

# Organizational Effectiveness

## Five Steps to Navigating Workforce Strategy

RIGHT VIEWPOINT™

Success in today's hyper-competitive global economy requires a clear vision of where a company wants to go, the strategy to take it there and the value it delivers. To achieve that success, a company must apply the same rigor in developing a workforce strategy as it does in creating a business strategy.


In the changing world of work, the one constant is the need for an exceptional workforce. This is regardless of the economic environment, your industry or geography, your size or your earnings. This strategy requires a comprehensive understanding of how complex trends and shifting business realities will impact your business—now and in the future.

Increasingly, the demands and composition of the workforce are shifting in response to economic, social, political and demographic trends. The need for more specific skills is creating a growing talent mismatch and scarcity of ready-now leaders. Multiple generations and cultures in the workplace have resulted in changes in motivations and preferences—profoundly impacting individual choice. Technological developments allow new ways of getting work done. It has never been more challenging to manage your workforce effectively.

Despite their varied implications, these trends revolve around one central theme—the need to empower the right people, in the right places, in the right ways. This requires a sustained commitment to, and a strategic investment in, talent. The company that pays the most attention will win.

DR. DEBORAH SCHROEDER-SAULNIER

“In the changing world of work, the one constant is the need for an exceptional workforce.”



Your talent assets need to be managed as aggressively as the fine-tuning you apply to other organizational assets. Everything else fails if you don't have the right talent in place.

This requires an alignment of workforce strategy with business goals. Talent is the number-one impediment or success factor to executing your business plan.

To navigate an effective workforce strategy, senior leadership must first identify and gain alignment around top workforce priorities. In this context, leadership needs to home in on the needs and supporting practices for critical dimensions required for the workforce to perform at optimum levels. Such dimensions include:

- **Strategy** – The overall purpose, strategic intent and expected business outcomes of an organization.
- **Flexibility** – The ability of the organization to manage its fixed and variable costs for the highest possible return on human and financial resources.
- **Culture** – The daily expression of an organization's values, behaviors, mindset and tone.
- **Leadership** – The values, behaviors, mindset and tone set by those responsible for driving the culture, performance and execution of the business strategy.
- **Engagement** – The values, behaviors and activities that motivate the workforce to exert greater discretionary effort in the performance of their responsibilities.
- **Capability** – The skills, abilities, characteristics and resources to deliver on the business strategy.

Why make the investment? Building an exceptional workforce will drive higher levels of performance and will positively impact your organization's ability to deliver on its business strategy. Investing in this process up front will identify constraints and accelerators to organizational performance – top strengths to leverage and top priorities to fund and why. Furthermore, it will increase executive alignment across functions and geographies, while also aligning talent initiatives to business goals – whether they are related to globalization, growth, productivity or even the brand.

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## ARCHITECTING WORKFORCE STRATEGY

It all starts with assessing the strengths and gaps of existing talent and business capability, balanced against what is needed to fulfill the business objectives today and in the future. To achieve this, we recommend a five-step process:

### 1. Engage Senior Leaders

The first step in the process involves a conversation with senior leaders to better understand the business context and the need for alignment around the top workforce priorities. During this discussion it is important to understand the organization's goals and identify all stakeholders who should be asked to weigh in on the next step.

### 2. Interview All Stakeholders

We recommend conducting brief one-on-one interviews with all stakeholders to introduce the objectives of the process, and to gain their perspectives on the greatest challenges and needs facing the organization. These interviews are an important part of the discovery process, and establish understanding and commitment.

### 3. Gather the Data and Assess Priorities

Conduct an assessment that asks leaders to consider key workforce challenges and the strategic choices being faced—the *what* and the *how* of your workforce strategy.

- *The What:* Leaders individually rank workforce strategy “needs” along two dimensions—Importance to the organization and Satisfaction with the organization's ability to execute.
- *The How:* Leaders then assess how effective the organization is at delivering best-in-class work practices by ranking workforce strategy “practices” along two dimensions—*Value* they believe them to have for the organization and *Effectiveness* in executing the practices today.

### 4. Analyze Results

After the assessment is completed, analyze and share initial findings with the Leadership Team, highlighting areas of greatest alignment and variance across six key dimensions: Strategy, Flexibility, Culture, Leadership, Engagement and Capability.

### 5. Develop and Implement an Action Plan

Conduct an action-planning session that helps leaders align around the strategic choices that are required to execute on business strategy. The key outcome is a tailored implementation plan that will drive accountability for execution and results in the organization.

## How does a workforce strategy play out in reality?

Here are a few examples:

BUSINESS CATEGORY	IDENTIFIED NEED	PRACTICE FOR IMPLEMENTATION
<b>Strategy</b>	Innovation	Identifying and implementing new ideas, activities and work processes that develop and expand the organization's capability to execute its business strategy.
<b>Flexibility</b>	Cross-Border Mobility	Leveraging talent from other countries to augment the existing workforce, and assimilating them to the culture and environment so they are immediately productive.
<b>Culture</b>	Cultural Assessment	Defining the culture required to deliver your desired customer experience, and developing a plan to institutionalize the desired culture in the organization.
<b>Leadership</b>	Leadership Coaching	Developing and implementing formal and informal programs to provide leaders with supportive feedback and coaching, thereby enabling them to grow and be more effective in current and future roles. Coaching is provided through experienced external and/or internal coaches.
<b>Engagement</b>	High-Potential Talent Engagement	Engaging high-potential employees and individual contributors by understanding what motivates them. Developing and implementing personalized individual career-path plans that ensure their successes and drive commitment to the organization.
<b>Capability</b>	Business Performance Management	Developing management methodologies, metrics and technology to drive alignment of business activities to the strategic objectives of an organization.

## CASE STUDY

### Aligning Workforce Strategy with Business Change

#### Situation

A U.S. real estate investment firm faced unprecedented regulatory changes that seriously altered the business operating environment. The newly appointed CEO wanted to create a strategy that could help the firm embrace the new external changes while also building leadership capacity and developing talent at all levels.

#### Solution

Utilizing the WorkforceNavigator™ tool, an interactive data-gathering process was implemented to help senior leaders identify their responsibilities for driving the required business change. WorkforceNavigator provided a forum to clarify priorities, their impact and the subsequent decisions required to align the workforce with the change in strategy. Through this discovery process, it became apparent that field managers were ill-equipped to handle the change and needed accelerated management development programs to improve key skills (such as building trust, communications and delegating).

#### Results

WorkforceNavigator connected the senior leaders to the impact of the business on workforce strategy, created pillars for development for field managers, and guided the appropriation of funds towards implementing the organizational changes and the much-needed managerial development. In the words of the CEO: "We wouldn't have gotten here this fast and as effectively without the WorkforceNavigator-facilitated process. It painted the talent management strategy for us."

## CONCLUSION

You have many options for the creation of a workforce operating model, and a plan for talent acquisition, compensation, retention, performance management, development, redeployment and transition. The key is to align the *right workforce strategy* with *your business strategy*. To achieve this, it's critical that leadership is aligned on the priorities and gaps and the practices to address them.

Undoubtedly, your most valuable asset continues to be your workforce. How you manage this asset spells the difference between success and failure.

Most people follow traditional approaches to workforce planning ... identifying skills, the number of employees needed and where they will get them. Forward-looking, more strategic professionals address how broader trends and social, political and economic forces will affect their long-term business needs, and then they shape the workforce strategy to address these. It is only from here that a well-architected talent plan can be built to meet and align with business objectives.

#### About the Author

Dr. Deborah Schroeder-Saulnier is Senior Vice President for Right Management's Global Solutions Team with responsibility for overseeing the firm's Leader Development, Organizational Effectiveness, and Employee Engagement solutions portfolio—focused on aligning talent management strategy with business strategy.

#### About Right Management

Right Management ([www.right.com](http://www.right.com)) is the talent and career management expert within Manpower, the global leader in employment services. Right Management helps clients win in the changing world of work by designing and executing workforce solutions that align talent strategy with business strategy. Our expertise spans Talent Assessment, Leader Development, Organizational Effectiveness, Employee Engagement, and Workforce Transition and Outplacement. With offices in over 50 countries, Right Management partners with companies of all sizes. More than 80 percent of Fortune 500 companies are currently working with us to help them grow talent, reduce costs and accelerate performance.

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