

Unlocking the DNA of the Adaptable Workforce

The Global Human Capital Study 2008

The global economy is transforming into an integrated market, full of opportunity, competition and swirling change. Such change comes with its share of challenges. Indeed, the strain that global economic growth is placing on the supply of commodities and the environment has been well documented. Perhaps less well understood are the difficulties this expansion is causing today's organizations as they strive to make the best use of their most important assets: their workforces.

However, as any firm that has attempted to transform its workforce to meet changing conditions will attest, the journey is difficult and littered with obstacles. Understanding key workforce performance challenges and identifying the leading practices companies are using to overcome them have become central focus areas for our research and consulting.

This study is based upon primary research recently conducted by the IBM Global Business Services Human Capital Management practice and the IBM Institute for Business Value, with assistance from The Economist Intelligence Unit. More than 400 human resource executives from 40 countries participated in a structured interview designed to capture insights on the subject of workforce transformation. To provide additional insights, we also drew from a range of sources, including: secondary research, financial analysis, previous IBM studies, our extensive

experience working with clients and IBM's own internal transformation story.

Our analysis identified four important themes that require the attention and focus of senior executives across the organization, including those responsible for the HR function (see Figure). These are:

- Developing an adaptable workforce – A critical capability
- Revealing the leadership gap – Future growth at risk

- Cracking the code for talent
- Driving growth through workforce analytics.

Creating an adaptable workforce requires more than a series of HR programs. It starts with leadership – having the right people who have the skills and capabilities to develop and communicate a vision, provide structure and guidance and ultimately, deliver business results. It requires the ability to identify experts and foster an environment where knowledge and experience travel beyond traditional organizational boundaries.

It calls for a talent model that can help companies recruit, develop and retain valued segments of the employee population. It depends on an underlying backbone of data and information about the current and projected state of

FIGURE 1.
Four themes.



Source: IBM Institute for Business Value.



workforce performance, and the ability to apply that information to develop strategic insights and recommendations.

The human resources organization, by itself, cannot be expected to shoulder this entire effort. True, the HR function needs to take a lead role in providing strategic guidance on workforce issues and designing human capital programs that can enhance workforce effectiveness.

However, the entire executive suite needs to play a role in improving workforce performance. This may involve providing functional expertise, taking joint responsibility for executing human capital programs or simply setting a positive example for employees within their organizations. Without this unified commitment, all bets are off.

The adaptable workforce is a precursor for future organizational success. The key to building that kind of workforce lies with the leadership of the organization, facilitated in large part by HR. If there was

ever a time for the HR function to prove its strategic value, and contribute to organizational performance and growth, it has arrived.

1. Apply virtual communication tools and facilitation techniques to more effectively connect people from around the world.
2. Use collaborative spaces to gather knowledge, express ideas and concerns and share passions.
3. Spend more time on setting organizational context and communicating where the organization needs to go.
4. Improve the visibility of both formal and informal skills.
5. Use dashboards linked to collaborative tools to capture key realtime information about people, activities and outcomes.
6. Provide more frequent guidance and link performance to recognition.

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How can IBM help?

IBM's Human Capital Management practice can provide assistance in addressing a range of leadership development, collaboration and talent management issues:

- **Workforce Transformation** – enabling organizations to have the right people, with the right skills and information, in the right place, at the right time with the right motivation and at the right cost.
- **Knowledge and Collaboration** – connecting and supporting a global workforce to operate productively no matter where they are located.
- **Integrated Talent Management** – leveraging IBM's Lotus collaboration software and Cognos analytics with selected talent management software providers and drawing upon HCM's consulting capabilities to rapidly design and implement effective talent management solutions.

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