Workforce Resilience in action

AN MHR EGUIDE TO STRENGTHENING **FUTURE-FACING ORGANISATIONS**

Build forward better





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Introduction





From insights to actions

In the recent MHR research report – <u>Understanding and building workforce</u> resilience – we examined how crucial workforce resilience is to achieving a competitive edge and delivering business outperformance.

The report also demonstrated the positive impact that workforce resilience has on an organisation's employees – driving engagement, productivity and wellbeing by making the business a more fulfilling place to work.

And we established the pivotal link between enabling technology and increased business resilience.

In this guide, we build out from these learnings to outline the practical actions that organisations can take to increase their own levels of workforce resilience. 2

Why workforce resilience matters



Why workforce resilience matters

Facing up to the future

For most businesses, the days of the stable organisation operating in a predictable market are, if not definitively over, at least shelved for the foreseeable future. Today's unpredictability is manifested in a number of ways.

Digital technology is clearly a major influence on our new, more fluid business landscape. Impacting all industries, it's accelerating the pace of change, redefining business models and disrupting established ways of working. "Wait-and-see" approaches have had to be abandoned in response to the pandemic. Businesses need to respond immediately and decisively.

59%

of UK CEOs put the digital transformation of core business operations and processes in their top 3 priorities¹



85%

of UK CEOs said that the pandemic significantly accelerated digital transformation²

Why workforce resilience matters

Underlying trends in today's globalised economy, including more mobile populations, are driving the rise of more transient and flexible workforces.

32%

of employers are replacing FTEs with contingent workers as a cost-saving effort.³

Greater interconnection and competition across global markets mean inefficient businesses are struggling to keep up.

Employee attitudes towards work – what they expect from an employer and their work/ life balance priorities – are shifting. People are increasingly self-reliant and want to take control of their career, how they work and how they develop.



Over

50%

of the UK workforce would like to work flexibly in at least one form that is not currently available to them.⁴ "Resilience is vital to help organisations, and the individuals within them, to maintain high performance levels, improve their sense of wellbeing and cope with fluctuating emotions and situations."

Julie Hodges, Professor of Organisational Change and Author, Durham University Business School

Why workforce resilience matters

The seismic shift to remote working,

accelerated by the pandemic and now here for the long term, highlights the need for secure digital access to systems and information. Heightened consideration of employee wellbeing is driving many organisations to re-evaluate their people-related processes.

48%

of employees will work remotely at least some of the time in the world.⁵ Almost

50%

of working days lost in Britain due to health issues are thought to be due to stress, anxiety and depression.⁶

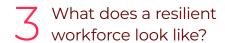
For organisations to survive and thrive amidst all this uncertainty, workforce resilience has become essential. If recent experience has taught us anything, it is that organisations need to be able to adapt while still retaining cohesiveness, a sense of common purpose and a focus on maintaining their competitive edge. They also need to ensure that workforce wellbeing and mental health is always front of mind.



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What does a resilient workforce look like?





The Workforce Resilience Framework

There's no shortage of reports identifying the characteristics of resilient organisations.

Deloitte research shows that resilient organisations are:

- prepared they plan for both short- and long-term eventualities
- adaptable they recognise the importance of versatile employees
- collaborative they understand the importance of collaboration to speed up decision-making, mitigate risk and increase innovation
- trustworthy they develop trust between leaders and employees with good communication and transparency
- responsible they balance the needs of all stakeholders and are not just focused on the bottom line⁷

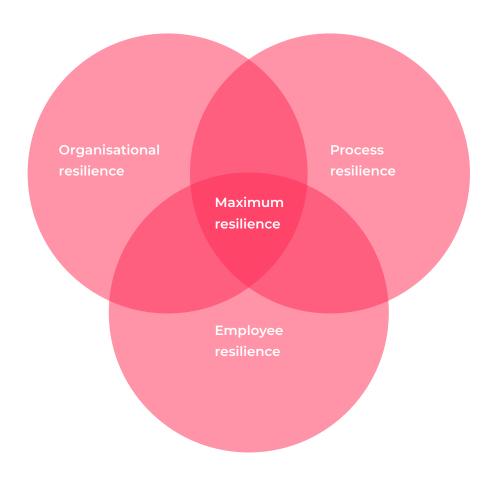
Boston Consultin Group defines resilience as "a company's capacity to absorb stress, recover critical functionality, and thrive in altered circumstances."8

Gartner advises that "organisations need to reimagine both the workforce and work design to be resilient – and to able to sense and respond to change, repeatedly and at scale." More specifically, Gartner recommends that HR should:

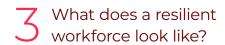
- wrangle talent management and resource allocation to ensure the right skills are available in the right place at the right time
- redesign processes to remove the "friction" that slows down work and prompts employees to continually "hack" the system to get the job done
- boost the value provided by the HR function itself to provide more relevant and timely solutions and support to the leaders, managers and employees who are HR's customers.⁹

What does a resilient workforce look like?

Based on our research and drawing on our experience of working with over 1,000 employee organisations, we've identified three key dimensions of workforce resilience: organisational, process and employee. We call this the Workforce Resilience Framework.



The Workforce Resilience Framework



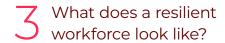
Organisational resilience

Resilient organisations are agile – they can quickly respond to a changing working environment in order to maintain competitive advantage.

"Resilience is the strength and speed of our response to adversity."

Adam Grant, Co-author of Build Resilience in the Face of Adversity

| ORGANISATIONAL RESILIENCE CRITERIA | BUSINESS CAPACITY | YOUR SCORE 0 = no capacity 10 = maximum capacity |
|--|----------------------|--|
| Able to quickly and effectively upskill or reskill the workforce when market needs change | Agility | _ |
| Can easily adapt to external and internal changes, such as new legislation or integrating a new business unit/geography | Responsiveness | _ |
| Able to quickly scale the workforce up and down using a fluid mix of permanent and contingent workers | Flexibility | |
| Can meet the needs of mobile/remote workers as seamlessly as centrally-located workers | Inclusiveness | |
| Senior managers have easy access to the workforce insights needed to inform business decisions | Insight-led | |
| Teams can easily communicate and collaborate across business units to foster innovation, increase productivity and improve everyday interactions | Collaborative | |



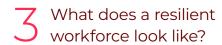
Process resilience

Resilient systems and processes are intuitive, automated, accessible and intelligent, effectively supporting and enabling employees.

"Companies that are operationally flexible can change their processes more easily to adapt to adverse situations."

BCG¹⁰

| PROCESS RESILIENCE CRITERIA | BUSINESS CAPACITY | YOUR SCORE 0 = no capacity 10 = maximum capacity |
|--|----------------------|--|
| HR processes are straightforward and easy to follow with minimal training | Intuitive | |
| HR processes have a high degree of automation rather than relying on multiple manual inputs | Streamlined | |
| All employees can easily and flexibly access, update and manage their own HR data and their own career development | Accessible | |
| Managers have easy access to information that is critical to workforce management | Data-driven | |
| New hires and current employees are kept well informed about company strategy/vision, policies and procedures | Inclusive | |
| Easy access to useful HR metrics and KPIs, enabling identification of potential risks or opportunities | Intelligent | |
| | _ | _ |



Employee resilience

Resilient employees are engaged, fulfilled and empowered to be able to thrive in a volatile and complex environment.

"To develop resilience, the workforce needs to enhance their optimism, self-assuredness, focus, openness to ideas, willingness to ask for support, and ability to be structured and proactive."

Julie Hodges, Professor of Organisational Change and Author, Durham University Business School

| | _ | |
|---|-------------------------|--|
| EMPLOYEE RESILIENCE CRITERIA | BUSINESS CAPACITY | YOUR SCORE 0 = no capacity 10 = maximum capacity |
| Have effective tools, processes and engagement for maintaining a strong, unified company culture, and employees understand mission and values | Informed | |
| Senior leadership helps to build employee resilience by consistently demonstrating positive behaviours, such as empathy, respect and emotional intelligence | Motivated | |
| Have the tools to ensure employees feel listened to and valued, and receive appropriate reward and recognition for their contribution | Recognised | |
| Employees know what is expected of them in their roles and are empowered/equipped to perform at their best | Enabled/ accountable | |
| Employees boost the reputation of the company at every opportunity and are committed to winning against the competition | Committed | |
| Organisation performs strongly on employee satisfaction metrics such as engagement, mental health, low employee turnover and low absenteeism | Engaged | |
| | | |

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Key enablers of workforce resilience





What are the key enablers of workforce resilience?

Building a truly resilient workforce relies on three key enablers:



1. Leadership and culture



2. Policies, processes and programmes



3. Systems and technology

Leadership and culture

Strong leadership and a nurturing culture are essential for driving the creation of a resilient workforce. Here are some of the fundamental requirements.

An aligned vision

To ensure cohesiveness and an aligned sense of purpose, leadership needs to provide clarity around mission and goals.

A golden thread should link the objectives of the business to every individual, building alignment, connectivity and a collective purpose, and making it clear how each individual plays a vital part.

The appraisal and objective-setting process is a good example of this, with organisational strategy and aims clearly linked to an employee's responsibilities, actions and deliverables.



Good communication

Regular communication and engagement with employees right across the organisation is also essential, especially when an increasing proportion of employees are working remotely. Team catch-ups and inter-departmental forums are all key to keeping people engaged, aligned and involved.

The Plan Group is a UK-based, 30-year-old insurance brokerage company that made an abrupt switch to a 100% remote workforce when COVID-19 hit. The company commented:

"In such a sudden transition, we knew the management and engagement of the workforce would be critical to the success of our now teleworking company."

Leading by example

Leaders must also role model the right behaviours, such as empathy, a respect for an individual's work/life balance, and emotional intelligence. This should be reinforced by identifying and celebrating good practice within the business.

By way of example, Google CEO Sundar Pichai is often described as a 'servant leader'. One of his major leadership strategies is "to not only see your own success, but to focus on the success of others."

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¹¹Who is Pichai? HR Grapevine



Mutual respect

A resilient organisation needs a nurturing culture that respects each employee's needs, recognising the whole person, not just their work persona.

"The reason for our success is no secret. It comes down to one single principle that transcends time and geography, religion, and culture. It's the Golden Rule – the simple idea that if you treat people well, the way you would like to be treated, they will do the same."

Four Seasons Hotel Group

Empowerment

Employees need to feel empowered, with the ability to take control of their own careers and act on their own initiative.

Examples of this abound in Netflix CEO Reed Hastings' book, 'No Rules Rules', in which he explains that his approach to leadership is very much about empowering his staff to be autonomous and act on their own initiative. 5

Policies, processes and programmes





Policies, processes and programmes

Policies, processes and programmes are the mechanisms that help deliver, track and monitor a resilient workforce. This aspect involves the following elements:

Maintaining a strong skill base

Resilient organisations need the ability to attract and develop the skills they need to stay competitive. This can be supported by structured, streamlined processes for recruitment and talent management, as well as by organisational intelligence that highlights future skill gaps before they arise.

Planning for uncertainty

To ensure business needs are anticipated and existing resources can be reallocated as required, effective resource planning processes need to be in place. Workforce plans need to be robust, regularly reviewed and continually updated. Well-defined policies and processes make it easier to use a flexible

mix of permanent and contingent resources, providing the agility to adapt as the business model changes.

Putting wellbeing front and centre

Appropriate employee wellbeing programmes ensure that employees' individual physical and emotional needs are met. Regular checkins with employees should be established to celebrate success, discuss challenges, and provide a channel for honest feedback and for employees to discuss their progress.

As employees return to the office after a long absence, individuals will need time to readjust. It's key that HCM approaches include a focus on wellbeing, including regular check-ins and one-to-ones.

5 Policies, processes and programmes

WELLBEING IN ACTION

Chairman and Human Resources Director at the People in Law network, Rob Hind, implemented resilience workshops run by a consultant psychologist to help employees working in particularly stressful environments. He designed and implemented strategies at systemic, team and individual levels to optimise the wellbeing and performance of the partners, lawyers and business services teams in high pressure environments. Its success is reflected by the fact that many participants are still using his techniques to maximise their performance and support their mental and physical wellbeing.

Encouraging diversity

Resilient organisations will also have programmes in place to encourage diversity, equality and inclusivity.

Different backgrounds, cultures and experiences lead to the diversity of ideas and solutions that generate innovation and solve problems more effectively.

"Greater diversity in thinking and decision-making equals greater resilience."

Vivian Acquah, Inclusive Workplace Wellness Advocate

Celebrating success

It is also important to celebrate, reflect on and learn from completed projects, incorporating learnings into future workstreams.

"The importance of taking the time in celebrating the delivery of objectives and projects is a vital component of building workforce resilience, confidence and general wellbeing."

Mark Evans, MHR Key Opinion Leader

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Systems and technology





Systems and technology

Our research demonstrates a clear link between workforce resilience and investments in enabling technology. The right technology is critical to the effective implementation of policies, processes and programmes. This technology comprises a number of components.

Strong engagement tools

Effective communication and collaboration tools are vital for enabling effective alignment across a dispersed workforce and increasing engagement.

Intuitive and accessible interfaces

Easy-to-use, mobile-first tools deliver a consistent experience to all employees, wherever they choose or need to work. The shift to flexible working increases the need for digital access, preferably via an app that

provides employees with easy and secure access to relevant information, whenever it suits them.

Agile and scalable platforms

Cloud-based systems offer greater levels of flexibility and control by making it easier to scale requirements up or down, and integrate new features as they become available.

Integrated systems for end-to-end visibility

Integrated systems and consolidated end-toend processes – including a single platform that holds the full life cycle of each employee – allow full visibility of workforce-related data across the organisation and enable quick and easy adaptation as business needs change.



Intelligence built in

Effective use of intelligence/analytics delivers the insights needed to react quickly to changes, supporting fast and well-informed business decisions. But knowledge and insights should be shared both ways, with employees able to view information relating to their performance and career development. Metrics and analytics gathered through HCM should inform discussions about talent development and succession planning.

Tools to empower employees

Self-service tools empower employees to take control of their own career and development, while easing the burden on HR teams. Using smart technology, such as chatbots, further reduces the admin burden, enabling employees to get answers to routine questions such as "How do I book a holiday?" or "How do I view my payslip?".

Automated and efficient processes

Streamlined, automated processes remove the inefficiency of time-consuming manual HR processes, freeing up HR teams to carry out more value-adding activities. Avoiding multiple manual inputs eliminates errors that could undermine decision-making, or cause a compliance risk.



Steps for building a more resilient workforce



7 Steps for building a more resilient workforce

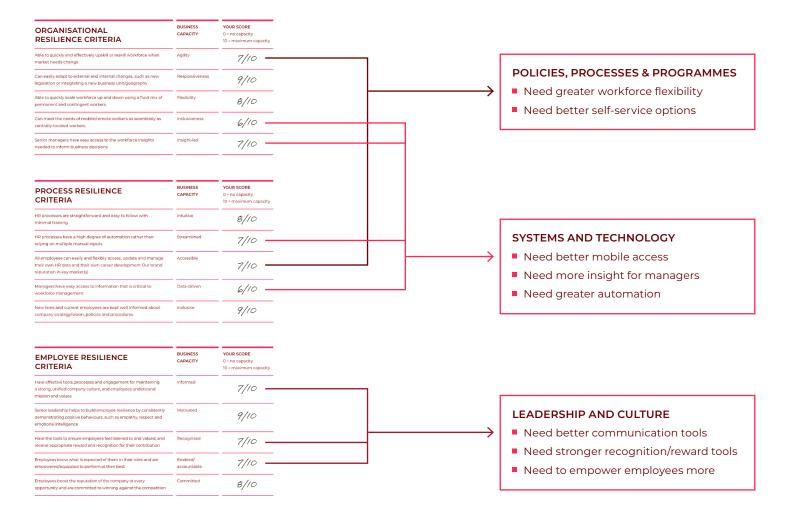
5 steps to implementing workforce resilience

- 1. Use our **Workforce Resilience Framework** to assess your current levels of resilience. How many of the resilience criteria outlined on pages 9-14 does your organisation rate highly for? Where are the current gaps in your resilience? If you rate yourself less than 8 out of 10 for any of our criteria, there is room for improvement.
- 2. Addressing the criteria where you scored the least, identify the relevant key enabler categories Leadership and culture, Policies, Processes and programmes, Systems and technology where improvement should be focused. What leadership actions or tools are needed? How can you change processes to strengthen agility? What systems or technology can improve employee experiences or enhance organisational insight?

7 Steps for building a more resilient workforce

Step 1: Assess workforce resilience

Step 2: Identify areas for improvement

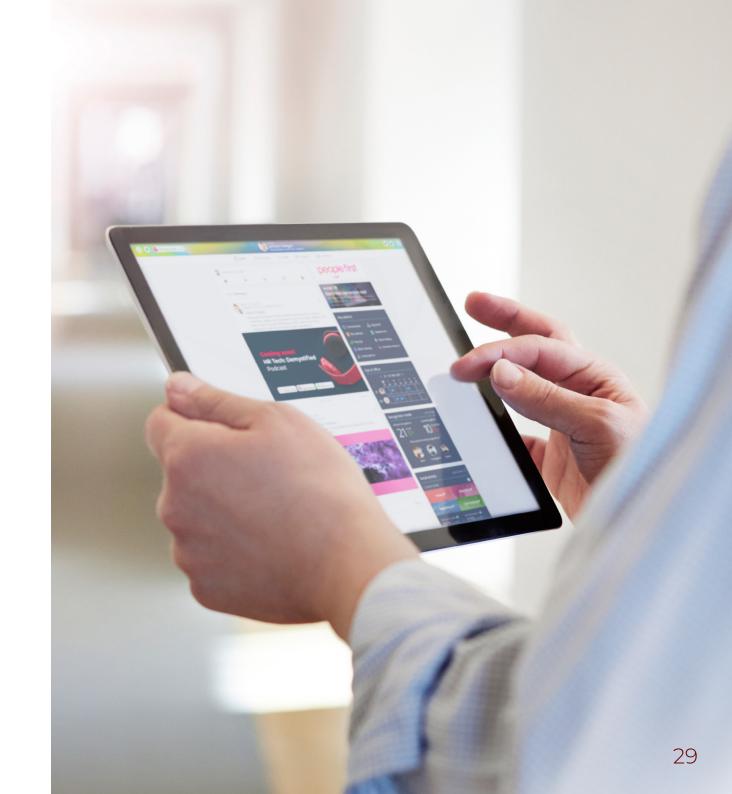


7 Steps for building a more resilient workforce

- 3. Establish a cross-functional team to address your workforce resilience this should not be seen as solely an HR initiative. Once you have agreed what needs to be done, get the right people from across the business involved, making sure that the requirement is not just understood, but actively bought into. Make sure that proposed actions are achievable.
- 4. Assess your potential improvement activities, based on impact and time/effort to deliver. Prioritise into short/medium/long term. This is the stage at which you need to create your Workforce Resilience Plan and take action on your highest-priority activities.
- 5. Track progress and regularly benchmark against your initial assessments. Building and improving workforce resilience is not a one-time activity. Capabilities need to be continually monitored and enhanced to ensure that your organisation remains in the strongest possible position.

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Introducing People First from MHR





People First: the platform for building resilience



People First from MHR delivers the enablers that you need to achieve a more connected, resilient and engaged workforce.

Simplify and automate time-consuming processes

As a fully-integrated HR and payroll platform with advanced automation features, People First enables you to simplify time-consuming administrative processes. You can improve efficiency, reduce risks and free up your HR team to drive improved productivity.

The platform manages all your employee data and core processes in one place. You can reduce time-consuming and error-prone manual tasks, your HR administration burden and your compliance risks.

People First's self-serve model empowers employees to easily access and update their

HR records at any time from any location, saving time and effort for employees and HR teams.

It also provides a range of features for responding quickly to changing business and employee needs, strengthening your business agility.

Connect and align a dispersed mobile workforce

People First is a cloud-based, mobile-first platform for employee engagement and communications. By easily and securely connecting a dispersed workforce, it enables you to achieve greater resilience, better alignment and a more unified culture.

Available 24/7 from any location and any device, the platform provides the flexibility to suit the needs of individual users.

8 Introducing People First from MHR

Collaboration functionality allows all voices to be heard, with immediate feedback and recognition, helping to build a culture of success.

News feeds and daily briefings allow delivery of consistent messages to all employees, making sure everyone feels involved and aligned.

Empower and nurture valuable talent

By giving you the tools to attract, develop, nurture and empower your employees, People First helps you boost employee wellbeing and motivation, increase workforce resilience and grow the value of your people.

The platform is built on a modular architecture, with People First Talent designed to enable enabling you to understand areas of strength and identify areas where you need

to improve. It facilitates recruitment that delivers on your strategic goals and objectives, avoiding unforeseen skill gaps and assisting longer-term planning.

People First Learning empowers employees to take control of their own learning, identify gaps and opportunities, and continually develop their skill set. Employee self-confidence, as well as company capability and agility, are all enhanced.

The platform's reward and recognition tools allow everyone to quickly and easily call out and celebrate examples of great work, boosting morale and ensuring that individuals feel valued. The employee-centred design features tools such as informal check-ins, driving employee development, motivation and wellbeing.





Eliminate inefficiency by consolidating HR infrastructure

As a truly unified, single platform supporting all of your HR and payroll needs, People First enables you to eliminate the inefficiencies associated with operating multiple HR systems. It delivers a lower total cost of ownership while improving the employee experience.

Comprehensive support services make it quick and easy for you to implement, adopt and manage the People First platform. You achieve a fast return on investment and gain full value from the system quickly.

Using an open design and continually enhanced, the platform gives you the ability to address the future needs that you cannot yet foresee. And as a cloud-based system, hosted on highly secure and resilient infrastructure, People First saves on space and employee costs, taking away the headache of maintaining on-site hardware.

Improve data visibility and make more informed business decisions

People First's analytics and reporting capabilities provide proactive alerts, easy-to-use dashboards and enhanced data visibility. You can identify potential issues and risks faster, while also gaining the insights that inform key strategic decisions across the business.

By delivering easily digestible data, the platform also enables you to identify any potential wellbeing problems before they escalate. You can extract new insights from your people data, identify new opportunities across your workforce and inform strategic thinking at board level.



Build forward better

MHR International Group is a global software and consultancy company specialising in HR, payroll, employee engagement, learning and analytics, and artificial intelligence services. Our portfolio includes iTrent, People First and MHR Analytics. We maximise employee engagement, generate better data insights and improve efficiencies for over 1,000 companies, ranging from SMEs to large multinational corporates across both public and private sectors.

To find out how we can help you build forward better, just get in touch.

info@mhrglobal.com | mhrglobal.com | 0115 945 6000