Reimagining Talent Management for Business 4.0

Abstract

Organizations are looking to harness Business 4.0 by making significant investments in capabilities required to leverage the opportunities that the digital economy offers. The rapid adoption of Agile, intelligent, automated platforms in the cloud, is profoundly transforming businesses, enabling superior customer experience and value. In addition to technology investments, enterprises are also reimagining internal functions for increased agility, value, and enhanced stakeholder experience across the value chain.

This paper examines the circumstances that demand a transformation of the talent management processes and proposes a talent development system aligned with Business 4.0. Such a system should be designed such that employees are able to acquire the knowledge and skills required to realize their potential, and proactively contribute to the business outcomes of their organization.
Lack of Relevant Skills a Key Challenge to Realize Digital Strategies

Both McKinsey and PwC identify the lack of skills as the major challenge for organizations in realizing their digital strategies. More than ever before, it is imperative for organizations to balance hiring with training and retraining of existing talent in digital competencies and skills. An MIT Sloan study reveals that 76% of companies that have achieved a decent level of digital maturity provide resources and opportunities to their employees for them to develop digital acumen.

The Need for Agile Talent Management: Why Conventional Practices Fall Short

The inherent nature of digital business requires real-time stakeholder view into organizational demand for skills to enable effective talent acquisition, skill building, and deployment. To achieve this and drive value in the Business 4.0 age, it is important to eliminate silos and move toward a collaborative and connected ecosystem that enables information and knowledge sharing (see Figure 1).

CHALLENGES: CLOSED BUSINESS CULTURE

“A new organizational structure is required to accommodate and benefit from the culture of sharing that social media has fueled over the last four years. The information flow we all experience daily can no longer be organized into neat org-chart silos.”

- Charlene Li, Author of Open Leadership

We believe that Business 4.0 requires a paradigm shift in talent management practices to drive the following objectives:
Personalized talent development recommendations

Typically, employees' skills, competencies, roles, allocations, and career aspirations are captured in various enterprise systems, during different interactions across the employee life cycle. A rich and comprehensive employee profile that can be viewed by the employee as well as others in the organization is pivotal to reimagining talent practices.

A compelling talent development system uses embedded analytics with prediction engines to draw insights, and provide personalized recommendations to employees, creating a 'pull' rather than a 'push' factor for enabling competency building. Business 4.0 is all about using analytics to isolate and respond to individual transactions through customization.

Anytime, anywhere learning and development

Organizations require an agile workforce that can continuously learn new skills and apply their learning to diverse challenges. Digital has transformed learning completely, with a host of internally and externally available resources that enable learning at a time and place suited to the end user’s convenience. From nano courses designed to create awareness to deep dive-based practice content for higher levels of competency and certifications, content is available according to the needs of the learner. By continuing to provide relevant, personalized, and frictionless learning for employees, organizations can enable them to stay relevant in the digitally transformed environment.

Cultural shift to a digital enterprise with a focus on people

Focusing on people while creating a 'digital culture' is as important as focusing on technology capabilities to drive successful transformation that keeps pace with the fast-changing digital environment. Around 50% of respondents in a 2016 Global Industry 4.0 survey by PwC indicated that the lack of digital culture and training inhibits digital operations capabilities.2

The key foundational aspects of a digital culture are agility in decision making, increased collaboration, willingness to experiment, and continuous learning and adaptation. Along with a top-down effort to motivate employees to envision a different reality, new-age talent management systems should enable the cultural and mindset shifts crucial for digital transformation.
Talent Development Ecosystem for Business 4.0: The Five Essential Building Blocks

How can organizations build a talent ecosystem that caters to the evolving demands of the digital age? One approach is similar to the ecommerce model, where employees are treated akin to customers, and the interconnected talent ecosystem pushes personalized content to them based on their profiles, organizational requirements, and peer activities. 

In this case, five basic elements of such a system are:

**Robust employee profile:** Employee profile forms the basis of all talent insights and decisions for the individual and the organization. Organizations that have achieved a high-level of sophistication with their talent management systems combine people data from internal and external sources with machine learning to provide personalized experiences for employees in areas such as onboarding, learning, and internal mobility.

**Visibility into demand:** Breaking up silos and enhancing visibility into talent demand and capability requirements is essential for an integrated talent management approach across the enterprise. Features such as 'trending jobs' or 'upcoming jobs' give employees the visibility to upskill themselves accordingly.

**Employee focus:** A compelling talent development system should be able to motivate employees to leverage enterprise social collaboration platforms and enhance collaboration and participation. Some examples of tapping into the abundance of talent available in the ecosystem include:

- Crowdsourcing of solutions to problems
- Ideathons for pollinating ideas across the organization
- Hackathons to challenge and recognize individuals in building innovative solutions
- Gamification to draw interest to learning platforms and scale skill building
- AR/VR demonstrations for skills training and showcasing career journeys
- Learning bots for round-the-clock query assistance

Employees are the focal point of the Business 4.0 talent system, much like customers are in an ecommerce model.

Organizations can proactively align the growth aspirations of their employees with skill-building initiatives by enabling visibility into talent demand.
Intelligence and automation: Companies can explore multiple channels to push relevant information and recommendations to employees based on their digital footprint and interests. Some examples of personalized and relevant content include:

- Notifications on upcoming events, learning courses, podcasts, assets released in knowledge databases, encouraging employees to subscribe to the resources
- Expert community activities to draw attention to blogs, thought leadership articles, and publications, and freelance assignments
- Insights into the skills employees need to achieve their on-the-job goals or meet the anticipated skill demands in the future, to ensure alignment with competency development plans
- Supervisor-suggested learning based on performance or competency assessments

Self-governance: Using embedded analytics, the system must be designed to generate dashboards and insights for all talent management stakeholders. Analytics-driven insights on the status and ROI of talent development efforts should drive a self-governance culture where the accountability for skill development rests with each individual as well as the business team. Some of the talent and business metrics that reflect progress and effectiveness are:

- Rate of acquisition of competencies
- Competency health of the unit versus target state
- Learner engagement and satisfaction
- Staffing fulfillment through training
- Customer satisfaction
- Efficiency and productivity of talent development teams

The system should be intelligent enough to use competency gap analysis, previous learning, and peer community activity to make learning recommendations to employees.
Integrated Talent Management Systems: Align Capability Development with Evolving Business Opportunities

Reimagining the talent management ecosystem is a continuous process and is critical to building the capabilities required for the workforces and workplaces of the future. Leveraging technology, social platforms, and analytics helps drive efficiencies and align capability development with business strategy. Some of the key benefits that can be realized through an integrated and collaborative talent management system include enhanced learning, better employee engagement, optimized effort, improved fulfillment of internal demand, and reduced hiring. Organizations that proactively and dynamically harness agile talent are poised to lead the Business 4.0 transformation.

References

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Elizabeth Mathew heads the Business HR function for TCS’ Communications, Media and Technology business units. She guides the HR teams in developing and deploying the talent strategy for the units. In her 29 years with the organization, Mathew has held HR leadership roles in branch and regional centres of TCS in India and overseas. She has also played several key roles in Process excellence, M&A and consulting engagements as a functional expert. Mathew has a Master’s degree in Social Work with a specialization in Personnel Management from the Madras School of Social Work, Chennai, India. She has been a speaker and panelist at industry forums, and is involved in several programs of the National Human Resources Development (NHRD), Bangalore chapter.

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