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Understanding the Global Individual in our Changing Workforce

By Erin Spencer and Stacey Harris, Sierra-Cedar

When people discuss the need to prepare for our changing workforce, it's easy to simplify the conversation down to a few characteristics that can be addressed with a defined set of best practices. We focus on a younger workforce, or an older workforce. We think in terms of a more technology savvy workforce, or one that is more culturally separated. The reality is that tomorrow's workforce will simply be more diverse in all ways – and very aware of what makes them unique. In the last generation, our workforce was generally focused on findings ways to fit the required mold for being successful; the desire to follow a defined plan for the path to success crossed borders, industries and generations. Organizations had comfortable prescribed plans, and for most of their employee and leadership roles they had a general formula for success that would work regardless of the location or industry.

The biggest change in tomorrow's workforce will be the expectation that organizations and institutions see every employee as individuals, and value their individuality. The explosive focus on individuality is being driven, in part, by the fact that today's technology has created an environment where our individual needs can and are being met. We have personalized radio stations, regionalized automobiles, tailored marketing campaigns, and local food challenges. Even in cultures and communities where the idea of individualism is less celebrated, we see technology that helps elevate individual ideas and voices without focusing on the person. Technologies that allow for crowdsourcing, sharing sites, and even simple likes and dislikes provide both a voice and tremendous power to individuals.

Tomorrow's workforce assumes that these technical advances that tailor to their individualism outside of work will also be leveraged inside of work in the very near future. Sierra-Cedar's Annual HR Systems Survey, now in its 18th year,[1] looks carefully at how organizations are adopting and leveraging innovative HR technologies that can help organizations address the demands of the changing workforce. Over 93 percent of more than 1,000 organizations surveyed across the globe stated that they had adopted a core HRMS application. With this single application, organizations are moving toward gathering the data needed to understand their workforce. As organizations grow, and their workforces become more complex, capturing and making sense of individual workforce data requires additional HR systems such as talent management or workforce management suites, or individual applications for onboarding, engagement or succession planning. All of these technologies were designed to gather data effectively, but to meet the needs of our changing workforce they also need to be able to analyze that data, provide context and understanding, and present end users with an experience that is unique to them. Human Resources, managers, and leadership require similar tailored insights and context-driven data that helps guide organizational decisions with the total workforce in mind.

This requirement to build a representation of the individuals that make up our workforce is even more pronounced for complex global organizations. More than 43 percent of Sierra-Cedar's survey participants identified themselves as global organizations, meaning they had operations in more than one country, with the average organization operating in more than 24 countries. Over 20 percent of global organizations have a major initiative in the next 12 months to consolidate their core HRMS environments, working toward creating a shared information repository for their international workforce. Widespread shifts in global spending and buying patterns will drive even more organizations to look for global markets and global workforces as part of their long-term growth strategies.

So what do organizations need to understand about their future workforce at an individual level?

They need to understand:

- Regionally approved demographic information;
- Background and work experience;
- Skills and capabilities;
- Personal and professional goals;
- Regional and cultural experiences and expectations;
- Communication and leadership preferences; and,
- Fears, concerns, and challenges.

Each data point is valuable, but it is the total profile that provides the greatest insight. When thinking about the workforce of the future we know that the millennials have been a large topic of conversation, and that they seem "different" in a way that needs explanation. Research about this new generation abounds, and is valuable as a single data point. However, it is import to ask additional questions such as how do factors such as skills, education, or geography play a part in generational changes? How do these answers change how we should engage the individual millennial as a member of our workforce?

Last year Sierra-Cedar beta-tested an Employee Feedback survey on HR self-service[2] applications for our annual research effort; this survey was delivered by several large global organizations to their HR system end users and line managers. We were able to capture data from workforces in 46 countries, from workers in hundreds of different roles across multiple industries. The goal of this secondary research effort was to capture data directly from the end users on their perceptions, expectations, and actual use of current HR technology. Our initial findings gave us food for thought as we considered the changing workforce. Although generational differences are important, when we look at data through the lens of geography or technical aptitude we start to see trends that break across generational and geographical stereotypes.

High Touch by Region

Although the economic outlook for 2015 is slightly lower for the Asia Pacific market than 2014, it still has one of the fastest growing consumer markets in history, and an emerging middle class with higher levels of spending power than ever before.[3] All of these factors make the Asia Pacific region an extremely attractive market for expansion, outsourcing and manufacturing, and requires organizations to think more broadly about their workforce. Analyzing data specifically from the Asia Pacific end users, we found several differences in HR

applications' self-service use, and perceptions on the value of HR technology as a whole. Although a core HRMS and talent suite with self-service capabilities was deployed in all of our end-user survey respondent organizations at a global level, the Asia Pacific workforce was more likely to contact their HR department or their direct manager to complete HR administrative activities than those employees located in Europe or the United States. For example, only 2% of European employees and 4% of U.S. employees predominantly contact their HR representative or direct manager to complete their performance reviews. In comparison, 10% of Asia Pacific employees contact an HR representative or a direct manager regularly to perform these HR tasks. The same percentage of distribution holds true for scheduling or completing an online course where less than 1% of U.S. employees contact HR or their manager, and less than 2% of European employees, while 6% of Asia Pacific employees prefer to pick up the phone and contact someone versus using the online self-service solutions. Overall, when comparing these three different regions (Asia Pacific, Europe and the United States), Asia Pacific is more likely to contact an HR representative to complete an HR transaction on average 12% of the time; Europe is the second highest touch group with 8%, and then the United States is the least likely to connect with a manager or HR at 5%. Our survey highlighted that employees from the United States seem to prefer taking care of HR administrative self-service tasks themselves online.

If, overall, Asia Pacific seems to be more likely to contact an HR representative or direct manager when completing an HR administrative task online, we wondered if this also varied by age? One "truism" about older workers is that they are less tech-savvy than younger workers, but even if this is true for writing code or social media skills, is this true when looking at employee self-service? Not at all! In almost every area both in our aggregate data set, as well as for the Asia Pacific workforce alone – respondents over 30 were more likely to complete tasks online rather than contact their HR representative or direct manager.

Managing Age Questions

Our survey also asked the respondents whether or not they supervised other people, and although this data differs dramatically by industry and region we found that on average

Percentage of Workforce that contacts HR Manager vs. Using Online Self-Service Tools

14% of those age 23-30, 33% of those age 31-40, and 43% of those age 41-50 were in management positions. We acknowledge that this data is somewhat skewed for our Employee Self-Service Feedback survey beta-tester group, which included large global organizations in finance, high-tech and the services industry; however, it does call into question some long held generalizations about age and technology preferences. Although the majority of managers complete their administrative HR managerial tasks online, the younger managers were more likely to contact their HR department or direct manager to complete tasks than their older peer managers across all HR administrative areas when online self-service options were available. For example, 11% of our managers under 30 primarily contact HR or their manager to create and/or review their direct reports career development plans, while only 2% of those over 30 contact HR or their direct manager for that same task.

With 43% of managers over the age of 40, we also wondered if by region there were exceptions to the percentage of younger managers – leading to even more complex technology considerations. In our sample group, Europe is more likely to have younger managers than either Asia or the United States; 24% of those surveyed aged 23-30 in Europe were managers, compared to only 8% in the United States and 17% in Asia Pacific. We also found that Asia Pacific had the highest percentage of managers between the age of 41- 50, i.e., 64% of their total management survey respondents. Please note that this data doesn't make any judgments on whether or not the managers are effective regardless of their age; an article from *Harvard Business Review*[4] found in a survey of 17,000 worldwide leaders that the average age of supervisors was 33 and the typical individual became a supervisor around age 30, today's millennial generation. This research also found that on average individuals did not receive any leadership training until age 42 – 10 years after the individual began to supervise others. Organizations that move employees into management roles early are likely to find that these new first level managers require more direct support from their HR representatives or their direct managers – and adjustments may need to be made to the expectations for HR systems manager self-service adoption levels. This data emphasizes the importance of gathering multiple levels of data, and ensuring that information is placed in context before an organization makes enterprise-wide HR technology decisions that may impact the individuals within their workforce. Assuming that a younger workforce, or younger managers, prefer online interactions and require less individual support could very well create an employee relations nightmare. On the other hand, assuming that older employees are unwilling or unable to leverage HR manager self-service tools could be limiting your organization unnecessarily.

Mobile Adoption

In the middle of these debates concerning the role and impact of technology on an organization's ability to optimize their workforce, gather individual data, and address a workforce's unique and changing needs, social and mobile technologies must be given a major portion of this discussion. These technologies change how we think about the role of HR systems and their ability to address needs of individuals across our workforce in a scalable fashion.

The overall adoption of social media tools as a strategic HR solution increased from 33% in 2013 to 41% in 2014, with plans to grow to 68% adoption by 2015. No other HR technology has grown in overall adoption this quickly in the last 18 years of our survey. Most of this adoption level has been driven by the use of social technology for recruiting purposes with over 67% of organizations' talent acquisition staff adopting social-enabled HR processes this year – and 52% of organizations stating that they are leveraging LinkedIn strategically within their HR function. In addition, over 30% of organizations are leveraging both Twitter and Facebook as strategic HR tools.

The social buzz is probably reaching its peak as far as a true differentiator for organizations leveraging this new technology; it is now simply another part of our communication and data gathering channels with a workforce that expects us to leverage the data they've already shared with their broad social networks. Social communication is just another form of communication, and trying to build another platform or social technology integration point that doesn't feel natural or have a valid purpose only frustrates a workforce that is more interested how an organization can connect with them individually.

On the other hand mobile delivery still provides a unique opportunity to rethink our approach to HR technology. It allows an organization to engage current and future employees at a personal level that has never historically been possible. For today's workforce, mobile technol-

Endnotes

1 http://survey.constantcontact.com/survey/a07e8n8k4zehozw7vhv/a02ay7i5s8c57s/questions

2 http://www.sierra-cedar.com/research/annual-survey/

3 http://www.huffingtonpost.com/andre-bourque/is-your-business-ready-fo_b_6376056.html

4 https://hbr.org/2012/12/why-do-we-wait-so-long-to-trai

4 http://www.sierra-cedar.com/research/annual-survey/

ogy adoption is almost universal and a large part of how individuals communicate with the world around them. If we want to meet our workforce where they are, where they communicate and take action on a personal level, then mobile technology is the most appropriate delivery mechanism. HR systems have been relatively slow in embracing mobile technologies, and thus far the total average for mobile-enabled processes adopted by organizations is only 13%, but end users and organizations are impatient and our survey respondents forecast over 100% percent growth in mobile-enabled process areas in the next year to 27% average adoption levels. Organizations are investing heavily in mobile-enablement of talent management processes, particularly performance and goal management processes. Mobile-enabled performance management processes have been adopted by 25% of the organizations we surveyed, with 40% planning to adopt mobile delivery within the next year.

Data from our Sierra-Cedar's Employee Feedback survey on self-service tools took a deeper dive into the actual transactions that employees were conducting on mobile devices; the highest percentages of mobile transactions conducted by employees were in core HR self-services activities such as:

- 7% of employees use mobile devices to manage work-related social connections;

- 6% use mobile to manage sick leave; and,

- 5% use mobile to view their paycheck.

On average only about 3% of employees conducted talent management activities in a mobile environment – such as performance reviews, scheduling online learning, creating career development plans, or applying for internal positions. Employees were least likely to use mobile devices to change withholdings or request scheduled shift changes or project roles. What employees currently do in a mobile environment depends a great deal on what is available from their organization and the organization's preferred HR technology vendor.

When asked about preferences for future mobile development, employees were most interested in being able to conduct more administrative HR transactions in their mobile environments such as changing their address or signing up for benefits.

Managers were less likely overall to have conducted an HR activity on a mobile device, but the top activities done on mobile devices included:

- 5% using to view employee contact details;

- 4% using to review and approve time reports and leave requests; and,

- 3% using to complete performance reviews or review career plans

The use of mobile technology is another area where context, situation, and further data are important to understand the needs of individual employees. It may surprise many organizations, but our survey sample found that European respondents are the most likely to use mobile devices, at 4.28% overall, with Asia Pacific workforces second at 3.75%, and the United States least likely at 2.77%. In contrast, when it comes to the availability to complete HR self-service processes on mobile devices Europe reported the least availability at 19% of employees not able to complete activities via mobile devices, with Asia Pacific next at 15% and then the United States at 14%. Europeans were the least likely to have mobile device access to HR transactions available, yet when given the opportunity they were the most likely to use them for their self-service tasks. For our changing workforce, mobile access will be a requirement, not an option, but we will find that certain regions and industries may be prepared to take advantage of these capabilities more aggressively than others.

Our changing workforce isn't a cause for alarm, unless you're an organization that is fixed on the notion that every employee should be treated the same; rather, every employee and candidate should be treated with respect with their individuality celebrated and acknowledged. Candidate selections need to be based on clearly defined criteria and actual data, and employee and employer relationships should be based on a clear understanding of how information will be used to make decisions and support business goals, as well as an employee's personal goals. Technology should be an enabler in our goal to meet the needs of our changing workforce, specifically providing solutions that not only capture data but provide context and insight, along with personalized experiences tailored to individual needs and preferences. For more information about the changing workforce and HR technology please download the Sierra-Cedar HR Systems Survey White Paper[5] and to contribute to further research efforts be on the lookout for how you can participate in the 2015 Sierra-Cedar HR Systems Survey.

About the Authors

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