

HRBP Quarterly

A Magazine for HR Business Partners
and Strategic HR Professionals

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Fourth Quarter 2017

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Letter from the Editors

In today's rapidly digitalizing culture, people in all roles and functions are working to adapt and incorporate digital technology—into how they work as well as the services and products they provide. And HR is no exception. As HRBPs, you likely feel digitalization pressure from clients as well as your HR department, and it can be difficult to know where to start.

This quarter we provide research to help you tackle specific aspects of this challenge and share actionable steps you can take as you adapt your role. We focus on a key opportunity for HRBPs to increase their impact—by making the most of their role in talent analytics. We also show how you can make the most of your role in managing organizational culture—key to equipping workforces to compete in this digital era.

We explore news stories on how technology is changing the HRBP role—by requiring them to coach new essential skills, expanding the realm of possible work situations through remote work technologies, and changing how organizations need to recruit. We also hear directly from HR thought leader Tasha Eurich on how modern society is making us less self-aware and how this affects our leaders.

Finally, we explore how HRBPs can better support evolving functions, in particular Marketing and Sales, which are changing rapidly in the face of digitalization. And we provide some insights on how financial acumen can help HRBPs get the “green light” more often for their business partners' projects by using annual reports and other financial metrics.

Don't forget we welcome your feedback on *HRBP Quarterly*, including what you'd like to see in future issues. Send any comments, suggestions, or questions to Katy.ConnealyWeber@gartner.com.

Brian Kropp, Amanda Joseph-Little, Meg Zolner Day,
and Katy Connealy Weber

Increasing HRBP Impact with Talent Analytics

Despite increasing investments from organizations, Talent Analytics functions are struggling to achieve results. This has driven leaders to question how their organizations can further leverage talent analytics to drive business impact. As liaisons between business leaders and HR, HRBPs can use their skills, talent analytics, and our HRBP Analytics Framework to maximize analytic impact.

Low ROI from Talent Analytics Investments



Commitment to talent analytics continues to rise, but organizations are not seeing the returns they expected on their investments.

Expectations for Talent Analytics Continue to Rise



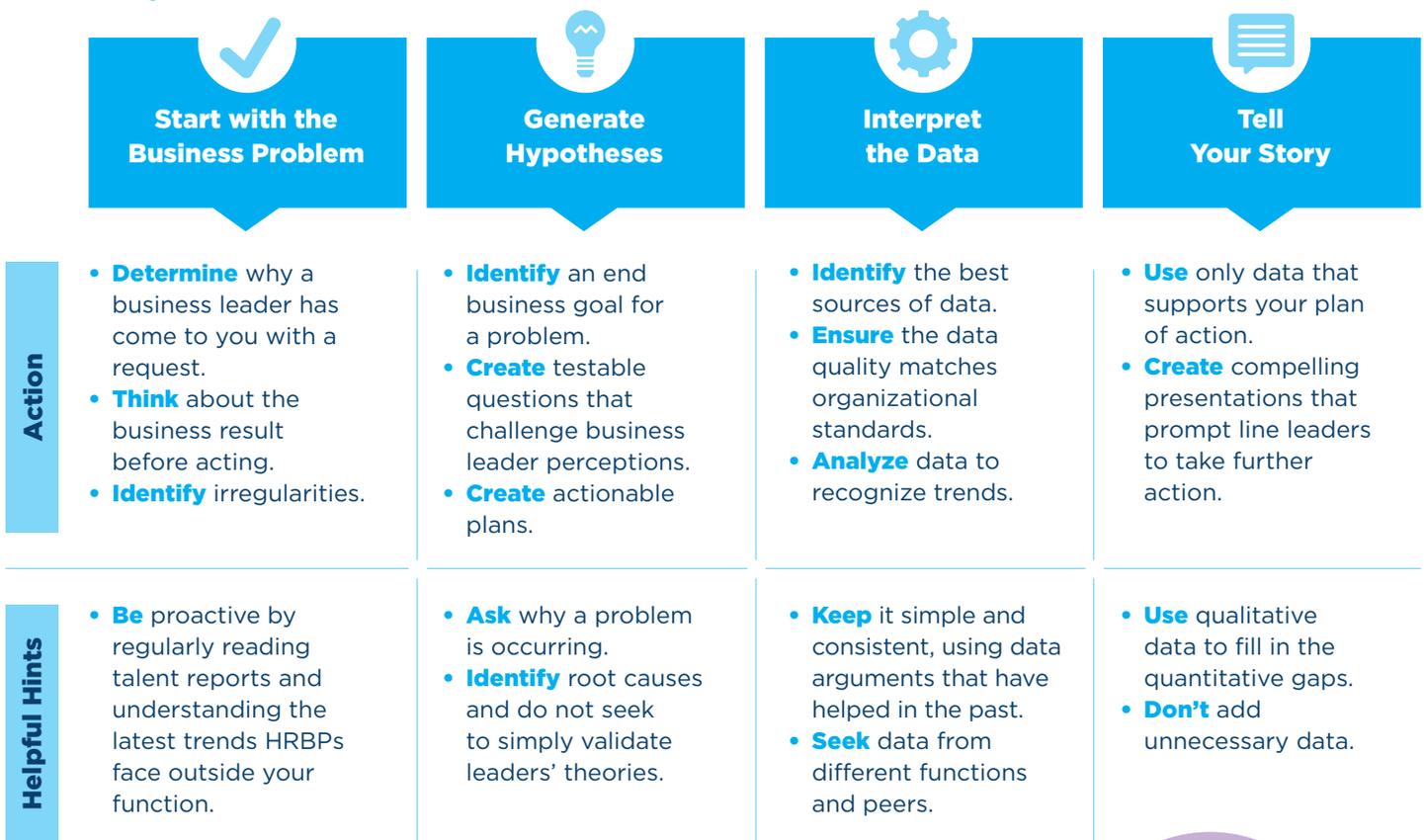
89% of organizations have increased or are considering increasing HRBPs' abilities to self-serve HR metrics and information.

n = 212.
Source: CEB 2017 Talent Analytics Agenda Poll.

HRBPs Can Elevate Analytic Impact Within Their Organizations

A wide variety of factors influence talent analytics outcomes, but HRBPs can use their position in the organization to maximize the benefits. The outline below shows how HRBPs can handle data more effectively and increase analytic impact on the business.

HRBP Analytics Framework



The framework enables HRBPs to assess qualitative or quantitative data, make critical decisions, and implement solutions.



Turn to our [Masterclass recap article](#) to read more about how to have analytic impact as an HRBP.

Translating the Culture

How to Get Everyone Speaking the Same Language

By Katy Connealy Weber

Most HRBPs won't be surprised to hear that organizational leaders, investors, and the media are more focused on organizational culture than ever. In fact, last year three-quarters of you told us your organizations had undertaken major culture initiatives in the past three years.

And it's not just talk—the average organization spends \$2,212 per employee managing culture. Given that you as HRBPs are involved in a wide range of culture activities, you should take steps to maximize your impact as a culture leader in your organization.

How Do Most Organizations Embed Culture?

Most organizations heavily emphasize the role of HR professionals and business leaders in embedding the culture. Once these stakeholders are bought in to the approach, organizations attempt to operationalize the culture by relying on organization-wide communications and leader role modeling. Unfortunately, for most organizations this strategy doesn't work. As you can see below, most employees don't believe culture affects their work, and most leaders don't believe their organization effectively embeds the culture.

Employees Aren't Living the Culture Through Their Work



24% of employees report that the culture directly affects the way they do their work.

Source: CEB analysis.

Organizations Struggle to Effectively Embed the Culture



32% of HR leaders agree their organization is effective at embedding culture into employees' day-to-day work.

Source: CEB analysis.

How Can Organizations Be More Effective?

To use culture to drive business outcomes, organizations must increase employees' Workforce Culture Alignment (WCA).

Workforce-Culture Alignment:
The extent to which the employees of an organization are aligned with the culture

While our research finds that communications are important, most organizations have already maximized their benefits. The average organization uses five or more communication channels and involves multiple stakeholders in its efforts to embed the culture. To really make a difference, organizations now need to help employees overcome two major barriers: translation of the culture, and managing tensions in the culture.

Translation Barrier

Employees find it difficult to translate the culture into their **day-to-day work.**

Tension Barrier

Employees struggle to prioritize competing mandates to manage cultural tensions.

When organizations help employees address tensions and adapt the culture to their specific contexts, organizational WCA is far higher than under traditional culture implementation strategies.

Translation: Bill & Melinda Gates Foundation

During a culture initiative, the Gates Foundation articulated the four culture pillars of their organization. When employees asked the Foundation to be more specific about what those pillars meant for them, HR released a list of organization-wide behaviors. Unfortunately, organization-wide behaviors still weren't specific enough for employees, so HR created a simple "dos and don'ts" template to help teams personalize the organization-wide behaviors (see figure 1).

After implementing the customized dos and don'ts throughout the organization, the Bill & Melinda Gates Foundation saw statistically significant improvement across 80% of the cultural factors they measured.

Throughout the organization, each template contains the same firm-wide values and behaviors, but teams can also create personalized guardrails that guide their members on how to live the culture in

the moments that are relevant to them. Teams use the following approach to create their guardrails:

- **Decide customization approach**—To encourage ownership and build credibility, teams design the process themselves.
- **Identify business-unit-specific critical moments**—Teams identify the high-stakes moments most likely to test cultural alignment.
- **Gather input and articulate expectations**—Teams articulate desired behaviors specific to those critical moments.

After implementing the customized dos and don'ts throughout the organization, the Bill & Melinda Gates Foundation saw statistically significant improvement across 80% of the cultural factors they measured.

HRBP Takeaway: To help your organization better translate what the culture means for individual teams, use your position of influence and present this case study to leaders and gain buy-in. As the key liaison between HR and the business, you will also have a key role in implementing the practice and teaching teams to build their customized guardrails.

Figure 1: Bill & Melinda Gates Foundation's Four Culture Pillars



Firm-Wide Goals Provide a Simple, Standard Framework:
Each template contains the same firm-wide values and behaviors to ensure consistency.



Source: Bill & Melinda Gates Foundation; CEB analysis.

Tensions: Our Advice

Even if employees understand the culture’s relevance to their day-to-day work, it can still be difficult for them to demonstrate the culture in their behavior. This is often because of inherent tensions between competing values that make it difficult to know which value to enact at a given time (see figure 2). For example, if an organization values both innovation and rigor, employees may struggle to recognize when to push boundaries and be innovative, or when to continue testing in order to be rigorous.

Of course, organizations must help employees manage these tensions, but three main challenges make that difficult (see figure 3).

Figure 2: Competing Organizational Priorities Create Cultural Tensions For Employees

77% of employees encounter cultural tensions in their work that they don’t know how to address.



“To compete we have to innovate, but I’m not sure how much room I have for failure when we also pride ourselves on rigor.”

Source: Bill & Melinda Gates Foundation; CEB analysis.

Figure 3: Challenges to Managing Tensions

Challenge	Solution
Tensions are not centrally understood and acknowledged.	<p>Identify and Validate Tensions</p> <p>Identify the cultural tensions employees experience in their work by asking them key questions about their day-to-day experiences with the culture:</p> <ul style="list-style-type: none"> • When do employees try to live the culture but can’t? • Who experiences the tensions and how often? • How do tensions affect employees’ work and decisions? • Why do employees feel tensions? <p>Use open-ended feedback-collection techniques, and ensure employees collect and interpret the data, not just HR professionals.</p>
Tensions are not clearly articulated to employees.	<p>Build a Framework for Tensions</p> <p>To maximize its impact, ensure your tension management framework meets the following criteria:</p> <ul style="list-style-type: none"> • Specific—It explicitly defines the tensions. • Transparent—It acknowledges the need for tensions. • Non-negotiable—Employees must satisfy all the values in tension. • Realistic—Commitments are tied to aspirational, but realistic organizational goals.
Employees can’t navigate tensions in their day-to-day work.	<p>Equip Employees</p> <p>Finally, empower employees to manage these tensions themselves by helping them reflect on current priorities and required changes in behavior. Help employees interpret and normalize the tensions framework for their individual context. And use questions to foster employees’ self-evaluation by helping them see how they typically prioritize behaviors.</p>

n = 7,502 employees.
Source: CEB 2017 Culture Workforce Survey.

HRBP Takeaway: You may be tasked with building a business case to gain leader support for a tension management initiative. To build the best possible case, use employee voice to communicate the challenges they face when they encounter a specific tension. Specify which employees tend to be affected by the tension, how frequently they experience it, and how it impacts their work (and ultimately business outcomes).

Once leaders are on board, work with employees to identify tensions, and work with leaders to create a framework to help employees. Finally, help teams ensure their employees are prepared to manage tensions in their day-to-day work.

Embedding Culture for HRBPs

It's not news that organizations struggle to embed their cultures and that employees often don't know how to live the culture in their day-to-day work. These best practice case studies can help you overcome that challenge by showing you strategies for overcoming translation and tension barriers.

As HRBPs, your access to employees will help you understand and—with leaders and employees—overcome barriers caused by tensions and translation issues.

¹ <https://www.cebglobal.com/member/corporate-leadership-council/events/meetings/17/the-cultural-evolution-creating-a-culture-that-performs-staff-briefing.me108292.html>

² <https://www.cebglobal.com/member/corporate-leadership-council/events/meetings/18/creating-a-culture-that-performs-moving-from-people-to-processes-to-maximize-culture-outcomes.html>

³ <https://www.cebglobal.com/member/corporate-leadership-council/events/hrbp-masterclass-series/culture-masterclass-series.html>

⁴ <https://www.cebglobal.com/member/corporate-leadership-council/events/webinars/18/member-facing/culture-masterclass-session-1.html>

⁵ <https://www.cebglobal.com/member/corporate-leadership-council/events/webinars/18/member-facing/culture-masterclass-session-2.html>

⁶ <https://www.cebglobal.com/member/corporate-leadership-council/events/webinars/18/member-facing/culture-masterclass-session-3.html>

Want to learn more about how to maximize your role as a culture leader?

Register today to join us for an **in-person staff briefing**¹ and discuss how leading organizations are creating a business-aligned culture faster and more cost-effectively.

- 15 March 2018, Palo Alto, CA²
- 29 March 2018, New York²

Join us for our upcoming **HRBP Masterclass, Improve Your Organization's Culture**³, to discuss HRBPs' role in managing organizational culture with thousands of your peers. The sessions will cover:

- **Session 1: How HRBPs Can Rethink Measurement to Truly Understand Culture**⁴
30 January, 11 a.m.–12:30 p.m. EST
- **Session 2: How HRBPs Can Empower Employees to Operationalize the Culture**⁵
20 February, 11 a.m.–Noon EST
- **Session 3: How HRBPs Can Maximize Leader Impact on Culture**⁶
6 March, 11 a.m.–Noon EST

You're Invited

HRBP Masterclass Series: Improve Your Organization's Culture

Register today to join our upcoming HRBP Masterclass series on organizational culture and share ideas with your peers.

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6 March, 11:00 a.m.-Noon ET

This three-part, interactive masterclass webinar series helps HRBPs understand their role in managing culture, with practical applications of how to improve their skills.

To register, visit the CEB Corporate Leadership Council™ website.



In the News

Each quarter, our “In the News” stories highlight trends affecting the HRBP role.

This quarter, we look at how digitalization is changing how we work, how organizations attract and recruit talent, and how HRBPs can improve employees’ work-life balance.

Our discussion focuses on how HRBPs can help employees adapt to these changes in their organizations, and use digital tools in their own roles.





Is Remote Work Even Remotely Possible for Your Company?

By Laura Knebel



With remote work trending upward, we seem to work with more and more people who call into meetings from their living room.



In fact, in the past 30 years, remote work has grown from a niche, innovative HR experiment to a mainstream policy, **with 43% of Americans working outside the office** at least some of the time.¹

Governments and charitable organizations are also investing in infrastructure changes to support this trend. The United Kingdom is pursuing infrastructure upgrades² to enable the growing percentage of British people who work from home occasionally. In the United States, Microsoft's \$10 billion Rural Airband Initiative seeks similar infrastructural improvements, alongside comparable initiatives from AT&T, Verizon, and Google.³ Yet several companies have recently pulled back their remote work policies.

Earlier this year, IBM made headlines for recalling all their employees back to regional headquarters, an interesting move from a company that not only pioneered the policy, but encourages “anytime, anywhere” working with its products. Other major companies have made similar pullback moves, like Yahoo and Reddit⁴.

Why are some companies pulling back on remote work in the face of a growing momentum toward even more remote workers?



Evaluating the Pros and Cons of Remote Work

With all the discussion out there, it may be hard to keep track of the implications of a remote work policy.

To get you started, we've gathered and sorted some of the arguments about remote work into a pros and cons list, below:

Remote Work's Impact On:

Employee Engagement

- **Pro:** The most engaged employees work remotely most, but not all, of the time. To learn more, see our Talent Daily⁵ post.
- **Con:** Remote employees can feel left out of company culture.

Productivity and Performance

- **Pro:** Remote working policies improve productivity 80% of the time.
- **Con:** Remote employees have less opportunity to collaborate informally.

Attrition

- **Pro:** Attrition is often lower among remote workers.
- **Con:** Remote workers often fear being passed up for promotions.

Attracting Talent

- **Pro:** Remote work is a key perk for attracting top talent, especially in tech.
- **Con:** Some employees prefer to see their office colleagues daily.

Leadership

- **Pro:** Remote work encourages frequent communication.
- **Con:** Office life helps leaders convey informal cues.

Source: CEB analysis.

Space and Scale

- **Pro:** Companies can save money on office space.
- **Con:** It is hard to scale large all-remote companies.

Learning and Development

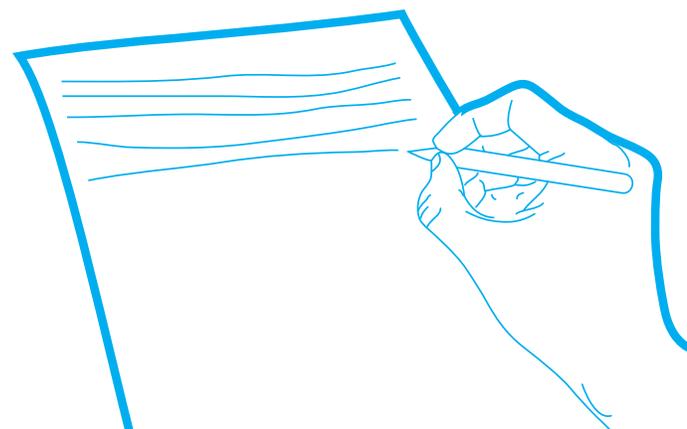
- **Pro:** Remote work encourages personal responsibility in employees.
- **Con:** Group training becomes difficult.

Communication and Collaboration

- **Pro:** Remote work technology enables employees to connect from anywhere.
- **Con:** Remote workers can miss information from facial cues.

Workforce Diversity

- **Pro:** Remote work can attract a more diverse workforce.
- **Con:** Virtual forms of communication can accentuate the difficulties of managing a diverse workforce.





For some companies, the benefits of remote work aren't worth the costs, especially where the work requires certain behaviors and opportunities better fostered by working in the same place. On the other hand, some companies find a strong remote work policy to be effective for employees and the business.

There is a wide spectrum of offerings to consider when deciding what to include in your company's policy, or that of the business group you support. For example, a company might allow remote work for no more than two days per week. To determine what practices work best at your company, consider the types of jobs and the employees you support, and any constraints your company faces.

Does a Flourishing Remote Work Policy Sound Right for You?

Ask yourself:

Are your clients part of the knowledge economy?

- For collaborative roles, research has shown that chance encounters between knowledge workers improve performance.⁶

What types of jobs do you support?

- While only 3% of all workers work from home 100% of the time, this rises to 8% for computer programmers.
- Some administrative, customer service, Finance, HR, IT, Legal, and Marketing jobs often support remote work.

Are your employees internal- or external-facing?

- Working remotely tends to be a better option for those in external-facing jobs, such as salespeople or journalists, especially those who travel frequently.

How big is your company?

- Smaller organizations are more likely to have fully remote workforces.⁷

How many entry-level contributors do you employ?

- Remote work tends to work better for more experienced employees.⁸

How to Ensure a Successful Remote Work Policy

Whether you decide remote work or co-location (placing groups of employees in a single location) is better for your company, actually executing that policy is a challenge. Fortunately, we can look to the best strategies (and mistakes) of other organizations to inform our policies. As you build or adapt your remote work policy, keep the following guidelines in mind:

1. Give employees continuous feedback, focusing on **outcomes** rather than processes, especially for those who spend less time in the office. Remote workers will have different processes for achieving performance objectives, so to fairly review performance evaluate only the outcomes.
2. Create **virtual common spaces** (e.g., intranets, message boards) that allow for frequent interactions between remote employees and their teams and managers. These spaces also create opportunities for informal interactions between employees.
3. Encourage managers to lay a **clear objectives framework**, but offer trust and freedom regarding processes. Our research finds⁹ that remote workers with greater autonomy are more productive.
4. Ensure frequent and forward-looking **career conversations** between managers and employees. These are necessary for building a culture of inclusion and empathy, in which remote workers don't fear being passed over for promotions.



5. Establish **clear guidelines** on why and how employees can work remotely to maintain an equitable work environment. For example, teams should make sure meetings are scheduled conveniently for remote employees, especially if they are operating in different time zones.
6. Encourage managers and their teams to be sensitive to the **environment** of the remote employees, both in terms of communication styles and time frames.
7. CEB Diversity & Inclusion Leadership Council members can check out our Remote Work Toolkit¹⁰. We have several resources for you and your stakeholders.

The discussion about remote work is unlikely to go away any time soon. As infrastructure improves, and remote communication becomes more reliable, remote working will only become more attractive. So don't let the fact that some companies are pulling back from remote work sway you too much. Instead, carefully analyze the pros and cons for your company or business unit to decide if remote work is right for you, and if so how best to implement it.

¹ Niraj Chokshi, "Out of the Office: More People Are Working Remotely, Survey Finds", *New York Times*, February 15 2017, www.nytimes.com/2017/02/15/us/remote-workers-work-from-home.html?mcubz=0.

² "UK Pursues Infrastructure Upgrades to Empower Remote Workforce," Talent Daily, 6 July 2017, <https://www.cebglobal.com/talentedaily/uk-pursues-infrastructure-upgrades-to-empower-remote-workforce/>.

³ Hope Reese, "Microsoft Puts Up \$10 B to Bring Broadband Internet to Millions of Rural Americans," *TechRepublic*, 11 July 2017, <http://www.techrepublic.com/article/microsoft-puts-up-10b-to-bring-broadband-internet-to-millions-of-rural-americans/>.

⁴ "Co-Location Critics Question Wisdom of Turning Away from Remote Work," Talent Daily, 25 May 2017, <https://www.cebglobal.com/talentedaily/co-location-critics-doubt-wisdom-of-turning-away-from-remote-work/>.

⁵ "Gallup: Mix of Remote and In-Person Work Best for Engagement," Talent Daily, 21 February 2017, <https://www.cebglobal.com/member/corporate-leadership-council/blog/17/05/gallup-mix-of-remote-and-in-person-work-best-for-engagement.html>.

⁶ Jon Evans, "Not Even Remotely Possible," *TechCrunch*, 13 August 2017, <https://techcrunch.com/2017/08/13/not-even-remotely-possible/>.

⁷ *Ibid.*

⁸ *Ibid.*

⁹ <https://www.cebglobal.com/talentedaily/autonomy-communication-key-to-productive-remote-work/>.

¹⁰ <https://www.cebglobal.com/member/diversity-inclusion/tools/16/flexible-work-toolkit.html>.

This article was developed in conjunction with CEB Diversity & Inclusion Leadership Council.

Not a member? Contact us. Call us at +1-866-913-6447, or **inquire online**.

CEB HR Leadership Academy

There is still time to reserve a seat at one of our upcoming HR Leadership Academy sessions.

Member-Hosted Regional Cohort Location	Session I (Two Days)	Session II (Two Days)	Session III (Two Days)
Washington, DC Host: CEB, Now Gartner	12-13 Dec. 2017	1-2 Feb. 2018	TBD April 2018
Chicago Host: CEB, Now Gartner	12-13 Dec. 2017	8-9 Feb. 2018	10-11 April 2018
London Host: TBD	6-7 Feb. 2018	12-13 April 2018	5-6 June 2018
San Francisco Host: TBD	20-21 Feb. 2018	19-20 April 2018	12-13 June 2018

Contact your account director or e-mail HRLA@cebglobal.com to learn how you can enroll.

Our in-classroom and virtual programs are approved by SHRM and HRCI to offer all participants recertification credit hours toward PHR, SPHR, and GPHR.

CEB HR Leadership Academy

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42 CPE credits

CEB Talent Advisor Leadership Academy

Four-day program:
27.5 CPE credits

CEB HR Analytics Leadership Academy

Two-day program:
13 CPE credits

CEB Change Agility Leadership Academy

One-day program:
6.5 CPE credits



Agile Recruiting in the Digital Age

By Becca Brown

Your organization doesn't have to specialize in a digital discipline to be affected by digitalization. To remain competitive, all organizations are making changes, including using technology and analytics to enhance and transform their operations, business models, and interactions with current and potential customers. These changes will—and should—be reflected in how HR operates, especially given the significant digitalization shift toward delivering a high-quality experience for all customers (both external and internal).

Here, we take a closer look at the implications of digitalization for Recruiting functions specifically, and at how recruiting leaders should respond. Whether HRBPs formally manage recruiting, or collaborate with their recruiting partners, they need to stay ahead of these shifts.

What Digitalization Means for Your Organization's Recruiting Function

Digitalization exerts pressure on how Recruiting functions operate. In particular, Recruiting faces three digitalization-related challenges: **accelerating** volatility, **faster-evolving** hiring needs, and **expanding** requisition mix.

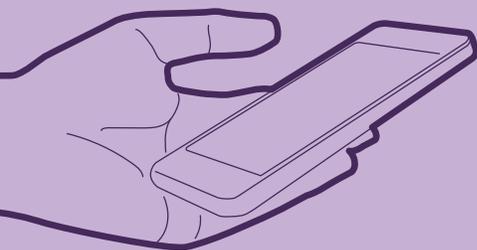
How Should Recruiting Respond?

We surveyed over 70 recruiting executives to identify how Recruiting functions historically have, and ideally should answer these three main digitalization challenges.

Historically, Recruiting functions have been reactive to business needs—usually a talent need will prompt a requisition, which then prompts recruiter action. Typically, Recruiting's planning processes follow a fixed calendar, its workload is determined by the business's hiring requests, and its staff are aligned to business leaders. But agile Recruiting functions are flipping that historical approach on its head.

Agile Recruiting functions are characterized by three key principles:

- **Continuous Planning**
Recruiting regularly sources bottom-up hiring projections and redeploys staff as needs change.
- **Predictive Hiring Processes**
Recruiting uses labor market intelligence to tell the business what talent it needs.
- **"Talent-Focused" Design**
Recruiting organizes its staff through greater task and talent segment specialization to better align them with different talent needs.



What is digitalization?

The use of data and technology to enhance existing products and services, improve channel coordination and performance, and optimize enterprise activities



Three Digitalization-Related Challenges

Accelerating Volatility

As organizations try to keep up in a faster-moving marketplace, Recruiting faces frequent and unforeseen spikes in hiring demand.

Month-to-month changes in hiring volume among S&P 100 firms have increased by 38% since 2011; FTSE 100 hiring volumes also show high volatility. This pressures Recruiting to understand how to prioritize certain business needs over others.

Faster-Evolving Hiring Needs

Hiring managers and the business are becoming less sure of their talent needs because they evolve so rapidly.

At the same time, a convergence in demand for technical and analytic skills across industries is creating a hypercompetitive labor market that makes it even more critical for organizations to quickly define and fulfill their talent requirements.

Expanding Requisition Mix

Organizations have a greater variety of hiring needs as new talent profiles and skills are required to respond to (or create) product, market, and service innovations.

For the average recruiter, 20% of requisitions are for unfamiliar or new talent profiles, which can slow time to fill by as much as 50%. Recruiting functions must quickly bring on more recruiters to meet this demand.

Source: CEB analysis.

Key Principles of the Recruiting Service Model Versus an Agile Recruiting Model

Delivering a Hiring Service to the Business

Recruiting Service Model



Planning

Fixed

Plan and allocate recruiting resources based on point-in-time, top-down forecasts from the business.



Hiring Process

Responsive

Go to the labor market with the business's requests.



Design

Business Focused

Organize staff to know the business and create service consistency.

Leading Talent Acquisition for the Enterprise

Agile Recruiting Model

Continuous

Regularly source bottom-up hiring projections and adjust service or redeploy staff as needs change.

Predictive

Use labor market intelligence to tell the business what it needs.

Talent Focused

Organize staff to create enterprise value through task- and talent-segment specialization.

Source: CEB analysis.



HRBPs' Role in Supporting an Agile Recruiting Model

While HRBPs likely won't decide how the Recruiting function manages its work, acquiring high-quality talent is critical to the success of their business partners. If HRBPs are to hire that talent for the business as it's required, they need a productive partnership with their Recruiting function. HRBPs can take specific steps to ensure they're equipping their recruiting partners to adopt the three principles of an agile Recruiting function.

How HRBPs Can Help

1. Continuous Planning

As HRBPs you can help your recruiting partners stay ahead of what the business requires from current and prospective employees. Make sure to share both how you see work changing and where you anticipate changes in the number of people the business needs. Recruiting organizations that regularly source hiring projects in this way (i.e., from the bottom up and flexibly), reallocating staff as needs change, can reduce cost per hire by up to 37%.

2. Predictive Hiring

Business leaders are becoming less certain if their emerging talent needs can even be satisfied by the labor market. As an HRBP, be ready to advise business leaders on the skill demand among competitors, and help them examine their assumptions about their future talent needs.

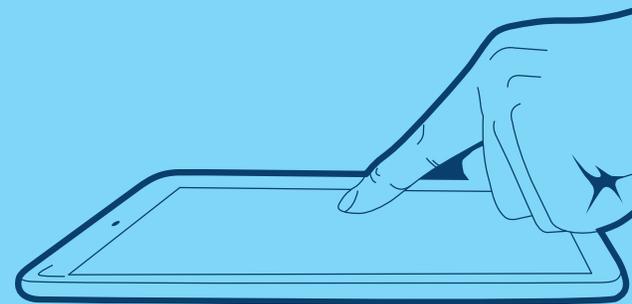
3. Talent-Focused Recruiting Design

From your ongoing conversations with business leaders, you may have a clear sense (often clearer than your recruiting partners) of the business's direction and its future talent needs. Given this deep familiarity, you should help Recruiting prioritize the talent segments that most need extra recruiting resources, and define what "good" talent looks like for the business.

Organizations that adopt an agile recruiting model will improve their ability to effectively and efficiently acquire the critical talent essential to compete in the digital era. HRBPs can strengthen the quality of their relationships with their recruiting partners by being a present and thoughtful partner during these changes, both in terms of updating their partners on changes to the business and helping their partners navigate challenges to their own roles.

For additional guidance on how digitalization will impact HRBPs, read our earlier *HRBP Quarterly* articles:

- How to Keep Employee Roles Clear in a Blurred Digital Environment¹
- How to Personalize the "Digital" Employee Experience²



¹ <https://www.cebglobal.com/member/corporate-leadership-council/research/report/17/hrbp-quarterly-q3-2017/how-to-keep-employee-roles-clear-in-a-blurred-digital-environment.html>

² <https://www.cebglobal.com/member/corporate-leadership-council/research/report/17/hrbp-quarterly-q2-2017/how-to-personalize-the-digital-employee-experience.html>

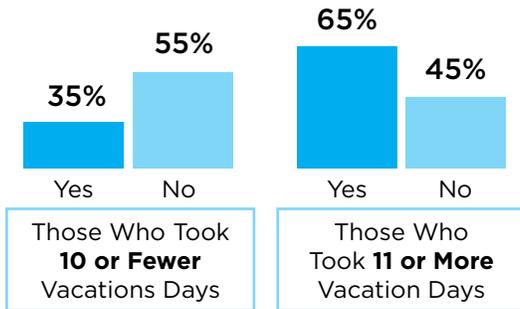


Paid Time Off Pays Off

By Caitlin Dutkiewicz

Mountains of research show the benefits of taking time off. Vacations reduce stress, help prevent heart disease, improve sleep, and increase productivity.¹ Taking time off even makes it more likely you'll get a raise or bonus (see figure 1).²

Figure 1: Taking a Vacation Pays Off
Percentage of Respondents Who Received a Raise or Bonus



Source: Project: Time Off, accessed 28 September 2017, <https://www.projecttimeoff.com/research>; CEB analysis.

Doesn't a relaxed, healthy, well-rested, productive workforce sound nice? With 2018 just around the corner, it's a good time to remind your employees not to lose what's left of their 2017 vacation and help them plan to get the most out of their paid time off in 2018.

State of Vacation Usage Today

Unfortunately, getting employees to take their vacation days is more challenging than you might expect. In 2016, Project: Time Off³, an initiative of the US Travel Association, found that even though

\$66.4 Billion: The value of US forfeited vacation days in 2016³

US employees were getting more vacation days, most were still not taking all of them.

Among full-time workers who receive paid time off (PTO), the average number of paid vacation days awarded increased to 22.6 last year, up 0.7 days from 2015. Employees also used substantially more of their PTO in 2016, with the average worker taking 16.8 days off compared to 16.2 days the year before.

Still, 54% of respondents failed to use all of their vacation time and in total 662 million vacation days were left untaken in the United States during 2016. Project: Time Off estimates the value of last year's forfeited benefits at \$66.4 billion. Not only are employees missing the opportunity to take a break and refresh, but organizations are also losing out, taking productivity and financial hits when their employees fail to use all of their time off.

What Stops Employees from Using Their Time Off?

It's not that employees don't want to take vacations. In fact, 96% of Americans say that using their paid time off is important to them. So, why are so many employees leaving days on the table? Project: Time Off found five key barriers to taking time off (see figure 2).

Figure 2: The Top Barriers to Taking Time Off
Percentage of Respondents Who Cited Each as a Barrier

	2016	2017
1. Return to a Mountain of Work	37%	43%
2. No One Else Can Do the Job	30%	34%
3. Time Off is Harder with Seniority	28%	33%
4. Cannot Financially Afford a Vacation	30%	32%
5. Want to Show Complete Dedication	22%	26%

Source: 2016 Project: Time Off



What You Can Do As an HRBP

Most of these barriers come down to perception—employees’ fears and notions that taking time off is bad, hard, or wrong. As an HRBP, you have an opportunity to change these perceptions and help create a workforce that takes full advantage of its benefits—not only for employees’ sake, but for the organization’s as well.

Consider the following action steps:

- **Build the business case** for vacation and show employees the research linking time off to improved performance and happiness. Demonstrate how vacations benefit the organization as much as the employees themselves.⁴
- **Encourage employees to plan their vacations** in advance. Vacation planners are happier than non-planners with their relationships, health, company, and job (see figure 3).⁵
- **Make it easy** to take time off. Ensure roles are clear and processes are codified, so other employees can lend a hand.⁶
- **Encourage leaders to set a strong example** by taking vacation themselves and modeling good vacation behavior. This good behavior can include scheduling vacations thoughtfully and well in advance, avoiding work e-mails while away, and making sure their teams can be

productive in their absence. Getting employees to feel comfortable taking time off is as much a matter of organizational culture as policy, and employees who see their managers setting a strong example are more likely to feel empowered to take vacations themselves.⁷

- **Make it easy to return to work.** Encourage employees to block off their calendar for a day or half-day to catch up on e-mails, voicemails, etc.

So as you approach the end of 2017 and begin planning for 2018, work with business leaders and employees to ensure everyone at your organization feels comfortable taking their allotted time off—it will be well worth it when employees are better rested, more productive, and happier.

¹ Lolly Daskal, “4 Scientific Reasons Vacations Are Good for Your Health,” Inc., accessed 28 September 2017, <https://www.inc.com/lolly-daskal/4-scientific-reasons-why-vacation-is-awesome-for-you.html>.

² Shawn Achor and Michelle Gielan, “The Data-Driven Case for Vacation,” *Harvard Business Review*, July 13 2016, <https://hbr.org/2016/07/the-data-driven-case-for-vacation>.

³ Project: Time Off, accessed 28 September 2017, <https://www.projecttimeoff.com/research>.

⁴ Liane Davey, “How to Get Your Team to Use Their Vacation Time,” *Harvard Business Review*, accessed 28 September 2017, <https://hbr.org/2017/08/how-to-get-your-team-to-use-their-vacation-time>.

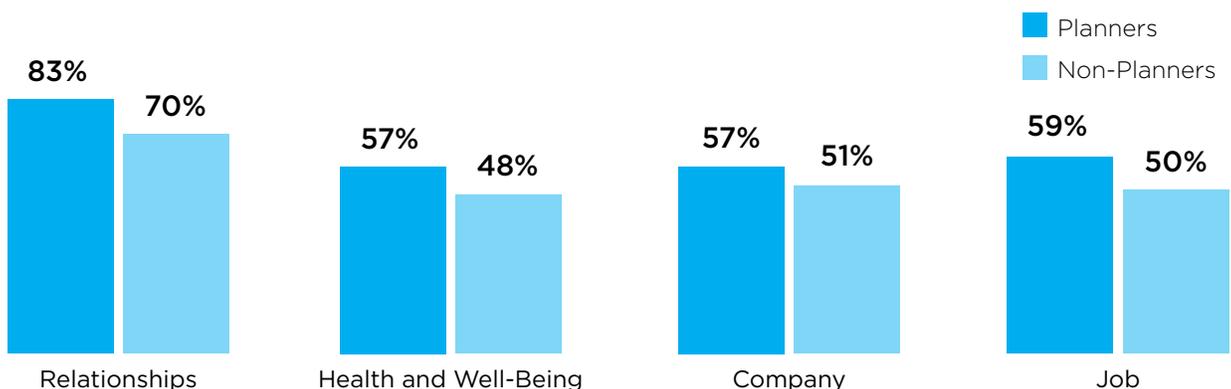
⁵ Project: Time Off, “The State of American Vacation 2017,” accessed 28 September 2017.

⁶ Liane Davey, “How to Get Your Team to Use Their Vacation Time,” *Harvard Business Review*, accessed 28 September 2017.

⁷ CEB, “How Can You Encourage Employees to Take Vacations, August 4 2017” <https://www.cebglobal.com/talentedaily/how-can-you-encourage-employees-to-take-vacations/>

Figure 3: Planning Time Off Associated with Increased Happiness

Percentage of Respondents Happy in Each Category



Source: 2016 Project Time Off



Three Ways Companies Are Experimenting with Vacation Policies



1. Unlimited Leave: Companies like Netflix¹ and Workday² have abolished vacation time altogether, allowing employees to take leave whenever they like. Netflix explains: “We realized we should focus on what people get done, not on how many days they worked. Just as we don’t have a 9 a.m.–5 p.m. workday policy, we don’t need a vacation policy.”



2. “Paid, Paid Vacation”: BambooHR, a small, eight-year-old startup, gives its full-time employees \$2,000 a year to take a vacation, covering expenses like airfare and hotels. As Emily Peck at the *Huffington Post* puts it: “Paid, paid vacation says, ‘we want you to have a life.’”³



3. Mandatory, Scheduled Vacation Time: Aviation strategy firm, SimpliFlying, experimented with requiring employees to take one out of every seven weeks off, on a regular schedule. Employees were strictly forbidden from contacting the office while on vacation, losing their pay for the week if they did. After running the experiment for 12 weeks, they found that:

- Creativity **increased 33%**,
- Happiness **levels rose 25%**, and
- Productivity **was up 13%**.⁴

¹ Netflix SlideShare, accessed 9 Nov. 2017, <https://www.slideshare.net/reed2001/culture-1798664>.

² Jonathan Chew, “These 3 Companies Offer Unlimited Vacation Days,” *Fortune*, 10 March 2016, <http://fortune.com/2016/03/10/companies-offering-unlimited-vacation-days/>

³ Emily Peck, “This Is Clearly the Best Perk of All Time,” *The Huffington Post*, 2 August 2016, http://www.huffingtonpost.com/entry/paid-vacation-bamboohr_us_579f5d51e4b08a8e8b5e9395?ir=Business§ion=us_business&utm_hp_ref=business.

⁴ Neil Pasricha and Shashank Nigam, “What One Company Learned from Forcing Employees to Use Their Vacation Time,” *Harvard Business Review*, <https://hbr.org/2017/08/what-one-company-learned-from-forcing-employees-to-use-their-vacation-time>.

You're Invited

The Year Ahead for HRBPs: A Look into 2018

Register now for this interactive virtual session to learn how you can continue your professional progress and grow as an HRBP in 2018.

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11 a.m.–Noon ET

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How to Have Analytic Impact as an HRBP

By Bethany Horstmann

What is talent analytics?

Simply put, it's using data (both quantitative and qualitative) to make talent management decisions.



How to Have Analytic Impact as an HRBP

In today's world, data is part of nearly every employee's day. And HRBPs are no exception. Today's HRBPs are expected to be comfortable analyzing talent analytics data and then providing the line with insight based on their analysis.

But this is easier said than done: only 10%¹ of HRBPs feel highly confident advising the line on metrics and analytics. HRBPs' lack of confidence on analytics, combined with structural HR analytics issues (e.g., poorly resourced talent analytics teams, bad quality data), mean HR doesn't have the analytic impact the line needs or expects. In fact, only 16% of business leaders have changed a decision in the last year based on data provided to them by HR.²

When we ask HRBPs why they lack confidence in this area, most tell us they face insurmountable barriers, such as the five commonly cited issues below.

Five Perceived Barriers to Analytic Impact

1. My organization doesn't have the data I need.
2. I need help telling a story with the data so my clients will understand it.
3. I lack analytical skills.
4. The data is too hard to find and to use.
5. The resources are not present (no talent analytics team).

Source: CEB analysis.

Figure 1: How HRBPs Can Overcome Barriers to Analytic Impact

Perceived Barrier	Reality	How HRBPs can Overcome the Challenge
1. My organization doesn't have the data I need.	No one has perfect data.	<ul style="list-style-type: none"> • When applied correctly, incomplete or partial data can still provide insight. • Use qualitative data and your experience to fill in data gaps.
2. I need help telling a story with the data so my clients will understand it.	HRBPs are already good communicators.	<ul style="list-style-type: none"> • Apply simple and straightforward storytelling techniques to communicate analyses more effectively. • Use tips and tricks when presenting data to simplify and enhance your presentation.
3. I lack analytical skills.	HRBPs don't need advanced analytical skills to be effective.	<ul style="list-style-type: none"> • Draw from your experience: you already use data regularly to make decisions (through talent reviews, conversations with line leaders, etc.), but may not realize it. • Equip yourself to spot trends, outliers, and patterns, not to conduct complex data analysis.
4. The data is too hard to find and use.	Most data is siloed and dispersed across organizations.	<ul style="list-style-type: none"> • Establish simple processes and check how data was previously used to make finding the right data easier. • Exchange data with your HRBP peers informally.
5. I don't have the resources I need (e.g., no talent analytics team).	HRBPs don't need an analytics team to be effective.	<ul style="list-style-type: none"> • You can add value with or without a separate analytics team. How your organization structures analytics doesn't matter.

Source: CEB analysis.

Though these barriers are real, they are not insurmountable. Almost every organization deals with these challenges in some way, and it should not prevent HRBPs from being effective.

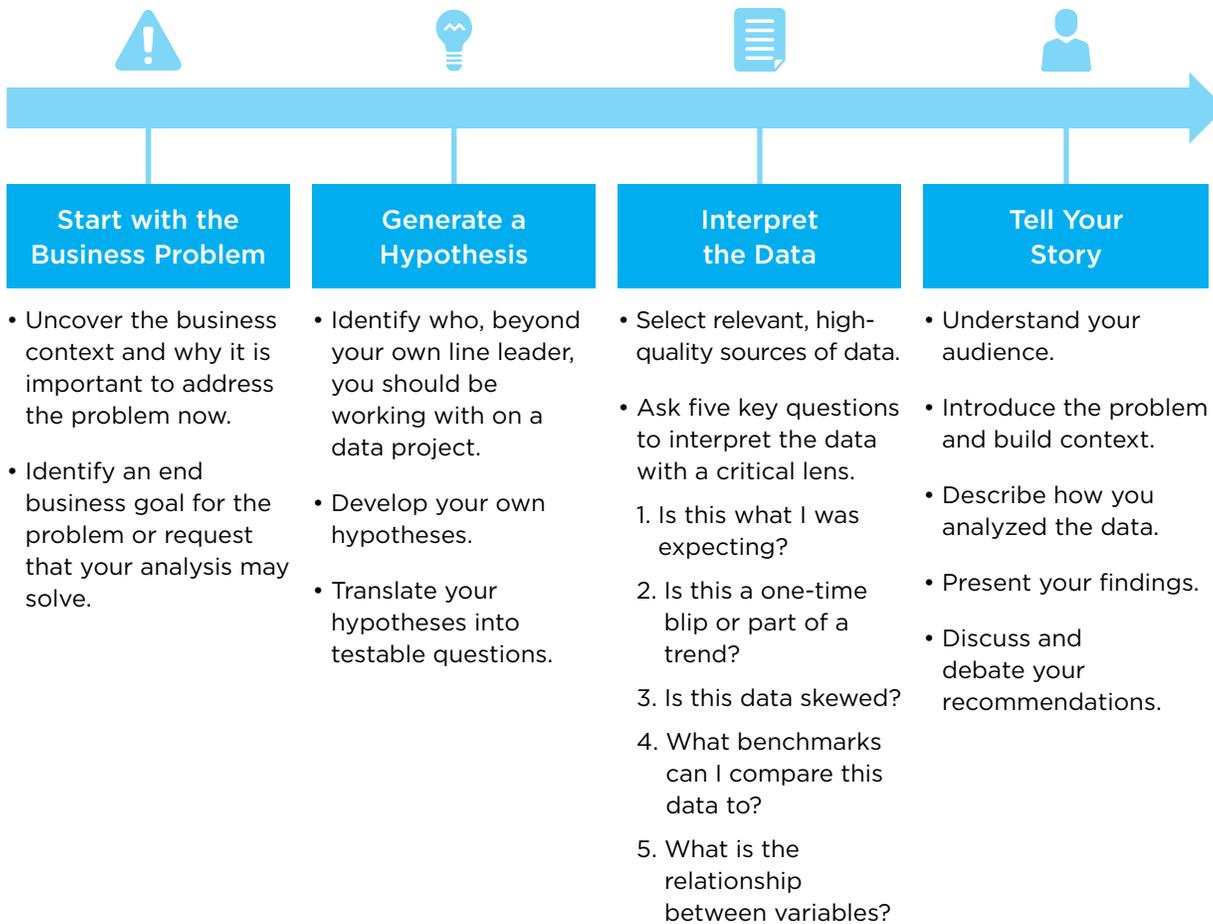
As we can see (figure 1), despite barriers that can sometimes make using talent data challenging, HRBPs do have the skills and experiences to be partners to the line on analytics. **With the right data judgment and talent analytic skills**, HRBPs can provide analytic impact, influencing and helping their line partners to make the right talent decisions.

HRBPs can effectively use talent analytics by following a **simple, four-step framework for analytic impact**:

- Start with the business problem,
- Generate your hypothesis,
- Interpret the data, and
- Tell a story with the data.

Figure 2 explores each step, and shows how HRBPs can use data at each stage to increase their impact. Following this framework will help HRBPs become less reactive to requests from line leaders and rely less on analysis from their talent analytics team. Instead, HRBPs can create analytic impact from their own analysis.

Figure 2: Elements of Analytic Impact



Source: CEB analysis.

In our next issues of *HRBP Quarterly*, we will analyze each of the steps above in depth to give you a better sense of exactly what we mean by “generate hypotheses” or “tell a story with data.”

You can also learn more right now by accessing the replay of our Talent Analytics 101 Masterclass³.

¹ CEB 2017 Future of the HRBP Role Agenda Poll.

² CEB 2013 Business Barometer Survey.

³ “HRBP Masterclass Series: Talent Analytics 101,” <https://www.cebglobal.com/member/corporate-leadership-council/events/hrbp-masterclass-series/hrbp-masterclass-series-talent-analytics-101.html>

Stop Lying to Yourself



The Significance of Self-Awareness

By Ray LaMotta

Dr. Tasha Eurich is the author of *New York Times* best-seller *Bankable Leadership*. In her new book, *INSIGHT*, she delves into the connection between self-awareness (what she calls “the meta-skill of the twenty-first century,”) and performance—both in and outside of work. Eurich holds a doctorate in industrial psychology and has built a reputation as a thought leader in the workplace psychology sphere by pairing her scientific expertise with a pragmatic approach to problem solving.

In a recent edition of the CEB Talent Angle podcast¹, we spoke with Eurich to explore why conventional approaches to self-knowledge fail leaders and why true self-awareness is “the unique edge which can make them unstoppable.”

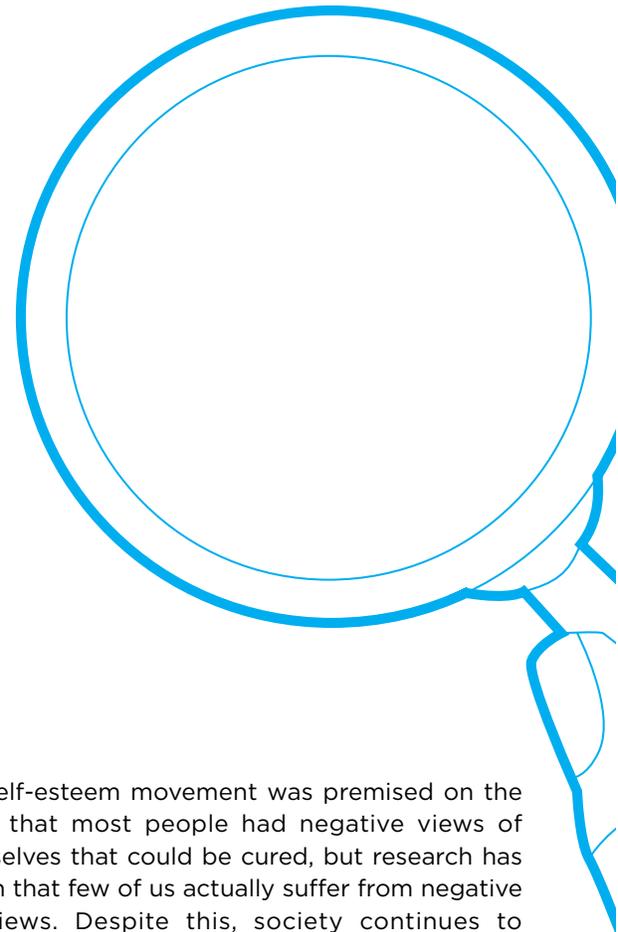
According to Eurich, most leaders are still living in “the age of esteem,” where society unrealistically encourages us to boost one another’s self-esteem in the belief that we don’t have to “be great” if we can only “feel great.”

Unfortunately, the positive impacts attributed to high self-esteem proved to be a myth.

The self-esteem movement was premised on the belief that most people had negative views of themselves that could be cured, but research has shown that few of us actually suffer from negative self-views. Despite this, society continues to idealize high self-esteem, resulting in a population greatly lacking in self-awareness, ranging from “mildly unaware” to “downright self-delusional.”

Eurich’s research demonstrates how difficult it is to view ourselves objectively, with 95% of people identifying themselves as self-aware, but only 10-15% actually achieving that level. As Eurich jokes, “on a good day, 80% of us are lying to ourselves about whether we are lying to ourselves.” And leaders are among those most conspicuously unaware.

Leaders, like all people, can struggle with self-awareness because they “have trouble objectively seeing [their] behaviors and knowing [their] thoughts and emotions,” says Eurich. But the problem can be more pronounced for leaders, who receive less-candid feedback while making higher-profile decisions than the rest of us.



Unfortunately, the positive impacts attributed to high self-esteem **proved to be a myth.**



Internal Versus External Self-Awareness

Eurich identifies two types of self-awareness that leaders should strive for:

Internal Self-Awareness

requires “seeing ourselves clearly, understanding what we value, what we’re passionate about, and what we want to experience and achieve in our lives.” Internally self-aware leaders view themselves holistically, with a clear view of their strengths and weaknesses, and are self-compassionate about their imperfections.

External Self-Awareness

is the knowledge of how others see us. Externally self-aware leaders are willing to show vulnerability, admitting areas of weakness and asking for help from their teams. These leaders find that a little humility yields the “power to control their destiny and achieve what they’re trying to achieve.”

Internal and external awareness often exist independently of one another, and while many leaders lack both, it is common for leaders to have only developed one dimension of self-awareness. This may result in a deeply introspective leader, “who spends thousands of dollars on therapy but doesn’t know that everyone thinks he’s a jerk,” or conversely leaders who don’t know “how to make decisions in service of their own happiness because they are so focused on how other people see them.” Eurich stresses that leaders looking to reap the benefits of self-awareness must develop both areas of self-knowledge.

Climbing a Slippery Ladder

Leaders’ struggles with self-awareness become increasingly apparent as they rise through the ranks, facing “more uncertainty and fewer cut-and-dry answers.” According to Eurich, as cut-and-dry situations become fewer and farther between, we rely more on our ability to read situations, something leaders who lack self-awareness struggle with. At the same time, what leaders say and do becomes more visible as they move up the corporate ladder. Finally, leaders receive progressively less honest feedback as they advance,

as they have fewer peers and there is greater power distance between them and their direct reports. And each promotion reinforces a leader’s self-image, whether accurate or not. According to Eurich, that’s why it’s unsurprising leaders so easily succumb to self-delusion, her research showing that “executives, compared to front-line [employees] or middle managers, tend to be less self-aware as a whole.”

Leaders often feel as though they must have all of the answers all of the time to deserve the responsibility entrusted to them. Some work environments reinforce this behavior by making vulnerability dangerous. But Eurich notes that “one of the most self-aware things executives can do is to admit they don’t have the answers.” By asking their teams for help, these leaders build trust more effectively.

The Only Path to Success

Eurich finds that the organizations “with the worst shareholder returns were 79% more likely to have large numbers of un-self-aware employees.” Leaders lacking self-awareness, especially CEOs, fear that organizational problems reflect on them personally. These leaders are unable to foster the transparency necessary within the organization to avoid major problems or ethical violations that damage performance. On the other hand, self-aware leaders seek out problems and speedily bring them to the surface where they can be discussed honestly and dealt with.

Beyond the organizational benefits, self-aware individuals experience more personal success, display more integrity, communicate more effectively, and are “better leaders who lead more profitable companies.” According to Eurich, “all of the skills that are required for success in the business world are entirely dependent on your level of self-awareness,” which she considers “the unique edge” that distinguishes leaders in a fast-moving business environment.

Taking Action to Build Self-Awareness

Ultimately, Eurich’s research found self-aware individuals do not fit an underlying profile, meaning “everyone is equally likely to be self-aware depending on the level of work they put in.” By listening, asking questions, and reflecting, leaders, managers, and HRBPs can all balance outside

perspectives with self-perceptions and understand themselves better.

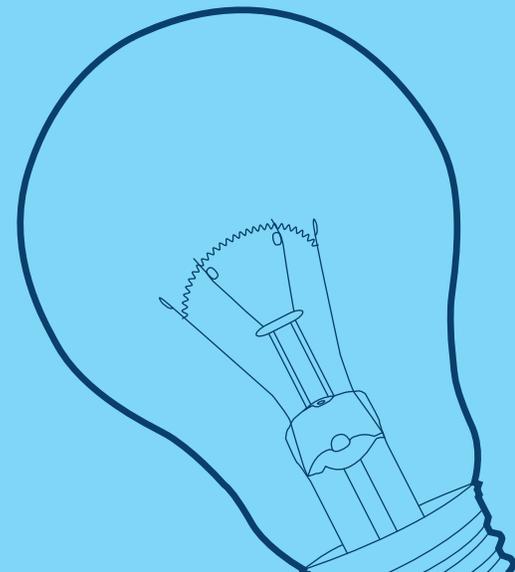
Leaders and employees who commit to daily habits, such as asking questions to challenge assumptions, can see dramatic improvements in their internal self-awareness. And to develop external self-awareness, individuals should ask “loving critics” for more feedback about their behavior. “Loving critics” are brutally honest but genuinely want feedback recipients to succeed. And while we don’t have to drop everything and change to meet every criticism, says Eurich, “we do have to accept it and own it in some way.”

¹ <https://www.cebglobal.com/member/corporate-leadership-council/research/general/ceb-talent-angle/17/tasha-eurich.html>

Takeaways for HRBPs

Self-awareness can be key to the HRBP role—as an intermediary between business clients and HR, you are asked to wear many hats. As you switch from one responsibility to another, consider how you represent yourself, ask for feedback, and reflect on your strengths and weaknesses. By doing so, you will gain a better understanding of how you can develop internal and external self-awareness.

You can also incorporate these lessons in coaching sessions. As you provide coaching to leaders and managers, consider the things they may not fully understand about themselves and, as a “loving critic,” help them develop.



How Are Your Coaching Conversations Really Going?

By Meg Zolner Day

It may be time to ask ourselves—has coaching itself changed?

Will the coaching skills that helped HRBPs influence and build relationships in the past accomplish those same things today?

Coaching has always been an important skill for HRBPs, and they are relatively confident in their coaching abilities. In our HRBP Career Diagnostic¹, almost half of them say they've fully mastered coaching individual managers. But with so many changes to the way business is done and to the HRBP role itself, it may be time to ask ourselves—has coaching itself changed? Will the coaching skills that helped HRBPs influence and build relationships in the past accomplish those same things today?

Effective coaching has three main components:

-  **It's job-aligned.** Unlike a mentorship, which usually focuses on professional and/or personal goals, effective coaching applies to a specific work project or priority, and the coach should connect the coachee to individuals who will help him or her accomplish that task.
-  **It's timely.** Two in three employees expect to learn and develop “just in time,” or exactly when they need a particular skill or specific knowledge. Effective coaches quickly diagnose when to intervene for the greatest benefit, from when a project is assigned through to its completion.
-  **It's personalized.** To prompt true behavior change in the coachee, the coaching message needs to resonate with him or her.

To maximize the benefits of coaching, HRBPs should take a hard look at their current approach and evolve it using these three components.

1. Effective Coaching Is Job-Aligned

How this aspect of coaching has changed: At its simplest, coaching serves as well-intentioned feedback on another person's behavior or action.

Effective coaching is...



...**job-aligned**



...**timely**



...**personalized**

Traditionally, HRBPs needed to see the behavior first hand to know whether to intervene—but that’s much more difficult today than it once was. All employees work with more people and have many more responsibilities than they used to. In this environment, HRBPs have limited visibility of the breadth of a manager’s or leader’s day-to-day work. And although HRBPs still feel a need to coach, it’s unclear whether coaching without context is even worth the time.

What this means for HRBPs: Coaching is less effective when delivered without context or at a very high level, so HRBPs need a clear connection between the coaching being shared and the topic to which it’s being applied. This is true even when working with very senior internal customers (from whom it’s often most difficult to get the necessary context). While HRBPs will never have perfect context, they do need to push themselves to collect a standard level of information required to coach someone on a particular topic.

To acquire that level of information, it helps to have solid answers to the following four questions, either from the individual or from a colleague close to him or her:

- How is this person’s performance at work progressing generally?
- What is this person’s current emotional state, and has that state changed recently as a result of any professional or personal events?

- Are there any individuals or process barriers that could potentially influence the outcome of this person’s work?
- What one or two things do I not know or would surprise me about this person’s day-to-day responsibilities and experience?

2. Effective Coaching Is Timely

How this aspect of coaching has changed:

HRBPs already recognize that coaching is clear when it’s highly relevant to the behavior or action being addressed. However, HRBPs also know that as the pace of business has quickened, so has the need for timely coaching. Only 4 in 10 employees agree that their direct managers help them develop the skills they need for their roles today. This is likely because, by the time an HRBP finds time with someone to provide coaching specific to one action, its benefit has diminished.

What this means for HRBPs:

The best HRBPs already try to do regular “pulse” checks on the customer groups they support. They stay up-to-date in a variety of ways—including being present for in-person meetings, scheduling ongoing check-in conversations with influential employees, speaking at diverse gatherings of employees, and more. There are two main ways these pulse checks can also help HRBPs coach:

- HRBPs shouldn’t be afraid to use existing employee interactions and events as coaching op-

portunities. Globally, development is the number one factor that attracts employees to an organization—employees want to grow at work, which should validate HRBPs' responsibility to coach confidently and quickly.

- HRBPs should accept that they can't be everywhere at once. "Advocates," or employees whose judgment HRBPs trust, can act as eyes and ears in places that aren't within reach. By using their own experiences and the input of their advocates, HRBPs can coach much faster.

3. Effective Coaching Is Personalized

How this aspect of coaching has changed: Effective coaching motivates coachee action. And, just as every coachee is different, so should the coaching be for each individual. HRBPs already flex their coaching style to different individuals; now they also need to continually adapt it to rapidly changing circumstances. One person's coaching needs can vary more dramatically over a short period of time than most would expect.

What this means for HRBPs: Effective coaching should still be tailored to the work and communication style of the individual. Four communication styles generally capture how employees communicate at work:

- **Amiable communicators** focus on maintaining relationships with their colleagues, asking questions of their colleagues, and finding cooperation and security at work.
- **Analytic communicators** focus on executing their projects, asking questions of their colleagues, and using facts and data to support their work.

- **Driver communicators** focus on executing their projects, sharing their opinions with their colleagues, and driving action and outcomes throughout their work.

- **Expressive communicators** focus on maintaining relationships, sharing opinions with their colleagues, and fostering ideas and possibilities throughout their work.

After diagnosing coachees' predominant communication styles, HRBPs should push themselves to consider how each individual's environment could potentially shift his or her coaching needs. Does an organizational focus on innovation push potential coachees toward a more expressive style? Or are recent pressures from competitors turning them into driver communicators?

HRBPs have embraced leader and manager coaching as a key responsibility for years, but such coaching can no longer be reactive. To keep up with a rapidly changing business environment, the best HRBPs are diving deeper into each coachee's world. They're uncovering what they work on, and who with. They're exploring coachees' team connections to deliver coaching just when it's needed. And they're making sure they understand each individual's communication style when delivering coaching.

The result? HRBPs are more strategic, better informed about the business, and really know their people. The benefits—for HRBPs' personal development and their business impact—could extend far beyond the coaching.

To keep up with a rapidly changing business environment, **the best HRBPs are diving deeper into each coachee's world.**

¹ <https://www.cebglobal.com/member/corporate-leadership-council/benchmarks/survey/hr-business-partner-career-diagnostic.html>

Spotlight on the Business: Marketing and Sales

By Susannah Schools

Recently HRBPs cited business acumen as their top skill-development area in the coming year, knowing they can provide higher-quality support by understanding how their organizations make money and how business operations and industry trends affect that outcome.¹

Our “Spotlight on the Business” series aims to help HRBPs build that kind of knowledge.

This quarter, we focus on two corporate functions that go hand-in-hand—Marketing and Sales—and highlight recent developments within those functions, drawing from our best practice research in both areas.

If you support one of these functions, we can help you gain a clearer sense of your line partner’s priorities.

If not, you can still increase your value to the business by learning more about the potential trends that affect your organization as a whole.

Stay Ahead of What Your Partners in the Business Care About

The business environments and priorities of your line partners are shifting just as much as HR’s. To stay ahead, continually revisit the priorities within the business functions you support.

Visit the Functional Support Center² for more best practice research and resources from other business functions, including Finance, IT, Marketing, R&D, Sales, and more.

Marketing Spotlight Emerging Roles in Marketing

Marketing functions today are under significant pressure to keep up with the pace of change in a digital economy. In fact, CEOs believe digitalization is changing the role of the Chief Marketing Officer (CMO) just as fast as that of the CIO. Digital marketing and e-commerce are rapidly transforming the buying landscape; customers are now more informed, more diverse, and more overwhelmed by information volumes.

Customers take time to independently research products, set their own criteria, and deliberate over final decisions.



This new and fast-changing buying landscape has **forced Marketing to shift from a supplier-centric to a customer-centric strategy.**

HRBPs can position themselves to help ease this strategic transition by considering the implications for marketing talent. Just as Marketing must evolve as a discipline, so must the skills and competencies of its talent. In the digital era, new roles are coming into high demand, and HRBPs should partner with their clients to help them understand how they can identify and use such talent. HRBPs must also work with Recruiting to ensure they are able to acquire the right people for these roles. In particular, HR teams supporting Marketing should be on the lookout for the following four key roles:



Customer Experience Lead

Drives high-quality deals by managing the creation of a cohesive message and a simplified buying journey

The ideal candidate has:

- A background in Marketing or Customer Service,
- The ability to thrive with an ambiguous mandate,
- A problem-solving mentality; will work with others to find a solution to a problem,
- The ability to manage complex projects and build relationships across silos, and
- The ability to use and analyze complex data streams.



Sales Development Representative

Differentiates between suppliers, increases deal momentum by easing the buying process, and improves collaboration between Sales and Marketing by actively managing the lead-handoff process

The ideal candidate is:

- Confident,
- Persuasive, and
- Able to interact with a diverse range of buyers.



Analytics Manager

Assesses performance of new marketing tactics and improves predictability of commercial outcomes

The ideal candidate can:

- Build relationships across silos to find and stitch together unrelated data sets,
- Influence stakeholders without a data background to act on recommendations,
- Think creatively to identify new ways to answer questions with data, and
- Use analytical techniques, including data mining, predictive modeling, and forecasting.



Marketing Technologist

Captures customer demand data and automates previously labor-intensive tasks

The ideal candidate has:

- Interest in learning about the constantly changing marketing technology (martech) landscape,
- The ability to influence senior stakeholders across silos on martech's value,
- The ability to cut through vendor hype to evaluate and select technologies,
- The ability to integrate and use all of the martech stack, and
- The creativity to identify and use technologies that can drive marketing performance.

To forecast your organization's need for these roles, try some of our support resources: Listen to this webinar replay³ to learn more about what to look for in potential hires and how to prepare for the addition of a new role. For other functional support resources, visit the Marketing tab⁴ of our Functional Support Center.⁵

Sales Spotlight: Compensation Plans

Budget consciousness and demand for more complex, customized solutions are also changing the face of Sales. And these shifts are making the role of salesperson more difficult than ever. The most common organizational response has been to adjust compensation plans to increase incentive pay; yet for 60% of organizations, sales remain stagnant or are in decline.

Our research reveals a better way to improve sales performance. Organizations should focus on improving employee perceptions of their pay, not just increasing incentives or compensation (see figure 1). And because compensation plans are jointly owned by Compensation and Sales, HRBPs are in an ideal position to influence this strategy shift by liaising between the two teams and representing both perspectives.

Improving Pay Perceptions

Fairness: To help employees perceive their pay as fair, increase the frequency of target reviews, and

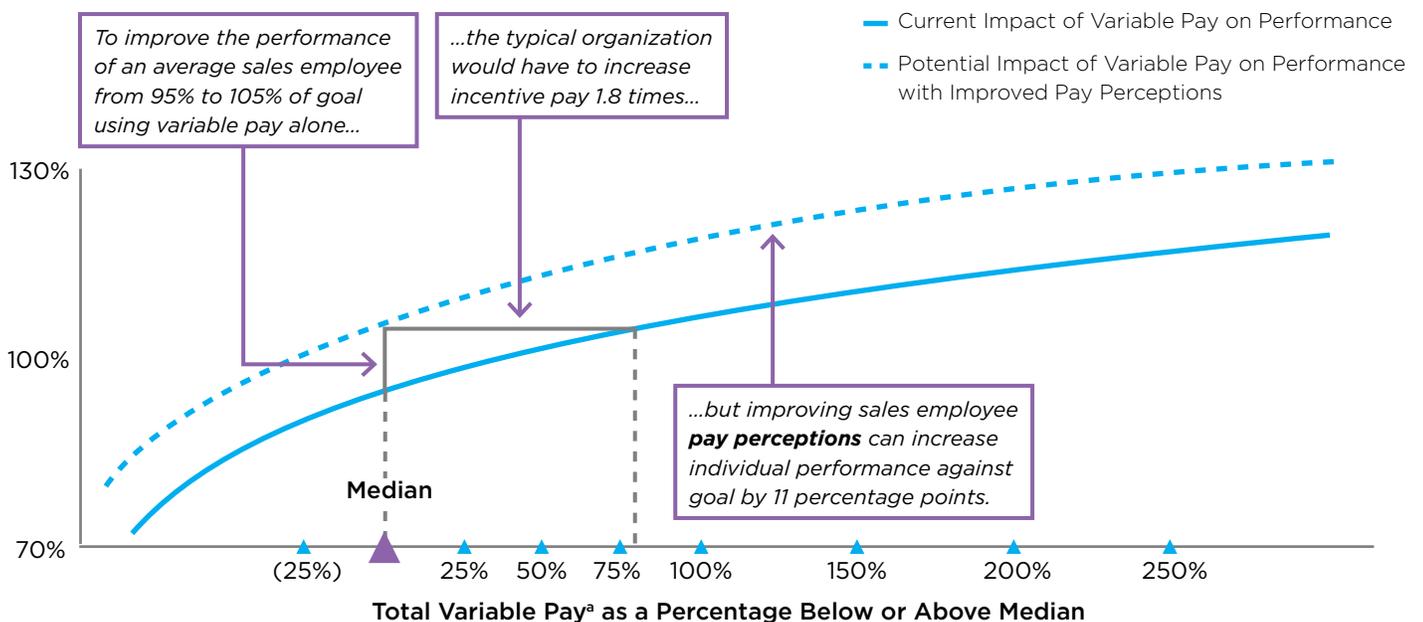
communicate the specific reasons for revising targets in advance.

- **In Practice:** Shell communicates a list of sample reasons why sales targets might be revised up front. These include factors outside of employee control, such as supply chain issues, changes in the cost of goods, and business reorganization within a Sales employee's portfolio.⁶

Complexity: To make it easier for employees to understand their pay, collect employee feedback and audit your own processes.

- **In Practice:** Humana finds that the number of steps and the volume of information employees need to estimate their payouts influence perceptions of pay complexity. Humana audits its own processes to reduce the number of steps employees have to go through to estimate their payouts and ensures employees have access to necessary information.⁷

Figure 1: Impact of Variable Pay on Sales Employee Performance
Percentage of Sales Target Achieved



n = 712.

Source: CEB 2013 Sales Compensation Employee Survey.

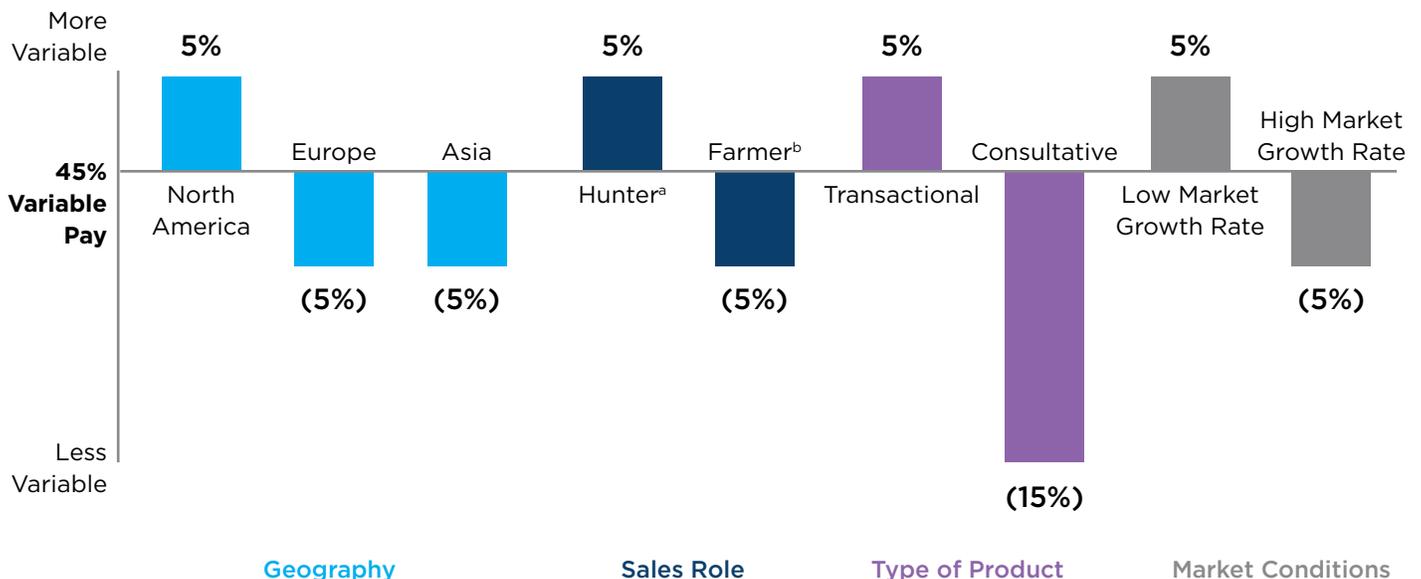
^a Variable pay includes both commission and bonus.

Risk: To improve employees' perception of pay risk, understand their risk preferences and desire for variable pay. Too small a proportion of variable pay reduces the consequences of underperformance, while too large a proportion of variable pay will exceed most employees' risk tolerance. Organizations must also understand that risk tolerance may vary by factors such as sales role, geography, product, and market growth rate (see figure 2).

To get a better idea of how to improve perceptions of pay fairness, complexity, and risk at your organization, look into our functional resources: Watch this webinar replay⁸ to learn more about designing Sales compensation plans for breakthrough performance. For additional functional support resources, visit the Sales tab⁹ of our Functional Support Center.¹⁰

- ¹ CEB 2016 HRBP Advisory Council Welcome Survey.
- ² <https://www.cebglobal.com/member/corporate-leadership-council/tools/14/support-your-business-unit-effectively.html>
- ³ <https://www.cebglobal.com/member/corporate-leadership-council/events/replays/17/emerging-roles-in-marketing.html>
- ⁴ <https://www.cebglobal.com/member/corporate-leadership-council/tools/14/support-your-business-unit-effectively/support-your-marketing-function.html>
- ⁵ <https://www.cebglobal.com/member/corporate-leadership-council/tools/14/support-your-business-unit-effectively.html>
- ⁶ <https://www.cebglobal.com/member/sales-midsized/research/general/13/royal-dutch-shell-up-front-target-revision-communication.html>
- ⁷ https://www.cebglobal.com/member/sales-int/research/case_study/17/humana-sales-compensation-complexity-audit.html
- ⁸ https://www.cebglobal.com/member/corporate-leadership-council/events/replays/13/designing-sales-compensation-plans-for-breakthrough-performance_2.html
- ⁹ <https://www.cebglobal.com/member/corporate-leadership-council/tools/14/support-your-business-unit-effectively/support-your-sales-function.html>
- ¹⁰ <https://www.cebglobal.com/member/corporate-leadership-council/tools/14/support-your-business-unit-effectively.html>

Figure 2: Change In Ideal Percentage of Variable Pay



n = 2,344.

Source: CEB analysis.

^a "Hunter" sales roles are typically those that involve selling to new customers.

^b "Farmer" sales roles are those that typically involve selling to existing customers.

By Adrian Samson



The HR Heart Line

Dear HR Heart Line:

I'm in HR and have been for the past five years. I have a good reputation, and I'm steadily taking on additional responsibilities. However, one area continues to be a problem for me. I've been unable to get major initiatives funded for my business partners, and, as a result, I'm losing credibility with my stakeholders. I believe I create compelling business cases and provide the ROI calculation we are asked for, but haven't had any luck getting the green light on major initiatives. Any advice?

Sincerely,
Unfunded in Frankfurt



Dear Unfunded,

You are not the only one with this challenge. Many HRBPs, like yourself, can build a business case with compelling ROI but still struggle to take it one step further to get that green light. One solution is to work at building your financial acumen. It will help you understand the full financial picture, spot trends in business and financial metrics, and present the right business case at the right time.

Our member organizations use financial data to inform every decision and to continuously assess the business's health. People are typically trying to get initiatives funded throughout the organization, so businesses use a common measuring stick for all requests. To be unbiased in their assessment, business leaders need to consider the holistic financial impact of each initiative (not just the cost or the ROI).

For some functions this is easy—the work they do is clearly linked to the finances of the company (e.g., Sales, R&D). It's easy to see the links even in other areas of HR; those responsible for recruiting, paying the workforce, and training can all directly show how they affect the finances of the business.

So, where to start in building business and financial acumen? The prospect of building acumen in any new territory can feel daunting, even overwhelming, but it shouldn't be. We recommend two key ways to gather the information you need, and build the credibility required for a truly influential business case:

1. **Be proactive**, and earn a seat at the table.
2. **Build your financial acumen** by reading your company's annual report.

Be Proactive, and Earn a Seat at the Table

While the links between other functions and financial performance may be more obvious, HR's impact on business outcomes should never be undersold. Your HR teams certainly have conversations that are all about finance—even if they don't seem like it—think about talent planning, performance reviews or even vacation policies, all of which will affect costs.

You must be proactive and involved in financial conversations from the beginning. You can bring unique value to those conversations and, without an HR voice at the table, business leaders can overlook critical aspects of an initiative that might lead to a misstep and severe financial implications (see Case in Point).

Case In Point: Ryanair

Ryanair Holdings has an aggressive strategy to become the no-frills, reliable, low-cost airline leader for Europe. In its effort to fulfill that strategy, the airline overscheduled pilots and crews for scheduled flights. Business leaders had overlooked a regulation that employees of companies headquartered in Ireland (including Ryanair) must be allotted a strict minimum number of vacation days—a problem that could have been avoided if HR had a seat at the table.

When the mandate came to light, employees promptly took their four weeks of stored up vacation days en masse. This left Ryanair without enough pilots and flight attendants, leading it to cancel hundreds of flights and leave 400,000 passengers without travel arrangements.¹ The issue is expected to cost the airline \$30 million in refunds and compensation and a further \$30 million toward hiring extra crew over the next year.

This situation was avoidable and a great example of how HR can help uncover and mitigate risk if they are involved in strategic decisions from the start.



Build Your Financial Acumen by Reading Your Company's Annual Report

Once you have a seat at the table, you need to bring sufficient financial understanding to be credible and persuasive in those conversations.

The quickest way to brush up on your financial acumen is to spend some time with your company's annual report. Annual reports may seem complex, or even monotonous, but they can actually tell a rich story about the successes and the challenges that lie ahead for your business.

Unfortunately, these stories are often written in a language that most of us just don't understand; a language of numbers and metrics that can seem overwhelming and simply undecipherable.

Helpful Hint: Annual reports are accessible on corporate websites under Investor Relations, and government reports can be found on agency websites under Performance and Accountability Reports.

But you really don't need a special decoder ring to understand the report; you just need to know what to look for and to be a thoughtful consumer of that information.

Some organizations' annual reports may read almost like a children's picture book—straightforward and easy to understand—while others will be more like a detective novel, with lots of different layers to peel back. Whatever the case, you have to have a grasp of the report's vocabulary and context to be able to really understand your organization.

Once you have your annual report on hand, keep your eyes open for answers to the following key questions:

- What are the big strategies for this quarter/half/year?
- What is senior leadership focused on?
- What metrics are important for this quarter, or the full year?
- How does this relate to what you are working on? What parallels can you draw?

To get started, take the time to read the CEO or Chairman letter at the front. You can learn a lot about the company's strategy, market share, and competitive domain right off the bat. This gives you helpful context for the financial information you will uncover deeper in the report. Within the report, you will find a financial statement (also often referred to as the income statement, balance sheet, or P&L), which is a snapshot of your company's assets and liabilities that relate to the financial health of the organization.

BUT WAIT!

Before I go on, I know you may be thinking, "My company is nonprofit/government/public sector, so this is not relevant to me."

But whether your organization is for-profit or nonprofit, your business leaders and line partners will be accountable for the financial outcomes of projects and for meeting budget requirements.

Nonprofit organizations still have balance sheets and income statements, the difference is just that the net income must equal zero. And government organizations will also have balance sheets, liabilities, and budgets—your income statements are your budget.



While financial statements also vary according to the organization, they typically share some common items that you can learn to recognize. These may not be the same metrics your business partners are measured or incentivized on, so make time to have a conversation with them to better understand their focus. And don't be afraid to find yourself a friend in Finance who can clarify these metrics and the effect they have within your organization.

You can also get greater context and comparison by looking at prior years' reports, as well as top competitors' current financial statements and industry averages (available at Hoovers, Dun & Bradstreet, etc.).

Using Your New Financial Acumen to Build a Business Case

Once you understand the context of the business and its financial drivers, you can use that information to link your initiative to the most important metrics—and ultimately create a compelling and influential business case. For the next project you're proposing or advising on, ask yourself the following questions.

- What does success look like? Do my line partners agree?
- How will we measure that success? What are the metrics we'll be able to track?
- What financial metrics should be affected as a result of this project?

By proactively bringing these questions (and potentially, answers) to your line partners, you will elevate the conversation and have a better chance of getting that green light to move forward with the project. Ultimately, just remember that building your financial acumen will give you a better understanding of the business. I encourage you to dive in, be proactive in your conversations with the business, and seek out key messages in your annual reports. By doing so, you can become more knowledgeable, more credible, and more persuasive.

Visit Investopedia.com to learn more about financial metrics and Yahoo! Finance for specific company information.

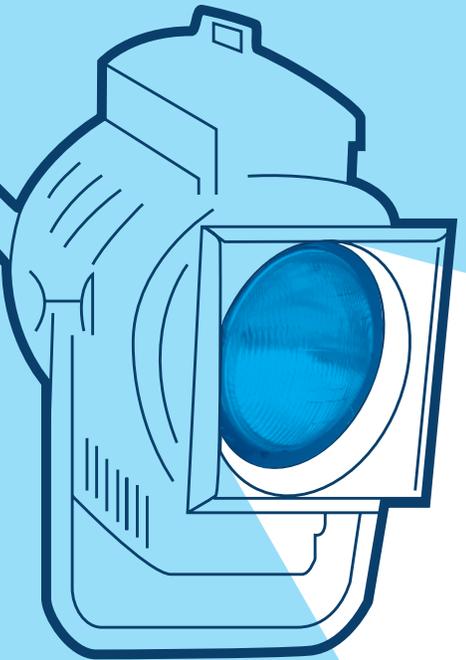
¹ Patrick Collinson, "Why is Ryanair Cancelling Flights and What Can You Do", The Guardian, 18 September 2017, www.theguardian.com/business/2017/sep/18/qa-why-is-ryanair-cancelling-flights-and-what-can-you-do

HRBPs' Top 5 Resources from Last Quarter

Here you'll find the most shared, favorited, and viewed resources by you and your HRBP peers last quarter.

Don't miss our spotlight on hot topics below. Check them out to see how they can help you in your role in the coming months!

By Susannah Schools



Spotlight Event

The Year Ahead for HR Business Partners: A Look into 2018¹

9 January 2018, 11:00-Noon ET

Register now for this interactive virtual session to learn how you can continue your professional progress and grow as an HRBP in 2018. Key takeaways include:

- Trends confronting HRBPs and HR functions in 2018,
- How to advance your professional priorities and personal development, and
- How your peers are leveraging opportunities for influence and growth.



Spotlight Topic Center

Performance Management²

Effective performance management drives enterprise contribution, which can grow profits by 11% and revenues by 5%. As you move into annual review season, use our Performance Management Topic Center³ to drive business impact through the following performance management activities:

- Design your performance management strategy.⁴
- Conduct the performance review.⁵
- Reward and recognize employees.⁶
- Provide ongoing feedback and support.⁷



Spotlight CEB Ignition™ Guide

CEB Ignition™ Guide to Conducting Performance Reviews⁸

Use this guide to help you design and execute the performance review process by answering the following questions:

- How should we define performance review success?
- How do we capture and deliver feedback that is holistic, balanced, and future focused?
- How do we improve manager familiarity and comfort with performance-related interactions?
- How do we measure the effectiveness of performance reviews on employee talent outcomes?

1

HRBP Customer Feedback Tool

Use this tool to briefly survey your most senior line clients on the performance of their HRBPs and aggregate feedback into a single report for an HRBP team.

2

Netflix Updates Its Famous Culture Document with Focus on Inclusion and Respect

Check out our Talent Daily article to learn more about Netflix's updates to its renowned manifesto.

3

CEB Ignition™ Guide to Assessing Your Organization's Structure

Use this guide to assess your organization's structure against business strategy, identify inefficiencies, and finalize areas to redesign.

4

HRBP Masterclass Series: Talent Analytics 101

Watch the replays of this four-part HRBP Masterclass series for help driving insight and action with data, or use the train-the-trainer decks to bring your team up to speed.

5

CEB Talent Angle Podcast: Chris Fussell

Former Navy SEAL and current head of the McChrystal Group Leadership Institute, Chris Fussell, talks about how great leaders gather and combine the perspectives of all of their teams to accomplish their goals.

¹ <https://www.cebglobal.com/member/corporate-leadership-council/events/webinars/18/member-facing/the-year-ahead-for-hr-business-partners.html>

² <https://www.cebglobal.com/member/corporate-leadership-council/topics/performance-management.html>

³ <https://www.cebglobal.com/member/corporate-leadership-council/topics/performance-management.html>

⁴ <https://www.cebglobal.com/member/corporate-leadership-council/topics/performance-management/design-your-performance-management-strategy.html>

⁵ <https://www.cebglobal.com/member/corporate-leadership-council/topics/performance-management/conduct-the-performance-review.html>

⁶ <https://www.cebglobal.com/member/corporate-leadership-council/topics/performance-management/reward-and-recognize-employees.html>

⁷ <https://www.cebglobal.com/member/corporate-leadership-council/topics/performance-management/provide-ongoing-feedback-and-support.html>

⁸ <https://www.cebglobal.com/member/corporate-leadership-council/ignition-guides/ceb-ignition-guide-to-conducting-performance-reviews.html>



What's Next?

Consider the following questions to help you maximize the benefits of our content to your organization.

- Are these resources new to me?
- What opportunities can I expect from sharing these resources with my colleagues?
- To what extent do my current projects and priorities compare to those of my peers based on these resources?
- Might any of these resources represent an opportunity for me to enrich or grow my role?
- What will my bigger projects be in the coming two to three months, and to what extent do I feel I've used these resources to prepare to execute them?

About *HRBP Quarterly*

Supporting and enabling HR Business Partners and strategic HR professionals is a continued priority for us. As a result, we are excited to bring you *HRBP Quarterly*, a quarterly publication featuring trends, research insights, and peer support for the global HRBP community, designed to help you develop your capabilities and get your jobs done.

Feedback on what you see?

Which articles in this publication did you find most helpful? Is there a topic or type of content you would like to see in future editions? Send your feedback on *HRBP Quarterly* to Katy.ConnealyWeber@gartner.com today.

