Creating the Next Normal for HR

The CHRO Edition June 15, 2020

Subscribe to future editions.







At Faculty of Change and at future foHRward, we are striving just like you to respond to our new climate of rapid change.

Every week brings about a new set of challenges and new employee needs to respond to. Everpresent change is the only constant.

It's a new kind of critical period. Your ability to maintain empathy, make strategic decisions and build your teams' resilience is more vital than ever.

An organization's current awareness of employee sentiment is often fed by surveys and statistics.

The resulting tactics address point-intime challenges, based on point-intime results.

A more nuanced understanding of how the employee experience is changing is critical to solving the longer-term culture challenge, in order to co-create a better future. 01

What has changed?

02

What is changing?

03

What will change next?

This guidebook will help you quickly understand possible futures and work with the uncertainty of the Next Normal.

This edition highlights a few themes of change important to the moment, particularly for HR professionals. It's a work in progress, just like today's world.

Take 10 minutes a day. Think about what has changed, is changing and will change next. Pick examples in each category.

Use them as principles to test the viability of your tactics and strategies. Or as thought starters to imagine how to transform.

In This Edition

O1
What has changed?

8 The End of WFH Prejudice

HYBRIDIZING THE HOME AND THE OFFICE

9 The New CEO: Chief Empathy Officer

HUMAN(E) LEADERSHIP FOR THE NEW WORLD OF WORK

02

11 Bio-Status

HEALTH BECOMES THE NEW PASSPORT - AND STATUS SYMBOL

What is changing?

12 A Digital-First Employee Experience

MOVING EMPLOYEE LIFE ONLINE

O3
What will change next?

14 Holistic Wellbeing

A HEALTHY EMPLOYEE IS A HEALTHY HUMAN FIRST

15 Conscious Capitalism

SERVING A GREATER GOOD FOR ALL STAKEHOLDERS

How were these themes created?

Our foresight strategists and anthropologists constantly scan the globe for weak signals of change: the first hints of new realities and behaviours. With time and momentum these become trends, movements, or, sometimes, the next normal.

Since initial reports on Chinese social media in early January, we've collected thousands of signals related to COVID-19, and spoken to dozens of experts and leaders to put its impact in context.

This primary research is distilled into themes: **key new uncertainties and certainties** selected for their high strategic relevance.

We highlight the most critical themes of change in each edition. If you need access to more comprehensive or sector-specific themes, please be in touch.



What has changed?

The End of WFH Prejudice

HYBRIDIZING THE HOME AND THE OFFICE

FROM: WFH as a misnomer for day off To: WFH as a synonym for working how/when is best

Prior to the pandemic, many workplaces were reticent to give employees the flexibility they were craving to work where and when they wanted. The swift shift to working from home for many populations creates the opportunity to build new cultures based on empowerment and trust. The success of these new strategies will require new leadership capabilities and a move towards checking-in, not checking-up. The ability to integrate technology to augment the employee experience will include new digital collaboration tools that will compete with nostalgia for in-person and at-work experiences.

Expect to see future enhancements to the IRL (in real life) office experience that provides all the things you can't do at home. How effective the new protocols are in preventing and managing a second wave of the pandemic, as well as how effective (or not) employees can be from home, will inform how quickly offices reopen and how much more time we spend at home.

Permanent WFH workforces may need to accept lesser pay in lower-cost locations. [link]

Remote work during the pandemic has surfaced new struggles for the workforce. [link]

Six principles for working remotely by Parks Canada that went viral. [link]

What changes do you need to make to your culture to enable an effective flexible working strategy?

How will leaders adapt from managing by 'walking about' to the new virtual reality?

How will we redesign the office to create enhanced experiences that aren't available at home?

How can you leverage a distributed workforce to attract the best global talent?

The New CEO: Chief Empathy Officer

HUMAN(E) LEADERSHIP FOR THE NEW WORLD OF WORK

FROM: Business first

то: People first

We have been humbled by the bravery of our essential workers and protected the safety of our people above everything else. The company values we live by have been stressed but many leaders are leaning into them to inform difficult decisions. The shared experience of the pandemic supports a case for a more employee-centric world that demands empathy and compassion. We have seen the most senior levels of an organization baring themselves, and sharing their experiences, worries and challenges, as a way to lead with greater transparency. This has served as an effective call to action during the pandemic.

As things 'normalize', expect a new kind of leadership to emerge. This new leader seeks to understand hardships endured, to uncover the lived experiences at all levels, and to acknowledge that there is a shared trauma and need for healing among employees. The paradigm for leadership will shift to putting humans first, requiring leaders to look beyond statistics, share price, and profits to determine the health of the company. The tools of the future Chief Empathy Officer will include sentiments, stories, curiosity, and imagination.

How a masterpiece by Hokusai delivers a mini-masterclass in leadership. [link]

A transparent and humble message from Airbnb Co-Founder and CEO to employees. [link]

An authentic and human video message from Marriott CEO. [link]

How are your leaders turning up? How has this been understood by your teams?

How will you support your leaders to create the right people-centric environments?

How did your culture hold up? What can you do differently to bolster culture remotely?

What would/should you do differently next time?



What is changing?

Bio-Status

HEALTH BECOMES THE NEW PASSPORT - AND STATUS SYMBOL

FROM: My body, my business TO: My body, your business

Many parts of the world are fastidiously tracking the health of their residents in response to the pandemic. To effectively reopen, many businesses will need to take a similar proactive role in testing their people. While holding the 'right' passport once granted the privilege of freedom of movement to residents of wealthy nations, now visible proof of health and hygiene will eclipse such traditional markers of status. Knowledge workers with the privilege of self-isolation will continue to earn a full income, while workers at the front lines will be pushed further into precarity. Those that can prove (or pay for) good health or immunity will be granted freedoms restricted to those that cannot, ultimately putting greater pressure on governments to safeguard and support precarious workers.

Expect the benefits of bio-status to accumulate for people with the money, time and freedom required to eat healthy, exercise, isolate and access medical care, further marginalizing those without. It will be incumbent on organizations employing front-line workers to create new protocols and means of services in order to proactively protect essential staff.

Transit workers risk their lives to move essential workers, face low protection and low recognition. [link]

Germany plans to issue COVID-19 antibody certificates. [link]

Etihad Airways introduces health check kiosks as part of boarding procedures. [link]

How might the availability of health data amplify or strain your ability to serve your customer's needs?

What new capabilities would you need to effectively manage the health of your people?

How will you deal with individual's anxiety about returning to a perceived unsafe environment?

How will you manage the interactions of team members with different expectations around safety?

A Digital-First Employee Experience

MOVING ALL ASPECTS OF EMPLOYEE LIFE ONLINE

FROM: Going to work
TO: Signing-in to work

Employees have tolerated the inferiority of the employee digital experience compared to the customer digital experience for many years. The new virtual reality of how we need to work creates the burning platform required to build a high-quality employee experience online. Rather than making our archaic processes digital, we can seize the opportunity to reimagine the most critical interactions with the end user – our people – front of mind. Creating a seamless experience that integrates the best technology without breaking the bank or causing user fatigue is the tight rope that needs to be carefully traversed.

Digital solutions that support specific phases of an individual employee lifecycle already exist. Expect greater focus on tying these phases together more seamlessly. Similarly, expect companies to find creative ways to create the collective experiences digitally, as the many internal groups and communities of an enterprise, necessary to the cultural fabric and community connectivity, move online. To do this right, a deeper understanding of unique employees and their current and evolving needs is necessary.

Employee Experience will be a greater priority according to the majority of HR leaders. [link]

Teambuilding, a company that started in 2013, has a range of virtual teambuilding activities. [link]

Advertising agency BBDO creates a way for employees to officially brand their home offices. [link]

What would it look like to run a company with virtual Headquarters?

How can you create meaningful social interactions with your employees and leaders online?

How effective is your existing employee experience? How might you redesign it, if you could do it from scratch?

What insights have you derived directly from your employee-base, and how might you engage them in co-creating the new digital EX?



What will change next?

Holistic Wellbeing

A HEALTHY EMPLOYEE IS A HEALTHY HUMAN FIRST

FROM: Working hard TO: Working well

Prior to COVID, burnout was discussed as a white-collar workplace 'epidemic'. In today's world, the added strain on team members working from home has brought more awareness of mental health to the forefront, and heightened our collective empathy. Some are struggling to balance their work responsibilities with childcare, home-schooling, meals, cleanup, and a partners' overlapping schedule. Others are battling new and unfamiliar feelings of isolation, loneliness, depression, anxiety and insomnia. Performing productivity in these trying times is creating a new and dangerous kind of 'always on'. The one-size-fits-all approach to mental health programs is no longer enough.

The response to the 2008 financial crisis was led by CFOs, while the current pandemic is a human crisis, and as such the response will need to be led by CHROs. Expect to see CHROs move beyond wellness programs to include a more holistic human and medical dimension of mental health within benefits offerings. Promoting those with the highest billable hours will get push back, ushering a new way to rethink how we reward individual and collective performance.

All NHS staff in England have been given free access to digital mental health and wellbeing apps. [link]

The WHO recently added occupational burnout to its International Classification of Diseases. [link]

Burnout is an organizational challenge, not a talent one, resulting in +\$125bn healthcare spending. [link]

How will you equip your leaders to support the well-being of their teams?

What would it take to move your benefits program to a more holistic health and wellbeing program? What would need to change? What aspects would need to be reimagined virtually?

How can you adapt your current wellness offerings to meet the emerging and evolving needs of your people? Could this be done through partnerships?

How can you create an environment that supports openness about mental health and wellbeing, and further, supports the right wellbeing outcomes?

Conscious Capitalism

SERVING A GREATER GOOD FOR ALL STAKEHOLDERS

FROM: Profit-driven TO: Purpose-driven

For many the lockdown has created time for deep reflection as we search for answers. This has already begun to create a greater level of consciousness in consumers and employees. How organizations react to the crisis in the short and long term will be under scrutiny and inform the buying habits of future generations. This makes clarity of purpose a critical cornerstone for all organizations. The pressure for a broader perspective beyond pure profits has been building from the Business Roundtable to influential investors. Organizations will continue to be called upon to demonstrate their purpose for, and benefit to, all stakeholders, not just shareholders.

The purpose-driven organization is not a new concept, but is certainly one that is moving from few examples to mainstream. As different crises arise, organizations rooted in purpose will react with empathy and swiftness, and fare better over time. Expect to see not only consumers voting with their dollars, but also employees voting with their time and effort, choosing to work only for organizations that reflect and stand up for their values, and publicly calling out any that do not.

Facebook employees stage a virtual walkout in protest against CEO's refusal to take down Trump's controversial posts. [link]

Did they help? Find out how a company or a celeb behaved during the Coronavirus pandemic. [link]

Scottish distillery is the first whisky and gin producer in Europe to become a certified B-Corp. [link]

What is your organization's current purpose? How does it understand and serve the needs of stakeholders?

How relevant is your organization's purpose in the current context? How might this need to be reframed?

How is your organization's current purpose enacted by leaders? How might these need to be communicated or demonstrated differently

How do you live your purpose at an organizational, team and individual level? How do you celebrate (and measure) this purpose's achievements at all levels?

Keep pace with the Next Normal

To succeed through uncertainty, organizations must cultivate four key disciplines:

Awareness

Continuously sense and understand changes in your world, your competitive landscape, your operations, your staff and your customer.

Strategy

Coordinate today's decisions and initiatives with a roadmap for resilient growth tomorrow.

Action

Execute on opportunities rapidly to build, test, learn and adapt.

Momentum

Maintain speed, alignment and morale as you sense, decide and act.

Faculty of Change is here to help

Our team of futurists, strategists, anthropologists, and designers have a plan to help you answer the most pressing questions:

What role do you play in the Next Normal?

We can help you understand the changes brought about by COVID-19, and how you can be successful across multiple possible futures.

How will you gain/maintain the advantage?

We will illustrate challenges and opportunities that you may not have anticipated, allowing you to pivot your strategy and market position.

What should you do now, and next?

We help clients develop transformation roadmaps, with discrete sets of actions to take around your role, offering, and value proposition, in order to thrive.

In three weeks or less, you can have a clear understanding of the challenges faced by your business, an action plan to serve new market needs, and a team aligned around the transformation you'll need to be and remain resilient.

Stay ahead of the pace of change.



Jared Gordon Financial Services jared@facultyofchange.com 416 258 7077



Kareen Proudian Retail, Luxury & Hospitality kareen@facultyofchange.com 647 403 1257



Dylan Gordon Consumer Packaged Goods & B2B dylan@facultyofchange.com 647 448 2518

Subscribe to future editions.





future foHRward can help

We can help.

Organizations are facing an exponential level of technology-enabled disruption making it a fascinating time to work in HR.

We appreciate it's not always easy – there's no playbook on how to deal with a world changing at such pace.

We offer a series of events, peer community forums and advisory support.

Get in touch - info@futurefoHRward.com

future foHRward



Mark Edgar Co-founder



Naomi Titleman Co-founder



Get in touch - info@futurefoHRward.com

<u>Subscribe to foHRsight – our weekly newsletter.</u>