



HARRT at UCLA
HUMAN RESOURCES ROUND TABLE
Since 1986



HR: The New Evolution

Navigating the New World of Work

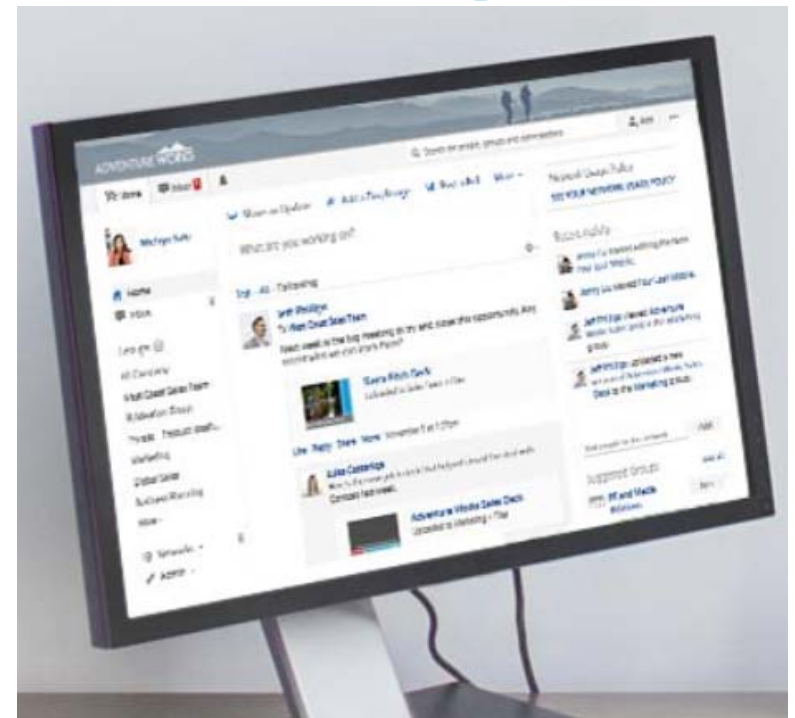
April 7, 2016



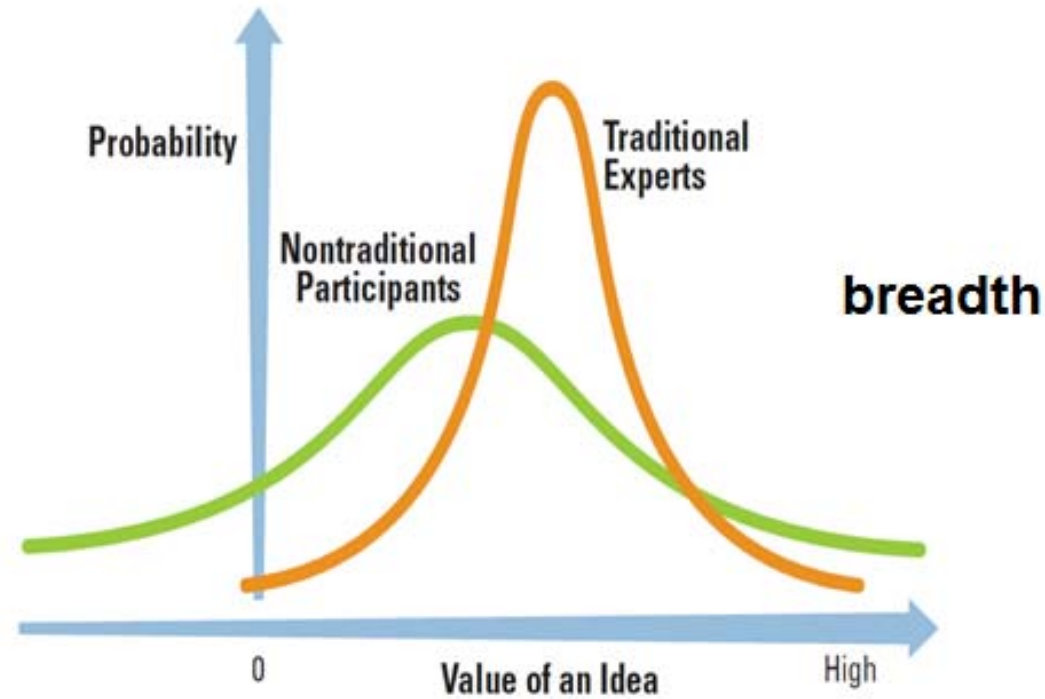




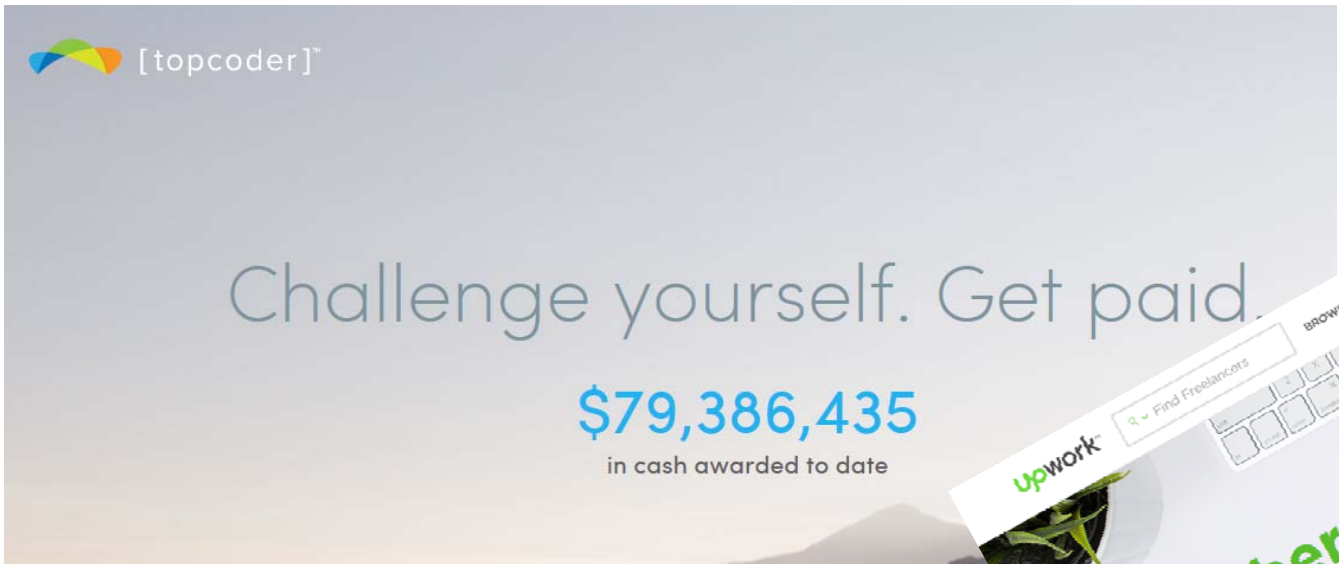
Yammer™



depth



\$2.7 Trillion GDP Boost by Talent Platforms in less than 10 years



[topcoder]

Challenge yourself. Get paid.

\$79,386,435
in cash awarded to date



upwork

Find Freelancers

BROWSE HOW IT WORKS SIGN UP LOGIN

Become a Freelancer

Where will great work take you?

Find freelancers to tackle any job, any size, any time

Get Started

Are we approaching peak human?



Changing World of Work



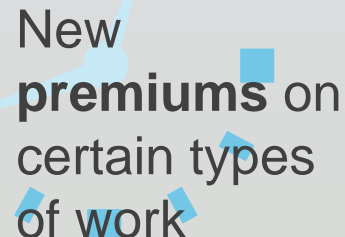
More flexible
approach
to work



Growing
need for
**technical
literacy**



Shorter
employment
relationships



New
premiums on
certain types
of work

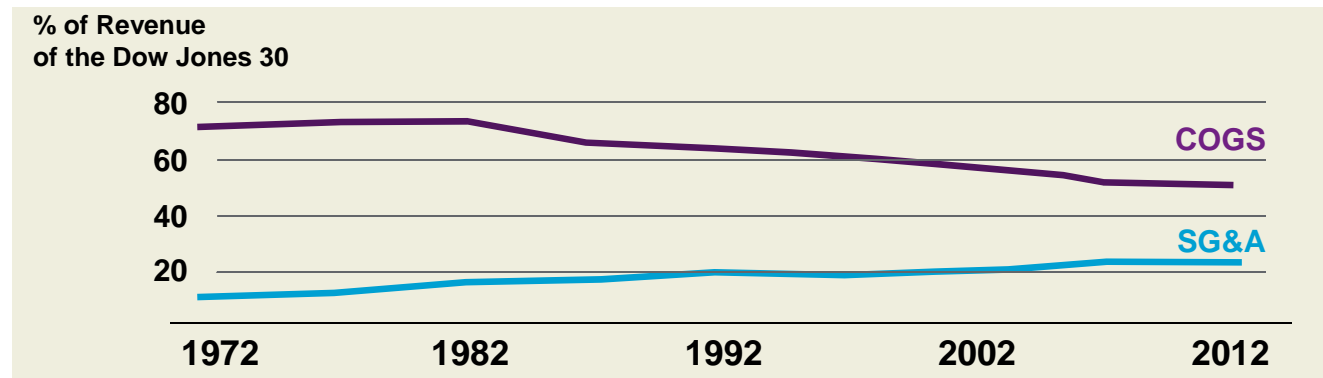
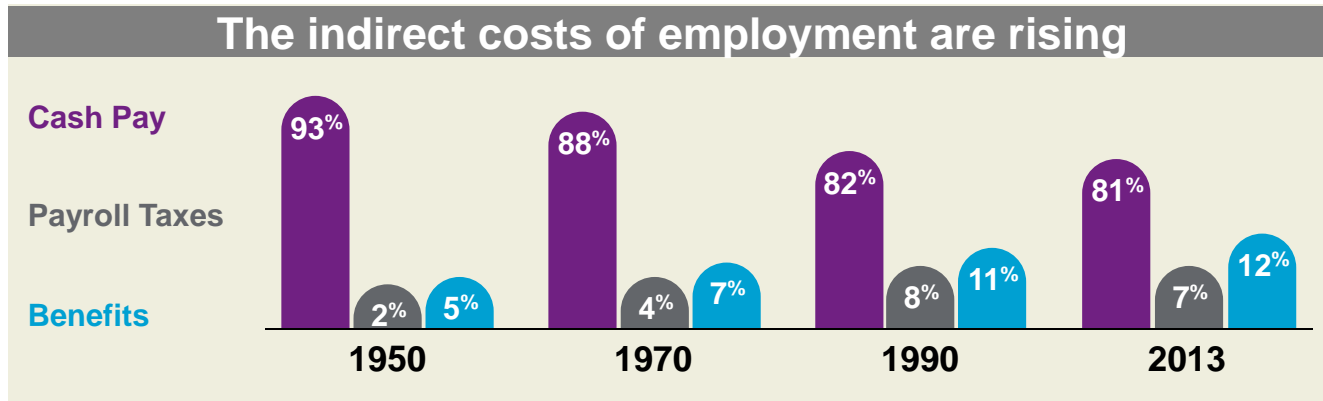
Talent will be the single biggest challenge

the world is becoming programmable

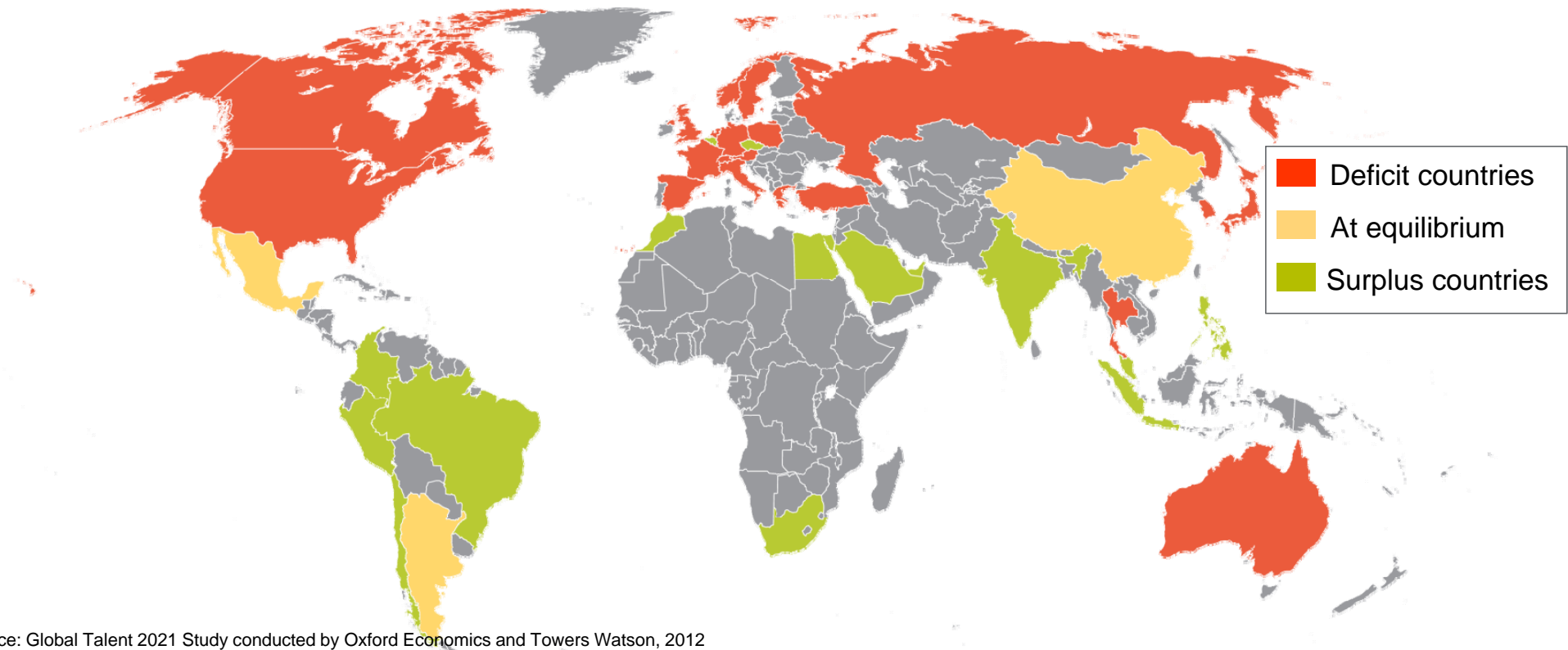
data is exponentially increasing

**breadth and depth of talent needed to
compete will be the constraint**

Employers are feeling the pressure of rising labor costs



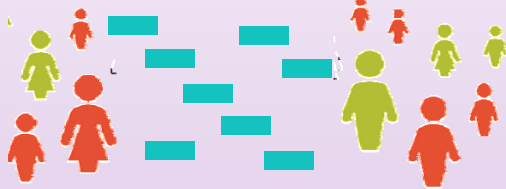
By 2021, where our talent is – and where we need it – may differ



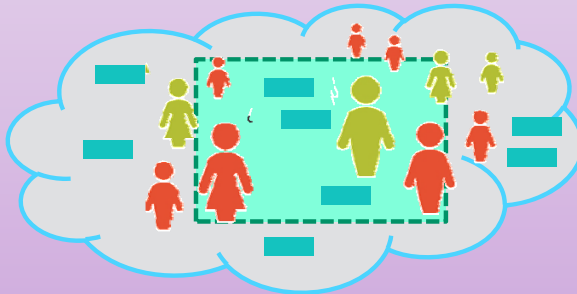
Source: Global Talent 2021 Study conducted by Oxford Economics and Towers Watson, 2012

Fundamental shifts in how work and organizations are organized

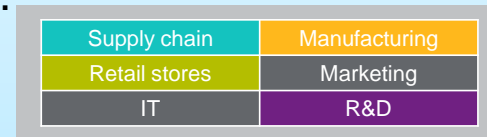
Our organization is a **place containing employees doing work.**



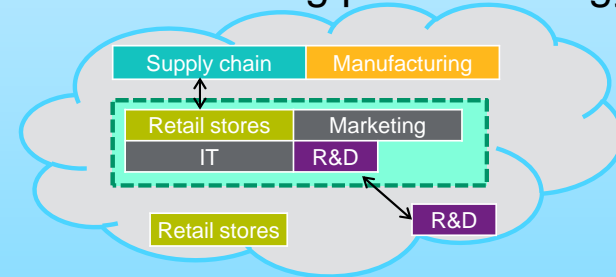
Our organization **organizes work and talent.**



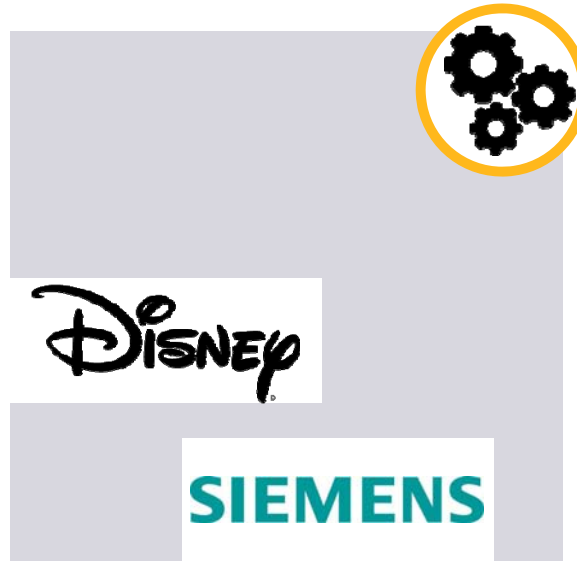
Our organization is a **fixed set of functions** that work together to create value.



Our organization is a **malleable set of functions** and deciding which ones get done inside the organization is a big part of strategy.



Unpredictable and Impactful Combinations



What are our changing requirements?

Assignment

- How Small to **Deconstruct?**
- How Widely to **Disperse?**
- How Far From Employment to **Detach?**



Organization

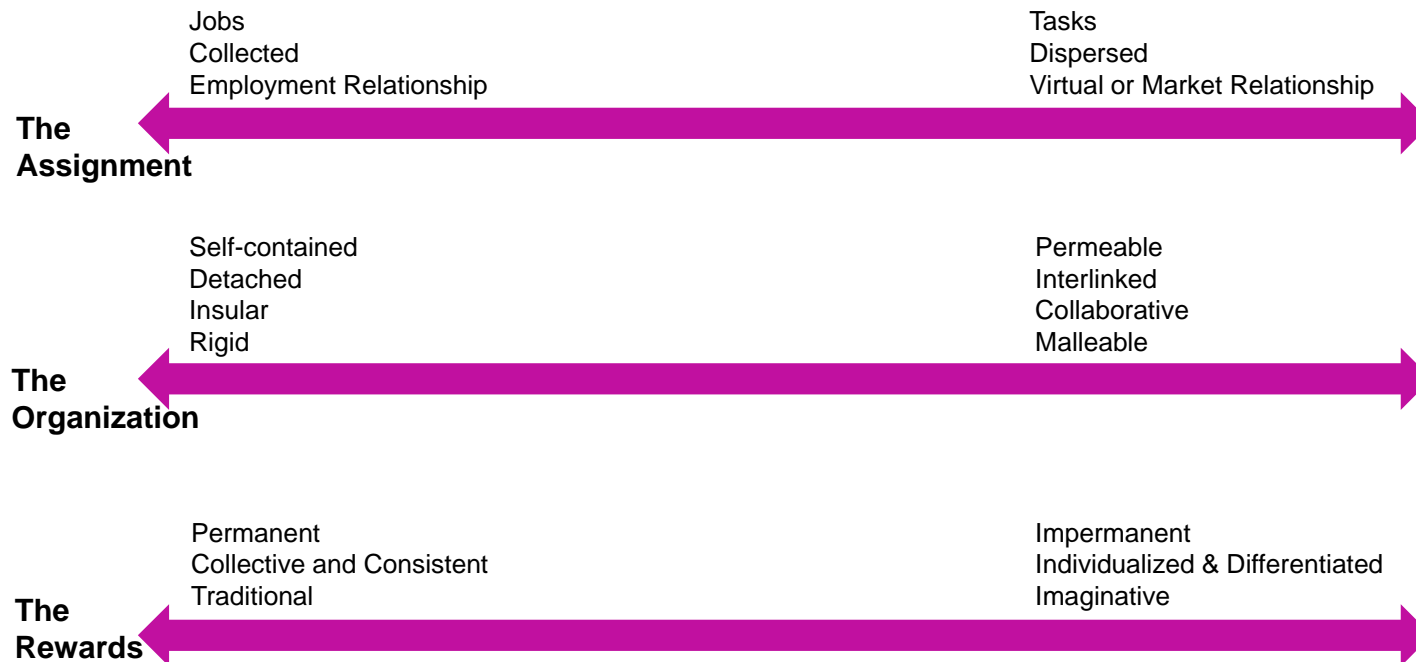
- How Easily To **Permeate?**
- How Strongly to **Interlink?**
- How Deeply To **Collaborate?**
- How Extensively To **Flex?**

Rewards

- How Small the Time Frame to **Shorten?**
- How Specifically to **Individualize?**
- How Creatively to **Imagine?**

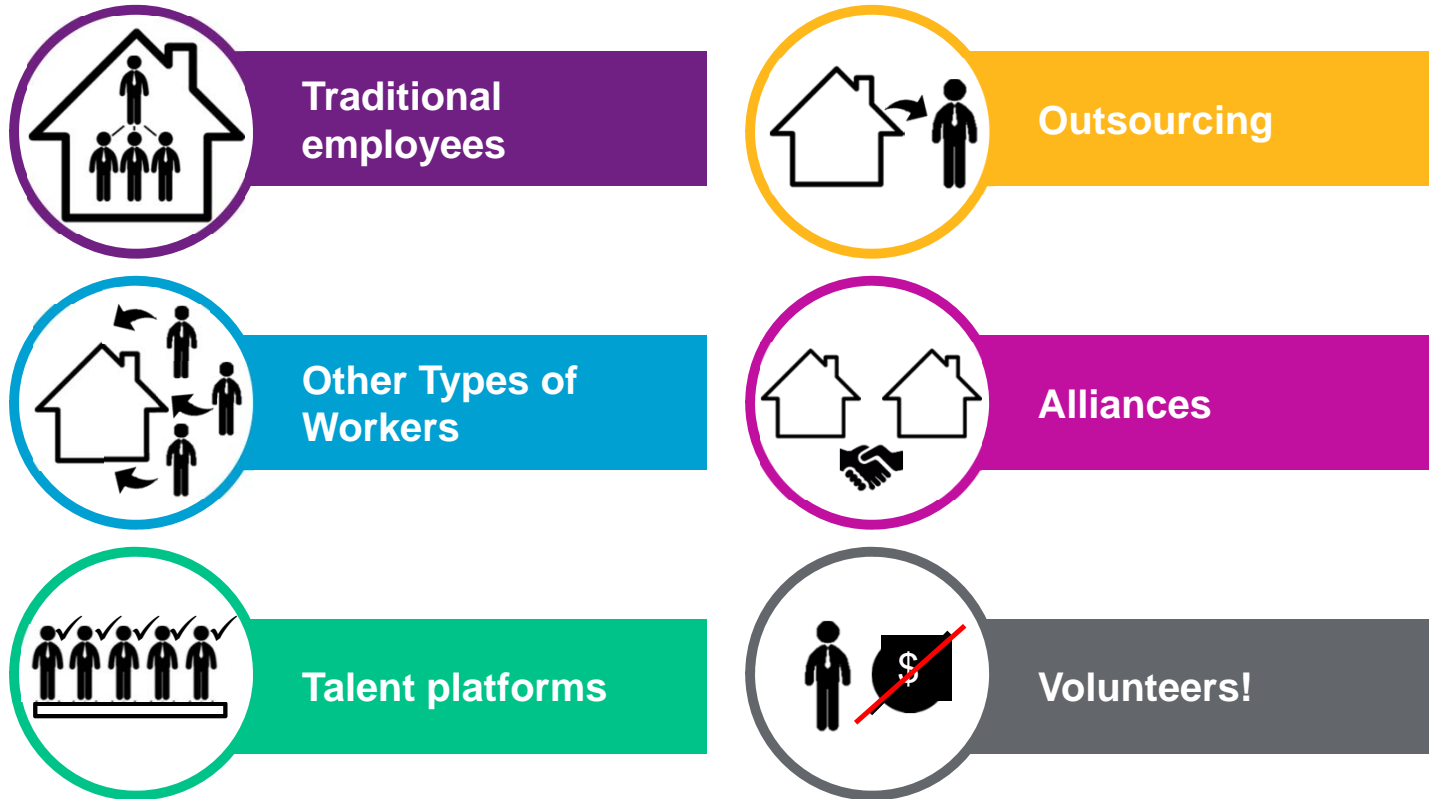
Map the Change

A continuum for changing requirements in work, the organization and rewards



Source: John Boudreau, Ravin Jesuthasan and David Creelman

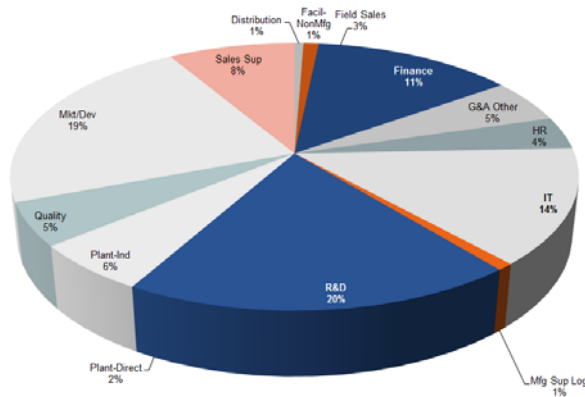
The Reality: The employment relationship is changing



Move from default talent practices to human capital strategies

Talent Challenges

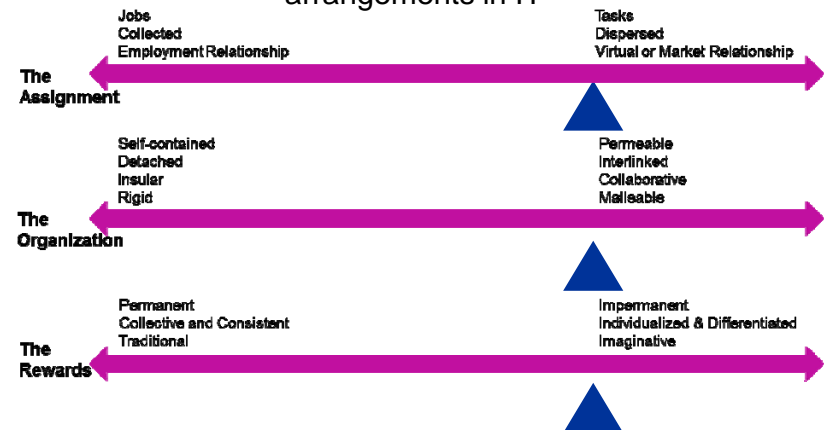
64% of contingent workforce in R&D, IT, Mrkt Dev and Finance Functions



- Critical skills shortages
- Securing talent as “contractor jobs”
- Rewards at top of market
- Not centrally managed
- **Total investment in contingents \$42M**

New Work Model

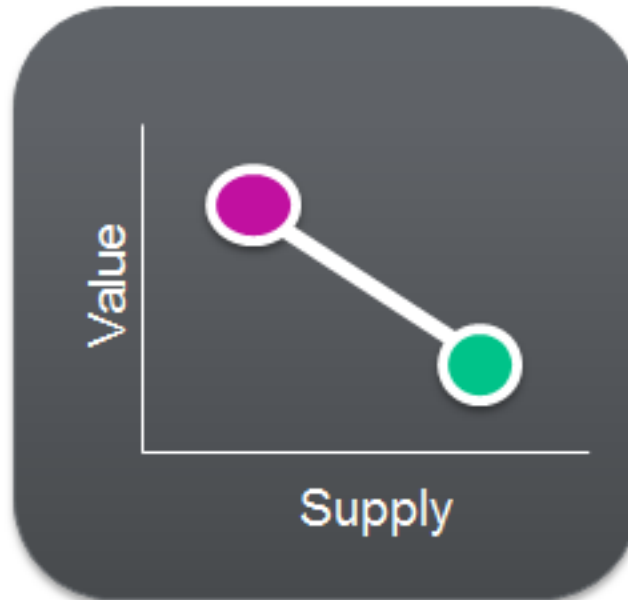
Deconstructing R&D, and new Outsourcing arrangements in IT



- General vendor and contingent spend converted into assignment spend and Managed Service Provider spend - **\$6M savings**
 - R&D jobs deconstructed into tasks distinguishing types of product assignments
 - Formalizing new organization partnerships with IT providers in appropriate markets
- Re-aligning talent and reward programs and processes in Market Dev and Finance for **\$1.4M optimization**

Identify the Tipping Point

**High Value / Limited
Supply:
“Premier”**

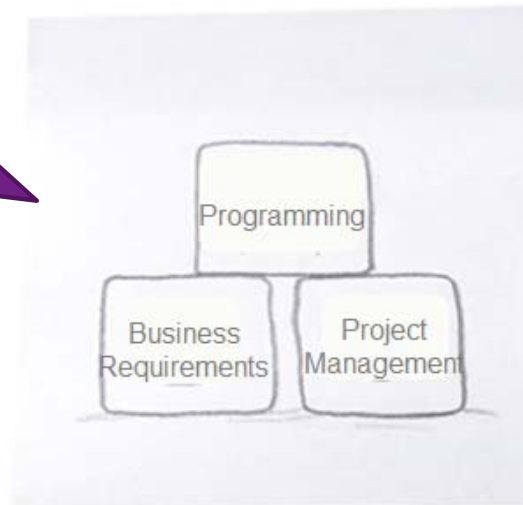


**High Supply / Eroded
Value:
“Democratized”**

Case Study – Premier Work

Software Developer: Job or Assignment?

Competencies and activities in programming and integrations, business requirements and stakeholder management, project management



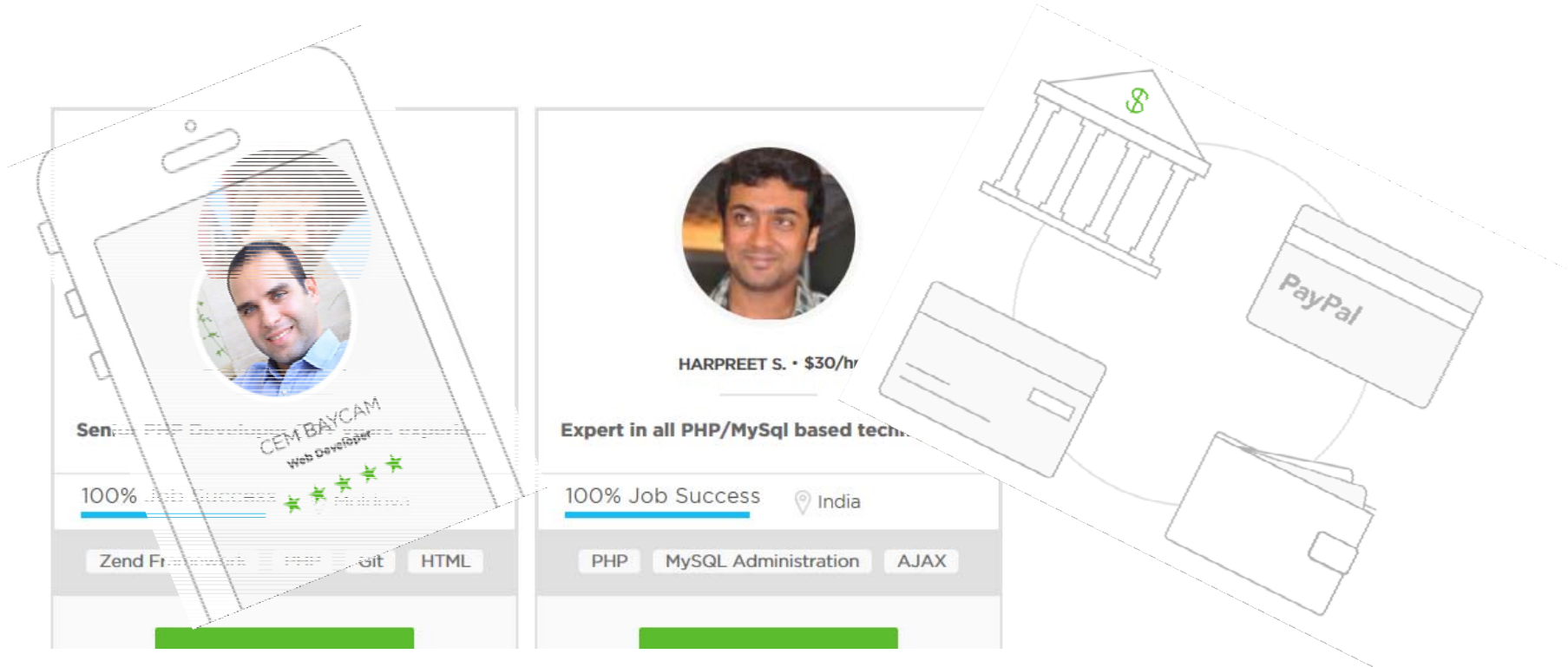
Talent deficits in software design with premium rewards

Job versus Assignment results in different work lifecycle processes for sourcing, developing, managing and rewarding (a 5 x times spread)

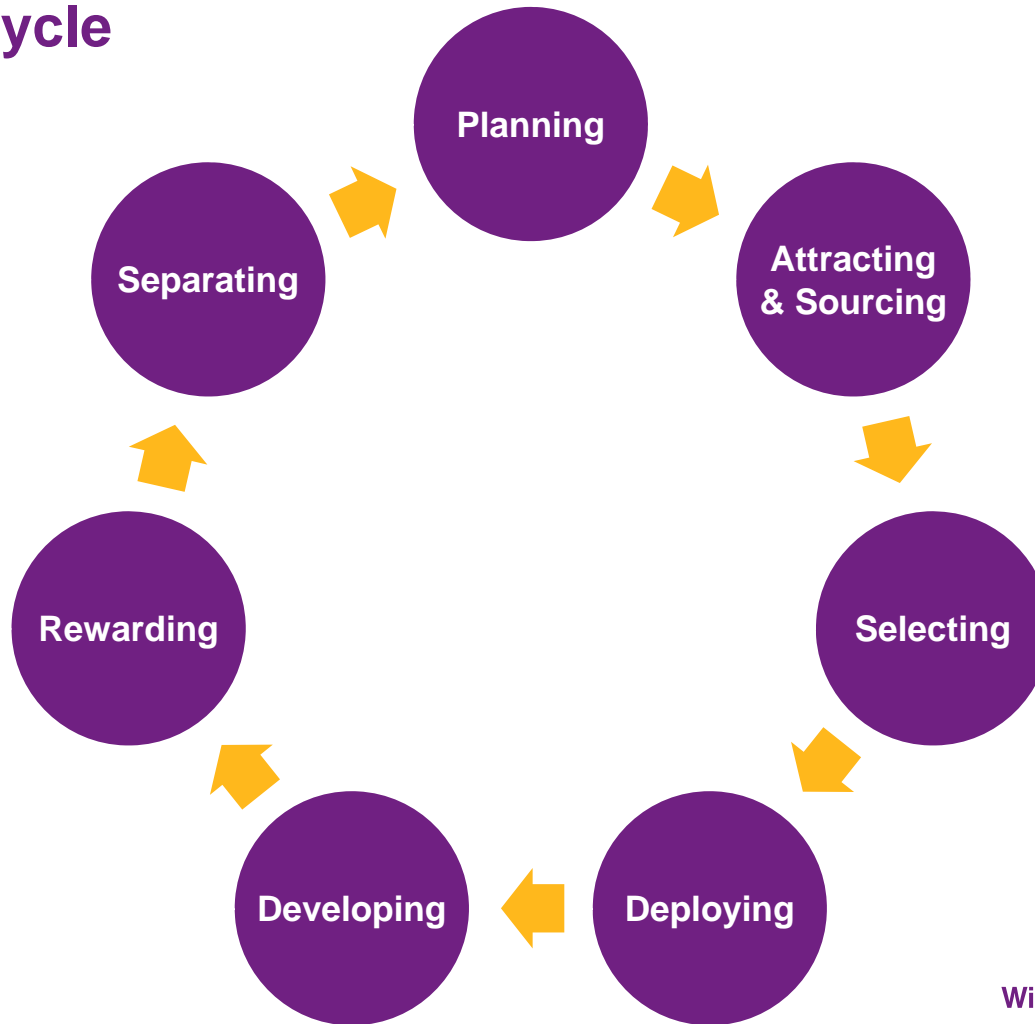
Software Developer Job?



Software Developer Assignments?

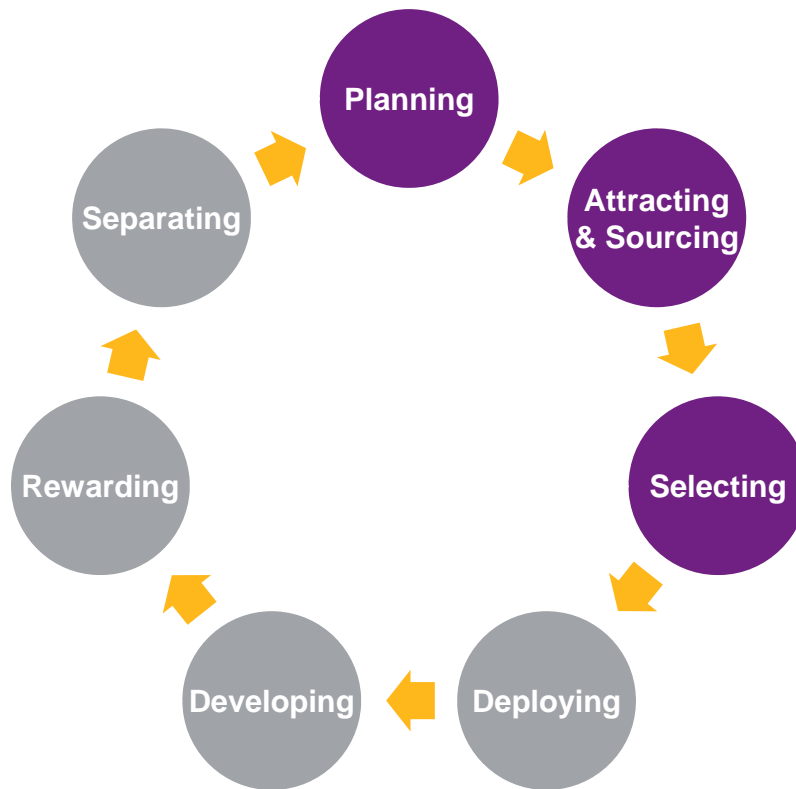


Align work lifecycle



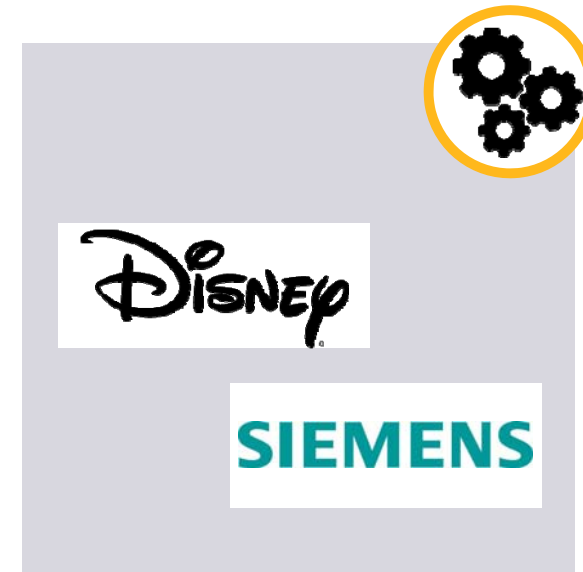
Align Talent and Reward Strategy to the work

Planning, sourcing and selecting



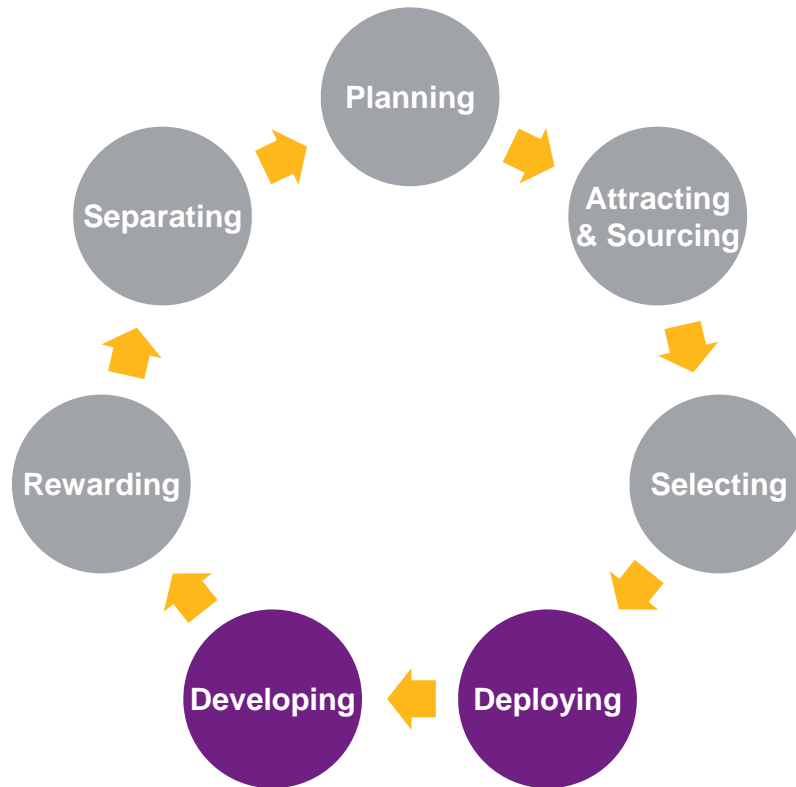
Evaluate the **WORK**

- What is the work?
- Who does this best?
- What is the reward?



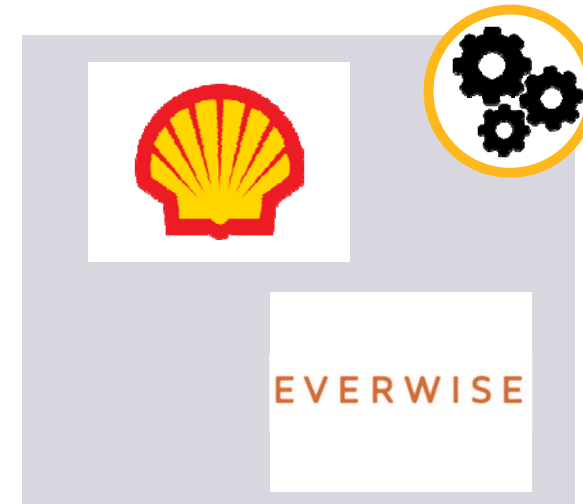
Align Talent and Reward Strategy to the work

Deploying and developing



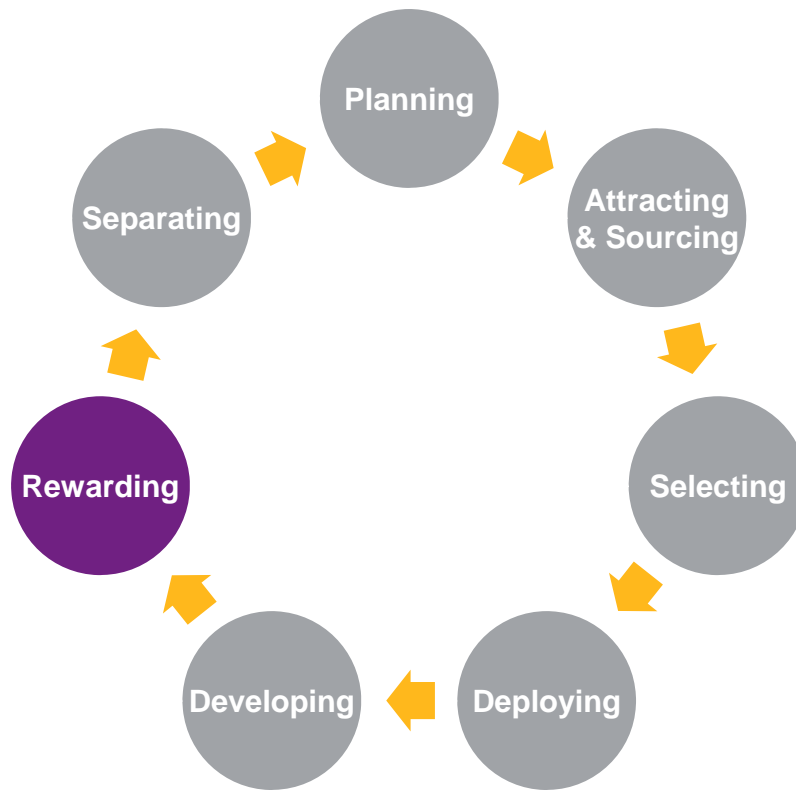
Evaluate the **WORK**

- What are the work tasks, companies and platforms that build capability?
- What organizational systems are required to enable?



Align Talent and Reward Strategy to the work

Rewarding



Evaluate the **REWARD**

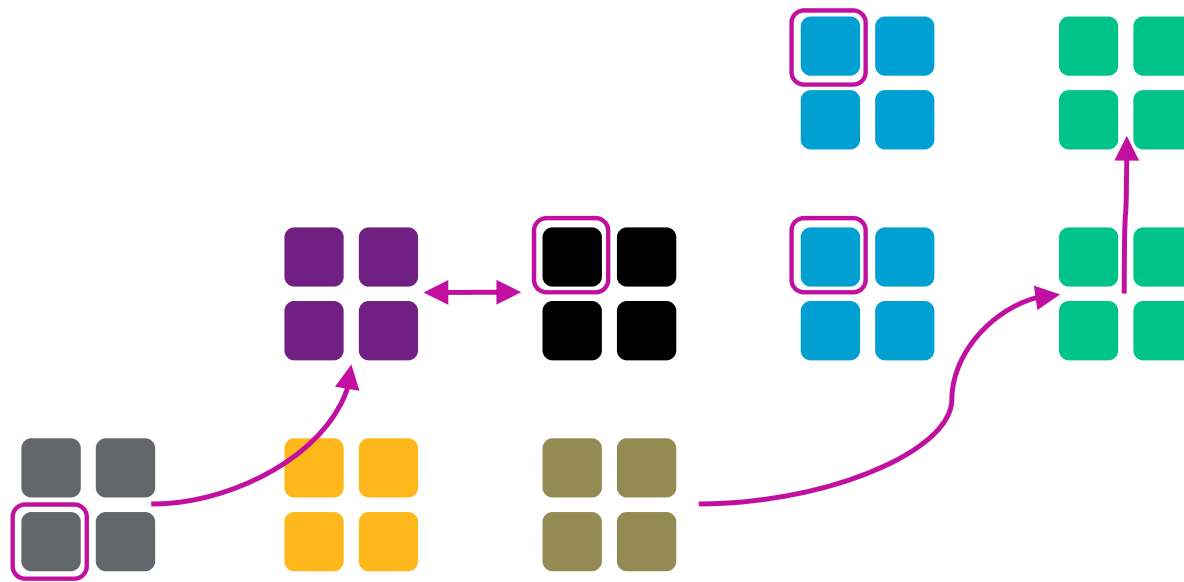
- What is the work we need to reward?
- Beyond base pay, what have we considered?

Rewards:

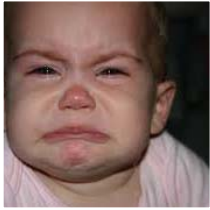
- Meaning
- Learning
- Community
- Discretion and control
- Flexibility in time and place

Source: Lead the Work, Boudreau, Jesuthasan & Creelman, 2015

Careers redefined?



New Work: Horrible or Wonderful?



Horrible

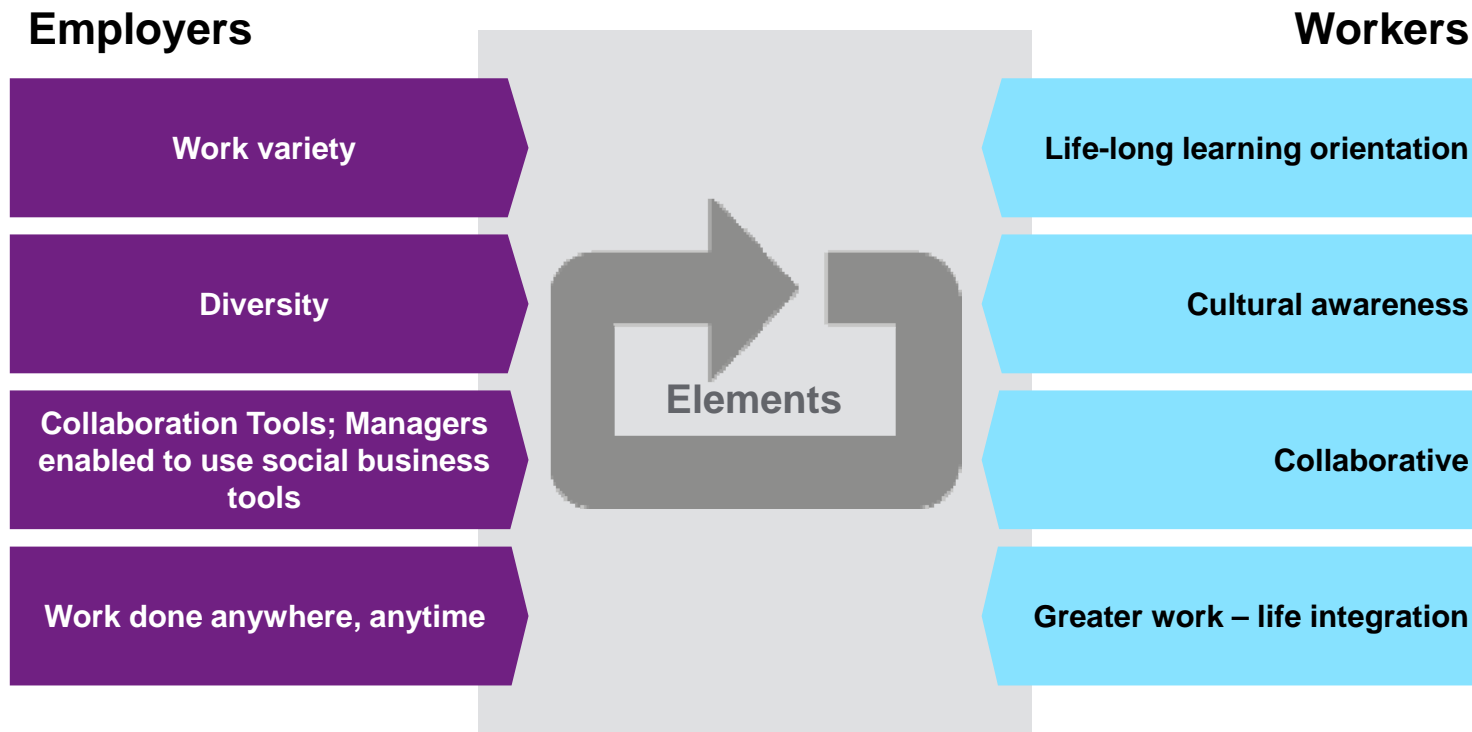
- Risk Shifted to Workers
- Employers Stop Training
- Death of the Career
- Commoditization
- Rush to Lowest Cost
- Worker Exploitation



Wonderful

- Transportability
- On-Demand Training
- Boundaryless Careers
- Precise Work-Worker Matching
- Rewards Segmented to Match Needs
- Worker Empowerment

The Forward-Thinking Employment Deal



Conclusions

- ▶ **Work is changing**
- ▶ **A range of options for addressing talent gaps**
- ▶ **There are impacts on the whole of the work life cycle**
- ▶ **...Don't get left behind!**

Tactics Employers Can Do Now



**What do you want to explore further
in the breakouts?**