

## The People team of tomorrow

The HR skills needed for the future world of work



### Overview

### How have your HR skills developed recently?

With such seismic changes in the world and workplaces lately, it's no surprise that HR and People leaders have been challenged in new, unprecedented ways.

From moving a workforce to 100% remote and responding to events in real-time and reacting accordingly, to finding new ways to keep employees healthy, happy and engaged, there's no doubt HR has been in the spotlight and under immense pressure. HR has stepped up.

Now is the time to take stock. Sage's research report, The changing face of HR, found that even before recent events, huge changes in the world of work were occurring, with HR playing a pivotal role in leading change in organisations and having to evolve itself as a function as a result too.

Ultimately, the research found that HR's changing. First Personnel in the 1980's, then HR. Now, it's evolving into a People function, with new responsibilities and opportunities for HR leaders in today's transformative world of work. In this eBook we'll uncover what these changes mean for HR leaders, what skills are needed to get ahead and how to be the People leader of tomorrow, today.



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### Introduction

### The changing face of HR

In ten years, will your HR team have the skills needed to thrive in the future world of work? A whopping 86% of 500 global HR and People leaders Sage polled in The changing face of HR research report<sup>1</sup> said HR skillsets need to change. 82% admitted they anticipate the role of HR Director or CHRO will be completely unrecognisable in ten years' time. Worryingly, less than one in three HR leaders said they would rate themselves as expert.

The research set out to find out how HR is evolving in today's changing world of work. Even before recent changes, enormous shifts in workplaces were already happening. The make-up of a company's workforce and how, when and where it works is changing at a phenomenal pace, and today's workforce is more diverse, mobile and technologically enabled than ever. Engagement and productivity have remained stubbornly low. For the first time, the workforce is comprised of five different generations, all working side-by-side and all bringing varying expectations of work and workplaces. The contingent workforce is growing to include agencies, freelancers and gig workers, presenting challenges to the way leaders manage their teams and track performance.

As a result, progressive HR and People leaders are shifting focus to build great employee experiences and understand the importance of personalised tailored experiences that engage their workforce. People leaders are also constantly trying to raise the profile of HR, as the function moves from the backroom to the boardroom, by elevating the importance of effective people-focused HR strategies and demonstrate how they impact overall business objectives.

Our research found that, as a result of all this, HR really is shifting to People; the way HR operates is evolving; technology used in HR is changing; and, ultimately – the role of HR is shifting and, as a result, new skillsets are required.



**86%** of HR leaders believe HR skillsets need to change

sage

### The role of HR is shifting

### What skills will the people leader of tomorrow need?

Critical skillsets must change – urgently. That was one of the main messages from 500 HR leaders polled in The changing face of HR research report. Changes in the world of work are requiring HR and People leaders to respond, with new increasing demand for skills such as People analytics, behavioural sciences and marketing to get ahead.

HR leaders polled pinpointed the four biggest gaps they feel they, and their teams, have today: tech-savviness, creativity, People analytics and behavioural sciences<sup>2</sup>. They also identified the skills they feel are most important for the future: communications, People analytics, creativity and tech-savviness. Worryingly, of the top four skills gaps identified by HR leaders as vital for tomorrow, three were also recognised as where they have gaps today (see page overleaf). These skills are becoming increasingly mission critical in the sector, as HR and People leaders today focus on more agile ways of working. HR needs to, more than ever, be prepared to be able to adapt and flex to new challenging and shifting organisational needs as they arise in today's ever-changing uncertain world.

We'll look at each of these four skills identified as most important for the HR and People leader and team of tomorrow in turn: communications, People analytics, creativity and tech-savviness. We'll find out why they're so important, how to upskill in this area and how HR and People leaders can equip themselves and their teams, as a result.

The most important step for HR and People leaders to take in evolving their skillsets starts not with technology or labour, but in the mind. To stay relevant as the world around us changes, we must drastically re-imagine what values and beliefs we cling to about our profession and the relation our profession has with other stakeholders within our organisation. HR and People leaders are being forced to shed the identities we've held onto for far too long and don new identities that are agile, tech and data-oriented, and readily embracing change. That battle will be won in the mind of the professional before it can be won within an organisation.

**Joey Price** 

CEO Jumpstart HR



### Four HR skills needed for the future of work

Of the top four skills gaps identified by HR leaders, three were also identified as the most important in three years time

### Skills identified as biggest gaps today

**Tech-savvy** Just **25%** of HR leaders rate themselves as tech experts

### Skills identified as most important in three years



#### Communications

**76%** of HR leaders think skills in this area will be important in three years time



**Creativity** only **28%** of HR leaders rate their creative



### **People analytics**

**76%** of HR leaders think people analytics skills will be important in three years time



### **People analytics**

Just **28%** of HR leaders rate their people analytics as expert

3

### Cre 73%

### Creativity

**73%** of HR leaders who said creativity skills will be important in three years time rate themselves as tech experts

### **Behavioral sciences**

Less than a third (**29%**) of HR leaders rate their behavioural science skills as expert



### Tech-savvy

**73%** of HR leaders said digital skills will be important in three years time.

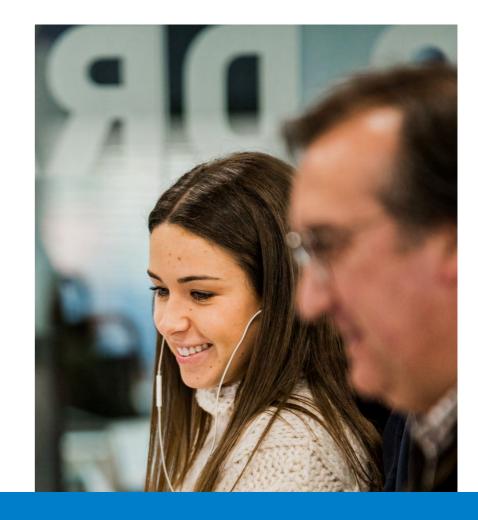
### 1. Communications

### **Communications and HR's shifting role**

It's never been more important to get your employee communications strategy right, and be coordinated, clear and consistent - recent changes have shown this more than ever. In fact, 84% of organisations believe employee engagement has increased in the wake of the global pandemic<sup>3</sup>, demonstrating the positive impact of succinct and regular communications. It's no longer enough for HR and internal comms teams to simply keep an intranet updated regularly.

Employees expect transparent, clear and authentic communication from their employer, across a range of channels, at different cadences. Be it an alert on an app to notify them of immediate updates, a Q&A with business leaders, or an opportunity to hear and share feedback. They expect communications across the whole end-to-end employee journey, at every touchpoint and in a personalised and meaningful way that resonates to them individually.

Furthermore, unprecedented changes in today's world of work have brought to the fore the importance of tailored and targeted communications. HR leaders today need to be able to send out customised updates, policies and information to employees based on location, role, start date and more. This has been mission critical for effectively managing and communicating with employees recently. Importantly, employees also need to feel that communication is two-way. Personalised portals, reflecting culture and brand in a system and a consistent, engaging and authentic tone across all channels are just the start if organisations want to keep their workforce engaged and productive.



**76%** of HR leaders identified communications as a top skill for the future of HR leaders identified

### What will communications look like in the HR team of tomorrow

Innovative use of channels like Instagram and WhatsApp will become mainstream before too long. It's not just about where you communicate, however, but how. Like many external communication teams, having a long-term strategy, using a content calendar, employing consistent messaging and finding new innovative ways of telling stories is vital.

For employees, its paramount that communication is two way and that they're part of the conversation. Employee advocacy will also come even more to the forefront as a powerful tool in communicating with your workforce and across your business.

Communication goes beyond typical rhetoric and needs to be emotionally engaging, believable, stretching, inclusive and timely. With so much 'corporate propaganda' people need to believe in what's being shared so HR's sense check on what makes a difference – acting as internal communications auditors and evaluators – should not be underestimated. Those open organisations seem to have weathered recent changes in the world of work because they have been strong in communication as their starting point.

### **Perry Timms**

Founder
People and Transformation HR



### How to upskill for tomorrow's communication, today

People leaders and their teams must learn new skills from outside the traditional HR function and look to recruit new roles not traditionally seen in HR to bring in a wealth of communications experience needed to engage employees today.



Consider opportunities to exchange skills with external communication or marketing teams in your organisation, be it informal 'lunch and learns', or more formal approaches like secondments, temporary job swaps or mentorships.



Line managers are one of the most important channels for communicating your company message; progressive HR teams are upskilling them in communicating organisational messages clearly and effectively.



Provide training for team members on video and design skills and consider hiring candidates into the team with experiences in these areas to share skills across the team.



Digital tools and technology are paramount in effective communications; work with vendors, consultants and peers to equip your team with knowledge about best-in-class platforms and practices.



Use data, analytics and feedback to understand current effectiveness of communications: what are employees responding to? What do they want more of? What gets them excited and engaged? How can you improve?



Working with marketing and communications colleagues isn't just vital for sharing skills but having a consistent approach across external and internal messages. Work with them for a clear comms messaging structure and execution, making sure external and internal updates are aligned.



Send team members to conferences and speaking events to find out more about best-in-class approaches and subscribe to communications, publications and resources.

### 2. People analytics

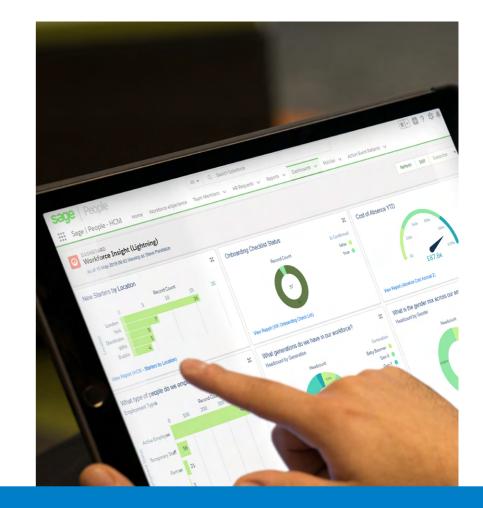
### People analytics and HR's shifting role

People analytics has become vital for HR and People leaders as they've navigated through recent uncertainty. Understanding where your workforce are, sickness and absence levels, and using data to inform business planning and flex organisational direction has enabled HR to become a valued insight-driven leader in today's boardroom. From adapting to shifting priorities, to using workforce visibility for resource planning, HR teams who have had People analytics at their fingertips have provided immeasurable value at a time when leaders need it most.

Even before the impact of the pandemic, just a quarter (26%) of HR leaders told us they were using People analytics, despite widespread recognition of its importance in decision making and in directing strategy. Effective People analytics goes way beyond just simple analytics. It means not just mining data and reporting it – but gaining actionable insights to identify solutions.

Effective and innovative People analytics means applying data-driven approaches to improve workforce visibility and how you both manage and engage your workforce. It's about understanding people and their behaviour in your company and generating more actionable insights to help you make better, more informed evidence-based, business decisions.

Currently, sales, marketing and operations are all using data to plan and measure objectives and gain actionable insight and visibility, meaning they can demonstrate the value of their contributions to the business and its results. So too should HR and People teams as the department responsible for any organisation's biggest asset: its people. The C-suite expect this in decision making and the People leader of tomorrow can provide this confidently and seamlessly.



76%

of HR leaders identified People analytics as a vital skill for the future



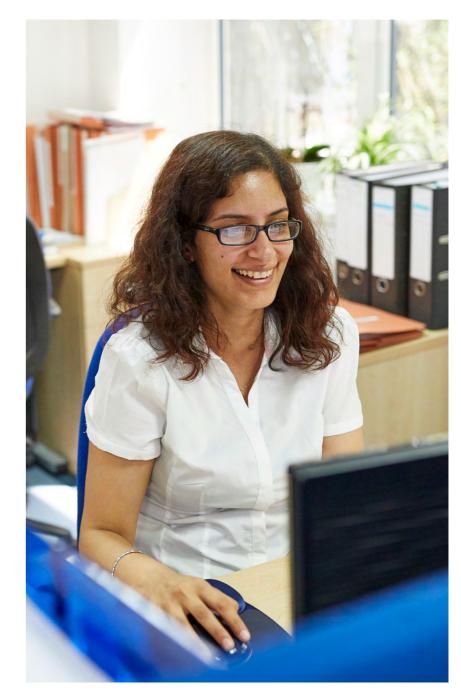
### What will People analytics look like in the HR team of tomorrow

There are five steps to better workforce visibility that form the basis of most organisations' People analytics journey. They are: People data collection; People analytics reporting; analysis of the data; insights from analytics; and then finally, using these insights to proactively identify problems and make informed business decisions. Best-in-class People teams are further along in their People analytics journey, and the People team of tomorrow will be at full analytics maturity.

In practice, this means CHROs can access up-to-the-minute data from a single reliable source of truth, providing credible recommendations with interactive dashboards that can be shared across the C-suite to make informed business decisions in real time. It means 'SMART' HR KPIs aligned to business objectives, using 'leading' metrics instead of 'lagging', and going beyond just KPIs to understand the why – for example, how more women can be promoted to senior levels, or why engagement may be lower in certain teams.

People analytics has grown up – it is now an established discipline in businesses. Data and analytics literacy have become an imperative for HR professionals. So, HR professionals out there: it's time to become data geeks!

**Josh Bersin** 



### How to upskill for tomorrow's people analytics, today

Forward-thinking People leaders are hiring from non-traditional roles to get data experts into HR teams quickly, whether they're data scientists, economists, or analysts from other fields, to get ahead. Upskilling goes beyond just that, however.



Work immediately on building capacity for analytics in your team, building data-driven roles and recruiting from different fields. Making a business case for this head count is vital.



Improving People analytics skills is redundant if HR teams don't have the right technology. A cloud HR system with comprehensive People analytics functionality is critical. Look for a system that enables you to visualise people data in dashboards that are ready to share, drill down into data and run what-if analyses, and gives you the ability to set up reports to notify managers of exceptions such as high absence rates.



Work with your vendors to understand what your system is capable of and what the next steps are for you in your organisation's People analytics journey. Can you leverage ideas from other customers? What are your priorities and how can you build dashboards to dig into the relevant data?



Building a deeper and closer relationship with the CFO, and between the HR and Finance teams, is essential. As data experts already, they can support HR teams on their People analytics journey and allow both teams to benefit from better alignment



Bring your CEO and the C-suite on your skills journey with you. Present this as mission-critical for your organisation and highlight the advantages of analytics maturity (and the business risks by not), so they can understand the challenges and huge benefits, that lie ahead and you can solve together.

### 3. Creativity

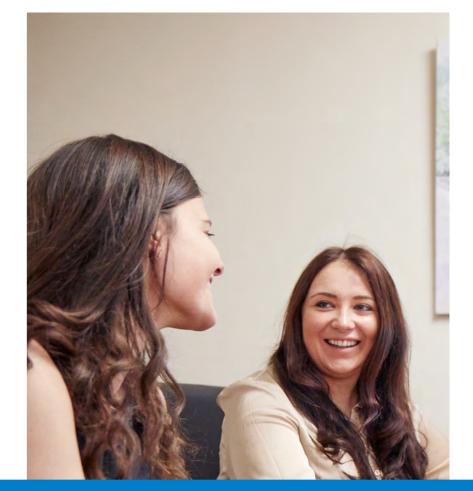
### Creativity and HR's shifting role

Creativity – the ability to solve problems with fresh, out of the box thinking – is the kind of talent you may associate with jobs like marketing. However, it is becoming increasingly paramount for HR and People teams as they strive to find new ways to manage, engage and motivate remote workforces in today's complex world of work and find innovative ways to respond to new challenges. Previous workforce experiences strategies are no-longer fit for purpose in today's landscape, thanks to recent changes across the world. HR leaders are finding themselves having to put their creative hats on and think again.

Creativity means different things to different organisations, but is generally a cocktail of skills including innovation, inspiration, imagination and intelligence. It means being able to spot opportunities, find solutions and execute original strategies to achieve business goals. That last part, execution, is one of the most important parts of creativity. Being creative does not simply mean just dreaming up big ideas but being able to put them into action too. Creativity without execution is simply imagination.

On the other hand, creativity does not necessarily mean being 100% original all the time. Experience matters too. Albert Einstein called creativity "intelligence having fun". When faced with a problem, the most creative people tend to be the ones who have the best understanding.

HR has had to be creative and innovative in today's environment - out of the box thinking is absolutely required today, as workforces globally find themselves day-to-day outside their usual boxes.





of HR leaders say creativity will be important for the future, yet only 28% currently rate their creativity as 'expert'



### What will creativity look like in the HR team of tomorrow

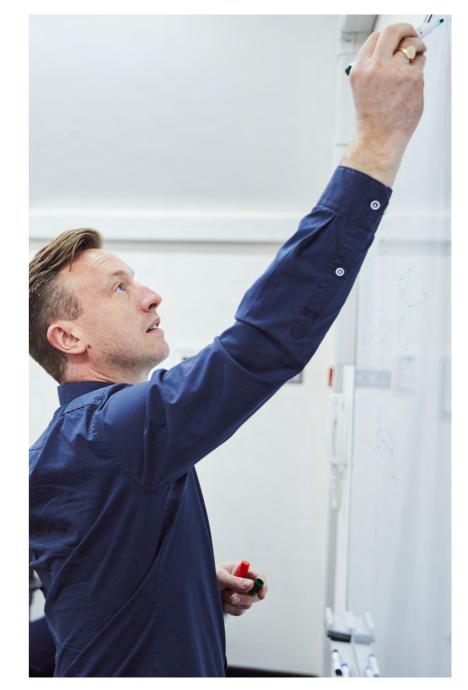
Creativity is the driving force behind innovation, making it an essential element in the continued success of a business. This applies to HR, both today and tomorrow, too. Creative HR and People teams are better able to stay on top of changing trends, adapt to new ways of working and accomplish their goals for the benefit of the organisation.

Creativity is, by its very nature, always shifting and moving forward. One of the greatest transformational factors in this evolution is digital technology. Present-day creativity tends to be greatly influenced by its relationship to software and new forms of communication and technology. The same applies in HR. Modern HR experts require an ever-expanding digital skillset, incorporating online content management, multi-channel campaign ideation, as well as traditional creativity skills.

Modern research organisations create breakthroughs in science not by following one path, but by trying thousands of experiments until one gives the results it needs. The best HR leaders I know pilot new ideas with a view that four out of five may fail. It's the learning and adapting that they see as a key part of creativity. This needs an open culture of learning by mistakes which needs trust established in the team.

Anthony Ryland

Tap'd Solutions



### How to upskill for tomorrow's creativity, today

Building creative and innovative capacity in your HR and People team is an opportunity to be creative in itself. There are a few things you can start with, however.



Build a robust team culture around flexibility and responsibility. Imagine what would happen if you gave your team more freedom to act on ideas that benefited your organisation. Things like dedicated hours each week for innovation ensure creativity doesn't drop off the priority list.



Use failure as a tool. Innovation and creativity will only thrive in the workplace if you and your team are willing to take risks, learning and growing all the time.



Even the thought of collaboration with other people can lead to an increase in performance. By fostering greater collaboration with other functions, team members bring a unique and fresh perspective back to their own tasks and projects.



Lead by example. Incentivise your team to speak their minds and offer creative suggestions. Make adaptations to their working situations which will allow them to explore creative options. Share examples of creative outputs from other companies and encourage them to follow these examples.



Actively seek out teams in the organisation that may be more creative, such as marketing and PR, and find out how they come up with creative ideas and follow through. Share these across the HR team and encourage formal peer- learning opportunities, for example, volunteering HR colleagues to join future creative planning sessions.



Similarly, consider new formats and styles of team meetings, so your team feel like they're outside the 'day-to-day' and where it's more likely creativity and innovation can flourish.

### 4. Tech-savviness

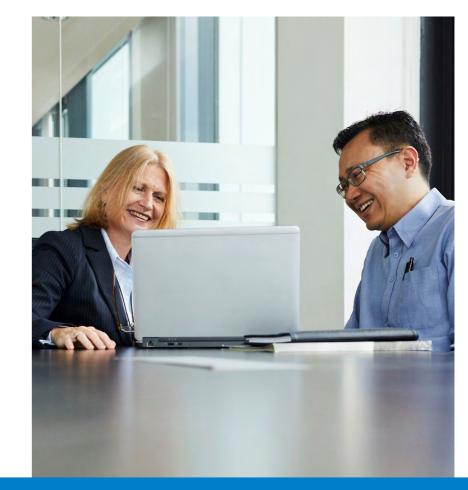
### Tech-savviness and HR's shifting role

The recent events have forced many organisations to work remotely and has acted as a catalyst to accelerate digital transformation. Now is the time to ensure your HR team is equipped to lead further changes today, in order to be ready for the challenges of tomorrow and ensure your business can adapt, and be resilient and agile.

Ultimately, the world of work is shifting at an extraordinary rate. Employees, used to intuitive technology at the touch of a button in their personal lives, are expecting and demanding the same from their employer. For remote workforces, technology is critical to be able to work effectively - from cloud, to mobile, and communication and collaboration tools.

Not only do organisations need to ensure employees have the right technology to work successfully, but they need to make it seamless, intuitive and engaging, delivering great experiences for their workforce that employees have come to expect.

Furthermore, technology like automation and self-service means HR and People teams can be liberated from processes and admin, and invest more time on strategic initiatives instead - like attracting and engaging top talent, building amazing employee experiences, and boosting productivity.





Tech-savviness was 25% of HR leaders rated pinpointed as the biggest themselves as expert



### What will technology skills look like in the HR team of tomorrow

Best-in-class organisations who use technology to deliver seamless and engaging workforce experiences today, will become the norm tomorrow. Some HR and People teams are already leading the way with technology, but there are many organisations that still are not. With just a quarter of HR leaders rating their technology skills at expert, there's a long way to go.

In the People team of tomorrow, many modern technologies– like cloud, automation, self-service and mobile systems – will become commonplace and fully adopted across the board. We know this because these technologies are already vital today. The HR team of tomorrow simply won't be able to function without them, just as many HR teams are struggling without them already.

Beyond that, other technologies like artificial intelligence and intelligence augmentation, virtual reality and gamification will also be commonplace. HR and People teams will navigate the HR technology landscape with confidence and savviness, with the ultimate aim to use tech to drive engagement, build better experiences and boost productivity in tomorrow's workplaces.

Don't underestimate the need to be tech-savvy to improve workplace culture and give you a competitive advantage. For quite some time, HR leaders have shied away from technical conversations because we've felt the greatest value that we bring to an organisation is our heart. We must come to an understanding that the world around us has become more advanced. Take your IT leaders out for coffee, or a video conference call, and pick their brains about progress in their field. We must accept the reality that the world has evolved and we are not in the same professional landscape as we were a year ago. Ignore this truth at your own peril.

#### **Joey Price**

CEO **Jumpstart HR** 



### How to upskill for tomorrow's technology, today

Tech-savvy HR and People teams are not just those who can use the tools they are given, but who can develop their skills with them, achieving greater results while remaining flexible to the type of technology they use.



A good place to start is to measure your tech-savviness in relation to the business. Do you understand as much as the wider organisation or are there specific knowledge gaps you need to address?



Once you know what you want to achieve, you can take a long-term view to acquiring the skills. Try to immerse yourself in the world of technology to gain a holistic understanding as you go along.



Attend industry exhibitions for both the HR sector and your wider industry, these are great places to discover and learn how emerging tech can benefit your organisation.



Keep an eye out for technology that can serve your organisation's specific needs versus chasing down the hot new tech platform. Be intentional.



Read thought leadership publications. Industry experts often give unbiased advice about products they have encountered and can be a key source for news within your sector.



Take online courses. If there are specific tech skills you wish to acquire, these can be especially useful for developing skills such as coding.



Attend webinars. Often hosted by technology experts, these will give you an overview of both current and emerging technologies and help you to make informed decisions.



Apply for demos of new software. This is the best way to test and understand what your team's limitations are when it comes to understanding and applying technology.

### How to get ahead: six experts share their tips

### 'Tap into existing relationships'

Marketing and finance teams are great resources of experts who can be seconded in to share knowledge to all HR workers. Likewise, HR professionals can share workplace psychology insights back into marketing and finance.

#### Anthony Ryland, CEO, Tap'd Solutions



#### 'HR teams need to be super-connectors'

HR and People leaders need to showcase they can evolve and lead during times of change to be leaders of tomorrow. HR need to be super-connectors of an organisation and build collaborative networks while breaking down barriers or silos to keep people engaged. The workforce is becoming increasingly more virtual and dispersed, requiring that HR leaders become more creative in how they communicate and connect with employees.

### Emily Fritz, Employment Brand Strategist, Exaqueo

#### 'Follow the money'

Consider how a COO or CFO reports to the person in the company's driver's seat. They're direct, succinct and matter of fact. These communication styles are nuanced and require practice, there's a fine line between direct and disrespect. Practice phrasing. Learn how to read a P&L. Follow the money. Understand your company's market and customer. Most importantly, communicate like a business leader.

#### Talia Edmunson, Founder, HRnB Consultants



#### 'Early tech adopters will get ahead'

Organisations and HR leaders that demonstrate a natural inclination to pursue technology as a source of primary advantage will thrive in tomorrow's HR world. Early adopters of data-driven intelligence will have a significant advantage over their competition and remain in high demand. Now, more than ever, the time to capitalise on these new tools will cement your place in HR's future.

Paul Falcone, CHRO, Motion Picture and Television Fund

**'HR leaders can lead with courage in today's uncertain world – if they have the confidence to step up'** Business leaders are asking HR and People leaders about the best way to navigate the gig economy, pandemics, artificial intelligence, the largest multi-generational workforce of all time and other topics – all at once! If HR and People leaders have ever wondered if they've got a seat at the proverbial leadership table, this is the time to pull up your chair and have something valuable to say! These are challenging times that are demanding HR and People leaders are uniquely positioned to lead courageously and with confidence.



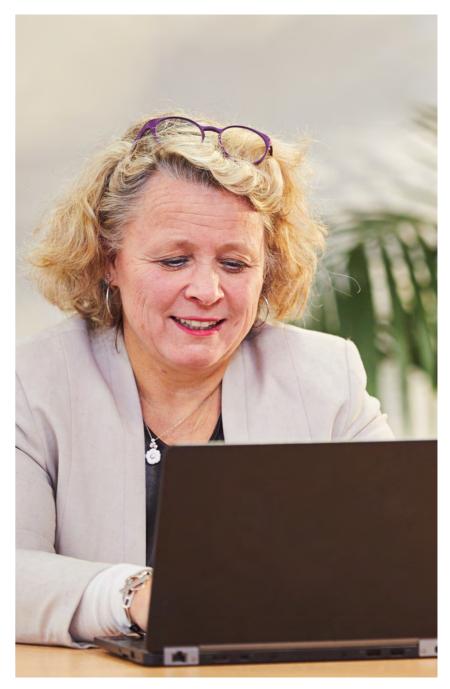
Joey Price, CEO, Jumpstart HR

### Plugging the skills gap

### Over a third of companies plan to hire non-traditional HR roles

Our research revealed a shortage of skills amongst the HR sector globally. As well as upskilling existing HR experts in new People-focused and technological roles, companies have acknowledged they must diversify, and source skills needed from non-conventional routes.





# Summary: the people team of tomorrow

### **Putting plans into practice**

The skills of tomorrow are, in reality, many of the skills needed in forward-thinking HR and People teams today. People leaders know they need to upskill in these areas as they transition towards more modern people-driven processes in today's world of work. The challenge is actually doing it. HR and People leaders are under immense pressure and face barriers to the changes they already know they need, and want, to make.

Fifty three percent of HR leaders, for example, told us they're delaying change because they have too many competing priorities to focus on4. 57% said they can't invest in new technology because of resource restrictions. Similarly, over half of 500 HR and People leaders we spoke to said they can't make the business case for change, and that a lack of vision and leadership in their organisation is preventing change. HR can't make it alone and needs the buy-in from across the C-suite to become the HR team of tomorrow.

Why is it so important? Your workforce is your biggest asset. Invest in them, get it right, and deliver great workforce experiences for them, in turn your business can unleash its true potential, and be prepared for future changes in the world and world of work. Organisations that truly understand the value of their people, and act accordingly, are most resilient for whatever challenges lie ahead.



### People leaders don't need to be experts at everything

Our research revealing the skills needed for the People team of tomorrow uncovers the increasingly expansive role of HR in organisations today. If HR Directors and CHROs need to be a jack of all trades, then it's inevitable they may feel like a master of none sometimes – and that's okay. HR leaders don't need to be experts in everything; it's building capacity for these skills across their HR team that's vital. The HR team of tomorrow who can deploy these skills collectively across the board will have the true secret sauce for success.

Ultimately, expectations of HR leaders are evolving, but not just among business leaders. Sixty nine percent of HR leaders we polled said they believe employee expectations of HR are changing too. In today's changing world of work, people want to be part of an organisation they believe in and one that creates great workforce experiences for them. To do that, a company needs to know this right at the top – and that's where HR come in. Not only can HR and People leaders demonstrate the value of becoming people-focused on the bottom line, but they can drive these people-focused changes across the business.

Yet, these new ways of working require different approaches and skills: analytics; marketing and communications expertise; tech savviness; creativity; behavioural science. The HR and People team of the future will include an army of experts in each of these fields. Ultimately, the HR Director of the future must be a leader of all these trades and an expert in one: choreographing these new roles and responsibilities, driving people decisions with commercial shrewdness across the business and demonstrating value as a result. It sounds intimidating, but the opportunities are vast. Is your HR team ready?



### Your next steps

Having the right technology is vital for HR teams to effectively transform to become the People team of tomorrow.

### Why choose cloud?

Sage People is a global, native cloud HR and People solution that enables mid-sized organisations to attract, manage, engage, develop and retain their biggest asset: their people. Implemented quickly and simple to use, the award-winning system increases workforce visibility, HR productivity and provides better experiences across the entire workforce.

Download the eBook and take the next steps to build a compelling business case and gain effective buy-in for HR technology investments.







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Sources 1,2,4 Sage People, 'The changing face of HR' research report 3 Josh Bersin, 'COVID-19 may be the best thing that ever happened to employee engagement'