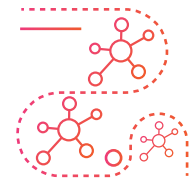


# Workforce Retention Strategies: Rightsizing With AI and Data Science

WHITE PAPER

## Abstract



As organizations increasingly re-imagine work, workplace and workforce practices, balancing top line and bottom line is a challenge. Downsizing is the most conventional response to cut costs and increase profits. However, if not done right, downsizing can have a negative influence on workforce morale impacting retention strategy, productivity and employee alignment to organizational objectives. With the emergence of hybrid jobs, organizational success will be about building digital capabilities and revamping the organizational structure to achieve business objectives. This paper throws light on taking a rightsizing approach backed by intelligent learning systems, multi-generation workforce inclusion, talent audit and succession management. This is crucial to enhance employee experience and improve brand value.

# Need for a structured approach to rightsizing

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During the economic downturn, most organizations typically turn to employment downsizing. However, before deciding to downsize, managers must consider the variety of effective alternatives available. Trimming the workforce does not always ensure cost saving. Instead, it can negatively impact employee morale, trust and work-related motivation, resulting in reduced commitment to work, productivity and engagement.

Business leaders, therefore, must always be mindful of the short-term and long-term price payoffs post layoffs. Organizations looking to optimize cost must comprehensively re-examine their downsizing strategy to understand its impact on workforce planning, compensation enablement, performance and succession management and training. Building capabilities in areas such as artificial intelligence (AI), cloud, analytics, and automation can help develop a deeper understanding of workforce issues, resulting in improved talent engagement and multi-generational workforce inclusion, enhanced employee experience and well-being.

However, this requires taking a structured rightsizing approach - one that not only helps reduce infrastructure and operational cost but also protects employee value proposition (EVP) and mobilizes talent internally based on their niche skills. Structured rightsizing can be achieved through the optimal use of connected technology and decision sciences levers. This section explores some relevant use-cases.

# Hyper-personalize employee responsibilities

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The pandemic has accelerated the arrival of 'future of jobs' at a faster pace than predicted in the World Economic forum (WEF) report of 2020. Around 40% of workers will require reskilling of six months or less with 94% of business leaders expecting employees to pick up new skills on the job, a sharp uptake from 65% in the 2018 report.<sup>1</sup> As organizations embrace remote and hybrid workplace models, HR departments need to track changes in the existing job taxonomy and attune their business strategies to reskill and upskill workforce. This requires moving from the conventional organizational workforce pyramid model to a hyper-pyramid model that may include highly eclectic job and role structures

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[1] World Economic Forum, The Future of Jobs Report 2020, 20 October 2020 [http://www3.weforum.org/docs/WEF\\_Future\\_of\\_Jobs\\_2020.pdf](http://www3.weforum.org/docs/WEF_Future_of_Jobs_2020.pdf), accessed on February 18, 2021

with fewer hierarchical levels. Job redesign is a relevant tool to re-imagine jobs by hyper-personalizing employee tasks and responsibilities based on occupational insights of individuals and the workforce. Organizations can utilize a customizable framework such as Occupational Information Network (O\*NET) to facilitate development of a skilled workforce and craft relevant jobs to help build readiness, resilience, and distinct organizational rightsizing opportunities.

## Enable change management in learning style

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Ensuring the co-existence of resilience and adaptability to new areas of knowledge and skill will be of utmost priority to survive in the post-COVID environment. This requires embedding continuous change management in the learning culture and utilizing existing workforce for rightsizing. This will be particularly relevant during crisis, when organizations can leverage and capitalize on the learning ecosystems to thrive and remain competitive. The central characteristics of a good learning environment with systems, processes and technology can help capture learning styles of individuals to curate learning content for mass customization and adoption. Organizations can leverage hyper-personalized learning systems based on predictive analytics to align organizational needs with workforce career goals. For example, learning style models based on different learning theories such as behavioral, cognitive, biological, and psychological traits can help hyper-personalize learning to improve consumption of content. This will be particularly relevant for organizations challenged by competency gaps, helping them meet in-demand skills, improve usage of LMS, productivity and ensure innovation.

## Build high performance inclusive teams by retaining the baby boomers

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The twin forces of technological disruption and changing economic and job landscape are posing a serious threat to workforce. For instance, intelligent machines propelled by decision sciences and artificial intelligence are displacing jobs. 85 million jobs will be displaced while 97 million new jobs will be created across 26 countries by 2025<sup>1</sup>. For successful man-machine synergy, building inclusive teams with institutional knowledge and organizational wisdom is a must. Baby boomers who are retiring and exiting the workforce rapidly will be vital in building sustainable and high-performing teams. The

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[1] World Economic Forum, *The Future of Jobs Report 2020*, 20 October 2020 [http://www3.weforum.org/docs/WEF\\_Future\\_of\\_Jobs\\_2020.pdf](http://www3.weforum.org/docs/WEF_Future_of_Jobs_2020.pdf), accessed on February 18, 2021

prospect of losing considerable institutional knowledge due to retirement of an aging population, coupled with fast-changing job market trends in developed economies, poses a threat of acute skill gap. To address the skill gap, organizations need to create sufficient bench strength and enable job coaching by pairing baby boomers with millennials for optimum usage of generational skills, knowledge and wisdom. Predictive data-driven decision science, coupled with personalized learning intervention can act as a key enabler to cross-train workforce and improve institutional knowledge. In addition, organizations can leverage AI-enabled occupational strength finders to map various learning styles and curate customized learning content and multi-channel, agile training methods for faster adoption and application. This will help rapidly build cohesive, collaborative and diverse teams that can benefit from mentor-mentee relationships.

## Conduct periodic talent audit for effective succession management

Today, top talent needs to be identified, engaged, and nurtured. This requires assessing key traits and competencies such as ability including aptitude, emotional intelligence, functional skills, work motivation and commitment to organizational values. A talent audit can help determine the leadership index of an organization (see Figure 1). It can also help demonstrate organizational transparency, enabling employee development and enhanced organizational performance. In addition, organizing periodic talent audits provides deeper and broader visibility into the organizational talent pool. For example, AI-enabled talent occupational insights and learning assessments can help align workforce objectives with key performance drivers. This acts as a single source of truth for chief human resource officers (CHRO) for spotting talent and incubating a performance-oriented culture.

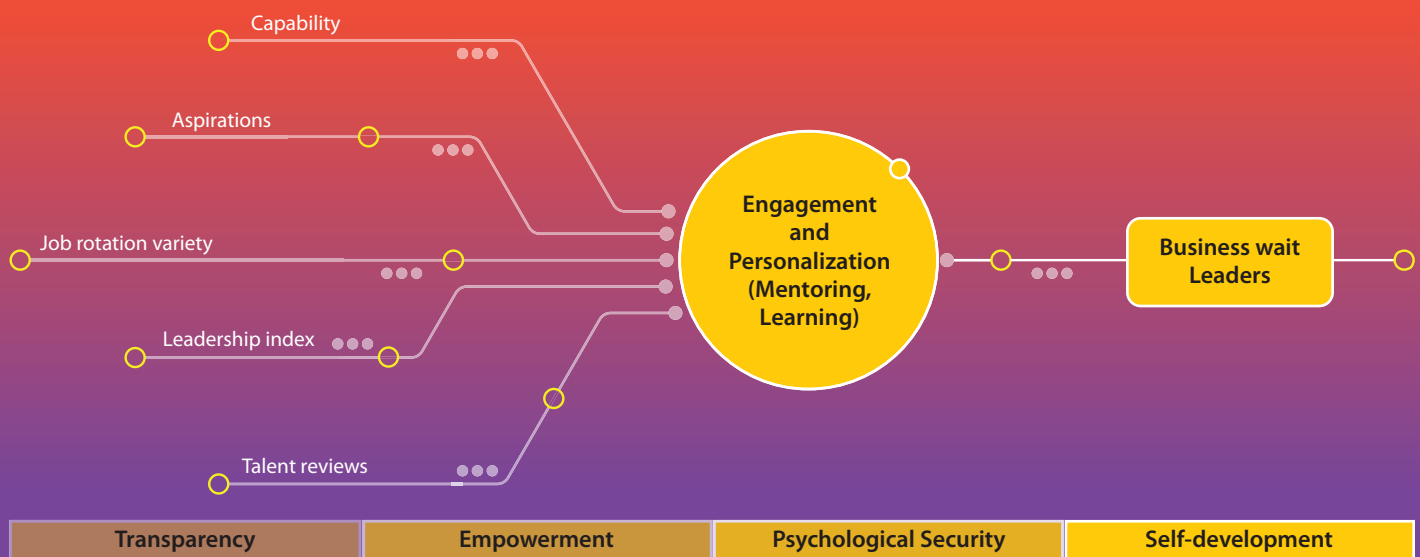


Figure 1: Talent Audit for Employee Motivation

# Employee trust: the hinge for organizational belongingness

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Rightsizing the workforce is no small or easy task. It is a constant and continual process of managing employee capability for improved operational efficiency. Establishing a successful rightsizing strategy requires setting business goals, enabling cross-functional alignment and putting effective workforce management policies in action. For instance, this can help create project-based teams aligned to common business goals. This not only helps in effective utilization of existing knowledge but also helps streamline communications, enabling enhanced employee trust and a sense of organizational belongingness.

#### About The Author

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Debashis Kanungo is a consulting partner for TCS Workforce and Analytics and Insights. He brings to the table more than 25 years of diverse experience in multiple HR function across geographies, leading to effective people integration and hiring strategies. He has been instrumental in creating, and implementing talent transformation and management framework, enabling high performance work culture using technology and metrics and delivering robust organizational capabilities and processes. Kanungo is a member of National HRD and an active member of various HR forums. He holds a bachelor degree in Law and Masters in Management Studies specializing in Human resource and Organizational Development.

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