vice president of global talent management for Whirlpool. He wasn't the only talent management professional at HR Tech to say their organizations needed help managing the flood of applications and resumes.

(But wait, isn't there supposed to be a Great Resignation going on? Experts admit hiring is a bit of a riddle right now, since regardless of how many resumes organizations receive, open positions remain unfilled.)

Workers are also looking for more and sustained opportunities to remote and hybrid work models, and this will impact TA. As more employers move to a hybrid option, HR leaders are given both an opportunity and a challenge, said Lauren Bidwell, senior research scientist, product strategy research at SAP SuccessFactors. HR will have access to boundary-less talent that they didn't have access to before. However, with that freedom comes a divide between remote and in-office employees.

"It is not just recruiting. If we are leaking people ... as fast as people are coming in, this is not good," said Averbook. "Talent is the answer—not talent management."

If employees don't use HR tech, it's dead.

No matter how cool and shiny your HR tools and apps look during procurement and deployment, if employees don't use them, the products are toast.

The numbers don't lie: 42% of HR tech projects fail after two years, according to research presented by Josh Bersin, global industry analyst. Projects are deemed failures, Bersin said, if, after two years, employees refuse to use them, do not have the time to use them or see little benefit in the apps and their promised solutions.

One question that was not answered at the HR Tech Conference was app overload. The exhibit hall was crowded with eye-catching HR, payroll, onboarding, and mental and physical wellness solutions but this begs the question: What does this mean for exasperated employees with app-stuffed smartphones and tablets?

Are you using AI yet? It's time.

If artificial intelligence is not part of an HR leaders' toolkit, they are asleep at the wheel. AI-powered HR solutions now tackle talent management, job



Olympic athlete Abby Wambach shared her formula for leadership success at the opening day of the conference. Read the story at [HRExecutive.com](https://hrexecutive.com).

recruitment, employee satisfaction, internal hiring and promotion, and more. AI tools helped Indeed provide live, interactive simulations in a virtual setting at the height of the COVID-19 outbreak, for example.

HR still has to address new functions by creating new HR tech job titles. Within the next decade, we will see such new jobs as work-from-home facilitator, VR immersion counselor and HR data detective. This will put the onus on HR leaders as they grapple with educating colleagues for these new jobs. According to Suneet Dua, chief product officer for PwC, the vast majority (74%) of business leaders are worrying about the digital skills of their employees. That's up from less than a third of the same leaders who were concerned about those skills just four years earlier.

Data analytics is key, too. Starbucks spends more on employee healthcare than coffee beans, said Benefitfocus data scientist John Thomas. He believes data analytics can help solve the rising cost of employee benefits amid flat or falling budgets for benefits, increasing benefits costs and, of course, the COVID-induced changes in the labor market.

HR tech innovation is just getting started.

With 33 HR tech companies competing for Pitchfest prize money and another 50 firms filling the start-up pavilion with solutions for everything from DEI analytics and coaching to recruiting and more, this year's HR Tech Conference exhibition floor was vibrant with activity. After several rounds of competition, Onwards' HR's employee separation solution was crowned the winner of Pitchfest.

COVID-19, remote work and advancements in HR technology are driving the spending for new solutions. Stacey Harris of Sapient Insights Group found that organizations' tech spending is up by 57% from last year, with a major focus on learning, recruiting, HR analytics, benefits and wellness, and skills management. "The Great Resignation is a hiring challenge," she said. "As employees rethink what they want out of their work environments and decide whether or not they're going to leave or be hired into an organization, they're expecting that the organizations are going to develop them into areas they want to pursue."

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

Rebooting Microsoft's Culture

HR Executive of the Year Kathleen Hogan is a key driver of the company's recent cultural shift. BY KATHRYN MAYER

Kathleen Hogan

Company: Microsoft

Title: Executive Vice President, Human Resources, and Chief People Officer

Employees: 175,000

Key HR Challenges: A company culture problem that stifled innovation, prohibited collaboration and learning; navigating the ongoing COVID-19 pandemic.

Key HR Accomplishments: Led a cultural overhaul; progressed diversity and inclusion work; embraced a flexible workplace; prioritized wellness and new benefits during COVID-19.

FEATURE AND COVER PHOTOGRAPHY BY BRIAN SMALE

In the late aughts and early 2010s, as other tech firms began outpacing it in mobile computing, social media and gaming, Microsoft was in danger of losing its status as one of the world's most innovative companies. And the organization's huge culture problem, which was wreaking havoc internally, was mostly to blame.

Employees were deeply competitive with one another. Workers were critical of themselves and of each other. There were internal political battles. Departments were siloed. A former employee's cartoon drawing of the company's org chart—depicting the departments pointing guns at each other—was hard to ignore.

"Satya [Nadella, who became Microsoft CEO in 2014] netted it out the best when he said we had become a bunch of know-it-alls, when we really needed to be a bunch of learn-it-alls," says Kathleen Hogan, executive vice president, human resources, and chief people officer at Microsoft and *HRE's* 2021 HR Executive of the Year.

What she describes as Microsoft's "fixed mindset" was preventing it from seeing trends, from finding creative solutions, from being inclusive. "All of that was getting in the way of us being able to innovate to the next level. It was getting in the way of us being successful," Hogan says.

So, in 2015, the company decided to fix all that.

The tech giant wanted to shift its focus to a culture of learning. It wanted to create a safe space where employees could embrace failure, learn from one another, collaborate, innovate. Become a place where people wanted to work. In short, the firm at the apogee of technology needed to become more human.

Hogan, who joined Microsoft in 2003 as chief operating officer of sales and became HR head in late

2014, was asked by Nadella to help lead the cultural transformation. She took to the task with intent, for nine months leading focus groups, talking to companies, reading about culture, meeting with employees, connecting with leaders, organizing a "culture cabinet" and conferring with experts on the topic. Not only were Hogan and Microsoft searching for how they wanted to define the company's culture, but they also were searching for what they did not want to change—including big, bold ambitions and a spirit of giving, a la Microsoft co-founder and philanthropist Bill Gates.

One of the key shifts was changing to a growth mindset, promoting learning and coaching that empowers employees. Among other aspects of its culture, it aimed to be diverse and inclusive, customer-obsessed and to come together as "one Microsoft."

Hogan's, and Microsoft's, efforts paid off handsomely: Now, 95% of employees say they feel proud to work at Microsoft; representation of Black, Hispanic and Latinx employees and leaders at the company has grown for six consecutive years; its growth mindset mentality has enabled the organization and its workers to succeed during the pandemic. Overall, Microsoft's relevance—and profits—exploded.

And those efforts, along with her leadership during COVID-19 and collaborative spirit over the years, helped earn Hogan the title of 2021 HR Executive of the Year.

"What Satya and Kathleen together engineered over the last several years has been remarkable," says Kevin

Oakes, CEO and co-founder of research firm i4cp and author of *Culture Renovation*. "It's hard to stress enough how dramatic a shift there's been at the organization. And it's a blueprint that I think organizations of any size in any industry can follow."

Culture is often a buzzword for organizations, many of whom throw the term around to lure potential talent. But true, deep-rooted company culture that drives an organization and what it stands for is hard to come by. Even more rare is an organization's ability to successfully transform its culture, Oakes says. "It is really hard to change. Our research has shown that only 15% of companies that set out to renovate their culture actually succeed. The rest have some sort of failure involved."

Microsoft, though, is a model of a company that did it and did it well. But even now, Hogan admits Microsoft's cultural journey isn't over. Success isn't declared—not even by rankings on Best Places to Work lists or a dramatic rise in the company's valuation that was boosted to more than \$2 trillion since its cultural transformation. In 2015, its valuation hovered around \$350 billion. (Microsoft now is the second most valuable company in the world, behind Apple). Instead, culture is continually worked on, and something workers can lean on during tough times.

"It's always driving us. It's about taking steps to close the gap between what we've asserted for all 175,000 employees and what all 175,000 employees experience on

any given day,” Hogan says. “I think that gap is closing, but it’s not perfection.”

A year of change

Microsoft’s focus on culture and people gained new importance in the age of COVID-19. The pandemic has undeniably wreaked havoc on employees. Add to that stress over climate change, racial injustice and more, and employees of the Redmond, Wash.-based tech giant were reeling from personal and professional challenges.

“We saw in our data that our people are overwhelmed. People are stressed; people have anxiety within the level of uncertainty happening in the world,” Hogan explains on a Microsoft Teams call—naturally—from her home office in Redmond. “There are just so many different things happening ... and profound heartache about what we were seeing in the news.”

Like other leaders who have embraced rallying cries of empathy and flexibility over the past year-and-a-half, Hogan took a hard look at what the company could do to help employees stay healthy and sane—and remain innovative, productive and present on the job.

Gleaning insights from Microsoft’s daily pulse survey of workers, which among other things helped identify specific pain points, she leaned on innovative and game-changing benefits to help, including a 12-week parental paid leave policy that allowed parents to take off time as schools and daycares closed down due to COVID. Under her leadership, Microsoft also gave \$1,500 bonuses to many employees; introduced five additional paid days off, dubbed “wellness days,” earlier this year so employees could rest and recharge; and expanded backup childcare. And importantly, she accelerated the company’s mental health efforts, not only reminding employees about available resources, but also encouraging them to use them. “It really has all been about trying to understand what our employees need,” Hogan says.

And, of course, the company leveraged its culture, which Hogan credits as essential to getting through hard times. Part of that culture was enabling managers to become better leaders—a goal made ever more vital during a pandemic when leadership is demanded. Every manager goes through required training to help them model, coach and care for their teams. That paid off, as Microsoft’s surveys revealed all-time highs in some of the questions it had been asking employees about their managers for many years: For instance, confidence in an employee’s immediate manager reached 90%, and 96% of employees said their manager treats them with respect/dignity. Those are impressive stats made even more vital for a company from which other employers often try to poach talent—and made more important during the Great Resignation, as waves of employees are quitting and many more are looking to leave their current jobs.

Leadership in action

As challenging as COVID-19 has been for Microsoft, CEO Nadella says Hogan’s leadership strengths were only amplified by the trials of the pandemic.

“This includes empathy for our employees and their families and decisive action to provide aid and ensure their wellbeing, consistently putting people first in decision-making, exhibiting and encouraging a growth mindset, and illuminating the critical importance of the strong partnership required between HR, IT and the rest of company leadership to deliver an optimal employee experience,” he tells *HRE*.

The pandemic has no shortage of lessons in the workplace: the feasibility of remote work, the importance of wellbeing, mental health, flexibility. That’s all true for Microsoft, but the biggest way the company has changed because of COVID-19, Hogan says, is by becoming more human—developing the kind of understanding that happens when kids or pets crash video meetings, when co-workers get a glimpse of each other’s homes and when people bond over crisis and turmoil and angst and death.

“I like to think that with our focus on culture, we were already becoming human and empathetic,” Hogan

says. “But when you are going through a crisis, and you have to bond together, and people are seeing each other in their home environment, navigating all the different things that they’ve navigated ... it makes the connections more human, more profound.”

A new way of working

Although tech is its focus, Microsoft surprisingly wasn’t a company exactly ready for the forced massive experiment of remote work. (Its envious 500-acre main campus, after all, boasts treehouses, dozens of places to eat, shops, basketball courts, a hair salon and much more for its employees.) When work arrangements changed for most of the firm’s employees last March, its cultural shift, again, prepared the company for the change.

“[Before COVID,] people would have said, ‘It’s impossible.’ They would have said, ‘I never can interview virtually; it’s important that I meet everybody in person and hire them.’ Well, challenge that fixed mindset, because we’re in a new world, and we have to hire virtually,” Hogan says. “I think, on some level, the fact that we’ve branded our culture as a growth mindset was super helpful. It was less about COVID creating the culture versus relying on the culture and accelerating the culture.”

Unsurprisingly, the company leaned on its own products to help connect and make remote work work. Microsoft Teams allowed for video calls, quick chats, even emojis and applause to help coworkers connect. (“Can you imagine if we had to do [all of that] over a speakerphone?” Hogan says.) Nadella and other leaders used Microsoft’s Yammer as a channel to engage with employees, listening to and learning what’s on their minds. Overall, Microsoft onboarded some 25,000 new workers remotely over the past 18 months.

All of that remains important as the company largely continues to embrace remote and hybrid working. (Microsoft recently announced it was nixing its October date to fully reopen offices because of concerns about the Delta variant, and it won’t be predicting a new date at this point.) Like most companies, it plans to keep workers remote in some capacity going forward. Hogan says for most roles, Microsoft now views working from home part of the time as standard.

“One of the key things coming out of the pandemic will be teams being much more intentional about how

they work so that they can have more flexibility,” she says. “Do we all have to be in the office five days? Or if we’re all going to be in the office five days a week, can we all be agreed that the meetings are going to be in the morning, so then people can plan and have flexibility in the afternoon? All of that is happening now.”

Unconventional path

Although she is now the HR head at one of the most recognizable companies in the world, Hogan didn’t set out to work in human resources. A math major at Harvard, she started as a software developer at Oracle, then moved into consulting at McKinsey & Company before joining Microsoft. Although an untraditional path, it was one that helped ready her for one of the most important positions in one of the world’s most powerful companies.

“She’s very thoughtful around people issues. Her background with consulting gives her the ability to be a true consultant, to listen and try a solution,” says Tracy Keogh, chief people officer of private equity firm Great Hill Partners and former CHRO of HP. Keogh is one of Hogan’s frequent collaborators in the HR industry and was the 2015 HR Executive of the Year. “If it doesn’t work, then she’ll evolve that solution until it’s the right thing for the organization. And that’s totally part of having a growth mindset.”

Hogan admits her relatively recent move to HR sometimes presents a learning curve—which makes being surrounded by a smart HR team and an “empathetic and exceptional” CEO like Nadella paramount. Coming from outside of HR allowed her to arrive with an open mindset and prompted her to lean on other HR leaders who were doing it longer for guidance and collaboration. Seven years into her role, she continues to do that, and in the process has become one of the profession’s most vocal leaders and cheerleaders.

Hogan often talks to other CHROs about the biggest issues—from COVID to racial justice to diversity and inclusion—learning and looking for collective solutions. And in 2019, Hogan initiated Microsoft’s CHRO Summit, which convenes global leaders to discuss the challenges, opportunities and changing landscape CHROs are facing. She also regularly uses her LinkedIn platform to provide expertise and insights on important topics impacting the HR profession. It was there she launched her #PeopleTalk video series in which she engages in topical discussions with industry leaders and CHROs.

That collaborative spirit has been especially important in the pandemic era, which most company leaders contend is the most difficult period of their careers.

“There’s the sense of community among the CHROs of all of us trying to help each other navigate a lot of different challenges, trying to deliver great experiences,” Hogan says. “I think we’re all partnered to try to work together.”

For Hogan, the last year also has been a reminder of the important role of employee benefits, flexibility and employer support. And it’s been an eye-opener about the profound and purposeful role HR can have.

Hogan admits in her quest for the best possible company culture, she often is mired in the details, worried about not meeting expectations, feeling urgency over closing the gap. The past year-and-a-half, though, has allowed her to step back to see how all her efforts have worked together and how much impact they can have.

“I always felt that there was deep purpose in this role. Some days you feel it more than others; some days you have to zoom out and remind yourself that there’s deep purpose in the ability to help other people and be a servant leader,” she says. “At the end of the day, people are your greatest asset. It’s the people and the talent and their ability—their physical and mental health and their ability to feel included. All of that is what contributes ultimately to our ability to innovate.”

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About the Competition

Every year, *Human Resource Executive*® selects one HR leader for our prestigious HR Executive of the Year honor, which has now been bestowed upon 33 individuals since 1989. Along with this top recognition, we have recognized more than 100 leaders on our HR Honor Roll.

A panel of eight judges reviewed this year’s submissions and based their selections on the following criteria: the candidate’s ability to handle significant problems in the human resource field, the candidate’s role and/or success in establishing the HR function as an integral part of his or her organization, the candidate’s management skills as demonstrated within the HR function and the candidate’s contributions to the HR profession.

Judges for 2021 were Richard Antoine, president of AOConsulting; Timothy D. Burke, senior vice president and publisher of HR products at LRP Media Group; Dr. Fred Foulkes, professor in the Questrom School of Business at Boston University; David Shadovitz, editor emeritus of *HRE*; and four former HR Executive of the Year winners: Diane Gherson, former CHRO at IBM; Tracy Keogh, chief people officer at Great Hill Partners; David Rodriguez, global HR officer at Marriott; and Ellyn Shook, chief leadership and HR officer, Accenture.

Making the Investment in Wellness

Western Alliance Bank's CHRO brings the function into the 21st century, while navigating a once-in-a-century pandemic.

BY JULIE COOK RAMIREZ

When Barbara Kennedy arrived at Phoenix-based Western Alliance Bank to serve as executive vice president and chief human resources officer in the spring of 2018, the bank's HR function was admittedly behind the times. Immediately, Kennedy got to work, shifting the HR team's orientation from transactional to a 360-degree perspective that better aligns human capital goals with business goals. She implemented an HRIS tool, centralized transactions to free up the HR team to work more closely with managers and leaders, and ensured the bank had the core HR framework to support the needs of the business, which is ranked on Forbes' "Top 10 Best Banks in America" list.

The need to modernize an antiquated HR function didn't faze Kennedy in the least. In her first job in human resources, she literally started an HR department from scratch. "In all of my early jobs, I either built something or reinvented something," says Kennedy. "I've done every job in HR in my career [with the focus that] when you start things from scratch or reinvent skeleton crews, you get involved in everything."

That breadth of HR knowledge and experience serves Kennedy well in her interactions with her 60-person team. Often, she says, they are surprised she knows so much about the inner workings of HR, which gives her the ability to pose "deep, targeted questions." Kennedy, one of this year's HR Honor Roll winners, prefers a team approach to leadership, rather than a hierarchical approach—yet, she is clearly the leader, and a very hands-on leader at that.

"I'm not someone [HR staffers] hear from once a month, I'm very active and involved," says Kennedy. "I have my finger on the pulse of everything that's going on in HR and I give everybody the opportunity to get involved in things, even though it may be outside their area of expertise."

Coping with COVID

When COVID-19 was declared a pandemic in the spring of 2020, Kennedy had been with Western

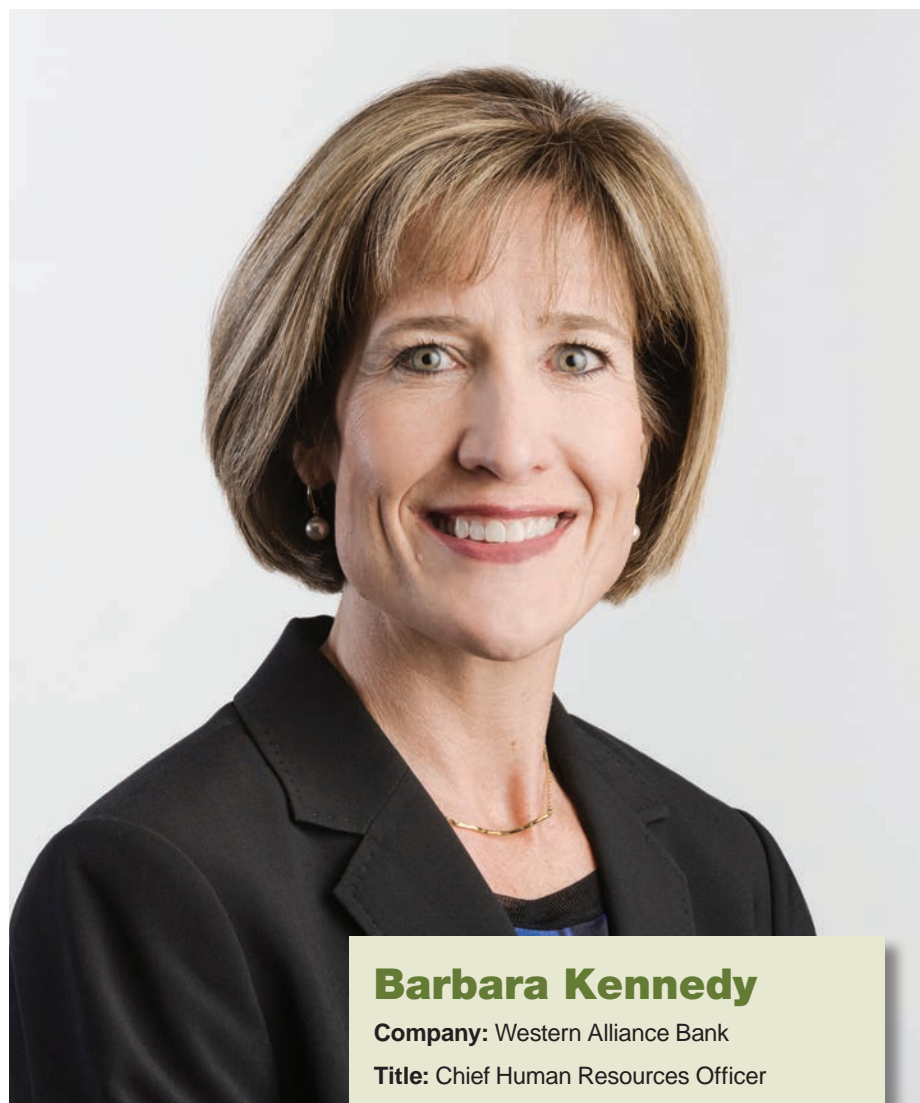
Alliance just under two years. She and her team quickly responded to COVID requirements, ensuring those employees who chose to work from home had all the necessary resources, not only to perform their duties, but to take care of their physical and mental health during a truly unprecedented time. They promoted the company's robust EAP program and introduced new engagement and wellness tools, like Wondr Health, a digital behavioral program designed to boost physical and emotional wellbeing, sleep hygiene and weight loss.

Coincidentally, Kennedy had launched the bank's first ever corporate wellness initiative just two weeks prior to the start of the work-from-home period. That proved invaluable, but she recognized the need for more resources. To help employees combat the isolation of the pandemic, Kennedy led her team in developing an in-house social platform. They identified a previously unused Microsoft tool, Yammer, which they bank-branded and populated with Facebook-style groups to boost performance and personal goals aimed at increasing professional skills and good health, while reducing isolation and stress.

Growing the business

In April, Western Alliance acquired Aris Mortgage Holding Co., LLC, the parent company of AmeriHome Mortgage Co., LLC, for \$1.22 billion. The addition of AmeriHome is expected to help Western Alliance expand its national commercial business. For HR, it meant onboarding 1,000 employees—a 50% increase in total workforce, which now stands at 3,000—in the middle of a pandemic. Admittedly, the integration was a "big endeavor," says Kennedy, but it was just as much about making sure the AmeriHome employees felt like part of the team as it was integrating the two businesses.

"A big part of that has been making sure it's not all the Western Alliance way but incorporating some of the great things they'd been doing as a business into what we're doing," says Kennedy. "We took an approach from a benefits and people experience



Barbara Kennedy

Company: Western Alliance Bank

Title: Chief Human Resources Officer

Employees: 3,000

Key HR Challenges: Modernizing an HR function, which was largely transactional and almost completely manual when Kennedy arrived. Lacking an HRIS, core framework or strategic focus, Western Alliance's HR function was ripe for transformation. In addition, the COVID-19 pandemic exposed the need for more wellness offerings to help work-from-home employees stay healthy and combat isolation.

Key HR Accomplishments: Recruiting and retaining the right talent to enable the continued growth of the bank. Launching a culture initiative, engagement tool, wellness program and business resource groups. Successfully integrating a newly acquired company, resulting in a 50% increase in total workforce. Supporting employees working from home during the pandemic, developing an in-house social platform and significantly reducing turnover.

perspective to merge the two together and take the best of the best."

Since Kennedy's arrival, Western Alliance has adopted the tagline "People, Performance and Possibilities" to describe its people-first culture. As the bank continues to grow, her focus is on making sure it has the right foundation to attract, develop and support the talent who differentiate it from other financial institutions. For Chief Executive Officer Ken Vecchione, there's no doubt Kennedy will play a major role in enabling Western Alliance's future success.

"As we continue to grow, Barbara's ability to imbue our people-first culture all across our organization is integral to our ongoing success," he says. "She capably scales our entrepreneurial culture, with particular attention to helping people develop and grow their careers to reach their potential with us."

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

Upping the Game on Talent

A strategic focus on DE&I is turning out to be a winner at video game developer Zynga, says CHRO Jeff Ryan.

BY JEN COLLETTA

When Jeff Ryan took the helm of HR at video game developer Zynga in 2017, he followed in the footsteps of five other HR leaders—who had all cycled through the job in just the previous three years.

While the organization, founded in 2007 and known for developing such games as Words with Friends and FarmVille, has long had a standout culture—rooted in collaboration and innovation—it had gone through a “rough patch,” Ryan says, with a downturn in morale and business outcomes, making it harder to both recruit and retain top talent. When CEO Frank Gibeau joined in 2016, he refocused on talent and culture, which set the wheels in motion for the company to head on a “different trajectory”—and that, coupled with turning around employer branding, became Ryan’s mission.

“[Zynga has] had a tremendous culture, it just really needed to come alive,” Ryan says.

Listening, learning and responding

The turnaround over the last few years is evident in its recent accolades: In 2020, Zynga employees voted the People Operations team the best Partner Team at the organization, and the company was certified as a Great Place to Work® earlier this year.

Like most, Zynga faced culture challenges through the pandemic but, Ryan says, tackled them with a multipronged approach that centered on communication: listening sessions, focus groups and surveys, while leaders also shared information freely, almost to the point of “overcommunicating,” Ryan says. The organization tapped a small events team to shift in-person activities online, ramped up the work of its employee resource groups—to which 70% of Zynga employees now belong—and significantly enhanced benefits to provide ongoing support. Leadership was also attuned to the specific needs of Zynga employees around the world; for instance, as the pandemic devastated India earlier this year, it held a vaccine drive in partnership with a local hospital that helped 400 of its India-based employees and their families get the shot.

“It was that combination of being really transparent, with leadership out in front, putting the focus on employees, and really listening and learning that’s helped,” Ryan says.

And, the efforts are paying off: Attrition was down 7% from the start of 2020 through mid-2021, external applicants were up a significant 46% over the last year and Zynga’s employee engagement score rose 18% between 2019 and 2020.

“The most important thing [that has fueled engagement through the pandemic] is that this wasn’t

just an HR practice: It was across the entire organization, managers and employees across the company—they all showed up with a high degree of empathy, understanding and compassion for the situation we were in,” Ryan says. “That goes a long way in building trust.”

Doubling down on diversity

While Ryan focused on the people aspect of Zynga’s pandemic response, he also led the company’s enhanced investment in another critical area: diversity, equity and inclusion.

The organization has a longstanding commitment to DE&I, dovetailing with the needs of its customers, 60% of whom are women. Five out of nine board members are women or people of color; Zynga was one of the first 13 companies to sign the Pay Equity Pledge in California—a promise to root out inequity—and it has undertaken an equal pay assessment for the past four years.

Shortly after the murder of George Floyd, Ryan worked with Gibeau and the board to develop a global social justice fund, backed by a \$25 million investment. Internally, the organization expanded a partnership with YearUp and established a scholar program for underrepresented communities interested in gaming careers. More than half of its intern class came from diverse communities, and women or underrepresented employees claimed eight of 10 promotions to vice president positions in the last year-and-a-half.

Zynga launched its first DE&I-specific survey earlier this year, which showed employees had a “high degree of belief...and pride” in the organization, Ryan says, but were craving more clarity on such issues as equal pay, prompting the company to roll out a new communication strategy around its equal pay analysis.

Last summer, Zynga leadership hired Vijay Pendakur, who previously helmed DE&I at Cornell University, for a newly created position of chief diversity officer, which reports to Ryan.

“Diversity and inclusion has been important to Zynga, but we didn’t have an expert,” he says. “Many great people were involved in the strategy—and it takes a lot of people to do it—but we wanted somebody with deep experience focused on DE&I to really help Zynga as a leader in the industry.”

Positivity and pride

Looking ahead, Ryan expects DE&I to remain a top priority for his HR team, along with the evolving impacts of the pandemic. The Zynga workforce will remain remote through the end of this year, as the organization rolls out its future of work model, called Connected Workplace—



Jeff Ryan

Company: Zynga

Title: Chief people officer

Employees: 2,400

Key HR Challenges: Reimagining the workplace strategy to enable team members to have more flexibility over where and when they do their best work. Creating the structure and support systems necessary for Zynga’s teams to move seamlessly between home and office, utilizing the company’s “studios” for purposeful, activity-based, high-impact engagement that build culture and connection. Delivering exceptional operational performance as a result.

Key HR Accomplishments: People Operations and Workplace Services teams have contributed significantly to improvements in employee engagement. Engagement had an 18% year-on-year increase in annual culture survey, and in Zynga’s first DEI survey, 94% would recommend the company as a great place to work. Glassdoor overall ratings are also up year on year from 3.7 to 4.4, while the company was named to Best Places in Toronto, Best Places to Work in UK and certified as a Great Places to Work! in the US.

with agility embedded throughout the design.

Learning and development tailored to this future of work will also be on the horizon for Zynga, along with “building world-class studios,” where developers work.

“Our talent is what creates our success, so [we are] ensuring our worldwide studios have the most amazing people in them with tremendous cultures so that team members can do the best work of their careers and help the company to grow,” Ryan says.

He plans to navigate those objectives with the same attitude he says helped him confront the challenges of the last year-and-a-half: Invoking empathy and staying positive. For instance, he tries to counter the detriments of the pandemic by focusing on the extra time he’s been able to spend with his kids—a daughter who just started college and a 14-year-old son—the ability to exercise more and the introduction of technology tools that have kept him connected to colleagues.

“Staying positive, staying calm, staying kind—that has been what’s gotten me through it,” he says. “But [the pandemic is] still going; we’re not out yet.”

Ryan also draws inspiration from the talent at Zynga. He says he has immense “pride in the entire Zynga team and the People Operations and Workplace Services teams, which I have the privilege of representing. I’m really proud of this [HR Honor Roll] award, but it’s a reflection of the tremendous work they have done and that employees around the company have done.”

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Talent Management

Shaping Culture for a Post-Pandemic Future

COVID-19 has changed every organization's culture—permanently.

BY JEN COLLETTA

Kevin Oakes, CEO and co-founder of the Institute for Corporate Productivity, fields inquiries nearly daily from HR leaders looking to understand how to pivot their cultures to today's new realities, particularly when a CEO is intransigent on allowing the company to move away from more traditional working models.



Kevin Oakes

One recently told Oakes the company lost four top candidates in a row to competitors based on its decision to not allow hybrid work. On a recent call with 500 talent acquisition leaders, they universally said the No. 1 question they receive from applicants is whether the company allows flexible arrangements.

"How you answer that," Oakes says, "is going to impact your employer brand long-term—and all of this is part of culture."

'It's all about listening'

Like it or not, every company's culture has been changed by the pandemic: The values it professes—and the way these beliefs are upheld by company policies, practices and expectations for employees—couldn't not change in response to the disruptions, Oakes says. Now, companies have to assess those shifts and strategize how to strengthen their culture for the long-term.

The changes have run the gamut: Some companies report their culture has improved over the last year-and-a-half, as business leaders gained new insight into the "whole persona" of their employees, driving a culture centered on empathy, Oakes says. Others are grappling with the cultural impact of mask and vaccine mandates while trying to satisfy the expectations of workers who want to return on-site and those looking to remain remote.

"I think it would be impossible to some degree to go into this [post-pandemic world] and still maintain the same culture," says Stephany Foster, senior vice president and head of human resources at QIAGEN, a global provider of molecular technologies.

Her company launched what she calls a "cultural journey" last fall—well into the swing of the pandemic and shortly after a CEO change and failed acquisition—that has prioritized employee feedback in the redefining of the company culture.

"It's all about listening," she says. "We want to take the feedback we get and create an action plan to give back

to our employees so they understand they're part of building this culture."

That type of strategic vision is what's needed for companies to keep up with the constant churn of change driven by the pandemic, Oakes says.

"I'm advising instead of being passive or reactive in letting changes happen to your culture, it's certainly time to be proactive and shape the culture you want for your future," he says.

Reconfiguring culture for a remote world

But, culture work doesn't happen overnight.

Terri Lewis, CHRO at One Call, a provider of workers' compensation and healthcare management solutions, likens the process to cultivating a garden: Leaders can plant the seeds but have to nourish them, put them in the sun, and pick weeds and prune trees.

"You can't stand in front of the garden and say, 'Rose, grow now,'" Lewis recently told HRE. "Culture needs to grow organically to have staying power."

Like QIAGEN recognized, Oakes says, employers looking to invest in that process should first measure employee sentiment: How do they feel about the current environment? What's happening in their communities related to the pandemic? What do they think about new company policies? Attrition rates, demographics and more can all be rolled together with that data for HR leaders to make the case to senior management for strengthening a culture that's attuned to current employee needs, Oakes says.

Buttressing that data with stories—from employees or even examples of culture work being done at competitors—can help garner C-suite buy-in, he adds.

"Culture should not be the job of HR—it has to be, first and foremost, a CEO initiative," Oakes says.



Stephanie Foster

Executive support was key to the culture project at QIAGEN, Foster says. After soliciting significant employee feedback, leaders determined that the word "empower" should be at the heart of the company's retooled culture. They used each letter of the word to describe a different tenet of the culture, ultimately publishing a culture guide that was

worked on by the entire management team of 100 people. In keeping with the empowerment theme, the company rolled out financial training for employees, biology-focused workshops for non-scientific employees to help them understand the company's work and culture workshops for the company's 5,900 employees, and next they are focusing on leadership workshops through which leaders can learn about and commit to the company's 2022 empowerment-related goals.

Much of this work has happened remotely—QIAGEN has more than 35 locations around the globe, many of which have not yet returned to in-office settings—but that has, in a way, actually fueled interest and engagement.



Terri Lewis

"Of course, it's easier to launch something like this when we have the ability to connect in person but, for us, [being remote] has actually brought us together," Foster says. The online workshops, for example, were a way for employees to change their at-home routines and reconnect with colleagues outside of their individual teams, whom they may not have seen for some time, she says.

The impact of remote work on employees has been at the heart of how Workforce Software has approached culture in the last year-and-a-half, says Leslie Tarnacki, senior vice president of HR at the workforce management software company. A successful remote or hybrid culture requires a healthy work/life balance, improvement in processes and—again—empowerment of employees.

"Employees need to feel as if their entire team is working hard together, staying productive and that everyone's opinions matter," Tarnacki says. "Having consistent communication and collaboration between team members and managers can help companies achieve this."

In that vein, Workforce has encouraged frequent check-ins with employees. They should be quick and consistent and, when done right, can communicate to employees that the company is prioritizing their wellbeing—as well as keep managers and leaders clued in to potential problems.

Giving employees autonomy has also been key to the company's evolving culture, she says. Apart from offering flexible schedules, employers should be strategic about getting employees to "unplug" outside of their working hours, she says. This can help create "a positive culture in this new world of work, as it allows them to come back the next day more refreshed and productive, leading to better business outcomes and higher levels of employee satisfaction and engagement."

Renovating for the future

A recent i4cp survey of executives and employees found significant attrition rates—with many leaders only expecting the problem to get worse. And, with nearly half of respondents citing a stronger organizational culture during their remote period, and only 16% saying the transition weakened culture, researchers cautioned that forcing employees back to the office—even just for a couple of days a week—could be a big mistake for company culture.

Instead, Oakes says, he advises company leaders to embed flexibility and autonomy in their strategies. However, broad, blanket policies relating to when flex work is—and isn't—allowed can counteract that intention. Instead, he says, empower



Leslie Tarnacki

managers to know what's best for their individual employees.

As the post-pandemic workplace eventually unfolds, employers should consistently revisit their company

culture, and the ensuing practices meant to support it. In his book, *Culture Renovation: 18 Leadership Actions to Build An Unshakeable Company*, Oakes likens the process to updating a home. The healthiest companies, he says, keep the parts of the culture that make their organization great but try to improve its value over time.

"Culture is a living, breathing element that evolves and changes," agrees Tarnacki. "Its evolution maintains all the connections that keep a business running well, which is an all-around win for all players."

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Q&A

ON TALENT MANAGEMENT



**Ulises I. Orozco, Co-Founder
PTO Genius**

Q: What are the biggest challenges facing HR leaders today as far as talent management is concerned?

A: The pandemic, and the strategies we've deployed to work through it, has created a seismic shift in employment. As a result, we've unknowingly intensified existing issues and generated new talent problems we must look to address if we are to move forward. Our most significant talent challenges in the new normal are increased competition, evolved employee expectations, retention and supply.

Many of us shifted to remote work to minimize disruptions in business operations. Some managers cringed at the idea of not having employees at arm's length, but we quickly learned that employees worked harder, longer, and in some cases, were more efficient from home. Remote work was transformational for some industries, but the practice unknowingly made our best talent a lot easier to target. Now companies near and far, competitive or not, can easily connect with and poach our most valuable employees. Admittedly, it goes both ways. We also have the opportunity to poach the best from across the world. But the competitive ecosystem has become a lot more challenging to manage.

Fierce competition for talent and the time afforded employees during the pandemic to look inward and reassess the function of work in their lives have evolved employee expectations. Our competitors are offering our best talent better



salaries, benefits, flexibility and work/life balance. The competitive nature of the offers has forced a recalculation of the value of our top talent. At the same time, employees are questioning their role within the organization's mission and how they want to spend their time more than ever. Those companies that didn't take the time to create a strong culture and invest in employee engagement and advancement opportunities before the pandemic now find themselves on the outside looking in as their best employees leave for more fulfilling experiences.

As companies struggle to retain talent and employees look to shift to more fulfilling opportunities, many industries find themselves facing severe shortages in skilled talent. For example, according to a report by the chief economist of the American Trucking Association, there is currently a shortage of nearly 60,000 truck drivers in the U.S., which is expected to almost triple over the next eight years. And the Bureau of Labor Statistics (BLS) projects average annual demand of 28,300 new diesel technicians a year through 2022, but only about a third of them are joining the industry, according to a TechForce Foundation report.

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

A: Given the challenges with increased competition, evolved employee expectations, retention and supply, I expect HR and talent management leaders to focus on strategic planning, automation, implementing career development plans and giving employees access to cross-functional programs.

It starts with developing a talent strategy that focuses on best-in-class recruiting, training, engagement and retention. HR and talent management leaders need to take the time to sit down with leadership and generate buy-in on a talent-centric plan that helps keep employees engaged and evolving. This plan should start the workforce pipeline earlier by offering internships and apprenticeship programs to build experience, creating a culture that emphasizes mentorship, implementing career development and advancement plans, and generating cross-functional programs to cross-train employees.

Whenever possible, I would imagine HR and talent management leaders to emphasize ways to automate and optimize systems and processes that lend themselves to technical solutions. Not in the spirit of replacing talent, but to make room for advancement from traditionally low-skilled work to more fulfilling roles within the organization to reduce churn and increase productivity.

Q: What areas of employee talent management are especially ripe for innovation?

A: I think there's a lot room for innovation in advancement planning, identification and training systems. Unfortunately, workplace tech historically tends to run a few years behind mainstream technology. It isn't easy to innovate quickly enough when vendors need to come to market with systems that can support the needs and security requirements of a wide range of companies. Because of this, innovation tends to trail behind. But I think the time will soon come for systems that use predictive modeling or machine learning to identify employees who could be efficiently deployed in more impactful roles across the organization. These systems would balance organizational objectives and employee growth needs to generate recommendations that can be deployed as part of a comprehensive action plan. These systems will also leverage immersive technologies like virtual reality (VR), augmented reality (AR) and mixed reality (MR) to help expedite training and big data to map progress against other candidates.

9 Tips for Talking to Workers About Vaccine Mandates

BY KATHRYN MAYER

While the number of employers requiring their workforce be vaccinated against COVID-19 is expected to continue to rise this fall, rolling out such a policy is not always simple. A large percentage of Americans are resistant, and some employers are wary of losing workers. That's why a strong communications plan is vital.

"It's critically important," says Brian Kropp, chief of research in the Gartner HR practice. "Vaccines have become so politicized, so one of the things that executives and companies have to do is just be really, really careful about how they're communicating around any sort of vaccine mandate they're putting in place."

So, how can employers that plan to mandate vaccines relay those plans to employees? Here's what experts say.

Tell employees as soon as possible—even if you're just thinking about requiring vaccines. The worst thing company leaders can do is stay silent on potential vaccine policies because that just leads to more uncertainty and angst among workers.

"Humans are good at adapting; we're good at change when we're supported. We are not good with uncertainty," says Ben Granger, head of employee experience strategy at Qualtrics. "Communication really, really eases anxieties."

Be very clear about the reasoning behind a mandate. The majority of executives and companies that plan to mandate COVID-19 vaccinations are doing so because they don't want workers to be at risk, Kropp says. That reasoning is important to communicate.

"If you don't communicate the why behind why you're doing it," Granger says, "the assumption that a significant percentage of your workforce will have is that you're being forced to do this because of politics, you're being forced to do this by big government, that you're taking away [their] rights. Even though, based on the conversations I've had with executives, that's the farthest thing from [many employers'] mind."

Try different communications—but put the mandate plan in writing. Employers can communicate about mandates through company-wide calls, emails, virtual meetings, says Sadie Banks, assistant general counsel and HR consultant for Engage. But put it all in writing. "The key is to communicate the newly announced plan and any corresponding workplace policy in writing and create a process to address questions and/or provide clarification."

Give employees lead time. Granger says employees need time to digest the information, get vaccinated and comply with the mandate (as well as to decide if they want to refuse and

give notice of their resignation). "If it's abruptly implemented, people who are on the fence or against vaccination are going to feel violated," he says.

Personalize communication to hesitant workers. If there are pockets of unvaccinated groups of people across demographics, employers might want to target education campaigns to them. One company Granger works with, for instance, found that Black male employees between the ages of 20 and 40 were drastically less likely than other demographics to be vaccinated. So, the employer created "very targeted marketing, having influential local Black leaders go to the office and just talk to them have educational sessions." Such tailored efforts can show those employees the company cares about them and their concerns, while also helping to ease fears.

Communicate about exemptions. Although employers can mandate vaccination, there are some medical and religious exemptions. It's best to talk to legal counsel about how these apply and how to communicate them.

Consider telling employees about Biden's new rule—but keep politics out of it. Employers that may be subject to Biden's new rule should "immediately and effectively communicate in writing to their workforce about the new vaccination

plan" and include the current administration's executive order for review, Banks suggests.

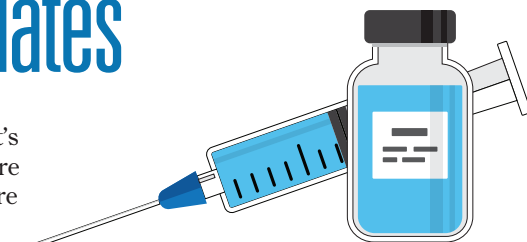
However, if Biden's upcoming rule isn't the only reason you're mandating vaccination, think about not mentioning it. Even saying "Biden's rule" may turn it into a political statement, Kropp says.

Lay out the consequences for not abiding by the mandate (with specific dates). A mandate will simply not be effective if there are no consequences, says Kropp.

"If you're putting this mandate in place, in order for people to take it seriously, you have to have a consequence. One of the realities of putting the mandate in place is, if people choose not to get vaccinated, then you have to fire them."

Close the loop. After the deadline for vaccination, send a final communication to employees about what occurred among the workforce, Kropp says. "You have to be able to say, 'For those who chose not to get vaccinated, they got fired.' Ten people, 20 people, 100 people, whatever the number is, actually got fired. As part of communication efforts, you have to close the loop."

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UNITED STATES POSTAL SERVICE® (All Periodicals Publications Except Requester Publications)

1. Publication Title
HUMAN RESOURCE EXECUTIVE

2. Publication Number
1 0 4 0 - 0 4 4 3

3. Filing Date
10/01/2021

4. Issue Frequency
MONTHLY EXCEPT JUL, AUG AND DEC WITH COMBINED ISSUES IN JAN/FEB AND MARI/APR

5. Number of Issues Published Annually
7

6. Annual Subscription Price
\$94.95

7. Complete Mailing Address of Known Office of Publication (Not printer) (Street, city, county, state, and ZIP+4®)
747 DRESHER RD, STE 500, HORSHAM, PA 19044

Contact Person
ROBERTA FLOWERS
Telephone (include area code)
(215) 784-0960

8. Complete Mailing Address of Headquarters or General Business Office of Publisher (Not printer)
747 DRESHER RD, STE 500, HORSHAM, PA 19044

9. Full Names and Complete Mailing Addresses of Publisher, Editor, and Managing Editor (Do not leave blank)

Publisher (Name and complete mailing address)
TIM BURKE
747 DRESHER RD, STE 500, HORSHAM, PA 19044

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Managing Editor (Name and complete mailing address)
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10. Owner (Do not leave blank. If the publication is owned by a corporation, give the name and address of the corporation immediately followed by the names and addresses of all stockholders owning or holding 1 percent or more of the total amount of stock. If not owned by a corporation, give the names and addresses of the individual owners. If owned by a partnership or other unincorporated firm, give its name and address as well as those of each individual owner. If the publication is published by a nonprofit organization, give its name and address.)

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12. Tax Status (For completion by nonprofit organizations authorized to mail at nonprofit rates) (Check one)
The purpose, function, and nonprofit status of this organization and the exempt status for federal income tax purposes:
☐ Has Not Changed During Preceding 12 Months
☒ Has Changed During Preceding 12 Months (Publisher must submit explanation of change with this statement)

13. Publication Title
HUMAN RESOURCE EXECUTIVE

14. Issue Date for Circulation Data Below
09/01/2021

15. Extent and Nature of Circulation

Average No. Copies Each Issue During Preceding 12 Months

No. Copies of Single Issue Published Nearest to Filing Date

a. Total Number of Copies (Net press run)

(1) Mailed Outside-County Paid Subscriptions Stated on PS Form 3541 (Include paid distribution above nominal rate, advertiser's proof copies, and exchange copies)

37

44

b. Paid Circulation (By Mail and Outside the Mail)

(2) Mailed In-County Paid Subscriptions Stated on PS Form 3541 (Include paid distribution above nominal rate, advertiser's proof copies, and exchange copies)

56719

57130

(3) Paid Distribution Outside the Mails Including Sales Through Dealers and Carriers, Street Vendors, Counter Sales, and Other Paid Distribution Outside USPS®

(4) Paid Distribution by Other Classes of Mail Through the USPS (e.g., First-Class Mail®)

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(2) Free or Nominal Rate In-County Copies Included on PS Form 3541

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(3) Free or Nominal Rate Copies Mailed at Other Classes Through the USPS (e.g., First-Class Mail)

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e. Total Free or Nominal Rate Distribution (Sum of 15d (1), (2), (3), and (4))

2208

2258

f. Total Distribution (Sum of 15c and 15e)

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59432

g. Copies not Distributed (See Instructions to Publishers #4 (page #3))

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h. Total (Sum of 15f and g)

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i. Percent Paid (15c divided by 15f times 100)

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94%

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16. Electronic Copy Circulation

Average No. Copies Each Issue During Preceding 12 Months

No. Copies of Single Issue Published Nearest to Filing Date

a. Paid Electronic Copies

b. Total Paid Print Copies (Line 15c) + Paid Electronic Copies (Line 16a)

56756

57174

c. Total Print Distribution (Line 15f) + Paid Electronic Copies (Line 16a)

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17. Publication of Statement of Ownership

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18. Signature and Title of Editor, Publisher, Business Manager, or Owner

TIM BURKE, PUBLISHER

Date
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Q&A

ON TALENT MANAGEMENT



Angie Wesley
SVP & Global Chief Talent Acquisition
& Workforce Strategy Officer
TIAA



Q: What are the biggest challenges facing HR leaders today as far as talent management is concerned?

A: Physical, mental and emotional wellbeing continue to be critical, with work/life balance, associate burnout and concern for safety remaining top of mind for leaders. Manager roles continue to grow more complex and demanding. For more than a year, people leaders have managed and supported associate wellbeing virtually. The evolution of hybrid work presents new challenges, and leaders will have to be intentional around leading hybrid teams, inclusivity and building and sustaining culture. With an increased focus on associate experience, employers will likely gravitate to a mass customization approach to managing experience. There will be increased demand for talent, particularly at the entry level and niche skillsets. Creative solutions such as upskilling and reskilling internal talent will be integral to pair human skills with tech-oriented skills. Employers will have to invest in their people.

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

A: At TIAA, our HR and talent management leaders are focused on developing and equipping people managers, paying special attention to emotional intelligence, inclusion, equity and leading across locations. Recruiting and retaining talent will require a continued focus on differentiating the organizational purpose and will be supplemented by the associate experience. Purpose is critical to driving emotional commitment and discretionary effort. Maintaining and driving company culture will also be a challenge in a hybrid environment. A focus on ID&E, along with programs that support associate development, help this area. Relevant employee benefits will also be a key driver of retention and recruiting. As we've worked with our institutional clients and within our own structure, we've recognized and embraced a broader scope of employee benefits to help address social and societal

challenges associates and their families face, and are promoting ways to help meet those challenges, as they directly affect total wellness and productivity. To meet workforce needs now and in the future, companies will need to focus on internal mobility to build a strong pipeline of talent with key skills and capabilities.

Q: What areas of employee talent management are especially ripe for innovation?

A: Organizational design and performance management are especially ripe for innovation as work continues to shift to more agile execution and gig assignments become more prevalent. Employees are looking for discretionary time to take on "gig" assignments to develop new capabilities and skills. This challenges traditional organizational structures and performance management processes. Performance management will need to evolve to support a continuous feedback and assessment process. Real-time data and analytics will become increasingly important for companies to develop strategies to keep up with the pace of change in hiring, talent management and human resources.



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INSIDE HR TECH

By Steve Boese / Columnist



Here's Why You May Not Be Getting the Tech Investment You Need—And What to Do About It

I have written a few times recently about how HR technology is in a kind of “golden age,” where innovation, investment and capabilities in HR tech have all surged—leading to more and better HR tech solutions across all areas that are available to HR leaders and organizations of all sizes. But just the existence of these amazing new tools is not enough for organizations to reap the benefits that can often come with their implementation. Companies must intentionally allocate resources—time, budget, leadership support, etc.—around research, contracts, communication, deployment, support and measurement for these HR tech projects to have a chance of generating positive return on investment. And even all of that does not guarantee project success, but it is certainly a prerequisite for that success.

Those prerequisites for HR technology project success are what I was thinking about while reviewing the results of PwC’s recent pulse survey of CHROs and human capital leaders, which asked these leaders about their challenges and priorities. A full 87% of HR leaders indicated that they experience budget “challenges” with enabling human resources systems and tools, with 33% indicating these budget challenges were “major” and another one-third saying they were “moderate.” Only 9% of these leaders reported that availability of budget for HR systems was not a challenge at all.

While it is not news that HR leaders are reporting difficulty securing the budget required to make investments in HR technology and new HR systems, the circumstances of the last more than 18 months have greatly expanded HR’s priority list, making the need for these investments more urgent. From designing new work models (fully remote, hybrid) to employee health and safety in a rapidly changing climate, and from the increased focus and importance of employee wellbeing to the heightened emphasis on diversity, equity and inclusion at all parts of the organization, HR’s challenges have never been greater. And they’re only additive to the perennial problems of hiring the right candidates, leadership development, retention and more, all in a rapidly tightening labor market in the U.S., with a record number of job openings (over 10 million). In fact, data from another PwC survey indicated that nearly two in three more than 1,000 full- and part-time employees surveyed said they were looking for a new job.

In short, HR has never been more important for the organization.

So, if the HR technology market has never been more innovative and more capable, and the HR function has never been more important for the success and even the survival of the organization, why are so many HR leaders struggling to secure HR technology budgets? I can think of three likely drivers behind this disconnect.

1. Business leaders outside of HR have traditionally not equated “people” challenges as “business” challenges. This is, despite, for most organizations, the fact that salary, wages and employee benefits costs represent the largest annual cost item. When HR leaders attempt to make the business case for increased HR technology investments, these investments are often seen as secondary to technology investments that impact customer-facing or operational functions. In other words, the new sales and marketing system trumps a new employee learning and development solution, even if the new L&D tool can actually help employees improve their sales and marketing skills.

2. In many organizations, HR is still not a key stakeholder in budgeting and decision-making around overall organizational technology investment. This is really the cause of many of the prioritization challenges I alluded to above. Technology is either “owned” by the CIO or the CFO, or both, to the extent that HR, along with other functions, must come hat in hand to beg for increased investment in and allocation to HR systems each year. And, in many cases, HR has more difficulty presenting the kinds of “hard” ROI calculations from HR technology investments that CIOs and CFOs tend to seek out in these budgetary allocation exercises, placing HR in a competitive disadvantage, when compared to other technology investment alternatives.

3. HR leaders are often caught up in a cycle that can prevent them from having the time to do the necessary analysis and business-case development for new HR technologies. If the HR organization is constantly tied up in day-to-day and very reactive behavior, simply having the internal time and resources to devote to analyzing the fast-growing HR technology market becomes extremely difficult. But this cycle is often caused by not having the best or right HR technology installed that would alleviate many of the day-to-day problems that keep HR so swamped. HR technology projects can typically be medium- and longer-term payoffs, and—in a reactive, “we just need to keep the trains running” environment—such longer-term planning becomes less of a priority.

While it is instructive to look at the CHRO survey data, we must remember that each organization is unique, and that their HR technology strategy and investment plans are specific to their circumstances. But if you, as an HR leader, are having difficulty securing the technology you need to drive your people and talent objectives, it is important to ask why that is the case, and then drive towards getting past those specific issues. There is so much amazing HR technology in the market today, it would be a shame if your organization is not able to reap the benefits.

Steve Boese is chair of HRE’s HR Technology Conference & Exposition®. Send questions or comments to hreletters@lrp.com.



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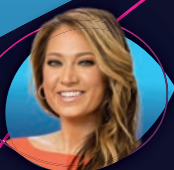


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