

Five Forces That Will Shape the Future of HR

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A collaboration among top human resources officers suggests five big trends are on the horizon.

Call Out:

Five trends will pivotally affect talent management: Exponential technology change; social and organizational reconfiguration; a truly connected world; all-inclusive global talent market; and human and machine collaboration.

Story Begins:

What economic, social and workplace forces will be most pivotal in affecting the future of talent management and HR?

In September of 2013, a group of more the 30 top human resources officers and leaders volunteered to map the future of the profession, along with how to meet its future potential.

At the end the leaders were convinced that HR required a step-change in its evolution to achieve its potential and meet accelerating organizational demands. The discovery spawned CHREATE, or The Global Consortium to Reimagine HR, Employment Alternatives, Talent and the Enterprise.

The leaders set their sights on the year 2025, a 10-year horizon that futurists suggest is sufficiently distant to break from the inertia of tradition yet still sufficiently close to be envisioned.

These leaders knew that a future vision cannot describe perfectly the challenges facing any particular organization. So they set out to provide an outline that talent leaders might use to identify how these trends and implications might define their organization in 2025.

Exponential Technology Change: Technological breakthroughs produce exponential disruptions in markets and business. The rapid adoption of robots, autonomous vehicles, commoditized sensors, artificial intelligence and global collaboration that renews the re-thinking of work and global commerce are all poised to have influence in 2025.

Organizations and talent leaders may respond by engaging flexible, distributed and transient workforces that adapt to rapid cycles of business reinvention while also becoming more accurate in choosing big long-term bets and more flexible when predictions are uncertain. Workers must successfully engage with automation and adapt to transitions with more frequent job loss and rapid skills obsolescence.

Social and Organizational Reconfiguration: Increased democratization of work will likely shift organizational forms from the traditional hierarchy toward more power-balanced organizations and communities, with less employment-based and more project-based relationships.

Talent is likely to increasingly engage based on aligned purpose, not simply economic exchange. Organizations and talent leaders may respond with networks replacing hierarchies and social and external collaborations as vital elements of product and service development.

Leadership becomes horizontal, shared and collective. Talent sourcing and engagement happens through diverse models, including part-time, full-time, free agents, outsourcing and talent exchanges with partner organizations. Business practices, culture and engagement reflect shared purpose and mission.

A Truly Connected World: Human connections are poised to increase through inexpensive mobile devices, wearables and other personal interfaces. The so-called “Internet of things” may create exponentially greater real-time data. New media enables global and real-time communications to accelerate ideation, product development and go-to-market strategies, with rapid prototyping and intensive user feedback.

Organizations, their operations and their impact are likely to be globally transparent to wide communities of stakeholders. Work is sourced from anywhere at any time, by workers organized in the cloud and networks of free agents. Organizations and talent leaders respond with extremely short product development and release cycles with immediate feedback and relationships based on trust.

Additionally, organizations may manage work through newly defined talent management systems that support a distributed and global workforce, high-trust cultures and purpose-built

networks, empowered with big data, creating increased innovation with very short product and service development cycles.

All-Inclusive Global Talent Market: Work in 2025 is likely to be seamlessly distributed around the globe with 24/7 operations. Greater longevity allows mature talent to work longer. Female and non-white ethnicities become talent market majorities.

Social policies evolve to support boundary-less work relationships beyond traditional employment. Organizations and talent leaders respond by increasingly segmenting and deconstructing work and directing it to talent within and outside the organization through diverse work relationship and virtual collaboration.

Leaders engage and address highly varied and differentiated cultural preferences in policies, practices, work designs, pay and benefits, and manage a workforce that extends beyond regular full-time employees. Workers choose organizations using information that extends far beyond job and work arrangements to include environmental and social impact, purpose and the opinions of socially connected peers and opinion leaders.

Human-Machine Collaboration: Analytics, algorithms, big data and automation are likely to enhance productivity and decision-making, but smarter computing also automates and abolishes tasks previously performed by humans.

This disrupts product, service and labor markets. Organizations and talent leaders respond by migrating tasks from people to machines or robots and mastering big data. They maintain external partnerships to augment capabilities beyond their regular employees and create workforce transitions that maintain their reputation as a fair and attractive place to work.

As a result, talent and organization leaders must form strong social and community relationships and master the ethics of collaboration with far more varied constituents.

How will these trends affect you and your organization?

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