Building an Effective HR Strategy for the New World of Work

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When we try to pick out anything by itself, we find it hitched to everything else in the Universe.

John Muir

The world of Human Resources is inextricably hitched to the world of work, and the world of work is inextricably hitched to the world of Human Resources.

To think of, design, or implement an HR strategy that is disconnected from the complex social, political, and economic realities of the world and their implications in the workplace and the workforce is not only limited and limiting, but nothing short of flawed.

This week is the anniversary of the murder of George Floyd. This horrendous episode in our history re-awoke the Black Lives Matter movement last year and set in motion significant political and social changes in the country and the world, and in the workplace, specifically in the arena of diversity, equity and inclusion. The COVID pandemic accelerated the processes of work and digital transformation that many of us thought were going to take years to actually happen. There are hundreds of similar examples that dramatically impact HR, though they look seemingly circumstantial and outside of its sphere.

An effective, modern, and strong HR strategy and any HR capability model, together with its skills and competencies, that pretends to set such strategy in motion must necessarily account for the external forces that are shaping the nature and meaning of work and the ways in which people actually deliver that work. HR is hitched to everything and we can't pick it out by itself, the same way we couldn't (at least not yet) pick out a workplace without it being hitched to HR.

We are going to dig deeper into this in the next paragraphs, but let's begin by defining what I mean by "the new world of work".

The New World of Work

The future of work is not going to happen in the future, it is happening right now.

There are changes that are imperceptible to us because either they are slow at the beginning and we can't see them, or simply because they impact areas of work outside of our zone of influence or work. Nonetheless, these changes are shaping and creating a new world of work.

This new world of work has some very basic components: it relies on technology for operational efficiency, it (hopefully) brings humans back to the center (the entire ecosystem of stakeholders), it is chaotic and fast-moving, and it is extremely sensitive to the social, political and financial factors outside of its purview.

For the purpose of this short article, perhaps the most critical element of this new world of work is how highly interconnected it is to *everything*. One of the defining characteristics of our modern world is how hyperconnected and globalized it's become, making it impossible for any organization and, by default, any of its internal functions, to think of themselves as isolated from the world.

Foundational Principles For An Effective HR Strategy

In this new world of work as defined above any HR strategy that tries to be effective must rely on some basic, timeless and foundational principles. They are:

Humanist: it is centered on the human as the most important contributor to organizational success, longevity, profitability, and/or impact. Work is creatively designed and performed by humans and only amplified for maximum efficiency by technology. The role of humans at work is not efficient anymore (as in the industrial eras of the past). It is the creation of value and the sharpening of the organizational competitive edge via curiosity, creativity, empathy, innovation, collaboration, and, ultimately, strong, competitive and attractive corporate culture. To achieve this, any HR strategy must, in turn, focus on maximizing the opportunities for humans at work to flourish, succeed, grow and thrive at work. And through people's flourishment, success and growth comes the success of the very organization they work for. The holy grail is being able to create an organization in which we can connect people's

meaning, joy, happiness, and self-realization in the craft they perform, with organizational success. This represents a whole new story for HR. In this case, HR is no anymore a back-office transactional and administrative function. Moreover, it isn't even a "business partner", but rather a business leader focused on helping the organization succeed through the success of its people. And this is not just a difference in semantics, it is a significant difference in mindset.

Agile: a serious, impactful, new-world-of-work-focused HR strategy must contain the seeds for its own ongoing transformation as needed or determined by the changing external conditions and the adapting business goals and outcomes. The dislocation between business strategy and world realities is dangerous. The dislocation between HR strategy and world realities can be a tragedy for the organization. Long gone are the days of the "five-year HR strategic plans" without any vision for agility when necessary and demanded by the realities of the world around it. A strategic plan developed in January of 2020 must have been thrown away or significantly adapted in March when the pandemic started. A Diversity, Equity, Inclusion, Equality and Belonging strategy crafted in April of 2020 must have been dramatically upgraded in May (after the murder of George Floyd) and then again in November with the horrifying rise in hate toward Asian Americans and Pacific Islanders. Agility is the name of the game.

Business-oriented: over and over and then over again I hear the same story from business leaders and even HR leaders. "HR needs to align with the business". It sounds like a broken record or, worse yet, an unrealized promise. The reality is that the effectiveness of any HR strategy depends on how well it is at leading the organization to the achievement of its goals. This one element deserves a bit of attention. How to ensure that the organization is indeed achieving its goals? Without going down to the nuances of becoming prescriptive, I want to mention three elements. First, it requires a deep, almost religious understanding of the business goals. Second, it is about connecting anything HR does with the achievement of those goals. This requires a profound understanding of the business, its metrics of success, and, equally important, the ability to craft a business case that connects HR strategy and business strategy to compete for internal limited resources. Finally, the third element is the one missing from most HR capability models: a clear understanding of the internal and external forces that shape the conditions in which the company operates and the conditions that help it succeed. Without this, it will be impossible to have an effective HR and even an effective business strategy. HR professionals may think about this last element: "but that's the work of the leaders of the organizations". True. But this article is written for HR to be a leader, not a follower or, less so, just a business partner.

Science and Data-informed: there are many new ideas that are slowly becoming more mainstream in the world of HR that, though they weren't generated in the world of HR, have been adopted optimistically. Many of these ideas do not represent an incremental improvement from the past, because they simply weren't around in the past (at least the past of HR). They are neither a repackaging of old

obsolete or unrealized HR theories because they came forward only recently. They include agility, design thinking, employee experience, and, the most quintessential of all, data science and analytics. An effective HR strategy must be informed by science and data. Gut feelings are… sometimes good, but it's much more effective to rely on data. Like the funny quote: "In God we trust, all others bring data". This is the key to this foundational principle: science and data often are not created in HR, for HR, or, even sometimes, to impact the world of HR. However, when closely scrutinized we can find the connection. Take the advances in the world of human performance and neuroscience. Two areas of expertise with dramatic ties to HR, but that we can easily neglect if we don't pay attention. Because everything is "hitched to everything else", a science and data-informed HR is one that's sifting through data related to external elements and internal corporate elements, and then finds the way to connect the dots between the findings, the business strategy and the effectiveness of its own.

The Specifics

As I mentioned before, no HR strategy, or for that matter, no business strategy, can be at all successful if it's isolated from the reality and the external circumstances that impact the workplace and the workforce, and the very nature of work.

That's why whether you believe that this model is useful or not, my most critical takeaway for you is to scrutinize with care what I am about to present and examine with a good level of "suspicion" any HR capability or effectiveness model that, regardless of its construction or origins, pretends to describe HR either in itself or just for the organization it works for without any connection to the world in which it operates.

My formula for HR effectiveness includes:

- A clear and, as much as possible, a deep understanding of the HR and non-HR future trends that have a significant impact on work, the workplace, and the workforce. The most evident of them all is technological disruption. But don't neglect critical trends that will have a dramatic and historical impact on any organization and person in the world: demographic shifts, climate change, rising inequality, globalization, among others.

- An organizational responsibility to shape and work on the many areas that may be unaccounted for in the most visible trends, though they have a powerful impact in the workplace, the workforce, and work, even if for a shorter term than other trends. Take for example the mental health implications of the COVID pandemic (which experts called "the second wave of the pandemic"). HR must account for this

yet "unaccounted for" trend because the implications of its neglect could be catastrophic.

- An effectiveness model for HR must include attention to today's problems and challenges. I understand that many of them are urgent and require immediate attention. They are an important component of my effectiveness model, but not the only one.

- Finally, a component for the preparation for future scenarios. This is a longer and more strategic view of the component immediately above.

But because the world moves so fast today, it is just impossible to disconnect the four elements above from the speed at which we must take them into account and act on them. The slower we go the more difficult it will be to catch up with the changes down the road. Take for example self-driving technology. Just like most technological developments, it moves very slowly at the beginning until it hits an inflection point that starts moving the curve from somewhat linear change to exponential. If we don't move fast while things move slow around us it will be hard to catch up with them when they actually start to move exponentially.

That's why I multiply the four elements of the formula by the velocity at which we can make it happen.

The last two elements are: elevating our work it by the power of believing that HR can do it, while dividing it all by the orthodoxy about old, unworkable, obsolete, or unrealized views about what HR can or should do. The more orthodoxy, the less effective HR will be. The less orthodoxy and more radically open-mindedness, the more effective it will be.

A Final Note

My formula is not a traditional view of HR. I don't think traditional views about anything will neither move the needle forward, nor help us stay up to date and competitive if someone else is moving it forward for us.

Sometimes building on past work makes sense, especially when the transformations we need are incremental. But if the transformations are more radical, then the past serves as a good old book to read and transport us back to what was, but not enough for what should be. And, today, nothing seems to be "an incremental improvement" to what was, but rather a completely different thing. I recently read the book "T. Rex and The Crater of Doom" about the discovery and creation of the "impact theory" to explain how an extraterrestrial object (comet or asteroid) was the culprit of the end of the era of the dinosaurs. This theory falls in the category of "catastrophic", even though for more than one hundred years almost every single geologist embraced the concept of "uniformitarianism" which explains gradual and not catastrophic causes. The impact theory could not have been built on uniformitarianism because it represented a whole new theory and approach.

We are living in times of dramatic and fast-paced transformations. Today, neither the phenomena of the world nor the speed at which everything is happening can be explained at all by old theories, orthodoxies, or, in this case, old effectiveness or capability models. Though very often we find ourselves dragged or slowed down by some people who still embrace the "uniformitarian" orthodox equivalent in HR (whatever that is for them), the truth is that we need to think differently if, one, we want to remain individually employable, relevant and professionally competitive and, two, if we want to help our companies succeed.

The world is today in a period of profound transformations and transitions. Humanity has gone through deep changes before, but never this fast. Our thinking and work paradigms must not only account for and respond to the changes that are happening, but also to the speed at which they are happening. Only then will we be able to truly craft a business and HR strategy that works for today's reality, but in which we've also planted the seed of adaptation to the fast-changing circumstances.

*The post "*Building an Effective HR Strategy for the New World of Work*" was first published by* Enrique Rubio *here https://www.linkedin.com/pulse/building-effective-hr-strategy-new-world-work-enrique-rubio-he-him-/*

About Enrique Rubio

Founder Hacking HR | Top 100 HR Global HR Influencer | HR & Tech | Speaker | Future of Work | Vegan Ultrarunner

I am passionate about Human Resources, People Operations, Technology, and Innovation. I'm an Electronic Engineer, Fulbright Scholar, and Executive Master in Public Administration with a focus on HR. I am also certified in Design Thinking, Scrum Master and PMP. Over the past 20 years, I've worked in the HR and tech world. I am very interested in the digitization of the workplace and Human Resources, and the intersection of the future of work, technology, and HR.

I am the founder of Hacking HR, a global community of HR leaders and practitioners, and I am also the co-founder of Cotopaxi, an artificial intelligence-based recruitment platform for Latin America

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