HR IN A CHANGING WORLD

INVESTING IN THE EMPLOYEE LIFECYCLE

sumtotal
A NEW IMPERATIVE

ELEVATING THE ROLE OF HR

Today’s workforce is in constant motion and the marketplace is shifting rapidly. Digital transformation, accelerated by the global healthcare crisis, has disrupted every industry and heavily influences the changing dynamics of organizational models across the globe. There is much to celebrate. This rapid rate of change is elevating the role of human resources. Yet, the shift comes with complications as the new urgency for change taxes already strained resources.

To thrive, organizations must shift their focus toward maximizing the potential of their existing talent to become a more adaptable workforce. This requires upskilling and reskilling your multi-generational workforce and managing both long-term career development as well as the day-to-day experience of work more systematically.

A more agile workforce requires a nimbler HR function focused on talent development aligned with organizational goals even as the context around the business and employee experiences shifts.
EMPLOYEE ENGAGEMENT REQUIRES A NEW APPROACH TO EMPLOYEE LIFECYCLE MANAGEMENT

It’s no secret, employee engagement is key to a company’s sustainability. Careful consideration and support of all phases of the employee lifecycle enable managers to motivate employees even when much is uncertain. Navigating distractions is crucial to building a future-fit adaptable workforce that meets the needs of your organization today, and for whatever the future may hold.

Since a company’s success ultimately hinges on its employees, organizations must recognize that every phase of the employee lifecycle is important. From recruitment to succession planning, the execution of each phase can make or break how engaged and committed employees are with their work.

Companies that adopt an employee-centric lifecycle strategy experience higher retention, improved employee performance, and increased revenue.1

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1 “The New Employee Experience and the Difference It Makes.” TLNT, September 2019.”
1. ATTRACT AND RECRUIT

McKinsey reports that 50% of the jobs people do today will change due to automation or advances in artificial intelligence. The very nature of work is changing.

That’s why the very first phase of any employee lifecycle must start with recruitment – no matter how mature your organization has become.

Even in times of high unemployment, attracting talent for critical roles can be a challenge. For example, at the height of the Covid-related global pandemic the US unemployment rate for individuals in technology roles still dropped to 2.5% as of May 2020.

Recruitment is not just an external exercise. Employees want you to help them be ready for that change because if you don’t, someone else will. Those most effective at talent retention, also pay careful attention to internal talent acquisition. You need a multi-faceted approach that demonstrates why employees should choose your company, to join or stay, over another.

APPROACHING RECRUITMENT AS AN EXPERIENCE

A recruiting process done right enables organizations to attract the best talent. One of the best things your organization can do to find the best talent is to ensure that the candidate experience is as engaging, personalized, and meaningful as possible at every step during the process.

Candidates tell us that vague job descriptions, time-consuming applications, ambiguous processes, and a lack of communication throughout the process are the main reasons they walk away from a job opportunity.

It’s important you make candidates feel like your biggest priority by being transparent with the role and how a career-long relationship with your company will benefit not only the candidate but the company as well. That isn’t always easy to scale across the business. Seek solutions that automate repetitive tasks, have built-in notification systems, and make it easy to measure progress against.
2. ONBOARD AND DEVELOP

The onboarding phase is the next step beyond the hiring process, setting the tone for the employee’s relationship with the organization. This step should be streamlined to reassure new talent that they made the right choice in choosing your organization.

Too many onboarding portals have necessary forms to complete and little else. Effective onboarding should help integrate new employees into the company’s culture, as well as provide them with the necessary tools to be an effective team member.

Unfortunately, many companies approach onboarding as an event with the expectation that new hires will be up-to-speed on their new role within a few weeks.

A box-checking approach to onboarding could not be further from what a new hire needs.

Proper onboarding is “a year-long process that helps employees get up-to-speed in their job and integrated into their new team and organization.”

When an employee is newly-hired, they’re engaged with learning their new role, meeting coworkers and assimilating with the company culture. But after a few months, the excitement can taper. An ongoing commitment to onboarding programming past the first 90 days of employment are more effective at keeping talent engaged.

APPROACHING ONBOARDING AS A PERSONALIZED FUNCTION

The key to effective onboarding is keeping employees engaged and energized. Equip workers who are new to a role with the tools they need to succeed whether they are new to the organization, or transitioning from another role within the company. To accomplish this, you need capabilities that connect disparate processes in one intuitive place to sustainably improve this second phase of the employee lifecycle. Beginning with a welcome letter, forms and first day schedule, managers must create an immediate and personalized connection to the organization and culture.

Navigating in a new setting can be difficult for a new hire—make the experience frictionless for employees to succeed in new roles with a plan that helps them define goals, acclimate to a new team or division and ensure they’re performing their best. This also applies to groups of employees being brought back to their team after being furloughed. Having a systematic approach to re-onboarding can help ease the stress of being re-acclimated to a previous role.

Employees who felt that they received effective onboarding are 18 times more likely to feel committed.²

The consequences of ineffective onboarding are highly disruptive:³

- Organizations lose 33-66% of new hires within 12 months.
- Approximately 33% of new hires don’t last 90 days.
- Only 1 in 10 employees strongly agree their organization does effective onboarding.
- Only 12% of employees say their organization does a good job onboarding.

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² “The Incredible Impact of Effective Onboarding. Bamboo HR 2018
³ “Essential Ingredients for an Effective Onboarding Program.” Dipak Sundaram, Niraj Patel, Gallup, January 31, 2019”
3. ENGAGE AND RETAIN

Once the employee is properly onboarded and acclimated to their new role, the next phase is creating an ongoing plan that clearly establishes a career path. The organization should know what the employee’s personal goals and career aspirations are and must find ways to align them with the goals of the organization as a whole. In doing this, employees feel as valuable as they did when the company first recruited them.

**Developing employees benefits both the employee and employer:**

- **For the employee**
  - Gives purpose and inspiration to improve existing skills.

- **For the employer**
  - Increases commitment of the employee and provides opportunities to actively upskill their roster to stay competitive in the economy.

**A NEW APPROACH TO CAREER PLANNING**

Millennials dominate the global workforce and this generation demands the continual development of their skills. Millennials are aspirational and focused on personal growth. The reassurance that the company is invested in developing its employees is a major factor in a millennial’s choice in deciding which company to stick with long-term.

Companies must create paths for growth and development among their employees—without this consideration, employees will seek external opportunities, leaving companies to scramble for talent.

By providing an intentional approach to developing employees’ careers, organizations reinforce their commitment to employees, which employees reciprocate.

**APPROACHING LEARNING AS A CULTURE CHANGE**

Similar to career planning, as the employee matures in their role, opportunities to hone their current skills and upskill to new ones should be deeply integrated with their company’s culture. If an employee’s abilities remain stagnant, companies can’t stay competitive in today’s fast-paced, ever-changing economy. Organizations need to prepare employees for today and the future, by providing them with opportunities to learn.

Companies that invest in a culture of learning don’t look at learning as a singular event. An environment of continuous development views learning as a daily journey—giving employees a path and guide to where they want to travel in their careers. By linking career development with a mindset focused on learning, employees are more engaged with their organization.

When you encourage employees to learn and develop themselves professionally, they will be more creative and innovative, making their organization more competitive. The investment in learning and development mutually benefits both individual employees and the organization as a whole. By promoting a culture of learning, new ideas and skills will drive performance, putting organizations in a better position to adopt disruptive technologies and give them the ability to pivot with the rapid changes of the economy.

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94% of employees say they would stay at a company longer if the company invested in them.
4. TRANSITION AND GROW

No organization will have its leaders forever. Leadership comes in ebb and flows and organizations should actively seek out the next generation of leaders internally. Succession planning benefits both the employee and the organization.

It is vastly more sustainable and economical to upskill and develop top performers and promote them to the next wave of leadership than hire externally. Succession planning reduces the cost of recruitment and creates stronger internal candidates.

APPROACHING SUCCESSION PLANNING: PRIME YOUR TALENT PIPELINE

Focusing on succession planning can help increase visibility into your talent pipeline, build bench strength, improve identification of at-risk positions and improve your ability to hire internally. It can also help you manage business risk, ensure leadership and critical-role continuity across all levels of the organization.

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<tr>
<th>WHEN EVALUATING A SUCCESSION STRATEGY AND HOW IT INTERACTS WITH THE EMPLOYEE LIFECYCLE STRATEGY, CONSIDER THESE QUESTIONS:</th>
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<tr>
<td><strong>Does the succession plan ensure leadership continuity, across the entire organization?</strong></td>
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<td><strong>Is there a way to evaluate talent readiness and identify at-risk positions?</strong></td>
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<tr>
<td><strong>Is it easy for managers to identify top talent?</strong></td>
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<td><strong>Does the organization have adequate bench strength?</strong></td>
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5. PERFORM AND REWARD

Industry leaders are moving away from high-stakes, annual performance reviews to an employee-centric practice of performance management that utilizes continuous feedback and mentorship.

This new wave of performance management focuses on a frequent, meaningful dialogue between the employee and their manager. Managers are becoming coaches who are there to give immediate and useful guidance, creating opportunities to engage in an open conversation that aligns personal employee goals to the goals of the organization.

CHANGING YOUR APPROACH TO PERFORMANCE MANAGEMENT

Modern performance approaches represent a new level of employee engagement, but not all managers are natural coaches. To realize a more continuous approach to performance management, HR must facilitate coaching encounters and build a scalable system of measurement.

Performance feedback must be insightful and actionable, with visual indicators to monitor priorities and progress. The ability to capture real-time feedback linked to specific goals and competencies makes performance discussions meaningful and motivating.

QUANTIFYING THE VALUE OF INVESTING IN THE FULL EMPLOYEE LIFECYCLE

When a company intentionally focuses on all phases of the employee lifecycle, it ultimately improves the overall employee experience. Companies that interact and treat employees with careful consideration across every interaction fuels the day-to-day commitment and gusto they need to bring out the most in their employees.
INCREASED REVENUE
A study by IBM and Globoforce confirms what we’ve always suspected, a positive employee experience (EX) is linked to financial performance.

The report discovered that companies with a positive EX get nearly three times the ROI and double the return on sales.¹

Enhancing the EX is not a “feel good” fad—it is a viable business strategy that can substantially impact a company’s financial position. As HR continues to become a more influential stakeholder, it is up to them to present the data that aligns a positive EX to better financial outcomes.

IMPROVED RETENTION
High turnover disrupts a company’s workflow, sustainability, and ability to achieve its overall goals. Not only are organizations competing with direct competitors, the company is now competing against the gig economy and a drive for more flexible work environments. Studies going back as far as 2017 demonstrate the high cost of turn over. Up to 30% of an employee’s salary is lost when they leave the job. The cost to recruit a new candidate, lost productivity while the job remains vacant, and training time for new employees add up quickly. Even a small increase in employee retention can make a huge bottom line difference.

BOOSTED REPUTATION
Today, consumers can give their opinion about any product or service and have it public and accessible to a global audience. The cloud-based environment we live in can ruin or boost an organization’s reputation—or “liked-ness”—in an instant, and no company that exists on the cloud is immune.

Just like a shared, bad consumer experience, a shared, bad employee experience can tarnish a company’s credibility and global image via platforms like Glassdoor. Many companies brush these platforms off as they would disgruntled, one-off Yelp reviews. However, when talent researching a company discovers that the vast majority of former employees would not work at a company again because of a bad employee experience, the talent will likely look elsewhere for employment.

All companies want a line of customers eagerly waiting to purchase their product or service—they should equally want an abundance of candidates eagerly pursuing a career at their company. Imagine having a pool of talent wanting to work for your company because you have a reputation of satisfied employees, who go out of their way to talk about the stellar experience they have working for your organization.

EMPOWER EMPLOYEES DURING ALL PHASES OF THE EMPLOYEE LIFECYCLE
Empower your employees with intuitive, personalized tools that allow them to pursue their own self-directed path for development and career growth. Align goals with the strategic objectives of the broader organization. Lastly, providing a consistent experience will drive usability and adoption which will continually benefit the greater talent needs of the organization.

Join thousands of your peers who have turned to SumTotal to scale employee interactions across complex work environments without over-taxing busy HR teams.

SumTotal provides a unified, comprehensive Learning and Talent Development suite that delivers measurable impact across the entire employee lifecycle. With SumTotal, organizations can build a culture of learning that is critical to growth, success, and business sustainability. SumTotal’s award-winning technology provides talent acquisition, onboarding, learning management, and talent management solutions across some of the most innovative, complex and highly regulated industries, including technology, airlines, financial services, healthcare, manufacturing, and pharmaceuticals.

Skillsoft and SumTotal are partners to thousands of leading global organizations, including many Fortune 500 companies. The company features three award-winning systems that support learning, performance, and success: Skillsoft learning content, the Percipio intelligent learning experience platform, and the SumTotal suite for Talent Development, which offers measurable impact across the entire employee lifecycle.

Learn more at sumtotalsystems.com.