Viewpoints

Q & A

Engaging the future workforce

The **Future of Work** is becoming an important topic for many organisations, both for its HR implications and its impact on overall business strategy.

The fact of the matter is that the future of work is already here, whether organisations realise it or not. Automation and the resulting shift in work arrangements are creating new challenges that will test employer readiness around technology, future workforce requirements, HR programmes and an enabling organisational structure. While Willis Towers Watson's 'Future of Work' survey found that organisations in India are beginning to take small but solid steps to address this paradigm shift – it is critical that top management, business leaders, people managers and HR collaborate to identify and mitigate risks and take full advantage of the many opportunities that the future of work presents.

How do organisations lead this change effectively while continuing to drive employee engagement and productivity? Paresh Rajgarhia, Director – Talent and Rewards, Willis Towers Watson India engaged in conversation with Indrajeet Sengupta, Executive Director and CHRO, Hindustan Coca-Cola Beverages and Yashwant Mahadik, President – Global Head of HR, Lupin on '**engaging the future workforce**'.

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Q Paresh: One of the key findings from Willis Towers Watson's Future of Work study was that more than half the companies in India believe that automation will augment human performance and create new work, not replace it. What are your thoughts around it?

A Indrajeet: We believe that technology will play a critical role in the future of organisations, employees and HR. This includes applications of AI. This should enable us to augment human performance with analytics and data driven interventions while freeing up resources to focus on creativity, collaboration and adaptability for global corporations.

A Yashwant: Digital technologies and advancement of Artificial Intelligence and Machine Learning technologies will enable higher productivity, performance and will bring in greater efficiency at work. We shouldn't resist this tech evolution, instead we should learn, embrace and leverage it for the betterment of the workforce and the organisation. At Lupin, we are constantly leveraging cutting-edge technologies in all spheres of our business and work. Whilst you do that you need to ensure a good balance or return between cost and benefits for the organisation and its employees and customers. For example, we have initiated the use of virtual reality (VR) tech to help build skills in our manufacturing operations. This helps in skills upgradation of a large number of employees in lesser time and at reduced cost.

Q Paresh: A recent Willis Towers Watson – CII Study on Organisation Structures in India found that almost a third of companies are considering changing their organisational structure. What type of organisational structures would be best suited to engage the workforce of the future?

A Indrajeet: All companies are constantly evolving their structures to keep pace with external environmental changes. This is also a reflection of society in general and

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changing consumer preference. Companies now also face the challenge of managing a multi-generation workforce. A "one size fits all" approach will simply not work. Finally, it is the business strategy which determines organisation design. India is no different.

A Yashwant: There isn't one best suited organisation structure that fits all. Organisation structures should be designed to execute the organisation's business strategy. Whilst you do that, you have to keep the size, scale, complexity and life-cycle stage of the organisation (startup, small scale, large scale, domestic, multinational, etc) in mind. The principles of designing any organisation structure should aim at driving collaboration, innovation, performance and compliance while reducing complexity, bureaucracy and cost. Organisation design is a science and an art and should be done with the sole purpose of creating higher value and for serving customers efficiently.

Q Paresh: Contingent and gig workers are expected to be a large part of the workforce in the future. What are your thoughts on managing the engagement of this category of workers given how critical they are for organisational success?

A Indrajeet: It's still an evolving area of workforce. Contingent and gig workforces are evolving as organisations that need them are also changing. India should benefit from the entrepreneurship of this kind of workforce in future. However, there are a lot of unanswered questions, especially on regulations, benefits and overall engagement of this workforce that will need to be answered in due course of time.

A Yashwant: Gig workforce is going to be a large part of most organisations in the future. To be able to adapt and leverage this change, we need to change mindsets very quickly. Gone are the days when you could expect talent to work for a company for a lifetime or long durations. We should aim at attracting and engaging gig workers with clear and measurable deliverables and compensate them for the value they will create. Paradigms of hiring, contracting, performance measurement and rewards will have to be unique to every talented person - versus the traditional group or level wise approach for permanent and contract staff of today.

Q Paresh: Given the digital revolution, more and more companies are moving from an EVP (Employee Value Proposition) to IVP (Individual Value Proposition). How should organisations engage different generations and segments of employees?

A Indrajeet: Though needs and aspirations vary, companies have to answer "What's in tt for me" for their workforce irrespective of the generation. For example, millennials seek experiences, challenge in the job and are digitally savvy and don't measure career progression linearly. On the other side, Baby Boomers have legacy knowledge of customers that is important for companies. Both these generations add capabilities that are vital for an organisation's creativity, collaboration, adaptability and work flow to serve customers. Every company will need to create their own framework of a value proposition that will address the needs of the company and the individual.

A Yashwant: Even today there is EVP and IVP. These are two different things, but not mutually exclusive. EVP is what an organisation stands for in the talent market and IVP is what an individual in the organisation stands for from a contribution and value creation point of view.

Managing employees of different generations isn't such a big challenge as it's made out to be. The real challenge is to create a culture, policies and practices that are inclusive of the various diversities that exist in society. 'Generations' is just one aspect of diversity and others like gender, ethnicity and education are equally important. Most successful organisations are the ones that have diversity and inclusion in their workforce. At Lupin, we give utmost importance to inclusiveness and diversity. Our D&I program is very strong and run and managed by the employees themselves - we as leaders just enable and support them.

Q Paresh: Another key finding from the Willis Towers Watson Future of Work survey was that 'Premiere' Talent (those who can work creatively and demonstrate lateral thinking and logical reasoning) will be difficult to attract and retain. What should organisations do to create a differentiated talent experience for this segment?

A Indrajeet: This is especially true for emerging markets across the world like India, China, ASEAN, Middle East, Africa, Russia, Eastern Europe etc. Companies today continue to use developed market talent strategies across the world. This "one size fits all" strategy isn't working in these emerging markets where market dynamics, regulations, consumer choice and innovation are constantly evolving. Technology and demographics also play a key role here which existing models from developed markets don't address adequately. As a result, top talent continues to "float" rather than stay and grow in one company. Local companies in these markets are developing talent strategies that are agile, smart and fit the needs of the

local market and talent, which is why they are now able to attract premium talent from MNCs. These companies are often able to leap frog with new talent practices such as digital learning, unconventional role rotations, new startups where talent develops faster through multiple and complex leadership experiences.

A **Yashwant:** It all depends on what the talent philosophy of an organisation. Most organisations believe and focus only on a differentiated strategy in terms of rewarding and retaining their top talent who are high performers with higher potential. The contemporary belief is that everyone in an organisation is talent and you need to be inclusive in developing everyone's potential and see them perform and contribute to their best. You can and should reward people based on their contributions and the value they create but for doing that you need robust and transparent processes of performance assessment and rewards. Progressive companies have moved from 'Performance Management' to 'Performance Achievement'. The objective is helping and enabling everyone to perform better. Also, you need fair and transparent process for dealing with employees who are consistent low performers or who exhibit low standards of values and behaviours. Talent that creates value can be anywhere in the organisation's pyramid, not necessarily at the top. So, identify the critical talent that via its role and capabilities create more impact in an organisation and then disproportionately invest in developing and rewarding them.

Q **Paresh: Organisations that can listen most effectively are the ones that can then react with knowledge, ability and confidence to changes in employee expectations. Today, organisational listening is imperative, not just good to do. Can you talk about how the listening journey has evolved in your organisation, especially around the role of technology as an enabler?**

A **Indrajeet:** Organisational listening is becoming important as companies evolve from the traditional employee engagement surveys and processes to more robust data driven insights of their employees. Tools such as Workplace by Facebook and Yammer have been active for some time. In India, companies are slowly moving along this continuum. Smaller companies are adapting faster along this journey. In our company, we view ourselves as a startup of size and scale. We have already started this journey and intend to leapfrog competition using digital tools that will help us draw the right insights about our employees, while continuing to build healthy employee experiences at the workplace.

A **Yashwant:** Technology has enabled us to have better and quicker access to anyone and everyone in an organisation. It's a combination of technology and best in class employee contact programmes such as town halls, coffee with leaders, live chats and live videos telecasts that enable us to reach out to the right employees and also listen to them. We believe that feedback is a gift and we constantly give and seek it. We also capture and measure it systematically on regular intervals via employee engagement surveys and act on the feedback.

Q **Paresh: What are your recommendations to organisations in India to be better prepared to engage the workforce of the future?**

A **Indrajeet:** First, the leadership in companies have to be aligned that employee engagement is good for the business. At the same time, agility and speed of engagement drives greater value through positive employee experiences. Most importantly, employee experience will need to be owned by the leadership and not just HR. A good way to start is to appoint an Employee Experience Leader for the company to design and drive the strategy around employee experience. Companies will have to find the right blend of agile processes enabled by digital technology with positive change management. This is a real situation emerging and it is up to companies to become proactive.

A **Yashwant:** Organisations, its leaders and their HR functions need to heavily focus on the following strategic priorities:

- Enabling their organisations in successfully adopting and leveraging digitisation.
- Constantly keep renewing talent processes and practices and keep them simple and relevant. Keep evolving and adapt to changing times. Transformation and constant change is a permanent now.
- Connect every employee's work to creating value for your end customer - use technologies to make them sense, feel and see that impact. Nothing engages employees better than them seeing their work create value.
- Create a learning culture where people continuously learn as a team and build skills versus learning as individuals in silos. This will result in a much smarter workforce.
- Care for and respect the "Human" as a "being" and not as a "resource". Help them balance their life, if they are happy at home they will be happy at work and vice-versa.

Above all be socially responsible and connect with the community at large and involve and engage your workforce in doing so.

Given the rapid disruption that technology is causing to the way of working, it is important for organisations to think about enabling organisational structures of the future that would help lead this change. While organisations will have to individualise their work structures, ultimately the structure will have to support agility - speed to action, which is the key to success in the fourth industrial revolution.

Another focus area for organisations will be managing diversity and inclusion – be it generational, gender, ethnicity or educational; and understanding the unique needs, demands and aspirations of each of these segments will be critical for success.

Organisations also need to leverage technology in driving employee engagement and tools such as Natural Language Processing which can capture the chatter of a particular employee segment or Artificial Intelligence led focus groups are a great way of doing that. Ultimately, effort should be made to link some of these employee experiences with key business metrics. Using predictive analytics one can gauge what experience / key employee drivers will impact a business metric by how much. Further, the need to differentiate the employee experience for top talent, while at the same time developing strategies to attract, engage and reward the contingent workforce will play an equally important role.

Willis Towers Watson recommends that organisations move towards measuring employee experience to understand the emotional highs and lows of employees at different points in the employee life cycle. Organisations will have to segment employees into different groups based on generations, education, background, talent etc. and then measure experiences of these employees differently. Once organisations understand the emotional journeys of different groups of employees at different points, they will then need to accordingly offer rewards, recognition and development programs. A one size fits all listening, rewards or learning strategy simply doesn't work anymore. Organisations that successfully make this shift will find themselves better prepared to leverage the many opportunities presented by the future of work!

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