EmployeeConnect
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The State of Human Capital Management

A Roadmap to the Empowered Workplace

Introduction

HR managers face great challenges such as managing attrition, encouraging retention and meeting ever-increasing demands from employees, customers and executives who want greater efficiency and HR input on achieving business objectives through hiring strategies and people management practices. HR departments often find their duties expanded to deal with empowered customers, key business suppliers, business associates and customers. HCM software provides technical capabilities that many departments fail to leverage to their fullest potential while executives cut funding and reorganise departments to handle cross-departmental duties to streamline operations. This changing dynamic represents an epic shift away from focusing on talent and a shift to concentrating on people even though departments must use technological tools to accomplish their duties and stay competitive.

Epic Shift in HR Priorities: Treating the Person and Not the Disease

Today's HR practices focus on engaging and empowering employees and key company stakeholders, and HCM software is expanding well beyond managing talent and into uncharted territories based on the needs of diverse companies and industries. Some companies buy stand-alone software for multiple tasks such as performance management, recruiting, payroll and other functional imperatives, but many companies are integrating their software with robust API layers that foster automatic processes such as data collection, analysis of website behaviour and enabling automated customer – and employee-facing portals. The future of HCM is here, and forward-thinking companies can meet their objectives with workflow driven integrated HR functions that empower employees, HR staff and key company stakeholders.

1. Historical HR Practices

The history of HR is often theorised to have begun with ancient military campaigns. Nations without strong armies were at the mercy of brigands and barbarians, so smart leaders developed methods of building armed forces and recruiting people to serve. It became necessary to segregate tasks to ensure that these forces could be fed, housed, trained and organised against enemies. These were the first HR practices, and Sun Tzu, author of The Art of War, and Machiavelli, author of The Emperor and other books, created some of the first training manuals. Most of these books recommend practices that wouldn't work in today's human resources management, but scholars still study the books for their strategic value and lessons in thought leadership.

Evolving Standards in the Workplace

The lessons of Machiavellian manipulation for modern HR departments lie in how much accepted

practices change over time. Historically, HR focused on transactions such as hiring staff, keeping records and calculating benefits, but its role has expanded in modern times to include strategic planning, talent management, labour relations and fostering diversity in the workplace. The ability to recruit talent has also changed because of technical advancements, globalisation, telecommuting, better educated job applicants and intense competition for the best people.

HR departments are charged with fostering organisational culture and putting together compensation packages and talent development programs that help people sharpen their skills. Employees – millennials in particular – tend to show loyalty to their careers, belief systems and industries instead of companies. Even top executives – who routinely change companies, jobs and industries – understand this trend. Some go as far as suggesting they work for the employees, rather than the company [1].

2. Empowering Key Stakeholders

Workplace culture has become the top driver in attracting and retaining the right people for your organisation. However, even success becomes increasingly difficult to define, and the right HCM system will develop the performance benchmarks that define success and curate, automate and analyse the data. Leaders aren't confident about how they measure success, and one study found that only 33 percent of those surveyed felt that their methodologies for analysing success were strong [2]. Among those organisations that skilfully manage HR functions, there's been a major shift toward cloud-based HR Software, and more than 150 million employees are currently using these systems [3].

Managing employee relations moves to a different level in today's business climate. Globalisation inserts new challenges for empowering staff that include managing employees and associates who work remotely, fostering cultural empathy, handling non-traditional working hours, dealing with multiple governmental authorities and thinking like marketing departments when dealing with employees and working relationships. Empowering stakeholders generates its own challenges that include:

Digital
Providing the right HCM system ensures that authorised people can access their records, research staff openings, file complaints, correct inaccuracies and update personal information.

Social
Social media generate challenges and opportunities for HR staff. Researching employees through their social activities gives a well-rounded picture of each person. These holistic views make it possible to identify problems and build a workplace culture that's compatible with staff attitudes. Social media are also ideal recruiting platforms and thought leadership pulpits for company culture.

Empowering Customers
Empowering customers makes them loyal, reduces staffing needs and enlists customers as the company's biggest cheerleaders.

> **Empowering Employees**
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> Empowering employees instills purposeful attitudes and can-do philosophies. Employee-sharing on the Internet encourages – and limits if necessary for security and government regulations – what people share. Employees can develop strong peer-to-peer networks and promote the company's products and service, so it's beneficial to encourage and manage the process as much as possible.

3. A Roadmap for Success

The key to success in HRM is empowering customers and employees and implementing an inclusive approach. This strategy puts employees in charge, an idea that would have horrified HR managers just a few decades ago. Millennials are notoriously committed to more inclusive company cultures, and to foster employee loyalty, you have to empower more people. Today's drivers of core HRM competencies include:

Building Leadership

Some people are natural leaders, but even many of these savants only develop their skills through extraordinary trials. Leadership can be nurtured with the right company policies. Showing common courtesy, empathy and support is easier when things are good, but leaders show their mettle by committing to their personal codes of honour even during the bad times. Fostering a company culture that rewards leadership encourages it. HR departments can encourage leadership by recognising its value, defining what constitutes leadership, developing leaders' skills and creating HR systems and processes that support strong leadership.

Retaining Employees

Retaining employees is critical in today's corporate environment of cost-cutting and streamlining operations [4]. The cost of training employees continues to rise as firms increasingly specialise and operate in multiple jurisdictions.

The retention statistics worldwide are frightening as employees show less loyalty to their employers in favour of their careers, industry and network contacts. The following statistics provide eye-opening confirmation of the value of developing strong employee-retention strategies:

1. One-third of new hires quit within six months.
2. Referred employees have a better retention rate of 45 percent after two years.
3. 73 percent of companies are revamping their retention policies with easier onboarding, establishing immediate incentives for new hires and giving stronger weight to referrals in evaluating job applicants.
4. Remote workers and those working flexible schedules are 50 percent less likely to quit [5].

Fostering a Recognisable Company Brand

Brand-building strategies are no longer the exclusive domain of marketing departments. HR managers increasingly assume a marketing-based approach that includes supporting, nurturing and communicating the company's brand. Your business reputation matters strongly to millennials and ranks as one of the key motivators in hiring decisions. Engagement through social platforms and industry-specific blogs and Internet resources are key places to engage a wider audience of people who support the company's brand and concept.

Accelerating Hiring Practices

Social networking, improved screen capability and digital onboarding techniques accelerate the hiring process. Building your company's brand can also speed new hires by attracting a pool of job applicants who are pre-screened based on identifying workers who share the company's core beliefs. Organisations can also speed hiring by actively recruiting referrals from engaged employees who have their own networks of associates. Developing accelerated hiring processes means promoting internally when possible, encouraging staff to apply for lateral and vertical movement within the company and developing networks of third-party recruiting associates to screen applicants for specialised positions [6].

Developing Performance Benchmarks

Using strong, transparent performance metrics improves employee productivity, and regular performance reviews are essential to promoting from within, resolving conflicts and reducing attrition. You want to encourage innovation and leadership, but the fact remains that mops employees grease the squeaking wheels instead of always doing their best work at all times. That's why it's critical for HRM to conduct regular reviews and incentive employees with effective rewards for teams and individuals who reach their performance goals. Clear benchmarks drive performance and emphasise what's most important. The following list of imperatives helps when establishing benchmarks for your organisation:

- Give people goals to break such as world-class performances as role models.
- Share knowledge of best practices in key areas and communicate what performance standards are expected of everyone.
- Implement varied training resources, such as video training, mentoring and scheduling guest trainers and speakers.
- Identify the gaps between each employee's performance and world-class performances [7].

These benchmarking strategies were developed for the finance industry, but they apply to any organisation. You can and should develop your own benchmarks based on the company's industry, goals and customers. Today's HR policies don't just reflect business concerns but include personal development. You can establish community outreach programs, employee incentives for reaching performance benchmarks and recognition for outstanding work.

4. Rendering Outdated Systems Obsolete

Given the new challenges of HRM, it's hardly surprising that many organisations don't have the technical capabilities to manage people holistically. These dated HR systems suffer from the following challenges to traditional HRM corporate practices:

- Lack of talent frameworks
- Failure to align HR practices and business strategy
- Difficulties in accessing company information securely
- Critical information that's often locked and inaccessible without supervisor approval
- No programs for fostering cultural diversity
- Insufficient programs for dealing with transnational issues

Even one of these weaknesses could cost your company thousands of dollars, generate employee conflicts, weaken recruiting efforts and put up big roadblocks to hiring and keeping the best people. That begs the question: what does a great HCM system do?

5. Intelligent, integrated & Inside

An effective HCM system fosters engagement, empowerment and enough flexibility to deal with wide-ranging and continuously evolving situations and third-party recruiting associates. The traditional functions of HR software – recruiting, managing payroll and records, onboarding, skills gap analysis, performance evaluations, remuneration and succession – should be fully integrated into the company's digital platform. Establishing a robust API layer in your company's operating software makes it easier to integrate and upgrade the software, add new modules as needed, connect and third-party associates for Business Intelligence (BI), recruitment and other company objectives. Some of today's best practices for HRM include the following software capabilities:

- Framework and strategy for identifying and monitoring long-term company goals
- Leadership development programs
- Responsive and automatic feedback system
- Employee and stakeholder cognition module
- Software that adapts to agile development, coaching and mentoring programs, conversation insights and feedback intelligence
- Performance-as-a-Conversation software
- Better analytics
- UI/UX interfaces for better user experiences
- Better analytics
- Mobile-friendly designs
- Flexible structure that accommodates people who work in non-traditional ways

6. Empower Employees Holistically

It's critical to focus on your employees to drive better performances, foster loyalty and encourage engagement. That requires addressing people management holistically by focusing on coaching and mentoring, airing grievances, and automating data collection to understand your employees and their performance drivers. One effective method of fostering an engaged staff is tracking and monitoring the following pillars of managing people effectively:

Generate Support for a Mission-Driven Organisational Structure

Traditional siloed organisational units move too slowly and aren't flexible enough to respond to fast-changing trends and business opportunities. That's why the agile approach was developed, and it's a good template for managing HR in an environment where change management is critical and cross-functional teams take on multiple business projects.

Foster Cultural and Job Flexibility

Employees need to feel appreciated and engaged. Establishing a corporate environment that facilitates team and individual contributions is critical to foster workplace diversity and manage mission-driven projects.

Create a Supportive Environment

Each employee should feel unique and valuable, so it's important that each receives regular performance reviews, suggestions for improving productivity, and interest in his or her concerns. Small companies with just a few employees seldom experience problems with connecting to their staffs, but larger companies can easily disenfranchise many valuable employees through neglect.

Supportive Resources for Mobility

Savvy companies offer support and tools for working remotely, earning performance-based promotions and requesting reassignment to new projects and assignments.

Making Work Duties More Engaging, Rewarding and Enjoyable

Dour-faced business managers were once the standard, and employees considered their jobs to be necessary evils. Today, people will just leave if they don't have favourable employee experiences. HR can promote happier working conditions by creating a team atmosphere, involving each employee in company decisions that affect him or her and giving people software tools to automate time-consuming and repetitive tasks that decrease productivity and job satisfaction.

Empower People and Leverage Their Skills to the Fullest Extent

Performance reviews should always focus most on identifying people's strengths. That approach makes it easier to take advantage of any special skills people have to add value to the company's operations.

Learning On-Demand

Offering employees opportunities to learn on-demand or cross-train to add new skills to their

resumes keeps them loyal, encourages internal advancement, recognises outside interests, and builds trust.

Rewards and Incentives

One of the strongest strategies to reduce attrition is to offer rewards based on each worker's market value and contributions. Each person can thrive even if it's someone in a less critical position.

Embracing Diversity

It's not just cultural differences that can generate employee dissatisfaction and interoffice conflicts. Each persona has unique abilities, attitudes and lifestyle practices, so it's critical to honour diversity and embrace it as a tool that makes the organisation stronger.

Systems that Encourages Engagement

People do their jobs better when they are involved with company decisions and have easy access to a system of asking questions, lodging complaints and offering suggestions. An easy-to-use HCM system encourages employees to do all these things and become more engaged with their jobs and employers.

Your company needs to focus on fostering better engagement among employees and their staff interactions and encourage and develop their outside interests to manage HR holistically. Developments in technology can automate and assist hiring managers to find and recruit the best employees. The days of advertising in local newspapers have changed dramatically. People conduct their job searches through their personal networks, social media, recruiting agencies and industry-specific websites. People can often work remotely for companies that operate thousands of miles away from their homes, and they can search vast Internet databases to find their ideal jobs. In this environment, finding the best people is no longer a matter of luck or advertising in provincial newspapers and trade magazines. Social media have already become the go-to resource for finding a professional position.

HCM Continues Its Evolutionary March

Darwin's theories about evolution and the survival of the fittest clearly apply to business in today's digital ecosystem. Selective pressures to grow, expand into global markets and take on expanded roles in providing UI/UX benefits for company stakeholders, customers and employees can be expected to continue for the foreseeable future. HR plays a key role in these developments, and only those departments that can adapt to the challenges of modern HR will position their companies for business success in the highly competitive global marketing environment. Recruitment and people-friendly management techniques are critical in attracting and retaining the best people and satisfying the demands of millennials as they move into top leadership positions.

A modern HCM system will empower HR departments to achieve their objectives, but since trends evolve so quickly and continuously, agile approaches, Software-as-a-Service resources and cloud-based HCM

software are essential to match the pace of developments. Plug-and-play systems, modular expansion capabilities and a versatile API layer in the company's digital platform make it easier to monitor and encourage career progression and find the best people, minimise attrition rates and foster the best job performances.

If you're looking to do more with less, an agile HCM system can match the pace of evolving trends, a mobility-empowered workforce, getting the best performances from staff and managers and reducing attrition rates. The statistics overwhelmingly support these observations, and numbers are compelling enough to convince your executive teams to make supportive decisions for developing the strongest possible HR policies. These are no longer purely administrative functions due to changing trends in reciting, compensating employees offering valuable benefits packages and ongoing educational opportunities.

About EmployeeConnect
EmployeeConnect provides an end-to-end workforce management solution that lets HR leaders and their team transform the way employees are traditionally managed, engaged and recognised. This powerful HRIS provides valuable insight through a range of HR scorecards, dashboards and reports to enable data-driven decision making. Designed with built-in flexibility, EmployeeConnect's HR software can adapt to organisations of every size, industry, and region. Access simple and effective tools to manage performance, develop key talent, and plan succession for the future of your organisation. With EmployeeConnect, you can easily streamline HR processes online, improve compliance, and increase visibility over your most precious asset: your people.