

# Strategic HR. Anticipating the future.

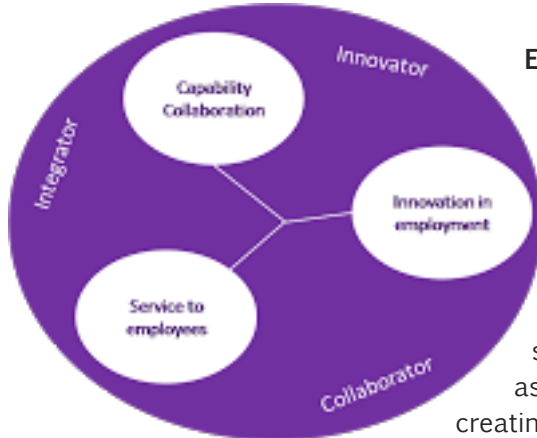
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By 2020, we would have spent a decade from now; adapting, shaping, building our world to meet the new challenges we would be faced with. But new challenges would continue to emerge in the time we were adapting ourselves to change. Global aging, new restrictive barriers to global mobility on account of shortage of talent in Countries; Change in Origin, Ownership and composition of Brands, Companies; technologies that integrate and bring our world closer but yet alienate significant parts of our population – Present a very unique challenge.

It will be a world with limited resources, needing greater innovation, collaboration and integration. By 2020, managing Human Resources in a highly integrated, talent scarce world would focus on three imperatives: Capability Collaboration, Employee Service as a brand, Innovative employment paradigms. The Strategic HRM shift would be to build the skills to innovate, collaborate and integrate complex products and solutions to deliver superior people management capabilities.

## **Collaboration in Capabilities**

Organizations will consider collaboration to leverage existing capabilities to enhance their speed of go to market. This will be the areas of specialist skills that so far Organizations have in-housed as competitive advantage. While the collaboration will lead to essentially leveraging skills of another Organization, it will mostly be captive in nature between the collaborating Organizations. By the nature of the collaboration being very niche, it will most likely be between two to three players than a industry wide collaboration. This will pose several challenges of brand loyalty, operations capability in a leveraged scenario and talent who in these specialist areas would not like to be treated as generic service providers. This will also impact costs as leverage reduces costs but also puts specialist pay levels under the cost pressure.



## Employee Service as a Brand

Customer spends to employee spends ratio will determine employee service brands by 2020. While Organizations spend and report their investments in serving customers – brands, reach, product, quality, the proportionate investments in the serving employees tend to be significantly under invested in. “employee service” will gain centrality to a brand as much as “customer service”. Therefore investments in creating an employee service brand over the years

will result in being a preferred employer in the 2020 scenario. Another important influence to drive this focus is the transfer of expectations by the employees. They will, in their daily lives as consumers experience superior customer service from different brands and serve. The expectation therefore will be “why can’t I be served in a similar manner by my Company?”. Service will no longer be transactional but will evolve into a brand and product based touch and feel where the employees have choice, in learning and development, in careers, in gaining specialist skills, in range of jobs. A career could mean different choices of the employee based on the life stage needs of the employee as an individual being rather than a ‘employment life cycle’.

### Innovation in employment

This focus will continue to emerge as the aging population in countries drives major demographic changes in employment. Innovative models of employment that sound unconventional today will emerge to create new opportunities for both the business and people. Such innovative employment may redefine factors of mobility, hours of work, employment periods and contracts. Companies will prefer to invest in industry collaborative initiatives to develop skills that offer leverage than exclusivity. This in turn will fuel the need to collaborate and create employee service brands. An ability of an individual to earn a fair wage will no longer be determined by one job or company alone. The need to earn a fair wage will supersede the need to be employed in a conventional paradigm of jobs and specialization. However, this will work in co-relation to the collaboration imperative on specialist capabilities.

### The Transition.

Never has anticipating change and planning be so critical to HR practitioners. The HR Models will change and simplify themselves to bring in more collaboration, innovation and integration. Specialists will transform to offering niche strategy to the leadership than as a service to the business units or geography. Technology will continue to bring Companies closer to their employees but will enhance touch and reach like a service brand.