THE FUTURE of work and hr





INTRODUCTION

Take a moment and think about work. What does it look like? The question does not just pertain to the physical location in which one might work. It also applies to the technology, the schedule and the people among other things.

Much like a photographer puts a filter on the lens of the camera to change the picture, I must ask something similar. In this case, however, the filter is the future of work. Putting that in place, what does work look like now? I would wager it looks quite a bit different.

Finally, if you were to pull the filter halfway out, you would get a picture that is both current and future. Welcome to the world as we see it now. In other words, the future of work is already here and it is slowly becoming the new reality.

The purpose of this report is to explain why it's happening and what's behind the change. More importantly, we'll explain the HR professional's role along the way.

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The Advent *of* the Future *of* Work

It wasn't too long ago, work looked like exactly what you would expect: an open office space with desks and/or cubicles lining the walls or throughout the space. Conference rooms were nearby and the break room was always bustling.

The people in charge were older and more experienced. Those lower on the ladder were younger and focused. Some were climbing the corporate ladder while others held it in place for them.

Now, spaces are more avant garde. Desks are still present, but now, many of them are nameless belonging to everyone and not one person alone. There are couches with tables nearby, green spaces, and quiet spaces. Everyone works on a laptop or a mobile device moving from spot to spot. Some are there everyday while others are transient; remote employees working at home rather than in the office.



So, what are the forces behind the change? The answer is simple relatively speaking.

Millennials and Generation Z

> Technology

Oulture

HR professionals who have been in the business for sometime probably remember the rise of Generation Y (Millennials) and how spectacularly unprepared HR was when it happened. In an attempt to stop history from repeating itself, HR is on point and ready for the rise of Generation Z.

And the timing couldn't be better. By 2020, it's estimated the workforce will be 50% Generation Z.

Like their millennial predecessors, Generation Z has a strong sense of technology. In fact, many parts of their lives include technology and they are quite comfortable with it. So comfortable in fact, some prefer to work remotely. Translation: the days of going into an office and working in a cubicle are dwindling.

Buffer's State of Remote Work report says remote workers will account for nearly three-quarters of the U.S. workforce by 2020. In addition, the remote workforce is not only growing in size, but also in the level of positions on a "remote payroll" level.

Full-time employees from the lowest ranked to the top executive spend entire days at home logged in to their company's mainframe through a remote client. Some don't even stay at home, taking their laptop with them to the library or favorite coffee shop to work. They are video conferencing with fellow remote workers and conducting full scale projects without having to be in the same room with their team mates.

In fact, the same report mentioned above says 90% of the remote workers they surveyed said they would spend the rest of their career working remotely.

Remote workers aren't just full-time employees. A growing segment of them are freelance or gig workers; workers who shop their skills out to multiple employers at a time. This has real implications for HR.



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This whole concept of the gig economy, that's going to change the workplace significantly. It changes the way that we lead and manage teams.

JAMI STEWART SENIOR DIRECTOR OF OPERATIONS, CISCO SYSTEMS, INC Stewart explained that, in a gig economy, the person is not a resource controlled by the company. Instead, the person is shared with other companies. It's a significant change to the workplace because that gig employee can change companies based on their skills and desires with no strings attached.

Having said all that, most HR professionals who've talked about the remote workforce aren't focused on the technology that makes it real; they focus, instead, on how to keep those employees connected to each other.

That's driving a huge culture change. Some have joked both generations were practically born with technology in-hand. As a result, these workers have built-in expectations when it comes to access to information in their personal lives, and they extend that to their professional lives.

For instance, many of them are accustomed to asking an AI-powered device such as Apple's Siri or Amazon's Echo device to play a song for them or turn on the lights and it happens instantly. Within minutes, they can put together a playlist for working out or play music during a party. It's all about personalization.

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Change is a constant, as we all know. We're all always preparing for the next thing and so when we say future of work, what do we mean? One year? Three years? 10 years? 50 years? We're in a constant state of evolution.



LUCIANA DUARTE VICE PRESIDENT OF EMPLOYEE EXPERIENCE, HP

HP is one of the most recognizable technology companies in the world. The company sells different types of technology; everything from laptop computers to printers. It's for that reason Duarte says change is constant and happens quickly for the company.

"We have to be more adept at change in order to survive in our industry," Duarte said. The same can be said for HR as a whole.

In fact, lots of things are changing, not just technology. Take transparency for instance.

Current and future employees don't submit to traditional work models held by employers. As a result, HR is going to have to take a serious look at the information they make public. An extreme example would be publically disclosing the salaries paid to workers. At least one social media company, Buffer, does this.

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In a survey from PayScale regarding job satisfaction and pay, the organization found the more information employees have about why they make what they make translates to higher retention rates.

Transparency is only one side of the coin. What about flexibility? Workers are starting to trend more toward flexible work models. One company, Autodesk, allows employees to take a 6-week sabbatical. They also enjoy flexible work hours. It gives employees a sense of control or autonomy, especially around the work-life balance.

And in some instances that same strategy is saving companies.

CASE AND POINT: Nextel Brasil.

nextel.

The telecommunications company went through a difficult time during its history as a company. Essentially it was failing and had to regroup and to, in essence, stay alive. In the process, the company made some significant organizational changes.

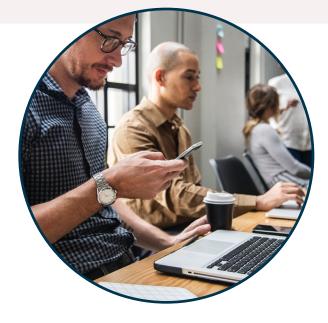
Luana Matos, the company's Chief Human Resources Officer, says they streamlined management first and then embraced flexible scheduling.

Why?

They didn't have a lot of cash on hand to offer bonuses or salary increases. They also wanted to make sure they targeted those employees who were digital natives. So, they had to create new differentials one of which was Flexibility/flexible scheduling.

"You want to arrive at 10 am? No problem as long as you do your job and you get your time in and you deliver. And the workforce, especially the young workforce, loved it," Matos said. "They start to feel like entrepreneurs and part of a start up culture."

Based on that alone, HR is going to have to adapt to where people are going to want to function as well as what it's going to take to have a dynamic workforce in the future.





"I think there are a variety of things that can go into that. You know, how do you engage employees? What should they expect from tools and systems and how they're going to support the work they do? How we need to be on the cutting edge of recognizing how they want to be incented to stay at a company... and pay and compensation and looking at things like total rewards. I think there's a huge cultural shift we're seeing that's really a personalized approach to work.



CHRISTINA MCCLUNG VP OF HUMAN RESOURCES, CAPITAL ONE

The cultural shift McClung mentioned is key especially when considering the future of work. As Peter Drucker said, 'culture eats strategy for breakfast.' You can strategize all you want, but if your culture isn't right, you're not going to get there.

Of course, people are the real drivers of culture and as this report has already alluded to, employees are beginning to look much different.

"How do you enable both [technology and humans]in the organization so you can get more efficient at the same time you're creating a more human experience for employees," Chelle O'Keefe said. "It's almost an opposite. How do those opposites come together?"

O'Keefe, the Chief Human Resources Officer for Associa, feels like the marriage between the two happens through soft skills usage. The problem is, those soft skills are not as developed as they once were. In fact, iCIMS says its research found one in three professionals believe soft skills have declined in the last five years. That points to a significant problem in that workers don't know how to develop relationships well anymore.

And if there is one thing O'Keefe knows for sure, the future of work is going to be more relationshipdriven because "those are the things that computers can't do."

Now the question becomes how do HR professionals prepare people for that?



It becomes the company's responsibility to train millennials and even the new generations on how to actually have relationships and social conversations because they don't learn it anywhere else. So, how do we as older generations demonstrate the behavior that we're looking for? It means putting down our technology and having actual conversations, being focused and in the moment, and present because those are things they're not used to or are not learning.



CHELLE O'KEEFE

CHIEF HUMAN RESOURCES OFFICER, ASSOCIA

So, what are the soft skills that are going to be the most important in the future of work.

According to the World Economic Forum, they include:





O'Keefe brings up a good issue: learning. It also offers a new side to consider when thinking about the future of work: how does learning fit in to the overall issue?

Elizabeth Bryant is the Vice President of Southwest Airlines University. For those unfamiliar with the organization, Southwest Airlines University is a corporate university that serves more than 60,000 Southwest Airlines employees.

When putting the question about learning and the way it fits in to the future of work, Bryant responded by saying, "I think learning plays the role of leaning towards the employee to recognize as the work environment changes, what skill set does the employee need in order to keep up with those changes."

The responsibility doesn't only fall to employees. It falls on HR as well.

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We have to, not only be tied in with the business challenges, the industry challenges, the department challenges, but also the employee challenges within that environment and then how-to skill those employees to stay competitive and to stay relevant in an environment that's ever-changing.



ELIZABETH BRYANT

ICE PRESIDENT OF SOUTHWEST AIRLINES UNIVERSITY



Beyond *the* Future *of* Work

If there is one critical piece of information to take away from this report, it's that the future of work is in flux. Never before has there been such a change in the way people take on the challenges of their jobs and the responsibilities involved. But there is some peace of mind for HR: the same can be said for their jobs as well. For those professionals, the future of work is not just about redefining the workplace, the employees, or technology... it's about redefining themselves. Ultimately, HR is in the driver's seat of this change. The power to mold the future of work lies in being able to address the change in generations, handle the challenges of technology, and find the culture that works best for the employees and the business of their respective companies.

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