

HR & TALENT ADVISORY

The NeXt HR

**Evolving the HR Function
in the Era of Employee Experience**

KINCENTRIC A Spencer Stuart Company

The Era of Employee Experience is Here

The C-Suite now recognizes that the employee experience (eX) can have broad and meaningful impact on business outcomes, from innovation to financial performance. However, delivering an eX that unlocks the power of people and teams is easier said than done. Many CHROs and their teams are addressing key moments that matter for their workforce across the employee lifecycle – with the goal to inspire, elevate, connect, simplify and remove friction. CHROs are also asking themselves what’s next for their organization and the HR team in the current era of eX. While looking to the future, they are still grappling with challenges from the past:

- HR Business Partners have been in place for some time now, and demand for strategic support for business leaders continues to rise
- HR Operations is evolving, but is still not fully leveraged by the rest of HR nor the business
- HR technology is in the cloud, yet managers still don’t embrace self-service and the vision for analytics hasn’t been fully realized
- Confusion exists about who the customers are for the centers of excellence

Meanwhile, enabling business outcomes through HR is now a common expectation of the C-Suite, and everyone is struggling to define – and understand ownership for – the employee eX. In fact, Kincentric’s research shows that 70% of organizations say employee eX is the domain of

the HR function*. This view, however, ignores the fact that delivering a differentiated experience requires coordination across several different corporate functions and with the business to define the desired outcomes and the roles and responsibilities to achieve them. Our research also shows that while 91% of organizations say employee eX is important, only 31% are prepared to deliver*. This creates an exceptional opportunity for HR to lead the charge.



Integrated people solutions that align with employee needs and supporting technology are necessary, but not sufficient. While a wholesale change to the HR Operating Model may not be necessary, CHROs will need to evolve their model to create both capability and capacity to deliver on the intended eX. Additionally, HR must align with the business on the appropriate balance between driving business performance and a sharpened focus on the employee eX.

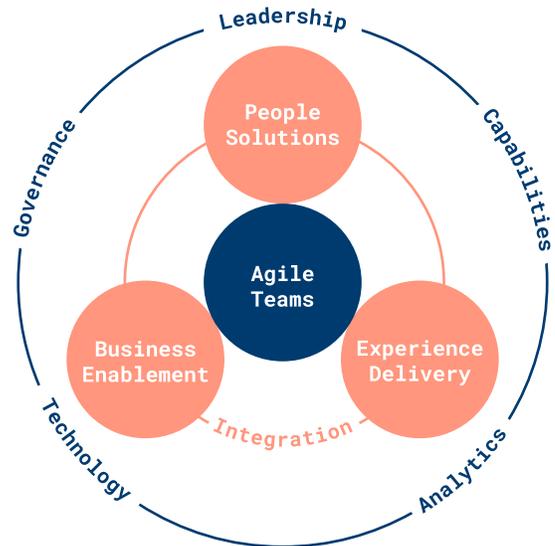
* www.kincentric.com/ex-report

Evolving HR in the Era of Employee Experience

Inability to react quickly to a rapidly changing business environment	→	Deploy agile teams for critical initiatives, organization events and as an ongoing community of expertise
Technology as the only enabler	→	Enable HR through leadership, governance, HR capability, technology and analytics
Fragmented and siloed HR programs, processes and teams	→	Integrate across HR to deliver end-to-end people solutions
HR business partner role that has not delivered on its promise	→	Make the investments necessary to enable HR business partners to become talent and organizational strategists
Programs and processes designed from the inside-out to deliver efficiencies for HR	→	Design from the outside-in to deliver a differentiated employee experience
Internally focused with emphasis on traditional HR needs and business expectations	→	Externally focused to understand and align with the business, market and customer needs

The NeXt HR Operating Model

The design of the traditional three-pillar HR model – COEs, HR business partners and HR operations – must be tailored to meet the specific goals and circumstances of each organization. Regardless of structure, an optimized HR Operating Model is focused on delivering four key outcomes:



Differentiated Employee Experience

Frictionless employee experience for the moments that matter



Flexible Deployment of Expertise

Flexible staffing to ensure optimal deployment of expertise



Proactive Business Enablement

Talent and organizational interventions to address challenging business problems



Targeted People Solutions

Integrated people solutions for delivering talent and business outcomes

Critical Enablers

Successful implementation is dependent upon five critical enablers



Leadership

Priorities focused on the right outcomes and driving accountability within HR



Governance

Decision-making at the right level without restraining HR's ability to make an impact quickly



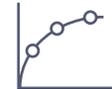
Capabilities

Operating as a talent accelerator; digital enabler; connector; culture shaper; and storyteller



Technology

Intuitive and flexible systems and tools to meet evolving organizational needs



Analytics

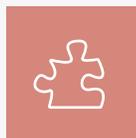
Data and insights to analyze problems and draw conclusions quickly

Taking Action



The Right People

- Understand the HR capabilities needed for the future
- Make the hard decisions and invest in talent



In the Right Model

- Optimize the HR operating model with clearly defined roles
- Break down silos to drive integration and enable agility



Prepared to Deliver

- Establish shared leadership, governance and accountability across HR and the business to drive employee experience
- Leverage technology to enable talent management and organizational decision making



Employee-Centric Solutions

- Develop people solutions that drive business performance and a differentiated employee experience

What's next



To be successful, organizations must adopt an agile and flexible HR Operating Model that puts employee experience at the center of design.

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Contact us to talk about how we can help.

About Kincentric

Kincentric, a Spencer Stuart company, approaches human capital differently – we help you identify what drives your people, so they can drive your business. Our decades of expertise in culture and engagement, leadership assessment and development, and HR and talent advisory services enable us to help organizations change from the inside. Our global network, proven insights and intuitive technologies give us new ways to help organizations unlock the power of people and teams. For more information, visit kincentric.com.

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