

Ardent

**IT'S A NEW WORLD:
Workforce Transformations
Done Right**



Our world is changing.

Although it may sound like the opening line in a sci-fi movie trailer, it's not. We're living in a period of fundamental shifts in the way we live, work, and interact with the world around us. The rise of digital brings us daily disruptions and, at work and at home, we're required to keep the pace with constant change.

A McKinsey study finds that, by 2030, up to 30 to 40% of employees in developed countries will need to move into new roles and expand their skillsets to meet changing workforce demands. In anticipation of these dramatic shifts—and to keep up with increasing automation and other tech changes—forward-thinking organizational leaders are now planning and implementing workforce transformations. And their workforces are thanking them for it: Transformations are a key component in retaining and attracting top talent.



WORKFORCE TRANSFORMATIONS CAN BE EXCITING.

They are also disruptive and messy and, if not thoughtfully planned, they will have an adverse outcome. According to McKinsey's 2021 Global Survey, 23% of all transformations fail during the planning phase. If you are among the 77% that made it over the planning hurdle, don't celebrate too much; the failure rate jumps to 55% during implementation. But don't let these numbers get you down. All it takes is an intentional, paced effort.

The key to successful workforce transformations is to tie your transformation efforts into the day-to-day business, while engaging your employees and effectively managing change.

To help you—let's look at what workforce transformations entail, what types of workforce transformations exist, how to successfully implement them in your organization, and how to ensure you can bring your employees along for the journey.



Chapter One

Workforce Transformation Explained

We tend to link workforce transformations and digital transformations.

Although both are rooted in changes to business strategy and processes that affect your workforce. Digital transformation focuses on digital technology tools, strategies and the impact implementation has on people. Workforce transformation puts the focus on your talent, functions, and roles. More than technology changes, these transformations can strengthen your employees' knowledge, skills, abilities, and mindsets.

INITIATE WORKFORCE TRANSFORMATIONS AS AN ANSWER TO:

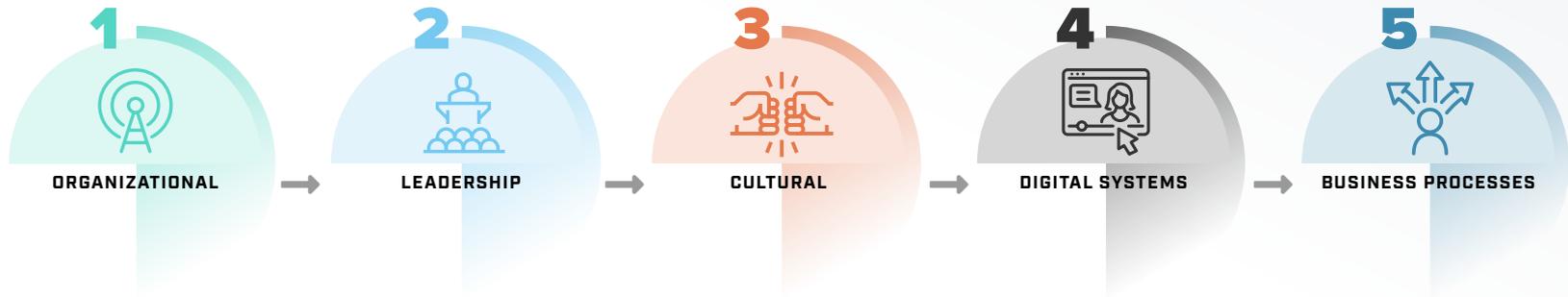
- ✓ Work that is unstructured, unpredictable, and filled with unknowns
- ✓ Risks and influences outside of a business' control, e.g., market fluctuations, pandemics, geopolitical events, regulations, social impacts, natural disasters
- ✓ Generational shifts in the workforce
- ✓ Increasing difficulty in retaining top talent
- ✓ An unavoidable reliance on rapidly evolving technology platforms
- ✓ Shifting workplace settings, i.e., employees' desire to work remotely

We've seen many meaningful workplace transformation strategies in recent years. Businesses that thrive on the other side of disruption are placing emphasis on the importance of consistently evaluating their transformation strategies and, more importantly, their abilities to execute on those strategies. Organizations demonstrating confidence in their leadership, purpose, and team, making data-based decisions, and staying flexible enough with their transformation efforts are those organizations that can create a competitive advantage for themselves and build the workforce of the future.

Chapter Two

Types of Workforce Transformations

Workforce transformations have different drivers.





1. Organizational

Most major organizational changes originate with a structural redesign; the focus is on teams and how they work together. Some changes will focus on employee development and team scaling; others might emphasize productivity and strategy alignment. Priorities will vary based on where the company has been and where they want to go. This type of transformation can pack the biggest punch and often precedes any of the others listed below.

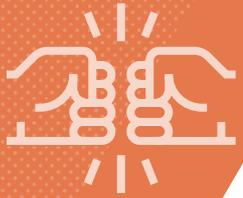




2. Leadership

Time and cultural shifts have exposed the weaknesses in traditional hierarchical structures. Gone are the days of command and control: Today's organizations are met with a heightened emphasis on communication, collaboration, transparency, and team empowerment. Leaders are asked to trust their employees and their abilities to perform with unconstrained autonomy. Employees are asking leaders to trust that they can work anywhere, anytime. The balance is struck by teams that have credible, qualified leadership in place that can guide and motivate employees, setting them up for success in their roles.





3. Cultural

Following on the heels of a leadership transformation, cultural transformations focus on ways of thinking and behaving. It starts with changes at the individual level and gains momentum when teams and functions are operating with a shared sense of purpose towards the company mission, vision, and values. Companies often find themselves needing to transform their culture due to toxicity, lack of motivation, growing pains, a disconnect from purpose or dated ways of thinking and working together.





4. Digital Systems

Digital transformation might be one of the top business buzz phrases of the last couple years. Simply put, companies undergoing digital transformations are modernizing their business operations and workforce productivity by identifying and implementing best-fit technologies. They are implementing the right platforms and sunsetting those that no longer serve a purpose while also ensuring employees have the knowledge and skillsets to adequately leverage these new tools. Research by the [Boston Consulting Group](#) shows that these endeavors don't come without risk; 70% of digital transformation projects fall below expectations. On the flip side, well-planned, thoughtfully executed digital can help companies achieve earnings growth that is 1.8 times higher than those lagging in their digital upgrades.





5. Business Processes

At the center of every business operation are questions surrounding ways to save time, speed up a return on investment, preserve valuable resources, or respond to market demand more efficiently. But when a company is struggling to keep up with demand or finding themselves wasting time and energy as a workforce, it's time to explore how the work is getting done at the process level. Companies will often hire a third party to assess their business process, but it's often the employees closest to the work that can guide a successful business process transformation when given the time and space to do so. Companies with approachable leadership and the healthiest cultures are providing employees with opportunities to discuss what they are seeing, ideas they may have, and their opinions on areas of improvement.

The output: more predictable business outcomes, more defined strategic planning efforts, and an increased level of employee job satisfaction.

Chapter Three

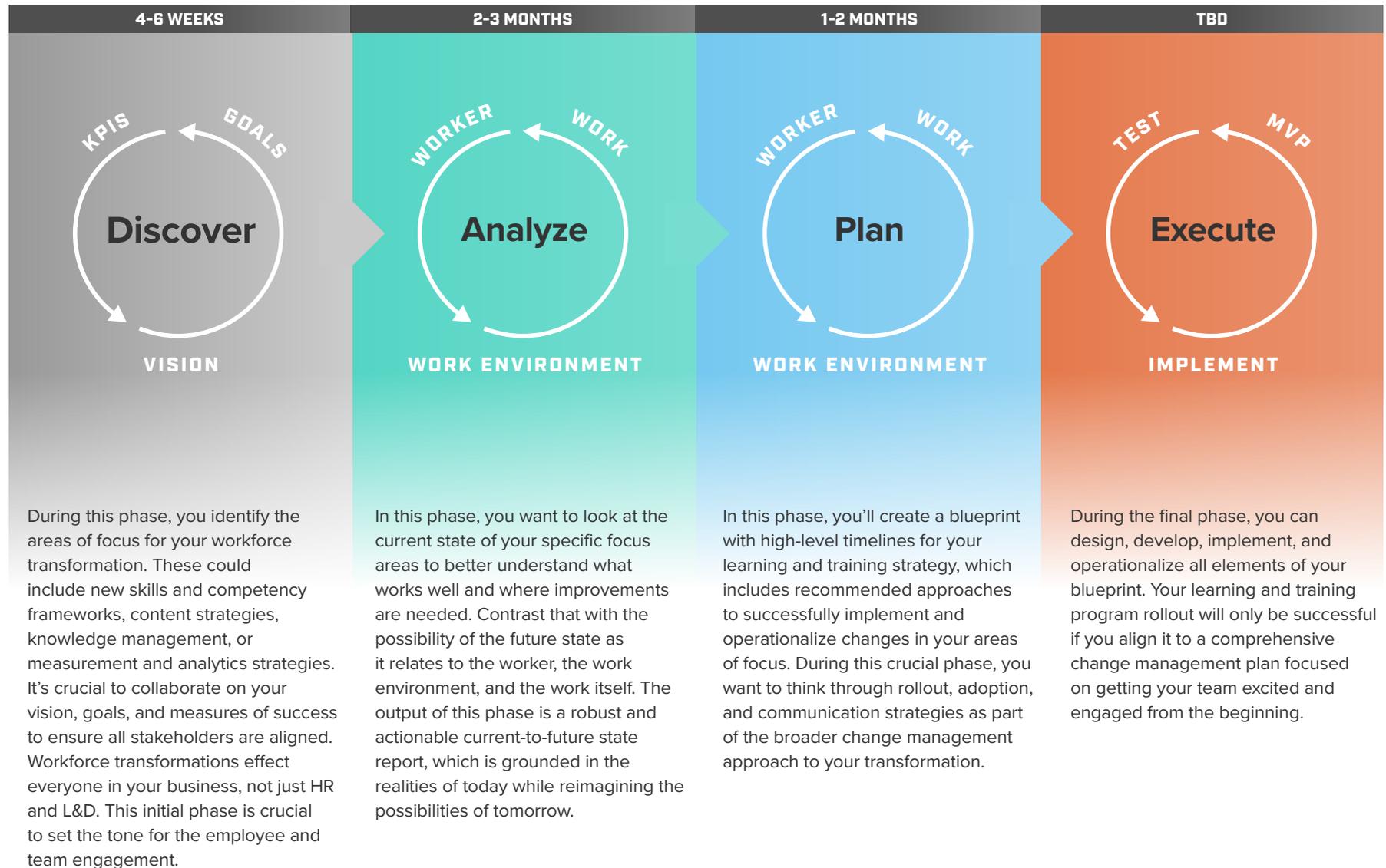
Plan and Implement

Begin your organization's necessary transformations by taking careful inventory of where you have been, where you are now, and where you are hoping to go. There is no one-size-fits-all approach to organizational change, but the companies that remain transparent, nimble, and responsive will see and react to the needed shifts more quickly and with less disruption to employees.

No matter if your transformation is focused on organizational, leadership, cultural, information systems, or business process changes, having a flexible transformation framework in place is essential.



One such example is a four-phased transformation approach:



Chapter Four



Empower Your People For The Transformation Journey

One crucial element, aside from the importance of planning and properly implementing your workforce transformation, is to keep in mind that people are at the heart of it. Because transformations are linked to the knowledge, skills, and mindsets your talent must have, if you don't bring your employees along for the ride, your efforts are likely to fail. The same holds true if you don't have C-level buy-in and support.

Transformations are about human-centricity, creating space for employees to emotionally commit to the transformation journey, employee engagement and well-being. It is about making room to try things out, to innovate, fail, reflect, and share. Keep in mind that the best transformation plans won't go far if you don't first address behaviors and mindsets. Workforce transformations are first and foremost about empowering your employees.

To put the above framework into practice, here is an example of how you might want to approach a workforce transformation related to identifying and filling existing skill gaps while ensuring you include your employees from the beginning.

DISCOVER

Align with your stakeholders on their vision for future skills.

A common pitfall is that organizations find a list online covering the top 10 skills for the future. Each organization has unique needs, and it is crucial to identify how you want to identify future skills and uncover any gaps. Bring your stakeholders—including selected learners—together to engage and align with them on the approach. This may include holding an impact and clarity workshop to identify intent, defining the overall vision, and outlining success measures. Run one-on-one interviews for a deeper exploration of challenges and pain points.



ANALYZE

Equipped with the intent, vision, and measures of success, you can continue your transformation journey by creating a complete current-to-future state map. Make one by identifying the current or “what-is” state and envisioning the future, or “what-could-be” state, showing the art of the possible coupled with the realities of today. The discover phase will give you lots of information about the current state, and the shared vision acts as the North Star for the future state. But there is more work to be done.



Remember: Workforce transformations are about human-centricity so, before going any further, it is a best practice to create learner personas to better understand your audience. Learner and stakeholder interviews will give you the most insights and help you understand what skills are well-developed and what skills are lagging.

Next, analyze current job profiles and speak to stakeholders about their vision for future job roles. Recent changes in the industry, especially due to changes in automation, require jobs to be much more flexible. This is why Deloitte and The World Economic Forum suggest moving away from job roles and towards skill- or competency-based job profiles. This can allow organizations more agility and iterative approaches. Identify what skills are needed to achieve overall business success in your organization and update any existing skills and competency frameworks or create a model from scratch.

After that, map out the various learner journeys that will allow employees to learn and improve these new skills. Run collaborative working sessions with stakeholders and learners to identify the best experience possible. This includes touchpoints or milestones a learner must complete, goals for each of those, content that needs to be covered, activities for learners’ emotional states, measures of success, as well as technology solutions to elevate the experience.

Then map existing content to your learner journeys and identify where content already exists, where you might be able to purchase content off-the-shelf, curate or create from scratch.

You can now move into the next phase, which allows you to plan and prioritize the various projects within the larger Workforce transformation.





PLAN

Bring all stakeholders and learners back together and identify the highest priorities based on impact and level of effort. The goal is to create a transformation blueprint with high-level timelines and action items. Additionally, it is not enough to roll-out new initiatives and expect everyone to get on board. Workforce transformations have a huge change management aspect, which is why it is so crucial to keep employees' mindsets at the forefront. When you plan for adoption strategies of new programs, you need to create awareness first, inform and educate learners before you ask them to take action. And, you have to think through reinforcement strategies. Here are some simple steps that make the adoption rollout and planning easier:



- ✓ **Pique curiosity:** This might be a short announcement of upcoming changes in form of a video 3 to 4 weeks before the actual rollout. At a high-level, explain what learners can expect. If a business leader can deliver this message, even better. Don't forget to add a call-to-action for additional resources and information.
- ✓ **Experience it/Show it:** Roughly 1 to 2 weeks before the rollout, reveal more details about the new initiative. If it is a new learner journey you want your employees to join, excite them with a sneak peek. Think carefully about the call-to-action to make sure you drive engagement. If you have an online learning community, it is helpful to direct learners here.
- ✓ **Experience it/Try it:** The day of the rollout has come, and it's time for your learners to try out the new experience. This could mean logging into a system, taking part in a class, watching a video, or listening to a podcast. Whatever the entry point to your learner journey, make sure it's memorable.
- ✓ **Embrace it:** Employees can easily feel overwhelmed with change. Continue your messaging and share tips and tricks for getting the most from a learner journey. Show them how they can embrace learning and tie it into their every day.
- ✓ **Refresher:** A couple weeks after the rollout, send out refreshers—either via emails or in conversations within regular team meetings—to ensure that everyone is on-board, engaged, and advocating for your learning experience. Continue with multiple refreshers over time until the new behavior is instilled in your employees.



EXECUTE

Kick-off the execution phase with an alignment meeting to remind everyone of the importance of the overall workforce transformation, the vision, and goals before breaking out into smaller working groups to implement your initiatives. Remember that, while you're implementing changes, the day-to-day business is ongoing. Work iteratively in agile project teams toward the end goal of your workforce transformation.



Dream Big

Workforce Transformations can't be rushed.

They need to be carefully planned and implemented while keeping the day-to-day business running. Contrary to popular belief, digital transformations and workplace transformations are different. In fact, the latter may not even have a digital component, but is instead focused on talent, role, and function changes that require employee mindset shifts. Ensure you align not only with stakeholders across the business, but with learners as well. Create a shared vision from the get-go to get buy-in and manage expectations. Take time to analyze your current pain points and challenges. Envision the art of the possible for your workforce of the future. Diligently plan your transformation efforts before jumping into execution.

Dream big, fail, and try again. Your growth throughout this exciting process will ensure your organization attracts and retains the talent needed to stay competitive in today's market.

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