Workforce of One
Revolutionizing Talent Management through Customization

Susan M. Cantrell
Tweeting? Please mention: #talentmanagement

(800) 263-6317 or (805) 690-5753

TrainingIndustry, Inc.
For More Info / To Register / To Access Archive:
Search “Webinars” or “On Demand” at TrainingIndustry.com

TrainingIndustry, Inc.
Susan M. Cantrell
Research Fellow
Accenture Institute for High Performance
Workforce of One

- Workforce of One: Revolutionizing Talent Management through Customization
- A joint research and writing effort between Accenture Talent & Organization and the Accenture Institute for High Performance
- Published by Harvard Business Press
The power of customization

Customization has revolutionized entire fields of human endeavor – it is now the age of “granularity” and the individual

Hello, John Doe. We have recommendations for you.
Why then can’t customization revolutionize talent management too?
Instead of treating a workforce as a single monolithic entity....
Why not treat each and every employee as a “workforce of one”?
The case of Helen and Jill

Same:
• Nationality
• Gender
• Job Titles
• Performance

Yet Different:
• Goals
• Learning Styles
• Work Styles
• Job Activities
• Career Plans
• Skills
• Motivations
• Needs
But customization isn’t just good for individuals – it’s good for organizations too

Companies we call workforce of one pioneers have greatly benefited from a customized talent management approach
Business benefits can be achieved through customization for both customers and employees

### Benefits of customer customization

- Increased revenues
- Improved customer satisfaction
- Attract & acquire the most profitable customers
- More effective use of marketing resources
- Flexibly respond to changing consumer tastes
- Create a competitive customer advantage

### Benefits of employee customization

- Increased workforce performance & productivity
- Improved employee engagement
- Attract & hire the most talented employees
- More effective use of HR resources
- Flexibly respond to changing employee tastes
- Create a competitive talent advantage
A look at the data…improved business results start with improved employee performance

My performance would improve at an organization where the following are customized:

- When I work: 61%
- Where I work: 69%
- My benefits: 54%
- My compensation: 59%
- My incentives: 73%
- My performance appraisal: 67%
- My learning: 70%
- My career path: 72%
- My job responsibilities: 72%
- My organization's recruiting approach: 59%
- My organization's hiring decisions: 61%

Workforce of One Survey, 2008 n=557
Customization also helps organizations attract and retain the best talent

I would be attracted to and more likely to remain at an organization where the following are customized:

- When I work: 67%
- Where I work: 78%
- My benefits: 84%
- My compensation: 73%
- My incentives: 83%
- My performance appraisal: 75%
- My learning: 73%
- My career path: 78%
- My job responsibilities: 79%
- My organization's recruiting approach: 71%
- My organization's hiring decisions: 55%

Workforce of One Survey, 2008 n=557
Yet few employees believe their organization provides relevant, tailored HR practices

My organization’s human resources practices are highly relevant

- 33% strongly agree
- 24% agree
- 6% neither agree nor disagree
- 13% disagree
- 6% strongly disagree

The human resources department significantly supports and improves my performance at work

- 33% strongly agree
- 18% agree
- 18% neither agree nor disagree
- 6% disagree
- 30% strongly disagree
It’s time to rethink our game plan
Catalysts for customization

1. Technology now enables customization
2. Employees are customers too
3. Knowledge work is changing HR fundamentally
4. The C-Suite now cares about workforce performance
5. Competition for talent will only get tougher
6. Today’s workforce is getting increasingly diverse

Workforce of One
But how can we practically customize without devolving into chaos?

**Workforce of One is about**
- Scalability, control and manageability
- Meeting the needs of the business AND employees
- Extending the diversity paradigm
- Capitalizing on standardization work already done

**Workforce of One is not about**
- Free agents
- Empowerment
- Customizing for critical workers or knowledge workers only
- One-off arrangements that are difficult to scale and manage
Spanish bank Banesto segments its employees just as it segments its customers.
Ways to segment

Employee demographic
Generation, Life stage, Gender, Ethnicity, Education level

Employee relationship to the company
Tenure in the organization, Professional stage, Level, Employee vs. contractor

Geography
Region, Country, City

Work roles
Nature of work, Workforce, Profession

Value
High potential, High performing, Most critical, Most sought after

Personality
Learning or thinking style, Relationship or networking style, Strengths

Health
Mental health, Physical health

Values and behavior
Engagement, Meaning and value of work, Most likely to leave, Mobility

Intended hires
As a segment by itself, By any segmentation scheme described above

Healthy & Happy or Stressed & Burned Out?

Motivations
Approach #2: Offer modular choices

HR creates a list of predefined, limited choices from which individuals can choose based on what suits their needs and preferences best.
Ways to offer modular choices

**Learning**
Modular chunks to be configured at will,
Choices in learning channels

**Place**
Office/Home/Satellite Center/The Road,
Menu of choice places in the office

**Work activities**
Disaggregation into small modular tasks,
Menu of optional assignments

**Rewards/Recognition**
Menu of choices

**Performance appraisals**
Assessment criteria options

**Compensation**
Menu of choices

**Benefits**
Cafeteria benefits plans, Build-your-own
health plans, Total rewards plans

**Time**
Schedule, Career break, or Pace of
promotion option

**Career development**
Dual career paths, Next job choices,
Choice of starting over on a new path

**Technology**
Menu of choices
Approach #3: Define broad and simple rules

HR creates a broad and simple rule with clear boundaries so that it can be flexibly interpreted in a variety of ways.
Defined guard rails keep broad and simple rules a controlled approach

Types of boundaries for broad and simple rules

- Results or outcome boundaries
- Strategic boundaries
- Values-based boundaries
- Time or money boundaries
- Abilities boundaries
- Organizational scope boundaries
Ways to make rules broad and simple

**Work place and time**
Define results, not time or place

**Competency management**
Define competencies by values or outcomes

**Rewards**
Let the manager allocate rewards

**Jobs**
Broadly define a job rather than by narrow tasks

**Time off**
Define paid time off

**Performance appraisals**
Cascade your performance goals

**Hiring**
Hire the whole person

**Compensation**
Use broadband pay schemes or broadly define pay by contribution to the business

**Career development**
Broadly define career trajectories and base promotions on contribution

---

**Broadly define a job**

Instead of molding the person to fit the job…

Mold the job to fit the person’s passions/ strengths

**Pay based on contribution**

as determined by colleagues’ ranking
Approach #4: Foster employee-defined personalization

HR supports individuals in defining their own personalized people practices
Ways to foster employee-defined personalization

**Time**
Shift trading, Paid time off donations

**Learning and innovation**
P2P learning, knowledge markets, social networks, experience-based learning, simulated games

**Recruiting**
Employee referrals, social networks, relationship recruiting

**Hiring**
Try before you buy

**Compensation**
Job auctions

**Performance feedback & recognition**
Informal feedback/praise from manager or P2P

**Workplace**
Workers define their environment

**Mentoring & coaching**
Traditional and self-coaching technology

**Jobs & careers**
• Bottom-up career path profiling
• Employee-defined job titles
• Open talent market and horizontal social networks
• Job swapping and rotations
“We do what works for us; the same customization approach probably won’t work for everyone.”

– Charlie Bresler, former President of Men’s Wearhouse and Current Executive Vice President
Each workforce of one customization approach varies in key areas

<table>
<thead>
<tr>
<th></th>
<th>Degree of customization</th>
<th>Control</th>
<th>Ability to cope with change</th>
<th>Perceived fairness</th>
<th>Resources required (HR/Employees)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Segmentation</td>
<td><img src="icon_low" alt="Low" /></td>
<td><img src="icon_very_high" alt="Very high" /></td>
<td><img src="icon_very_high" alt="Very high" /></td>
<td><img src="icon_low" alt="Low" /></td>
<td>More/Less</td>
</tr>
<tr>
<td>Modular choices</td>
<td><img src="icon_very_high" alt="Very high" /></td>
<td><img src="icon_very_high" alt="Very high" /></td>
<td><img src="icon_very_high" alt="Very high" /></td>
<td><img src="icon_very_high" alt="Very high" /></td>
<td>More/Less</td>
</tr>
<tr>
<td>Broad and simple rules</td>
<td><img src="icon_very_high" alt="Very high" /></td>
<td><img src="icon_very_high" alt="Very high" /></td>
<td><img src="icon_very_high" alt="Very high" /></td>
<td><img src="icon_very_high" alt="Very high" /></td>
<td>Less/More</td>
</tr>
<tr>
<td>Employee-defined personalization</td>
<td><img src="icon_very_high" alt="Very high" /></td>
<td><img src="icon_very_high" alt="Very high" /></td>
<td><img src="icon_very_high" alt="Very high" /></td>
<td><img src="icon_very_high" alt="Very high" /></td>
<td>Less/More</td>
</tr>
</tbody>
</table>

Low ![Low](icon_low)  ![Low](icon_low)  ![Low](icon_low)  ![Low](icon_low)  ![Low](icon_low)  Very high

Copyright © 2013 Accenture  All Rights Reserved.
Case studies of workforce of one in action

<table>
<thead>
<tr>
<th>Customization approach</th>
<th>The broad and simple rules plus employee-defined personalization model</th>
<th>The broad and simple rules only model</th>
<th>The four approach model</th>
</tr>
</thead>
<tbody>
<tr>
<td>Segmentation</td>
<td><img src="images/low.png" alt="Low" /> <img src="images/high.png" alt="High" /> <img src="images/high.png" alt="High" /></td>
<td><img src="images/high.png" alt="High" /> <img src="images/high.png" alt="High" /> <img src="images/high.png" alt="High" /></td>
<td><img src="images/high.png" alt="High" /> <img src="images/high.png" alt="High" /> <img src="images/high.png" alt="High" /></td>
</tr>
<tr>
<td>Modular choices</td>
<td><img src="images/low.png" alt="Low" /> <img src="images/high.png" alt="High" /> <img src="images/high.png" alt="High" /></td>
<td><img src="images/high.png" alt="High" /> <img src="images/high.png" alt="High" /> <img src="images/high.png" alt="High" /></td>
<td><img src="images/high.png" alt="High" /> <img src="images/high.png" alt="High" /> <img src="images/high.png" alt="High" /></td>
</tr>
<tr>
<td>Broad and simple rules</td>
<td><img src="images/low.png" alt="Low" /> <img src="images/high.png" alt="High" /> <img src="images/high.png" alt="High" /></td>
<td><img src="images/high.png" alt="High" /> <img src="images/high.png" alt="High" /> <img src="images/high.png" alt="High" /></td>
<td><img src="images/high.png" alt="High" /> <img src="images/high.png" alt="High" /> <img src="images/high.png" alt="High" /></td>
</tr>
<tr>
<td>Employee-defined personalization</td>
<td><img src="images/low.png" alt="Low" /> <img src="images/high.png" alt="High" /> <img src="images/high.png" alt="High" /></td>
<td><img src="images/high.png" alt="High" /> <img src="images/high.png" alt="High" /> <img src="images/high.png" alt="High" /></td>
<td><img src="images/high.png" alt="High" /> <img src="images/high.png" alt="High" /> <img src="images/high.png" alt="High" /></td>
</tr>
</tbody>
</table>

Low ☺ ☀ ☏ ☞ ☝ ✈ High
Benefits of customizing talent management

Companies may choose different ways to customize but all will achieve benefits such as:

- employee engagement
- employee productivity
- reputation of being an employer of choice
- employee retention
- business results

...But no one ever said it would all be easy.
Workforce of One challenges and solutions

Fairness

Privacy

Control

Alignment with Business Strategy
Managing employees “my way” requires new skills and capabilities
An analytic capability is needed

Analytics can develop insights into employees – and translate them into action and **business results**
The human resources function may end up looking like the marketing function next door
A look at the future of workforce of one

• Trends will grow stronger, pushing more organizations toward customization

• Customization will become easier to manage and implement

• Advances in customized work experiences today will become “hygiene factors” offered by everyone tomorrow

• The four workforce of one approaches won’t change, but the customization practices within each will
Can you identify each individual in your workforce?
Questions?
Upcoming Webinars

For More Info / To Register / To Access Archive:

Search “Webinars” or “On Demand” at TrainingIndustry.com
Executive Seminar Series

Learn more at TrainingIndustry.com
Thank You

On behalf of TrainingIndustry.com, thanks to:

- Today’s Speaker: Susan Cantrell
- Today’s Sponsor: Skillsoft
- All of you for attending

Questions or Comments?
Please contact Nabeel Jaitapker: njaitapker@trainingindustry.com