What's in Store for HR in 2015

The principal and founder of Bersin by Deloitte shares nine predictions for how HR will redefine the workplace this year. And we highlight some of the people leading the way.

By Josh Bersin

This will be a transformational year in many areas of corporate talent management. The global economic recovery, changing demographics and rapid changes in technology have come together to redefine the entire nature of work. While many talk about the "new world of work," in reality we also have a "new world of life"—one where work, home, family and personal lives are interconnected in a real-time way.

This interrelatedness, coupled with the shift in demographics—today's Millennials are expected to make up 75 percent of the global workforce by 2020, according to Deloitte's *Global Human Capital Trends 2014* report—means that businesses must think about talent very differently than they have in the past. Workers now join companies like athletes join professional teams: As long as both parties benefit from the relationship, it continues. If people see opportunities elsewhere, they move on—although they often don't

"leave" in the same sense anymore: They stay in touch and remain close, frequently even returning to the same company when the time is right.

Employers, once in a position of power, are no longer in control, thanks to tremendous transparency in the job market that is driven by dozens of online job networks. And if your company is *not* a great place to work, people find out fast: Candidates can quickly size up a potential employer on professional networks, assessing your work conditions, managers and even interviewing style. Today, the concepts of "employment brand" and "employee engagement" have merged: Employees communicate your brand externally every day, whether you like it or not.

There are now many software tools that integrate programs and processes, such that every part of HR has become integrated. Diversity and inclusion, brand and reputation, corporate

purpose and mission, and even how you manage the hourly workforce are all related. So we need to expand our vision and think holistically about everything we do in HR as part of a "talent ecosystem."

In 2015, rather than focusing on simply innovating in each part of HR, companies should focus on prioritizing, and remember that each area is complex and touches all the rest. I hope this short summary of predictions for 2015, which is a condensed version of the report *Predictions for 2015: Redesigning the Organization for a New World of Work*, helps prepare you for the brave new world in which we live and work. To access the report, visit www.bersin.com. ❭

Editor's Note: In the accompanying pages, we highlight business leaders who have done notable work related to each prediction. The people profiled were chosen by HR Magazine *and not Josh Bersin or anyone from Deloitte Consulting LLP.*

Prediction 1

Culture, diversity, engagement and retention will be front-burner issues

In today's highly transparent job market, employee engagement and employment brand are becoming the same thing: If people are unhappy at work, they are not only underperforming and increasing the cost of turnover, they are also making it harder to hire good people. So a focus on engagement is a high priority everywhere.

In 2015, the topics of "engagement" and "culture" will likely become central to everything HR does. While we will continue to build many traditional HR solutions, we must ask ourselves continuously "Does this make work more enjoyable and productive?" and "How can we simplify these solutions to make work easier?"

Diversity and inclusion, unconscious bias, and gender issues are similarly critical issues. According to an August 12, 2014, article from Bloomberg ("The Silicon Valley Diversity Numbers Nobody Is Proud Of"), Facebook, Google, Twitter and Apple all publicly disclosed in 2014 that the bulk of their engineering and technical professionals are Caucasian males. The CEOs of these companies are now standing up and talking about this issue openly—which begs the question why the pipeline of candidates for next-generation careers is not more diverse. Additionally, only 4.8 percent of all *Fortune* 500 CEOs are women, according to a June 3, 2014, *Fortune* magazine article.

The employee engagement marketplace is undergoing disruption, as well. At Deloitte, clients tell us that the traditional annual engagement survey, while important, is not fast, actionable or local enough to give leaders the information they need. In 2015, a flurry of new tools will give managers and leaders continual feedback

> In 2015, take a serious look at engagement, diversity and culture to make sure they play a major role in all areas of your HR strategy.

Howard Ross,
**Founder and Chief Learning Officer,
Cook Ross Inc.
Silver Spring, Md.**

Diversity consultant Howard Ross and his team have worked with clients in several dozen countries to get at the heart of what causes workplace bias. He found that people are suffering from a kind of diversity fatigue that comes from the typical "find them and fix them" training aimed only at people in a dominant group.

Ross encourages everyone to examine their assumptions. "Bias is as natural to human beings as breathing," he says. "And that gives us a new way to look at working with people." His work on unconscious bias—the prejudices that people don't even know they harbor—is resonating at many large global companies.
—Christina Folz

Biggest Stumbling Block to Inclusion
Many people are genuinely committed to change and frustrated when they don't see results. But good intentions may be distinct to the behavior we engage in. All of us may be unaware of what's dictating our decisions.

His Advice
When reviewing resumes, ask yourself "What do you notice about the resume? Is the person similar to you? Does she remind you of someone else? What does that have to do with the job?"

How He's Making a Difference
We know we've had an impact by the increased number of women and minorities in top positions among our clients and the higher level of comfort we're seeing people have in engaging in diversity conversations. We've removed the stigma and created a language to talk about it.

on employee happiness, making engagement a much more real-time and actionable topic among HR and business leaders. Think about it as the always-available anonymous suggestion box for business. Data about the work environment, managerial capabilities and the company's mission will appear everywhere—and your job is to collect it, act on it and use it effectively as fast as you can.

Finally, this is the year to focus on culture. If we measure and understand our culture well, we can hire people who fit and use that to drive performance and alignment. If we have a disparate, unclear or unhealthy culture, we need to measure it more carefully and take steps to improve it. If your leadership team has not tried to write down or describe your culture clearly, you may be missing a major opportunity: Companies now use culture as a tool to assess candidates, identify leaders, drive change and improve productivity.

In 2015, take a serious look at engagement, diversity and culture to make sure they play a major role in all areas of your HR strategy.

Prediction 2

Performance management
will continue to be redesigned

Throughout 2014, Deloitte found companies struggling to fix an overly complex, unhappy performance management process to make it simpler and to put more focus on development. Sadly, Deloitte's *Global Human Capital Trends 2014* report found that only 8 percent

opposed to managers) and work in a cross-functional way, making traditional manager-led evaluation limiting.

Also contributing to the peer-to-peer dynamic is the fact that social tools now let people share goals, recognition and work-related information in a transparent way.

Training managers on how
to coach, give feedback and
regularly check in with employees
is critical to success.

of surveyed global organizations believe their performance management process is worth the time they put into it. The race is on to change that.

How did many current processes suddenly become obsolete? For one thing, an influx of younger workers and heightened demand for skills has made it increasingly important for companies to focus on coaching and development. For another, teams are often led by team leaders (as

Finally, numeric ratings, rankings and formal evaluations without positive feedback may create a culture of reduced performance, according to new research on the neurology and psychology of work from David Rock, director of the Neuro-Leadership Institute.

In 2014, more than 70 percent of the companies Deloitte surveyed for the *Global Human Capital Trends 2014* report were re-engineering their

performance management process, and in 2015 more companies will likely follow suit.

Several important issues should be addressed as you take on this highly strategic project:
• Companies should revisit the "why" of their performance management process. What business, talent and cultural outcomes are you trying to achieve?
• Performance coaching, development and evaluation are among the most important parts of the process, so companies are simplifying the process to help managers focus here first.
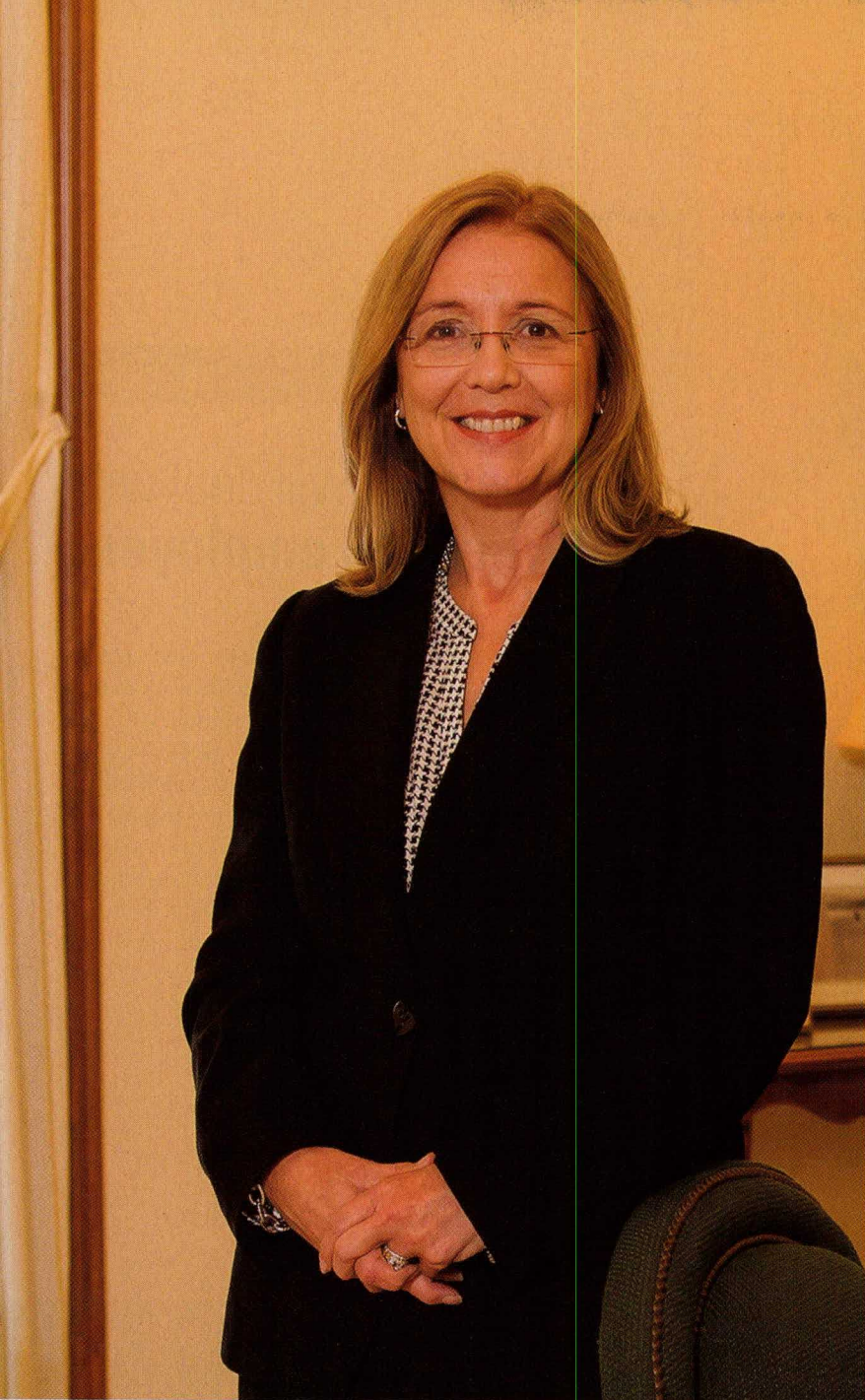
LeighAnne Baker,
**Chief HR Officer and Corporate Vice President, Cargill
Minneapolis/St. Paul**

In late 2014, LeighAnne Baker accepted a prestigious Human Resource Management Impact Award on behalf of her employer, Cargill. This international honor given by the Society for Human Resource Management and the Society for Industrial and Organizational Psychology recognized the work of Baker's team in transforming performance management from a once-a-year event to an everyday conversation.

There are certainly plenty of Cargill employees to manage: The agricultural giant employs 145,000 people in 67 countries. After conducting extensive research, Cargill's HR team launched its Everyday Performance Management system in 2012. "We have been focused on continuous improvement ever since," Baker says.

Last year, the team worked to ensure that managers were engaging in daily discussions with their employees focused on feedback and development. —Christina Folz

Everyday Performance Management
We shifted the focus from a cumbersome annual process to ongoing discussions focused on feedback, development, coaching and trust. The system is built on the notion that day-to-day conversations can predict performance better than forms and scales. That's why we took the groundbreaking step of eliminating ratings.

Her Advice
Build a compelling business case clearly linked to your needs and priorities. Integrate external research and insights about your company's values and culture. What worked for Cargill might not work for you.

How She's Making a Difference
We have been gathering employee and practice effectiveness data for three years. We found an 8 percent increase in respondents who said they received useful development feedback, a 9 percent rise in those who felt valued and a 10 percent increase in engagement.

• Goal management, once considered a top-down cascading process, should be more agile, frequent and transparent. (See Bersin by Deloitte's *High-Impact Performance Management: Using Goals to Focus the 21st-Century Workforce* report, 2014.)

• Numeric ratings play a smaller role than before. Companies are using new values-based scales and other methods to give people feedback and advice, not just a "grade."

• The 1:1 match between rating and compensation is becoming a thing of the past. Forward-thinking companies eliminate or separate these concepts entirely and make pay adjustments based on performance, customer impact, skill scarcity and the competitive nature of employees' positions.

• Training managers on how to coach, give feedback and regularly check in with employees is critical to success.

• Large HR software vendors are slowly starting to build more-agile performance management tools, and a number of new vendors are launching low-touch, easy-to-use performance and goal management tools.

More companies will deal with **overwhelmed employees**

Deloitte's global human capital trends research shows that more than two-thirds of all surveyed organizations believe their employees are "overwhelmed" with too much information, too many projects, too many meetings and phone calls, and an always-on 24/7 work environment. According to 2014 Internet trends research by Kleiner Perkins Caufield Byers, the average person checks his or her cellphone 150 times a day.

Every stimulus we have at work—even the alert we get when a new e-mail arrives—creates an addictive reaction that increases people's stress, according to Larry Rosen's book *iDisorder: Understanding Our Obsession with Technology and Overcoming Its Hold on Us* (Palgrave Macmillan Trade, 2013).

In 2015, as more technology floods the workplace (smartwatches, wearable devices and even smarter phones), HR should take a hard look at the entire work environment and do everything possible to make work more humane, rational and simple. Some programs and examples Deloitte sees as tremendously important include the following:

Companies are creating open workspaces that let people move around, change their work location and work from home as needed. Most people have children, families or elder care responsibilities, so they need flexibility and freedom to work when and where they want.

Work/life balance programs are increasingly important. These can include free food, unlimited vacation, hot breakfasts, yoga classes, nap rooms and mindfulness programs. Many will argue that these programs are simply high-cost perks that make sense only in highly competitive markets like Silicon Valley. Deloitte disagrees: More and more clients tell us they save money and improve productivity by making the workplace more humane. Research from the Great Place to Work Institute shows that when people feel more comfortable at work, they work harder, are more productive and gladly work longer hours.

Small teams work best. Many studies demonstrate that small teams outperform big teams. (See J. Richard Hackman's June 7, 2011, article "Six Common Misperceptions about Teamwork" in the *Harvard Business Review* Blog Network.) When people work closely with a small group day after day, they make decisions faster, collaborate more openly and innovate more. Amazon founder and CEO Jeff Bezos calls this the "two-pizza rule"—if there are more than two pizzas in the staff meeting, the team is too big.

HR and work-related processes need to be simplified. Take a seven-step process and reduce it to three; take a competency model with 20 competencies and reduce it to 10 or less; redesign the user interface on your software to have only a few buttons or require only a few swipes of the phone. People don't want to learn software; they just want to use it.

Simplification does not mean being simplistic: It means taking a sophisticated view of a program or process, detailing all that it entails, and then carefully and ruthlessly stripping out what is not urgently needed.

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Who's Making It Happen

Virginia Vega, SPHR,
Senior Manager, Career and Learning of HR, Genentech Inc.
San Francisco

When Genentech Inc. was acquired by the Switzerland-based Roche Group six years ago, the biotech company suddenly became part of a much larger global organization. To help employees manage the extra demands of working in a global environment, Virginia Vega

and her HR team launched Wellbeing @ Work, an interactive online toolkit that gives employees access to resources that could help rejuvenate them. The team worked with vendors to offer a well-being assessment and energy audit, as well as classroom and online learning, to address five aspects of well-being: career, social, financial, physical and community. Several thousand employees have taken advantage of the various resources, including a popular course by one vendor, The Energy Project, to learn ways to improve their energy levels. —Dori Meinert

What's Next

Our emphasis in 2015 will be to focus on leaders, helping them create a top-down environment of well-being.

Her Advice

Get a sense of the state of readiness in your organization. That can be achieved through a formal needs assessment and many other ways. Also ensure that you have support from specific leaders or executives.

How She's Making a Difference

The courses have been highly utilized and rated by employees. But more important, we are beginning to see signs of change where a leader and team shift the way they are working and living: walking one-on-one meetings, meditation sessions, team social lunches, team volunteer events and other company-sponsored well-being events.

Prediction 4

Corporate learning will be transformed and will take on more importance

Research by Erik Brynjolfsson of MIT shows that the increased specialization of workforce skills has dramatically impacted the whole economy.

First, it affects jobs: A study published by Oxford University in September 2013 shows that almost half the jobs we have today will be eliminated in the next 10 years. Jobs in accounting, law and service and most white-collar jobs are now under the threat of being eliminated or radically changed by technology.

content will proliferate like never before. MOOCs (massive open online courses) and content marketplaces (Udemy and OpenSesame, for example) are unleashing an enormous new world of online content. You must familiarize yourself with all these options and make sure you are leveraging them.

Driven by the global, multicultural nature of business, face-to-face learning also has its place. Companies are reopening and building new corporate universities to help bring global teams together and make

them learn. The technologies of learning are now the same as the technologies for the consumer Internet, and organizations can use all these tools to build fantastic and integrated solutions.

Companies should focus on building a complete learning experience, including creating a learning culture, bringing people together to meet each other and leaders, and modernizing digital learning. Online videos have now set the standard, and Millennials who come to work at your company will look for similar systems.

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Second, it impacts earnings: As Peter Robinson of Bloomberg reported in a 2012 article, 93 percent of the economic growth we saw in the most recent economic recovery went to only 1 percent of the U.S. population.

There seem to be an endless number of topics for training today: personal development skills, technical skills, and managerial and teamwork skills. In 2015,

sure their culture and connections are as strong as their learning content.

Finally, it is time to throw away old ideas about e-learning and think about an integrated digital learning experience. When individuals need to learn something, they should be able to find a video, read a blog, take an online course or even run an app on their phone that may include a game and assessment to help

Take a "supply chain" view of skills, realizing that it often takes many years for an employee to build deep skills in his or her role or organization. Career development programs, job rotations, competency-based assessment and simulations are increasingly important.

Your role as an HR or learning and development leader is to refocus your efforts on longer-term team capability development, creating a function that embeds local learning teams in the business but shares infrastructure and corporate programs wherever possible. As the economy picks up steam, your ability to rapidly deploy compelling learning programs will become a competitive advantage.

Yashwant Mahadik,
**Senior Vice President, Head of HR Business Transformation, IT & Global Head of Learning, Philips
Amsterdam**

Yashwant Mahadik led his team in establishing a corporate university built for the 21st century. "We have been through a learning transformation," he says of creating Philips University, a journey that began two years ago. "We're still in the midst of it." The global technology company's university incorporates not just new technological approaches—including learning management systems and social learning—but also emerging scientific insights on how individuals learn based on their unique styles.

"There is research and outcomes on the new science of learning," Mahadik says. Philips University is based on the so-called 70/20/10 principle, which states that development is most effective when 10 percent of learning comes from formal settings such as the classroom or e-learning, 20 percent through mentoring, and 70 percent on the job. —Christina Folz

Transforming Tech
A decade ago, companies spent a lot of time, energy and money customizing their own learning management systems. Today, the focus is on leveraging best-in-class technology provided by vendors and social platforms.

His Advice
Create a culture where learning is the goal, rather than just the imparting of education. Schools are often criticized for focusing students more on how to pass exams than to actually learn. The same can happen in organizations.

How He's Making a Difference
We've relied on the NPS—or net promoter score—to assess the effectiveness of our investment, as well as metrics on the cost, quality and speed of learning. Gone are the days when you could take months to design and deliver learning capabilities.

Companies will redesign **talent acquisition**, leveraging network recruiting, brand reach and new technologies

Possibly the most important thing managers and leaders do in business is to hire the right people. But the world of recruiting has dramatically changed. Not only must we know how to source and assess candidates throughout a global network, we must also learn how to differentiate ourselves through brand, candidate experience and the candidate relationship management process.

right candidates. Ultimately, the process breaks down if managers are not assessing people well. It's probably the hardest thing we have to do, so work closely with them to build capability and make sure candidates are getting a great and efficient experience. Great managers know how to recruit great people.

Develop a strong candidate pool through brand and relationship management. This means marketing the

> ## Many managers are not well-trained at recruiting, so it's important to teach them how to identify the right candidates.

At a high level, the world of recruiting is shifting from that of "traditional recruiting" to what we think of as "network recruiting." Our company and brand extends into a network of candidates, potential candidates, employees, contractors and corporate alumni.

Deloitte recently completed several years of research on talent acquisition and found that, among 20 or more factors in recruitment, three of the most important today are to:

Build a strong relationship with hiring managers. Many managers are not well-trained at recruiting, so it's important to teach them how to identify the

company well, attracting interested candidates well before a job is posted, making the candidate experience valuable and easy, and continuously communicating with candidates. The whole model of "network recruiting" means investing in the brand, marketing, communications and reach to engage the right people around the world.

Leverage internal and external networks. Use your employees and alumni for referrals; tap into professional groups, universities and industry groups that align with your company and build relationships with these groups that will bring the top candidates to you. Today's

new talent acquisition platforms, which almost totally replace legacy systems, have built-in tools to leverage networks, explode referral marketing and more easily create candidate marketing programs.

This is the year to take a broad, strategic look at your talent acquisition strategy. What parts of the ecosystem are you missing? Where are you wasting time and money on sourcing or recruiters you no longer need? Are you investing heavily enough in the new tools needed to reach the best candidates on the market? Have you built the most authentic, compelling and meaningful brand and candidate experience you can?

PHOTOGRAPH BY MARK HILLIS FOR *HR MAGAZINE*

Who's Making It Happen

Stacy Donovan Zapar,
Founder of Tenfold
San Diego

Job postings are so 2013—at least at Zappos, which made headlines in May 2014 when it eliminated them altogether in favor of its Zappos Insiders program.

Recruiting consultancy Tenfold worked with Zappos to launch an "entire social recruiting strategy from scratch, including Twitter, Facebook, Instagram, Pinterest, LinkedIn, Google Plus and more ... all within a six-week period!" says Stacy Donovan Zapar, Tenfold founder. "We wanted to give insiders a place to communicate with us, learn about us and give us a chance to get to know them, too."

Zapar helped Zappos come up with creative approaches for engaging job candidates, including Google Hangouts, biweekly Twitter chats, weekly blog posts and online webinars. "We are constantly thinking of fun new ways to interact," she says. —Christina Folz

Help for Help Wanted
With job postings, we had to wade through lots of applicants, and we only hired 1 percent. Having to reject so many people was not a good use of our time and not a great candidate experience. Now people can become Insiders by submitting a resume, and they are automatically considered for relevant positions that become available. We

spend our time proactively sourcing and having positive, exploratory conversations.

Her Advice
Be willing to take risks, even if you're not sure how they will turn out. Expect hiccups, missteps, pushback and questioning. It's all part of the process.

How She's Making a Difference
The proof is in the pudding! The bounce rate on our careers page is down 50 percent, and we're on track to have three times as many Insiders sign up post-launch as we did total unique applicants last year—and eight times more sourced candidates.

Talent mobility and career management strategies will become necessary to compete

Today, many organizations still struggle to facilitate internal talent mobility, and fewer than one-third have formal succession plans for all but the very top levels, according to the Bersin by Deloitte *High-Impact Succession Management: Key Findings and Maturity Model* report published in November 2014.

Why is this issue so important now? Quite simply, it is good business. High-performing companies around the world have highly tenured people. Not only are these folks more skilled, they also understand how the company works, can build on relationships to get things done and have the confidence to initiate change.

When an employee leaves a company, we are forced to bring in someone else who starts at the bottom of the curve. This means we incur the cost of hiring (often a half to a third the salary of a senior person), the loss of productivity (the area under the curve) and the diminished learning curve of the new employee. Yes, the new person may have excellent skills and perspective from the outside, but in many cases it will take years to realize those benefits.

On the other hand, if we offer people "facilitated talent mobility"—meaning that we allow them to move to new roles with some logic and process in place—we avoid a lot of these "low performance" changes in position. It's a win for everyone: People are constantly being developed and challenged, the company thrives on a strong internal culture, and engagement goes up.

Unfortunately, creating such a process of internal mobility is harder than it sounds. In 2015, companies should formalize this process and consider some of the following steps:

- Make sure that all posted positions are marketed internally and that employees are encouraged to apply.
- Create incentives and rules that encourage managers to let people shop for new jobs internally, making it culturally OK to move from one position to another without a promotion.
- Invest in onboarding and new-hire orientation, making it clear this is part

Invest in onboarding and new-hire orientation, making it clear this is part of a manager's job.

of a manager's job. As internal mobility increases, so do the number of people who are new to their position—so we need to give people the support they need to do their new job.

- Assign career coaches (not necessarily managers) to map patterns of movement, help people find the next logical job and document career paths the company wants people to take.
- Promote people based on their breadth of experience, not just functional expertise, showing that changing jobs internally is good for their career.

Take a lesson from the military, which actively moves professionals throughout their careers. A new officer who may start in an internal domestic assignment could easily be transferred across the world to a new one, then come back to a staff assignment at a higher level. This process of "tours of duty" is healthy for the company, the individual and the organization.

Ben Casnocha,
co-author, *The Alliance: Managing Talent in the Networked Age*
San Francisco

Ben Casnocha believes that today's workforce more closely resembles entrepreneurs than the "lifers" of yesteryear—and that, to recruit and manage them, you need a whole new talent framework. He collaborated with LinkedIn chairman Reid Hoffman and entrepreneur Chris Yeh to write *The Alliance: Managing Talent in the Networked Age* (Harvard Business Review Press, July), which explores talent mobility trends.

Casnocha regularly delivers speeches on business topics—including at SHRM's 2013 Strategy Conference—and has written for NPR's "Marketplace," *Newsweek* and the U.S. State Department. He's authored two other business books and maintains a blog. He was previously Hoffman's chief of staff at LinkedIn.
—Christina Folz

The "Tour of Duty"
In the context of work, this is a commitment by employer and employee to a mission of finite duration that transforms both the employee's career and the company's trajectory.

His Advice
We can't restore the old model of lifetime employment, but we can build a new loyalty. You must move from a transactional to a relational approach. Think of employment as a mutually beneficial deal, with explicit terms, between independent players.

How He's Making a Difference
You can't measure all that matters. When a manager tells me that she was able to engage a formerly disengaged employee by having open and honest conversations about their career—as we advise in *The Alliance*—I find that very satisfying.

Prediction 7

Leaders will invest in **talent analytics** and **workforce planning**

Today, we read article after article about "people analytics" teams identifying the best criteria for hiring and the factors that drive retention and high performance.

In 2015, it is becoming imperative for HR teams to invest in talent analytics. This does not mean buying a new software package and building more reports: It means bringing together the reporting and analytics teams in recruiting, compensation, engagement, learning and leadership, and developing a plan to evaluate your workforce from a holistic perspective. Companies spend up to two-thirds of their budgets on people—yet many have not invested the money and time to clean up, rationalize and combine data about those people to help make better decisions.

Bersin by Deloitte research shows that it typically takes one to two years for a company to build a talent analytics team (*High-Impact Talent Acquisition: Key Findings and Maturity Model* report, September 2014). But if you don't start, you'll never get there. This level of invest-

ment initially feels like a big expense, but in a very short time the analytics team may pay for itself.

When you put a program together to collect people data all in one place, you can immediately focus on urgent business issues. How do we get a higher quality of hire? How do we improve our batting average for high-performing salespeople? What are the characteristics of our best customer service representatives? What training program is delivering the highest return on investment in leadership? Why are certain groups of employees leaving at an alarming rate? The answers could be worth millions of dollars.

In 2015, there will be a flood of new tools, consultants and case studies on talent and HR analytics. Be careful not to jump at technology just because it seems like the trendy thing to do. Rather, focus on building your team, bringing people together and developing a multiyear plan to invest in this area. The payoff will likely be huge. If your competitors do it first, you may suddenly find yourself losing critical hires or great employees and not even know why.

> When you put a program together to collect people data all in one place, you can immediately focus on urgent business issues.

Who Else Is Making It Happen in HR

Visit **www.shrm.org/010215-2015-predictions-for-HR** to read profiles of a few other HR rock stars.

Anthony Abbatiello,
Accenture Strategy

Matt Charney,
Recruiting Blogs

Donna Morris,
Adobe

Tom Sondergeld,
Walgreen Co.

Armando Lourenzo,
EY

Mark Berry,
Former Vice President of People Insights, ConAgra Foods
Omaha

Whether home-grown or outsourced, analytics can help HR drive evidence-based decision-making in real time. Mark Berry has been a leader in both approaches. He spearheaded ConAgra's workforce analytics, initially leading development of a self-service tool that used an analytics program ConAgra already owned.

While it improved ConAgra's capabilities, the system wasn't designed for HR, and Berry soon found that it required too much attention from IT. Ultimately, he decided to outsource analytics, and in late 2013 the company implemented a cloud-based system from Visier Inc. that is less dependent on IT and highly interactive.

"Data without insights, and insights without action, is not where you want to go. It's the combination of the three," Berry says. --Dori Meinert

His Priorities
Growing the capability of HR. You can't do this work with a small group of people in a large organization. Then you have to be able to take that capability and apply it to business-relevant issues.

His Advice
Start small, but from the beginning articulate a vision that is much bigger than where you are today.

How He's Making a Difference
In the past, we could say in general our representation of people of color was higher or lower than average, but we couldn't really give you more specifics. Now, we can say it is lower within this or that group, in this job, with this amount of tenure and this age. Then we are able to target interventions.

Companies will take advantage of new tools in **HR technology**

The average human resource management system (HRMS) is nearly five years old. In 2015, companies should revisit their aging architectures, look to modernize and consider converting to highly flexible cloud-based systems.

Core HRMS and talent management features (payroll, performance management, recruiting, learning management, succession management) are available from most major enterprise resource planning (ERP) providers. But some exciting new tools can be found only through small, innovative vendors. These tools address informal learning, integrated network recruiting and candidate relationship management, social recognition, real-time employee feedback, culture assessment and fit, and many other areas. So as you firm up your core system of record into a single ERP suite, you may also find yourself wanting to buy innovative tools from smaller vendors as well. This will be a sound strategy for 2015. As long as you have a vendor that provides most of the core products you need, buying innovative cloud-based products as add-ons can be easy and affordable.

Key disruptions in the HR technology industry include:

• An intense focus on user experience and user engagement instead of a proliferation of features and cascading menus. As one software executive put it, the value of a software company today is not its revenue but rather the level of engagement its product has with users.

• Mobile apps that embed HR solutions instead of only providing a mobile view of websites.

• Integration of real-time data, location data and other sensor data into HR programs such as engagement and scheduling. Look at the success of wearables for exercise management; this type of real-time data collection will come to HR.

• Data-driven recommendations for hiring, learning, retention and even leadership development. Your HR software should "recommend" people, experts, programs and management changes, rather than just give you lots of reports to run.

• Tight integration with social networks so all HR practices can connect to each other, leverage external learning content and external communications tools, and source candidates on external networks.

• Lower-cost integrated HRMS systems that replace internal legacy applications. Consider new modules and systems to manage contract, contingent and part-time workers as "talent"—not just "expenses"—so you can onboard, develop, manage and engage with workers who are not full-time salaried employees.

• Content and learning tools embedded into HR software. People shouldn't have to "learn" the software anymore; they should just be able to use it.

In 2015, the HR software market will likely continue its shift from a focus on "systems of record" to a focus on "systems of engagement." While vendor support and service is still critical to success, ease of use and ease of adoption are now key to selecting the highest-value HR technology platforms.

Karl-Heinz Oehler,
Managing Director, Denison Consulting Europe Zurich

The best consultants are those who have "walked the talk," and Karl-Heinz Oehler certainly fits that description. Before joining Denison Consulting Europe, he served as vice president of global talent management for Hertz Corp., where he led employees through a major change after the company was sold to a private equity firm in the mid-2000s. "We needed to take a hard look at people and processes and streamline everything," he says.

A frequent speaker at HR tech conferences, Oehler has always been a proponent of involving HR in data-based talent decisions. He overhauled Hertz's recruitment process by integrating an automated Web-based system, developing targeted tools based on profiles of 47 job categories. He also instituted 30-, 60- and 90-day reviews to make sure new hires were on track to deliver solid results. Over three years, turnover fell by 37 percent. —Desda Moss

Key Trend for 2015
Companies are investing in talent acquisition systems. They're recognizing that a lot of time is being wasted getting talent on board, when there are already tools out there that can help organizations.

His Advice
Understand that HR is service-oriented. The way to show your intrinsic value is by recognizing the interdependencies between HR and other business processes in order to align services accordingly.

How He's Making a Difference
I love sharing what I've learned in my career. Today, things are changing so fast and people are so vital to the success of a company. The challenge for HR is the same as it has always been: to become business-savvy.

HR teams will get a new design and a new focus on **professional development**

In the 1960s and 1970s, HR was viewed as a back-office personnel function. In the 1980s and 1990s, it became focused on service to managers and employees. In the last 10 years, it has turned into a function focused on optimizing all areas of talent. Today, HR professionals must operate as skilled consultants embedded in the business.

The highest-performing HR teams use a series of unique strategies, which Deloitte encourages all organizations to

> ## We need to re-engineer the workplace and rethink the way we attract, engage and manage people.

consider in 2015:
• Reduce the number of HR generalists and replace them with a fewer number of senior HR business partners. These senior roles function as business-led consultants, working with line leaders to identify talent programs, design solutions and direct the efforts of specialists in the centers of excellence to help with recruiting, leadership development, employee relations, coaching, training, planning and more.
• Shift the focus of "centers of expertise" to "networks of expertise," so that specialists in recruitment, training, employee relations and other parts of HR are all

connected to each other and some are embedded in the business. Many functions should be centralized—technology, leadership development, vendor management, tools and methods—but the entire specialist group should function as a "network," not a corporate "center."
• Invest in research, benchmarking and professional development. Deloitte research shows that the highest-performing HR teams spend a significant amount of money in these areas, maintaining their edge and keeping their teams current on what's going on in the outside world. This small investment can pay for itself many times over.
• Refocus your hiring and training toward the new competencies of high-impact HR teams. Today's HR staff must understand technology, statistics and business, as well as traditional HR. More and more HR executives say they want MBAs and business leaders on their teams. Modern HR professionals diagnose problems and push innovative solutions; they don't just "help people" and try to make everyone happy.

2015 will bring a fast-growing economy, forcing HR teams to step up their

game and provide even more value to CEOs and top-level business leaders. Resolve to take this time to refocus and re-engineer HR itself, and you'll be happy you did.

Bonus Prediction: Think Bold

Finally, 2015 is the time to be bold, innovative and forward-thinking. Technological changes and other societal developments are rapidly transforming the workplace. Yesterday's approaches to recruiting, performance management, training and even compensation don't necessarily make sense today. We need to re-engineer the workplace and rethink the way we attract, engage and manage people.

I urge HR teams in 2015 to try something new and benchmark their organization against others. Visit other companies, keep up on research, and go to industry conferences. That will give you the confidence and insight to try new things and deliver bold solutions that drive your business forward. ⊞

Josh Bersin is the principal and founder of Bersin by Deloitte, a research and advisory consulting firm in enterprise learning and talent management.

Mary Hough,
Vice President, Talent & Development, SAIC
Washington, D.C.

The past few years have been ones of change for Science Applications International Corp. (SAIC). In September 2013, SAIC separated from its parent company, renamed Leidos Holdings Inc. Mary Hough coached the HR community at SAIC as it adopted a new way of working—a matrix model.

In this structure, an employee may be "home-roomed" in one functional area but deployed on projects elsewhere. "A matrix allows an organization to more efficiently allocate scarce or expensive talent by shifting resources to meet changing business needs," Hough says.

To equip her HR business partners for the new environment, she participated in SAIC's mentor-protégé program, which includes goal setting as well as one-on-one coaching and group sessions, and encouraged her colleagues to mentor early-career students at George Mason University's business school in Fairfax, Va.

"In 2015, SAIC is planning to build competencies in coaching within our HR team," Hough says. Her personal resolution? "Master the waltz!" —Christina Folz

Critical Competencies
With SAIC's shift to a matrix model, building the depth and breadth of our core competencies is essential. For a competency such as program management, we have defined career levels—from entry to mastery—and we mapped the training, experiences, certifications and leadership attributes for each level.

Her Advice
Learn all you can about the business you support. Understanding business drivers, constraints and market challenges will make you a credible business partner.

How She's Making a Difference
In HR, we feel we've made a difference when our internal customers seek us out as thought leaders and business partners. I feel validated when I see leaders having meaningful development discussions or taking ownership of engagement scores.