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Building Tomorrow's Workplace:
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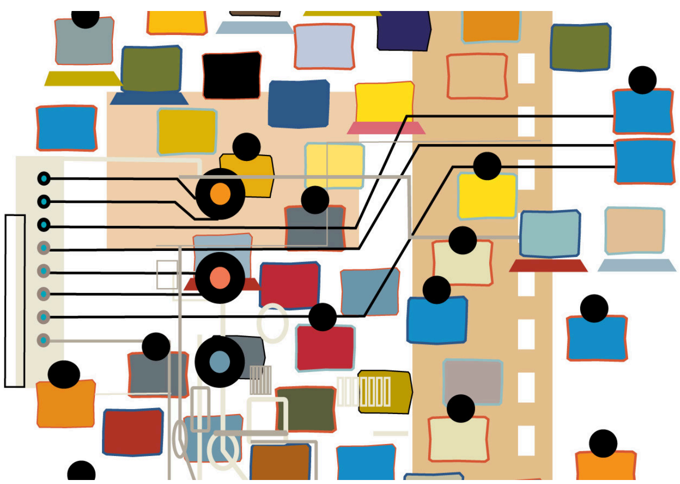
The Future of Work Is Through Workforce Ecosystems

Elizabeth J. Altman, David Kiron, Jeff Schwartz, and Robin Jones

Workforce ecosystems can help leaders better manage changes driven by technological, social, and economic forces.



Ask leaders today how they define their workforces, and you'll immediately hear some version of "Well, that has become a very interesting question, and even more so recently." Today's workforces include not only employees, but also contractors, gig workers, professional service providers, application developers, crowdsourced contributors, and others.

Effectively managing a workforce comprising internal and external players in a way that is both aligned with an organization's strategic goals and consistent with its values is now a critical business necessity. However, legacy management practices remain organized around an increasingly outdated employee-focused view of the workforce — that it consists of a group of hired employees performing work along linear career paths to create value for their organization.

More than 75% percent of respondents to our 2020 global survey of 5,118 managers now view their workforces in terms of both employees and non-employees. Growth in the variety, number, and importance of different types of work arrangements has become a critical factor in how work gets done in (and for) the enterprise.

We see many companies experimenting with ways to manage all types of workers in an integrated fashion. Several novel management practices have emerged across the business landscape. Even so, few — if any — best practices exist for dealing strategically and operationally with this distributed, diverse workforce that crosses internal and external boundaries. Executives seeking an integrated approach to managing an unintegrated workforce are left wanting.

We contend that the best way to conceptualize and address these shifts and related practices is through the lens of workforce ecosystems. We define *workforce ecosystem* as a structure that consists of interdependent actors, from within the organization and beyond, working to pursue both individual and collective goals.

Managing a workforce ecosystem goes beyond efforts to unify the dissimilar management practices currently organized around employees and non-employees. It's a new approach to a new problem that demands a fresh solution. Our view draws upon two years of research that includes two global executive surveys and interviews with leaders and academic experts. This brief article introduces the concept of workforce ecosystems and discusses how they can help managers rethink the way they align their business and workforce strategies.

Four Reasons to Focus on Workforce Ecosystems

Below, we highlight a series of shifts — driven by technological, social, and economic forces — that current management practices do not sufficiently address. Our emerging research suggests that workforce ecosystems can enable managers to deal more effectively with these changes.

Shift 1: More non-employees are doing more work for business. By some estimates, non-employees are responsible for performing more than 25% of work in the enterprise. Many sources indicate that this dependence is expected to grow, facilitated in large part by a rise in platforms that make it easier to engage workers for on-demand, task-specific work (a type of work that is itself expected to grow). [1] This shift coincides with another: growth in the number of highly skilled creative or technical workers (such as data scientists) who prefer to work on specific types of projects for one or more companies.

These workforce trends pose several strategic challenges:

1. A majority of organizations report that they "inconsistently manage or have no process to manage alternative workers" across functional domains. [2]

2. Access to a greater variety of workers intensifies the need to make strategic choices around whether to recruit or temporarily engage people with new skills and capabilities.

3. Maintaining an organization's alignment with its values and creating a consistent culture can become even more difficult when large proportions of the workforce are not employees.

Adopting a workforce ecosystem can enable managers to make an integrated set of choices about these challenges. New questions become possible: What does a consistent set of management practices look like across our workforce ecosystem? What identity do we want our workforce ecosystem to embrace? And how do we decide whether to attract (and hire) or externally access the talent and capabilities that we require within our workforce ecosystem?

Shift 2: The nature of work is evolving. Job descriptions anchor traditional management systems. Semiannual reviews and annual merit increases are predicated on employees remaining in jobs for extended periods and generally pursuing prescribed, linear career paths. However, we are not alone in seeing a shift toward more short-term, skills-focused, team-based work engagements in which automation and technology free up people's capacity. [3]

At the same time, we are also seeing compensation approaches under pressure as people increase their skills and their expectations for increased opportunities and income. In response, companies are adopting internal talent marketplaces so that employees can move fluidly through an organization, building skills and gaining experiences without having to seek opportunities externally. When these marketplaces simultaneously empower employees and create robust opportunities for managers to find talent for specific projects, they become opportunity marketplaces. [4] Despite their appeal, the value of internal talent markets is limited by the company's existing stock of talent and managers' tendencies (and incentives) to hoard talent. A workforce ecosystem structure enables organizations to extend internal markets to incorporate external workers.

Challenges with onboarding, security, and performance measurement remain, but managers' abilities to search in an integrated manner within their employee base and beyond to meet objectives makes the effort worthwhile. This is especially true with new AI-based talent software that dramatically improves the quality and speed of searches and matches.

Shift 3: There is growing recognition that a diverse and

inclusive workforce can deliver more value. Research supporting the view that a more diverse and inclusive workforce leads to better outcomes continues to grow. [5] By adopting a workforce ecosystem structure, especially one enabled by digital collaboration technologies, organizations can attract candidates they have never seen before. Opening opportunities to workers of all types, including those who can engage in short-term projects and who may be geographically dispersed, connects companies with people of varied backgrounds, races, ethnicities, gender orientations, and abilities.

An executive at a global professional services organization relayed that because of the COVID-19 pandemic, the company moved its internship program online, enabling it to offer three times the usual number of internships. It also relaxed constraints on geography and expertise levels. As a result, it attracted a startlingly more diverse internship cohort. From this expanded cadre, the organization will likely hire (and retain) a group of more diverse employees in the coming years. Its wide-ranging approach to virtual internships opened managers' minds to accepting different types of candidates. Companies can use workforce ecosystems to build more diverse talent pools they can tap for projects on an as-needed basis.

Shift 4: Workforce management is becoming more complex. Organizations have engaged external IT workers for years. More recently, companies are not only using contingent resources in IT, but also leveraging them widely in areas such as marketing, R&D, human resources, customer service, and finance. [6] Organizations typically have separate, unintegrated approaches to managing internal versus external workers. Responsibility for internal employees rests with HR, while procurement and other departments orchestrate external workers. Few companies manage or can see their entire workforce in an integrated way. [7]

At a governance level, questions addressing the entirety of an organization's workers tend to go unanswered. That's a problem. During the COVID-19 pandemic, one organization required an accurate worker count to address pay continuity, absenteeism, IT requirements, and benefits needs for its newly remote workforce. Managers quickly realized that it was impossible to calculate the total number of workers. HR could provide an employee head count, but no one had a full view of everyone contributing to the company; the process of engaging workers was just too decentralized.

A workforce ecosystem approach can address this issue by raising governance of the entire workforce to a higher organizational level, such as the board of directors and the C-suite. In addition to helping ensure that critical management processes are deployed in a coordinated fashion, adopting a workforce ecosystem allows leaders to consistently take measures so that organizational values and norms are considered and applied across worker types. The most forward-thinking companies are adopting workforce ecosystems that implement cross-functional systems, including HR, supply chain/procurement, business unit leaders, finance, and others. For example, some organizations offer development opportunities not only to their own employees but also to those in their greater ecosystem community. Others recently extended pay continuity to external contributors. Additionally, we see opportunities for businesses to create strategic partnerships with labor platforms, enabling a more integrated and accelerated process for managing their overall workforces.

Elevating Strategy With Workforce Ecosystems

Executives face critical choices about how to manage their workforces. They can either continue to manage employees and non-employees through different, and often parallel, systems, or they can develop a new, more holistic workforce approach that spans different types of workers and capabilities.

Our research strongly suggests that the workforce ecosystem approach has many strategic benefits. With workforce ecosystems, executives can both identify and develop interdependencies among employee and non-employee workers. We recognize that this approach does have potential downsides and calls for caution across issues such as labor laws, worker benefits, diversity and inclusion, and organizational culture. Still, this integrated perspective enables more efficient and effective collaboration among workers, which in turn enables new perspectives on what work is possible for the organization. Consequently, workforce ecosystems flip a p erennial s trategic question. Instead of (only) asking, "What workforce do I need for my strategy?" workforce ecosystems enable leaders to ask, "What strategy is possible with my workforce?"

This flip elevates and unites business strategy and workforce strategy. That is the promise of workforce ecosystems. If current trends continue and non-employees increasingly perform substantive work in the enterprise, the ability of companies to compete may be determined by how well they can achieve that promise.

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Declare 'Calendar Bankruptcy' to Move Beyond Meeting-Driven Culture

Brian Elliott, Sheela Subramanian, and Helen Kupp

***How the Future Works*, a new book from executives at Slack's Future Forum, offers practical, concrete steps to building a flexible work culture that supports every employee.**

It's a ubiquitous complaint in corporate culture: Practically everyone is overwhelmed by meetings. And there are real questions about whether meetings are necessary to get things done, or if they are getting in our way far too often. In a survey of managers across a wide range of industries, researchers Leslie Perlow, Constance Hadley, and Eunice Eun found that more than 70% of people believed meetings were unproductive and inefficient, and 65% said meetings keep them from completing their work. [1]

It's time to rethink the meeting. At Slack, our executives led by example on this by declaring "calendar bankruptcy." They removed all recurring meetings and one-on-ones from their calendars so that they could consider each one and add back only what was truly necessary. In a message sent out to the entire company, the purpose was explained this way:

- "We're in a new distributed world and gotta change the way we work."
- "There are lots of legacy meetings that have changed owner, purpose, scope — let's start with a blank slate to determine what's *really* important."

This doesn't mean there are no more meetings. It just means that leaders got a lot more intentional about the time they were taking up on people's calendars. We found that so many meetings could be eliminated or broken up into parts. For example, your monthly sales meeting might start with a status update. Why not send that out beforehand? Presentations can be shared as decks or asynchronous videos so people can review them in their own time. Tactics like these can lessen your meeting time considerably, and then time together can be more meaningfully spent on meaty discussions or team building. For this to happen, however, leaders have to be more intentional about meetings and employ some forethought and planning. As Priya Parker wrote in *The Art of the Gathering*, "Ninety percent of what makes a gathering successful is put in place beforehand."

Dropbox uses what it calls its "3D" model for planning meetings: debate, discuss, decide. We would add a fourth D, for "develop" — time spent focused on honing individual skills or other professional development opportunities. If a meeting doesn't achieve at least one of those four objectives, then it doesn't need to be a meeting. Other tools can be used to disseminate information or get a status check, freeing up much more time in your schedule, and the schedules of your team members, to do the kind of work that really moves things forward.

Guardrails can also be put in place to counter the assumption that people need to be available eight hours a day, five days a week for meetings. Tactics that we've seen work include Levi Strauss & Co.'s "No Meetings Fridays," which aims to reduce the internal meeting load and provide a day dedicated to focus time. Google adopted "No Meeting Weeks" years ago for some teams, and Salesforce has similarly adopted "Async Weeks" as a way to not only give people a respite but also get meeting owners to think about whether each meeting is needed or could be cut in terms of frequency, attendance, or both. Slack's Product, Design, and Engineering team has "Maker Weeks" and "Maker Hours"— two-hour blocks, three days a week, where people can turn off notifications and do focused work.

Challenge Your Own Thinking

Practically all of us have "grown up" professionally in a 9-to-5 culture, and inherent in that culture are ways of thinking that we may never have examined very closely. Sheela remembers, early in her career, working until the wee hours of the morning and being lauded for her "selfless" and "relentless" behavior as a result. Some of the most memorable advice she got in business school was to "burn the candle at both ends until you're in your 40s and then reacquaint yourself with your friends and family."

"No pain, no gain" had always been Helen's family motto until she ended up burning out while still in her 20s from a job that entailed 100-hour workweeks, frequent travel, and a long commute. During a discussion about work-life balance with a partner in her firm, the woman casually mentioned that her personal goal was to see her kids twice a week — not day, but *week*.

Brian was taught early on that an attitude of "seldom wrong, never in doubt" was key to success, meaning few around him willingly admitted when there were gaps in their knowledge or they didn't have all the answers. This approach proved to be a real liability at his first startup, where there was a whole lot he didn't know — that, in fact, no one knew. He had to get past that ingrained way of thinking fast in order to enlist the help of others in finding solutions to complex issues — otherwise, the venture could have failed.

We're hardly anomalies in the corporate world. So many of us have internalized lessons over the years that we've had to unlearn for the sake of our own success as well as that of the businesses we work for. It's time to challenge some of our old notions about what makes someone good at what they do — like that working more equals working better, or that employees can't be trusted to get stuff done on their own. These are default ways of thinking in most corporate cultures, but what makes us so sure they're right? After all, have we ever really tested them?

In fact, there's lots of evidence to suggest that they aren't right — evidence showing that stress and burnout make us worse at what we do, not better, and that a lack of trust demotivates employees rather than motivating them. If we really want to unlock the potential in people, we need to keep our eyes trained on what really delivers results and stop rewarding behaviors that undermine them. Think about that the next time you praise someone for answering emails late at night or being in the office first thing in the morning before anyone else. Because it's the quality of work and the results it drives that matter most, not when or where you do it.

About the Authors

Brian Elliott, Sheela Subramanian, and Helen Kupp are executive leaders at Future Forum, a consortium founded by Slack, and the coauthors of *How the Future Works: Leading Flexible Teams to Do the Best Work of Their Lives* (Wiley, 2022).

Acknowledgments

Excerpted with permission from the publisher, Wiley, from *How the Future Works*, by Brian Elliott, Sheela Subramanian, and Helen Kupp. This book is available wherever books and e-books are sold.

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Five Ways to Improve Communication in Virtual Teams

N. Sharon Hill and Kathryn M. Bartol

New research reveals simple strategies that boost performance.

As collaborative technologies proliferate, it is tempting to assume that more sophisticated tools will engender more effective virtual communication. However, our study of globally dispersed teams in a major multinational organization revealed that performance depends on how people use these technologies, not on the technologies themselves.

We asked team members to rate one another on virtual communication behaviors culled from a growing body of research on virtual teams. Peer assessments focused on five best practices: matching the technology to the task, making intentions clear, staying in sync, being responsive and supportive, and being open and inclusive. (Participants had worked together for some time and had been tasked with improving key business processes.) Individual scores were averaged to determine team scores.

When controlling for past experience on virtual teams and level of technology support available, we found that teams with higher scores on the five behaviors also received higher ratings from their leaders on producing quality deliverables, completing tasks on time, working productively together, and meeting or exceeding goals. Results indicated a linear relationship across the board: For every 10% that a team outscored other teams on virtual communication effectiveness, they also outscored those teams by 13% on overall performance. Although the research focused on dispersed teams, we believe the same strategies can help colocated teams, which increasingly depend on virtual collaboration tools.

Let's look at each of the five behaviors in detail. They may seem basic at first glance, but we've observed that they are often overlooked. When teams are informed of these simple strategies and take steps to implement them, they outperform teams that don't.

1. Match the technology to the task.

Teams have many communication technologies at their disposal, ranging from email and chat platforms to web conferencing and videoconferencing. People often default to using the tool that is most convenient or familiar to them, but some technologies are better suited to certain tasks than others, and choosing the wrong one can lead to trouble.

Communication tools differ along a number of dimensions, including information richness (or the capacity to transfer nonverbal and other cues that help people interpret meaning) and the level of real-time interaction that is possible. A team's communication tasks likewise vary in complexity, depending on the need to reconcile different viewpoints, give and receive feedback, or avoid the potential for misunderstanding. The purpose of the communication should determine the delivery mechanism.

So carefully consider your goals. Use leaner, text-based media such as email, chat, and bulletin boards when pushing information in one direction — for instance, when circulating routine information and plans, sharing ideas, and collecting simple data. Web conferencing and videoconferencing are richer, more interactive tools better suited to complex tasks such as problem-solving and negotiation, which require squaring different ideas and perspectives. Avoid trying to resolve potentially contentious interpersonal issues (telling people when they've made a mistake, are not pulling their weight, or that they have upset a teammate) over email or chat; opt instead for richer media to navigate sensitive territory. In short, the more complex the task, the closer you should be to in-person communication. And sometimes meeting face-to-face (if possible) is the best option.

2. Make intentions clear.

Most of our communication these days is text-based. Unfortunately, when text-based tools leave too much to interpretation, common biases and assumptions can cause misunderstandings and lead to unhealthy conflict that hurts team performance.

Intentions get lost in translation for several reasons:

- **People tend to be less guarded and more negative in writing.** When we cannot see the response of the person receiving the message, it's easier to say things we would not say in person. Emboldened by technology and distance to complain, express anger, or even insult one another, team members can be more negative in writing than they would be face to face.
- **Negativity goes both ways.** People on the receiving end of written communication tend to interpret it more negatively than intended by the sender. Emotions are expressed and received mostly through nonverbal cues, which are largely missing from text-based communication. Research suggests that recipients of an email that is intended to convey positive emotions tend to interpret that message as emotionally neutral. Similarly, an email with a slightly negative tone is likely to be interpreted as more intensely negative than intended.
- **People read with different lenses.** In written messages, we often assume that others will focus on the things we think are important, and we overestimate the extent to which we have made our priorities clear. Unfortunately, it's easy for critical information to get overlooked.

To prevent these biases from causing problems on your team, ensure that you are crystal clear about your intentions. Review important messages before sending them to make sure you have struck the right tone. Err on the side of pumping up the positivity or using emojis to convey emotion to mitigate the tendency toward negative interpretation. Go out of your way to emphasize important information, highlighting parts of the message that require attention, using "response requested" in the subject line, or separating requests into multiple emails to increase the salience of each one.

3. Stay in sync.

When team members don't interact face to face, the risk of losing touch and getting out of step is greater. This can happen for a number of reasons. First, when teams are not colocated, it's more difficult to tell when messages have been received and read, unless receipt is specifically acknowledged. Second, communication failures can lead to uneven distribution of information among team members. Individuals might be excluded from an important team email by mistake, for instance, leaving them unwittingly in the dark. Third, the lack of frequent in-person contact can create an out-of-sight, out-of-mind effect in which team members become distracted by local demands and emergencies and forget to keep their distant teammates informed. When one team member goes silent, the others are left guessing. Without accurate information, people often assume the worst.

Your team can overcome these challenges by prioritizing keeping everyone in the loop. Maintain regular communication with team members, and avoid lengthy silences. Proactively share information about your local situation, including unexpected emergencies, time demands, and priorities. Acknowledge receipt of important messages, even if immediate action isn't possible. And give people the benefit of the doubt. Seek clarification to better understand others' behaviors or intentions before jumping to conclusions. For instance, check in with your teammate who hasn't responded to your time-sensitive message — maybe it hasn't been received, or perhaps something urgent came up.

4. Be responsive and supportive.

The paradox in dispersed teamwork is that trust is more critical for effective functioning — but also more difficult to build — than in more traditional teams. Trust between teammates in the same workspace is influenced to a large extent by familiarity and liking; however, in dispersed teams, people must signal their trustworthiness by how they work with others on a task. To help develop trust on a virtual team, encourage everyone to respond promptly to requests from their teammates, take the time to provide substantive feedback, proactively suggest solutions to problems the team is facing, and maintain a positive and supportive tone in communications.

5. Be open and inclusive.

Dispersed teams are more likely to have members from different cultures, backgrounds, and experiences. While diversity can result in a greater variety of ideas, which boosts team creativity and performance, virtual communication sometimes discourages team members from speaking up, making it challenging to capitalize on these benefits. Virtual tools reduce the social cues that help team members bond, which can diminish motivation to share ideas and information. People may also hold back when they can't directly observe teammates' reactions to their contributions. In addition, when dispersed teams consist of subgroups at different locations, there is a natural tendency to communicate more within a local subgroup than across the entire team. This can be particularly challenging for leaders, who may be criticized for unfairly giving more attention to local team members.

To reap the benefits of your virtual team's diversity, focus on communicating as openly and inclusively as possible. Involve the whole team in important communications and decisions. Actively solicit perspectives and viewpoints from all team members, especially those in other locations, to demonstrate openness to different ideas and approaches to a task. And when working to resolve differences of opinion, seek to integrate the best of the team's ideas.

The Role of Leadership

Don't assume that everyone on your team is aware of potential pitfalls with virtual communication or of the five key behaviors that improve performance. We suggest creating a team charter that describes how you will work together. Specify technologies the team will or won't use for different tasks ("Don't use email to discuss sensitive interpersonal issues"); standard formats and etiquette for written communications ("Highlight or bold to emphasize action items in emails"); plans for keeping everyone in sync ("Let the team know ahead of time if a commitment or deadline cannot be met"); expected time to respond to requests ("Acknowledge receipt within 24 hours"); and types of communication that should always be shared with everyone ("Use the 'would you want to know?' rule of thumb"). We've found that clearly conveyed norms do make a difference.

Our research also shows that people with prior experience in collaborating virtually had higher virtual communication ratings. Leaders can rely on those team members to model effective behaviors — and can model the behaviors themselves — to raise the whole group to a higher standard.

An adapted version of this article appears in the Fall 2018 print edition.

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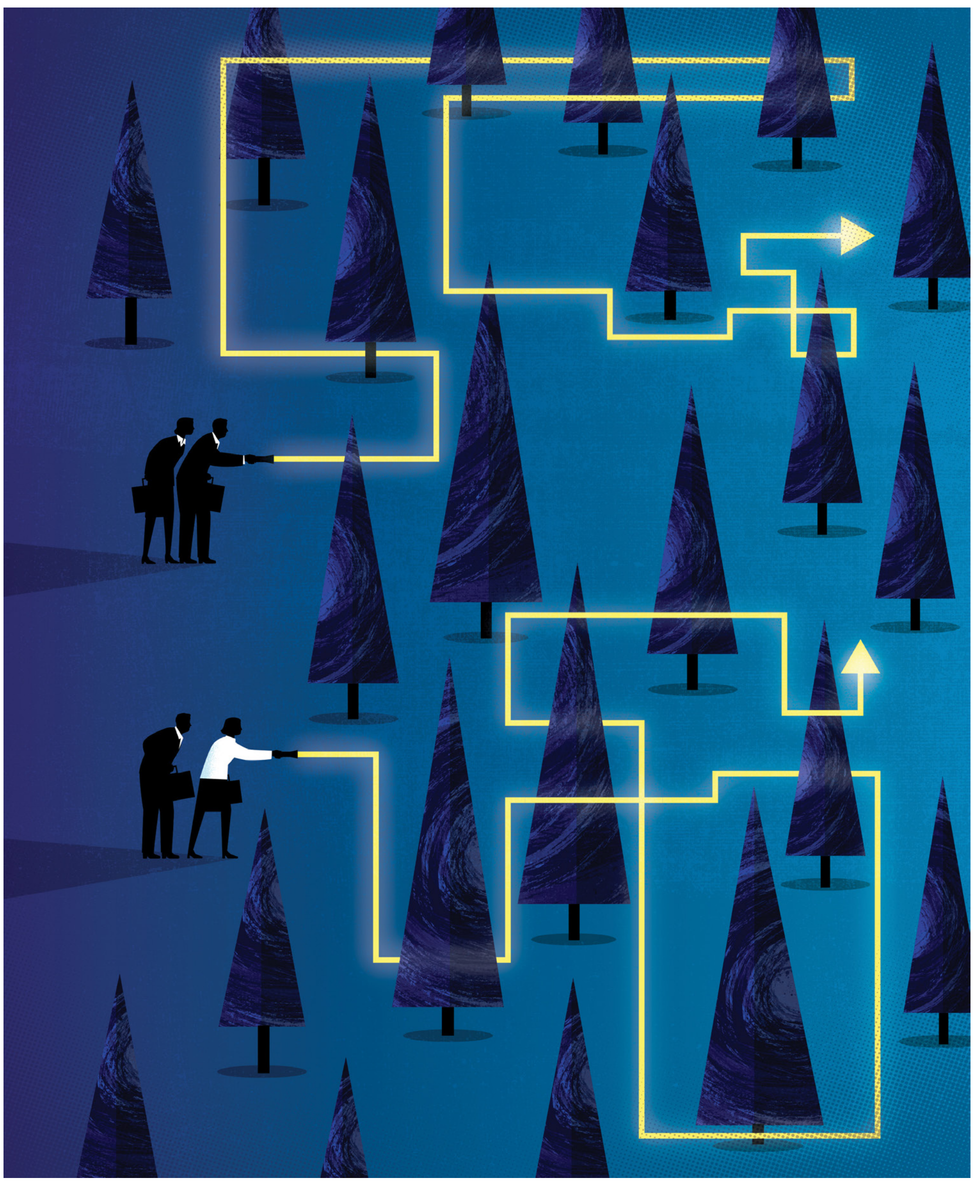
Why Companies Should Help Every Employee Chart a Career Path

Providing career development to all employees requires a commitment to clarifying pathways for growth and giving everyone opportunities to build new skills.

By George Westerman and Abbie Lundberg



Michael Austin / theispot.com

ASK AN HR LEADER whether their company is good at career development, and they will likely say that it is — and then they'll talk about the programs they've designed for high-potential employees.

Ask them how well the company supports the rest of the workforce, and their answer will likely change. Some will say that they expect managers to be responsible for developing their people. Others will say that employees are empowered to "own" their own career development. The more transparent leaders might add that their approach works for some employees but not for most.

Those approaches might sound good but often don't live up to their promise. This is a problem for companies, especially when it's difficult to find and retain skilled employees. Leaders must do much more to help employees see a future with the company and a path to advance toward that future.

Fortunately, a small but growing number of companies are finding ways to improve career development for all of their interested employees. Doing this at scale does not require the same level of investment that the company provides to its high-potential future leaders. It does, however, require the use of modern tools and a coherent approach that helps employees see a path forward, learn and practice the competencies they need, and receive solid feedback and coaching along the way.

In this article, we'll share insights from a survey of more than 1,000 workers and interviews with talent and learning leaders at more than 25 organizations who are figuring this out.

Let's Stop Kidding Ourselves

It's convenient for senior executives who make decisions on HR policies and investments to delegate employee development to line managers or to spin a lack of organizational support as empowering employees to own their professional growth paths. Yet neither course is a very effective solution to a problem that requires a more systematic approach.

Requiring managers to support career development as well as performance is by far the most common approach taken in organizations. Unfortunately, even the best-intentioned managers may not know what growth paths are available beyond the function or division they know best. And then there are the managers who don't give mentoring enough attention, mentor only their favorites, or hoard talent by discouraging their best workers from exploring other options. Furthermore, employees may fear being penalized for disloyalty if they ask their current boss about potential roles outside of their unit. So while the company can say that every manager is responsible for supporting employees' career development, and the process works for some employees, most get much less help than they need.

Asking workers to own their own professional growth can sound good to the senior executives who approve HR investments and manage others in leadership roles. After all, these leaders are exactly the types of people who have been able to own their own careers. They are talented, hardworking, and ambitious people who were willing to go the extra mile to get ahead. They may or may not remember the help they got along the way through high-potential training programs, a great boss or mentor, or a leader who hired them based on potential when they weren't quite qualified for the job. Unfortunately, when bosses believe a self-service approach will work for everybody, it's tempting to blame the employee and not the process when it doesn't work.

Given the prevalence of the two approaches we've described here, we weren't surprised to find that many workers feel that they need better support for career development. The individual contributors we surveyed were much more likely than executives and managers to say that a lack of good career advice has hurt their career (49% versus 35%). Two-thirds (67%) said advancing their careers is very important, and a quarter of respondents believe they will be more likely to do so at a different employer.

This represents a crisis for companies seeking to find and hold on to talent. In fact, in a Pew Research survey, 63% of people who changed jobs in 2021 cited a lack of advancement opportunities as a reason.[1] And a 2022 McKinsey study noted that a lack of career development and advancement was the most common reason given for quitting a previous job.[2]

What's more, the landscape has become more challenging. Much more attention is going to lateral or diagonal opportunities — a career lattice — rather than just climbing a particular career ladder. More than a third (35%) of respondents to our survey said their next job will take them off their current career path. Yet, according to research from Willis Towers Watson, only 29% of employers outlined lateral career paths, and only 33% provided beyond-the-job growth experiences, such as job shadowing and rotational assignments.[3]

Building a Coherent System for Broader Career Development

Most companies know what is required for career development: They're already doing it in their high-potential leadership programs. These often costly programs typically offer detailed assessments, special training opportunities, stretch assignments, network building, and regular coaching. Together, they create a mutually reinforcing system of three

THE RESEARCH

- **The authors set out to investigate a gap, discovered in earlier research, between the career development support many companies claim to provide and the lived experience of the typical worker.**
- **They conducted an online survey of 1,016 employees across the United States, and interviewed more than two dozen corporate talent and learning leaders.**
- **They drew from ongoing discussions with a small number of corporate leaders and academic colleagues to examine the findings, build insights, and spur further investigation.**

If informal networks are diverse enough, they can also help uncover new opportunities.

key elements: visibility into opportunities and paths, the means to learn and practice, and rich feedback and coaching.

In our research, we encountered few examples of companies providing all three elements of the career development triad for workers not classified as high potential. However, we did see several examples of companies making progress on each of the three elements, and we'll describe how they can integrate the elements into a career development system that works at scale.

Make opportunities and pathways visible. Employees can't explore growth opportunities that they can't see. Often, even the HR people don't know what is available or what is possible for workers — especially across regions or lines of business. Many big companies have "already set up for both ends of the supply and the demand, but there's just no visibility between the two," said Julie Dervin, global head of talent at Atlassian and former head of global learning and development at Cargill.[4] "You may have a business sitting in North America and have no idea that your sister or brother business over in China or the Netherlands is in search of a certain set of skills for a certain project. There's no visibility there to match that up." An HR leader at another company said it more directly: "When we need skills for certain positions, we go outside. There are tools and resources to go externally and find a skill. It's easier than looking internally."

Visibility alone isn't enough. Internal job postings may highlight skills an employee doesn't have, without providing clarity on how to bridge the gaps. HR professionals, managers, and employees must all understand which opportunities are relevant, given a specific set of experiences and skills. "You have to do a really good job of deconstructing that work so that you can tell the story of, 'Hey, this is why this role actually is transferable,'" said Christopher Lind, vice president and chief learning officer at ChenMed.

GE Digital has an online tool called Career Discovery. Once employees enter their capabilities and interests, it shows them other roles in the company that might be a fit for them, even if those opportunities are not on their current career ladder. The tool also shows competencies employees might need to gain and where to look for training opportunities.

This "push" rather than "pull" approach is important. "If you're somebody that doesn't ask questions and maybe is a little bit more passive, most likely you'll start to look externally because there isn't transparent visibility into opportunities," said Lyndsey Havill-Cochrun, area vice president for people insights at BetterUp.

At the University of Pittsburgh Medical Center (UPMC), a $24 billion health care provider and insurer with 92,000 staff members, HR works closely with leadership to establish dozens of career paths. "And yet much of that information was kept within HR," said Tony Gigliotti, senior director of talent management and organizational development. "This information wasn't as easily accessible to the employee as we'd like. Now, through technology, we are transparently sharing both vertical career paths and alternative roles." UPMC recently launched the Explore Careers tool for every employee through its cloud-based HR system. "Employees can log in and see 'Where did people go who were in my role? What roles are in my job family, and who is in those roles?'" With that intelligence, employees can choose to contact people in specific roles to learn more, or they can review available job postings for those roles.

Unilever offers Discover Your Purpose workshops to help employees reflect on their experiences and goals and then create development plans for the next six to 18 months. Based on their plans, employees can access a variety of internal and external resources to build skills and certify their expertise.[5]

If informal networks are diverse enough, they can also help uncover new opportunities. When employees get to know people in other roles, they can make better choices about what's possible in their own careers. They can use these networks to explore a job change with people who are already in those roles — to understand what the job is like, how their skills and interests align, and how hard it might be to bridge the gap. These networks can also help a manager get comfortable with the idea of hiring an internal transfer who needs a growth opportunity rather than onboarding an external candidate who appears to already have the necessary skills.

So companies should help employees develop broader networks — just as they do with cohorts in high-potential programs. Accenture teaches in global classrooms, where learners from numerous countries work together on case studies, simulations, and group projects. At DBS Bank, employees are encouraged to share their expertise in peer learning sessions, and they build new connections through the sessions they teach and attend. As many employees have shifted to remote work, targeted global collaboration opportunities such as these have become possible in virtually every company.

Provide opportunities to learn and practice. While visibility into potential new roles is important, it is not enough. Employees need ways to learn the different skills required by their new roles.

Global financial services company Allianz uses its learning platform to match required skill sets for specific positions to the skills an individual already possesses. "Our state-of-the-art global learning platform recommends trainings and other learning opportunities to our employees based on their individual skills and learning preferences, supported by AI," said Renate Wagner, member of the board of management responsible for the Asia-Pacific region, mergers and acquisitions, and human resources. "This also contributes to strengthening key competences and skills in Allianz, for example, with regard to data and IT."

UPMC defined learning pathways for five types of employees: new employees who need to onboard effectively into their roles, existing employees who want to gain additional expertise, aspiring leaders, new leaders, and current leaders. Each pathway focuses on developing professional skills for role success and personal skills to enhance well-being. According to Jessica Buechli, senior director of learning and development, "Technology bundles each learning pathway, and the employee can easily enroll into a pathway and follow it at their own pace."

Outlining paths and courses that can teach key skills is a good start, but employees also need to practice their new skills, especially for jobs outside of their current chain of command, and to reflect on the experience. Through practice, individuals make progress and learn from mistakes. Reflecting on both can help them continually advance toward their goal of learning a specific skill. Employees at UBS and DBS Bank practice learning through games, simulations, or projects. Customer support representatives at Fidelity Investments can learn a new skill in the morning, practice it in live customer calls (with a manager observing) in the afternoon, and then reflect on the experience with others who are learning the same skill. Northeastern University is piloting a program with employers to design real-world class projects that are directly relevant to each student-employee's particular context. An accounting student can take on some budgeting or forecasting tasks for their boss, for instance, or a machine learning student can solve a problem for another unit of the company, opening potential doors to move into a new role.

Stretch assignments are another good way to provide practice opportunities. These do not need to entail changing jobs — at least not at first. However, just as companies need to provide visibility into full-time opportunities across the organization, success depends on the employee, or their manager, knowing how to find these assignments.

Formal rotational programs can play a useful role, and some companies include them for new hires or in high-potential leadership programs. However, this type of intentional support for changing roles is much less common for most employees, and we have not seen such programs at scale for experienced workers.

Helping employees explore new opportunities is in a company's own best interests. While it may seem easier and less risky to hire skills externally than to take a chance on developing an internal candidate, such an approach can exacerbate talent gaps. Ignoring internal candidates shrinks the pool of potential applicants for open slots while also making current employees feel that they must look outside for opportunities. UPMC is addressing this challenge by helping managers see the opportunity in internal hiring. The company recently expanded the employee self-evaluation, which is part of the annual performance review, with questions aimed at better understanding an employee's career intentions. Now, employees can outline their career goals, as well as the resources, tools, and education that they'll need to achieve those goals. This feedback will catalyze career conversations between the employee and their leader and, ultimately, open a safe space for employees to explore their career opportunities within the organization.

Other organizations are using technology to match workers, managers, and tasks in an internal marketplace, but hiring managers have to be open to adopting this approach. In 2018, Schneider Electric launched an open talent market where managers can list opportunities for short-term projects, full-time positions, or mentorships, and workers can engage with the ones that interest them. The short-term assignments and mentorships enable employees to try out stretch roles and determine whether they might be a good fit for a future full-time role. Managers embraced the marketplace during the pandemic, when they weren't able to hire people for projects that needed to be done.[6] The internal marketplace also reduces risk for managers, who gain access to a diverse pipeline of employees they can get to know on short-term projects before committing to hiring them long term.

Deliver rich feedback and coaching. Providing performance feedback is an essential part of learning. Employees gain the opportunity to hone their skills when they can see more clearly what they are doing well and where they can improve.

Pernod Ricard implemented a program in 2018 called Let's Talk Talent. The program repositions the performance management process with the employee at the center, and managers functioning as developers and career coaches. Employees are able to create a talent profile that includes "their career history, what they've achieved, and where they want to go," said Lani Montoya, senior vice president of HR for Pernod Ricard NA. That person's manager as well as the global talent management team can see this and discuss the person's future with them. The expectation is that such conversations happen regularly, "but we know for sure that they happen on an annual basis as part of our performance management process." And if the employee is not getting enough career advice from their manager, they can go to the global talent team for guidance.

"Good companies make sure people managers are very clear that part of their role is to have career conversations with their employees," said Dervin. This includes understanding what their employees' career aspirations are and being able to counsel and guide them in how to develop the skills they need — "either to perform more effectively in their current role or to start building skills that will set them up for their next role," she said.

Telling managers to do it and ensuring that they do it well are two different things. It's up to HR not only to establish the policies but also to ensure that managers are able to implement those policies effectively. Just asking a manager to document that career discussions took place is not enough. HR should also ask employees how they feel about the help they're getting from their managers.

While employees need feedback and coaching for their careers, managers may need feedback and coaching on their own coaching abilities. "Even the best-intentioned leaders need help and support," said UPMC's Gigliotti. "Along with our HR and learning and development colleagues, my team works with people leaders to design approaches to developing and retaining critical talent. Supervisors are fearful of losing talent, especially with the Great Resignation affecting so many industries, including health care."

UPMC implemented check-in tools to help facilitate the feedback process. With the Anytime Check-in, anyone can easily send feedback to anyone else in the organization at any time — for example, after working with someone on a project or seeing a colleague make a noteworthy contribution. They can make the comments visible to only the employee or to the employee's supervisor as well. In addition, supervisors can maintain their own private notes using Anytime Check-in and then reference them at annual review time. Meanwhile, employees can get honest feedback in real time from peers as well as bosses.

Beth Israel Deaconess Medical Center grows people from low-skill nonmedical roles into higher-skill and higher-paid medical ones.

Putting the Elements Together

Our research showed that many companies are implementing pieces of the career development triad but that few have integrated the three into a successful employee development system at scale.

One company that has is Amsted Industries, a global, diversified manufacturer of industrial components for rail, commercial vehicle, automotive, and construction and building applications. The company's career development framework, which each business unit customizes for its context, is designed to give each white-collar worker two types of reviews regularly. The first is typically a discussion between the employee and their manager about performance in the current role. The second is a formal development review and mentoring process led by a senior business manager who is a peer of the employee's manager but not in the employee's direct management chain.

The company takes this process seriously; leaders are evaluated not only on the performance of their team but also on their development of specific people outside of their teams. In addition to regular informal discussions with their development manager, the employees have a formal development meeting every year with a committee that includes their direct manager, their development manager, and those managers' bosses. The employee discusses their career objectives, their plan for development, what they've achieved toward their plan, and the support they need to take their next steps. After that interactive discussion gives the committee a better understanding of the employee's goals, the employee leaves and the committee members discuss what will best help that person get there.

The committee develops a draft plan for career advancement, which the development manager takes to the employee. The employee has the ability to reject or accept the plan. If it's accepted, the leaders assign coaches and mentors as applicable and work with the employee to finalize the details.

This process facilitates horizontal development and talent sharing as well, given the involvement of the manager's peers. If an employee expresses interest in a different function, another manager might have a project they can get involved with. This is not purely altruistic; the peer managers benefit by having someone from outside their unit offer to help with a project. In addition, the company ensures its commitment to the process through peer accountability among development committee members and by making development performance an important part of each manager's own performance rating, alongside the performance of their unit.

You might not feel your company can invest as much as Amsted has to help employees develop their careers. But that shouldn't stop you from building stronger career development processes where possible. One place to look is positions that are the hardest to fill or have the highest turnover risk, where the return on investing in career development will likely be more apparent.

Beth Israel Deaconess Medical Center (BIDMC) in Boston routinely grows people from low-skill nonmedical roles into higher-skill and higher-paid medical ones that are difficult to fill but do not require years of academic training. BIDMC identifies internal candidates who have been strong performers and offers them a chance for a better-paid role with a better career ladder, such as a central processing technician, medical lab technician, or medical coder. BIDMC works with a local community college to provide training aligned with the employee's work hours. It also pays for the training and helps to coach and support the employee along the way.

It's a win-win arrangement for employer and employee. BIDMC has now systematized the approach more broadly, with a goal that no employee will be stuck in a job that's not going to lead anywhere. Six months after an employee starts working at BIDMC, they receive an email prompting them to start thinking about their career with the organization. It lists all of the opportunities that are available and encourages them to connect with the workforce development office to learn more.

IT'S POSSIBLE TO HELP EMPLOYEES develop in their careers without breaking the bank, forcing them to have awkward conversations with bosses who may not want to help, or telling them to do it on their own. But it requires a systemic approach. We've shared examples of companies that are making progress in that direction. They are not just creating stand-alone tools and processes. They are linking those elements into a self-reinforcing tripartite system that can help every employee develop without overburdening HR budgets or managers' time. This intentional approach to career development is good for the employees and for the companies that employ them. ■

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[Employee Mental Health]

Reimagining HR for Better Well-Being and Performance

Organizations must rethink historical divisions between talent and benefits groups if they are to more effectively help workers develop the psychological skills to thrive now and in the future.

By Gabriella Rosen Kellerman and Martin Seligman

Rafael Lopez / theispot.com

HUMANS HAVE BEEN challenged to adjust to new ways of working since the first farmers abandoned the hunter-gatherer lifestyle. But the demands of work today exact a high price on employee well-being, as workers strive to cope with the rapid pace of technological change, the overnight disruption of entire industries by new upstarts, and the rise of uncertainty and volatility in every global market.

Roughly half the U.S. workforce struggles with burnout.[1] Seventy-six percent see workplace stress negatively impacting their personal relationships.[2] Excessive stress at work accounts for $190 billion in health care costs each year, plus hundreds of thousands of unnecessary deaths.[3] And in the past three years, the stressors and disruptions of the COVID-19 pandemic have spun a rising storm into a full-on tornado — and made employee well-being an urgent priority for many business leaders.

The good news for organizations that want employees to thrive is that behavioral science has provided new insights and strategies that can help support mental health. (See "What We Need to Flourish at Work.") But in order for man-agers to take full advantage of these insights and help individuals develop key psychological strengths, many organizations will need to reconsider Human Resources and Benefits functions that in some cases still carry the legacy of a bygone industrial era.

One of the challenges organizations face is *structural*. The two HR functions most closely connected to employee thriving — Benefits, and Learning and Development — evolved from two distinct historical traditions, and each remains somewhat siloed today. We'll show why we believe that this two-pronged structure makes it challenging for corporations to tackle thriving holistically, and why each approach is insufficient on its own. We'll also examine additional organizational barriers to flourishing, before offering solutions.

Helping the Suffering: The Social Welfare Tradition

The harsh conditions of industrial factory work created a steep rise in alcoholism in the late 19th and early 20th centuries and brought related social ills. Business owners like Henry Heinz (founder of the eponymous condiments company) viewed their employees as wards under their care, and they sought to help and protect them; the HR function that grew out of this paternalistic tradition today goes by the name of Benefits. A vice president of Benefits (or Benefits and Total Compensation, if they also oversee pay scales) usually reports to the company's chief human resources officer (CHRO), who in turn reports to the CEO.

Historically, there have been two types of services administered by the Benefits team that are most relevant to employee emotional well-being: health plans and the employee assistance program (EAP). The latter arose out of sobriety programs but came to encompass organizational support for an ever widening circle of psychological ills beyond substance abuse. Modern EAPs offer counseling for depression, anxiety, parenting and relationship challenges, and workplace violence. Ninety-eight percent of large companies offer their employees access to an EAP, which typically includes free counseling and referrals to mental health care.[4]

Despite their widespread availability, EAPs are woefully underutilized, tapped by just 4% of workers.[5] Originally designed as private, confidential services used in the shadows, EAPs still carry too strong a stigma, and employees fear judgment or even penalties for accessing mental health services through their employer.

Benefits teams also offer employees access to mental health benefits through their health plans. Mental disorders that are serious enough get referred from the EAP to a therapist or psychiatrist within the plan. Clinical health care accounts for the vast majority of a corporation's spending on all things mental health. Insurance covers therapy, psychiatry, inpatient psychiatric treatment, and psychopharmaceuticals. Many EAPs even sit within the health plan umbrella and are administered by the same parent company.

All of this means that employees have come to regard EAPs and mental health care benefits as programs for people who are already in pretty bad shape. Employees are grateful to have access to these services, but they tend to interpret any employer offerings labeled "mental health" as a euphemism for mental illness. As a result, despite immensely creative, committed efforts and increasingly diverse investments, it can be difficult for Benefits teams to change the employee perception that EAPs provide only remediation services rather than helping employees to thrive.

Learning and Development: Upskilling the Able

The history of the Learning and Development function, like that of Benefits, begins with the Industrial Revolution. Before then, workers learned their trades on the job or in one-on-one apprenticeships. But with industrialization, factories needed to keep up with such an unprecedented pace of production that they began to offer training to larger groups, with classrooms often located right off the factory floor.

The need to onboard large numbers of people quickly and efficiently dovetailed with the principles of *scientific management* then being popularized by mechanical engineer Frederick Winslow Taylor. Machines had already greatly increased the efficiency of production; the next logical step, Taylor argued, was to increase the efficiency of the humans operating the machines. Through empirical study, best practices could be developed to reduce wasted effort and maximize productivity. Taylor's ideas gradually morphed into some of the functions owned by modern HR's Learning and Development team, or L&D. L&D is responsible for employee training, upskilling, learning, and professional growth in service of performance and productivity. A vice president of L&D — sometimes also called a vice president of Talent, or Talent and Development — usually reports to the CHRO and is a peer to the vice president of Benefits.

Given Taylor's professional background, it's unsurprising, though unfortunate, that his methods were mechanical in nature. He prioritized the findings of industrial engineering, business process management, and logistics over those of psychological science. In treating people like a type of machine, Taylor ignored the deeply human aspects of work. Despite its shortcomings, his system has remained influential for decades, with lasting consequences; much corporate training today continues to ignore how human beings actually learn and change.

For example, even in Taylor's time, psychologist Hermann Ebbinghaus had demonstrated that without repetition, we forget almost everything that we are taught in a single go — up to 90% by the end of the month. But the majority of business training sessions are delivered as long one-off sessions instead of multiple shorter sessions repeated over time. In addition, we know that no two learners are the same, in terms of their strengths, their levels of motivation, and their funds of knowledge. However, most corporate training takes a one-size-fits-all approach that will bore some, go over the heads of others, and fail to inspire the majority, who are not yet ready to learn.

Harvard Business School professor Michael Beer has coined the phrase "the great training robbery" to describe the enormous amount of corporate spending wasted on training that doesn't work. Up to 90% of corporate learning initiatives suffer from these design flaws, which minimize their effectiveness. Corporations in G20 countries spend roughly $400 billion on these programs annually.[6] Call that $360 billion up in flames.

What We Need to Flourish at Work

OUR STUDIES OF THRIVING AT WORK, BASED ON DATA FROM hundreds of thousands of workers in virtually all industries around the world, have identified five psychological powers as the most critical for workplace thriving in the 21st century.

A handy acronym you can use to remember them is **PRISM**.

- **P** **Prospection:** Foresight, the ability to imagine possible futures and the meta-skill positioning us ahead of change.
- **R** **Resilience and cognitive agility:** The bedrock of thriving through change.
- **I** **Creativity and innovation:** Our uniquely human gift, restored to workplace prominence today after its assembly-line decline.
- **S** **Rapid rapport to build social support:** Building trust to bridge differences and achieve the connection we need to flourish.
- **M** **Meaning and mattering:** The motivation to propel us forward.

Taken together, they are the five components of the mindset that allows us to anticipate change, plan appropriately, respond to setbacks, and achieve our full potential.

The Challenges of a Disjointed Approach to Employee Growth

In many modern HR departments, the Benefits and L&D functions exist as partially or fully siloed subunits, with one focused on employee health and the other on performance. But in today's high-pressure workplaces, our emotional well-being and professional development needs are intimately intertwined. As we battle extraordinary uncertainty, the skills required to manage stress are the same skills that enable sustainable career growth. The modern professional cannot succeed in leadership without emotional regulation, for example, any more than they can conquer anxiety without addressing career turbulence. And yet so many of today's most pressing workforce issues — like burnout, loneliness, and belonging — sit squarely at the margins of two separate functions.

Forward-leaning Benefits and L&D executives, including many whom we are privileged to have partnered with and learned from in our research, work hard to bridge this gap through frequent communication and collaboration. They report to CHROs who likewise understand this dynamic and model collaboration at the top.

At many enterprise companies, however, the siloing of Benefits and L&D remains a significant challenge to a holistic approach to thriving.[7] In 2017, one of our authors (Gabriella) researched this gap across some of the largest companies in America. Her goal was to understand how each department thought about this overlap of their work with the other's. The answers were hard to come by, because so often these functional counterparts knew little about each other's team.

Occasionally, such division can even produce territoriality. For example, today all EAPs include some form of stress counseling; in addition, some Benefits teams invest in stand-alone stress management or resilience training solutions. This makes sense, because people with mental health conditions typically struggle to cope with stress and often have poor resilience. We also know that building resilience is good for productivity and retention, and that managers and leaders disproportionately influence the well-being of their teams. For these reasons, it makes equal sense for leadership to receive extra training in this area — a type of managerial training that would sit with L&D.

Shortly before the pandemic, the L&D team at a *Fortune* 100 company brought their CHRO a proposal for resilience training for leaders. When the Benefits team found out, they reminded the CHRO that they had already implemented a resilience program to lower stress. Adding another program could confuse people, they argued. Rather than bringing everyone to the table, the CHRO let the idea go, with the result that leaders didn't get access to the more robust program. In retrospect, there would have been no better time to work on building leadership's capacity to help their teams weather adversity.

A silver lining of the COVID-19 pandemic that we observed was increased collaboration across the aisles of HR. The pandemic loosed a tidal wave of psychological needs for workers and their families, sending HR teams around the world scrambling to help, often sacrificing their weekends in service of their workforces. For the first time, we found ourselves on video calls with both the vice president of Benefits and the vice president of L&D at the same time. Down in the COVID-19 foxhole, holding the line against emotional chaos, their teams had found in each other sorely needed allies. This chaos was the purview of L&D, because it was affecting the performance of every employee — but it was also the purview of Benefits, because it carried deep psychological risks.

New challenges to collaboration, however, surfaced in this climate. Benefits teams and L&D teams have different metrics of success that map to their organizational responsibilities. Benefits teams are expected to tightly manage health care spending and often employ actuaries for this reason. From their perspective, a thriving-related program is effective if it decreases the number of people who need to see therapists or psychiatrists. L&D departments, in contrast, don't even have access to health care billing records, let alone track them. The metrics that matter most to L&D include productivity, innovation, and employee retention.

Ideally, this divergence should produce a creative tension that yields a more holistic design. One can imagine the vice president of Benefits and the vice president of L&D putting their heads together to codesign and cosponsor solutions that will achieve the aims of both teams. Thriving offerings *can*, in fact, improve both health care spending and performance metrics, but only if they are designed to do so from the start. Unfortunately, in practice, it's often faster and simpler for the two teams to resolve their divergence by picking one or the other function to take the lead on a particular initiative. Whichever group ends up funding a given program then naturally dominates its design and metrics of success. When we privilege one type of outcome over the other — call it surviving versus thriving — the program's focus narrows accordingly, along with the benefits to the organization.

Thriving offerings can improve both health care spending and performance metrics, but only if designed to do so from the start.

The Proactive Organization

Both EAPs and corporate training programs represent post hoc responses to already urgent needs. This reactive posture stems from their legacy. However, far and away, the most effective type of intervention is to prevent individuals from developing diseases or problematic behaviors in the first place, known as *primary prevention*. This approach works best and costs the least — as long as we have the courage to act now, based on very likely future outcomes. Corporate leaders must always be thinking several steps ahead about human capital, understanding how the changes to come will affect their workforce, identifying the skills that will calm turbulence, and training their people accordingly.

In the realm of physical health, Benefits teams lead the way in future-minded thinking. They work to ensure that health plans cover all government-recommended preventive care services, such as immunizations. They look to experts and chief medical officers for guidance on the latest trends in prevention and health promotion. They advocate for offerings like gym memberships to help employees avoid heart disease, or smoking-cessation coaching to prevent lung cancer. In so doing, they lengthen employees' lives and lower health care costs for both individuals and the corporations — a true win-win.

In the realm of psychological thriving, the primary prevention approach is usually thinner and harder to come by. Why should that be the case?

The answer is multifaceted. We've already seen one part of it: The holistic perspective needed to enable a proactive stance is challenged by the split between managing the costs of illness (Benefits) and managing the metrics of growth (L&D). Dividing remediation and growth can shortchange both and make it difficult to focus on building the core skills that unite them.

A second hurdle to implementing primary prevention springs from deeper-seated beliefs about human psychology. There are still a handful of influential corporate leaders who do not see employees' psychological well-being as their responsibility. Perhaps they rose up in the ranks of corporations that lacked a culture of employee support. Even if, on some level, they recognize that thriving workers perform better, they might not see a reason to change things. Some point to low EAP utilization numbers — an artifact of stigma and, in some cases, low-quality services — as evidence that employees don't want such help.

Third, there is the considerable challenge of proving the return on investment in prevention programs for psychological well-being. Any HR program will require a budget, and large-ticket items like resilience coaching or innovation training ultimately land on the desk of the CFO or their deputies. CFOs speak the language of efficiency: Considering such an investment, they want to know what cost savings or other efficiency will result.

Thriving is not an efficiency sale; it's an effectiveness sale. Efficient solutions yield the same outcome more rapidly, with minimal waste. Effective solutions get us to the *best* outcomes, period. Enabling employees with skills like rapid rapport (the ability to rapidly build trust across diverse teams) or prospection (the ability to productively imagine and plan for future scenarios) prevents bad outcomes while improving performance and retention. Seeing the chain of causality clearly requires statistical regression models, familiarity with common psychometric measures, and a decent grasp of the epidemiology of mental illness. It looks nothing like the standard business case. It's complex and, for that reason, easily dismissed as too fuzzy to merit investment.

Thriving also takes time. But the long-term gains in productivity from employee thriving will repay the investment many times over.

Short-Term Pain for Long-Term Gain

Thriving also takes time. Corporate leadership focused myopically on short-term gains will not be enthusiastic about paying for thriving. Short-termism is an enemy of workplace flourishing — and therefore also the enemy of performance, productivity, and sustainable success. But the long-term gains in productivity from employee thriving will repay the investment many times over.

One of the great ironies, of course, is that businesses already spend a ton of money on programs that are neither efficient nor effective — yet they somehow get funded anyway. Remember that $360 billion up in flames? How did any of that make it past the CFO? This level of investment suggests that most corporations believe they should be doing *something*. That's the good news. But the key players involved in approving major investments — including Procurement, Finance, Legal, and even many in HR — usually don't have the expertise to determine which offerings will move the needle. It's not easy to sort through what is actually evidence-based as opposed to what just sounds good on paper. The natural inclination for a nonexpert is to fund the cheapest option with the longest list of features. In the absence of the ability to weigh the performance and well-being impact of one offering over another, bells and whistles often stand in for value.

This leads us to the fourth and final hurdle to the proactive approach to employee thriving, which is apprehension about translating behavioral science research into practice. Do we really know enough to have a sense of which psychological skills will be most vital for success both today and in the future, and also lower the risk of psychological illness? Is the science precise enough to guide investment?

We believe that the answer to these questions is a resounding yes. We have more than 30 years of data documenting the relationship between improved psychological well-being and lowered risks of myriad mental and physical illnesses, and detailing the interventions that work. On the applied-science side, our industry is on its third or fourth generation of novel evidence-based interventions, platforms, tools, and services to support employee growth and well-being. Our research has identified the five key psychological skills that workers will need in order to succeed in our increasingly volatile, global, automated industries. Organizations may not be able to tackle all these challenges at once. But we have all the evidence we need to get started responsibly.

All the hurdles we've listed above are surmountable, as we can see from the experiences of those leading corporations that set their sights squarely on thriving itself. Such corporations work to bridge the gap between Benefits and L&D through collaboration at the highest levels of leadership.

At Hilton, senior L&D and Benefits leaders partner to think holistically about the support their people need most, working backward from the common desired outcome of employee thriving. As a result, the company is consistently rated one of the best places to work globally, regularly beating out higher-margin businesses for these accolades. Hilton's success demonstrates that it's not about spending more on your employee experience. There's no need for perks like on-site putting greens or dry cleaning — it's about spending more wisely. In the words of Hilton CHRO Laura Fuentes, "To me, it boils down to creating not a work experience or an employee experience but a human experience that makes people feel like they are seen, they are welcome, they are heard, they will be taken care of, and they can take care of their families and loved ones, and that they belong to something greater than themselves."[8] A vision that bold necessitates collaboration across functions.

In other organizations, it may not be enough to leverage existing structures and processes, in which case an even more radical approach may be called for. This approach would structurally unify those responsible for worker thriving, including large parts of Benefits and L&D, into a single unit we'll call the Employee Thriving Team (ETT). The ETT would be responsible for the physical and emotional health, personal growth, and professional growth of each employee. Diverse stakeholders, from investors to customers to senior leadership, would rely on the ETT to keep the company's most valuable asset — its people — at the ready to meet the unforeseen challenges to come.

The ETT's leading indicators of success would include measures such as Marty's assessment of positive emotion, engagement, relationships, meaning, and accomplishment (PERMA), and other metrics indicating levels of resilience, innovation, productivity, and prospection.[9] Its major investments would be reviewed and approved by decision makers fluent in the behavioral sciences, with a focus on primary prevention. Continued funding for any program would be contingent upon measurable improvement in the ETT's most important metrics: employee retention, performance, and health care costs.

THIS SIGNIFICANT STRUCTURAL TRANSformation would also require careful thinking about which functions that live under the umbrellas of Benefits and L&D today would need to be carved out in order to preserve this team's focus. And such a substantial rewiring of HR — either by way of restructuring or through close and frequent collaboration between L&D and Benefits — requires the buy-in of not only the CHRO but also the CEO and even the board of directors. These leaders need to share a common vision of workforce readiness that honors employee thriving and agility as the company's strongest bulwark against the accelerating uncertainty of the future. ■

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