

# What Will Your Organization Be Tomorrow?

Developing a Culture of Continuous Transformation in HCM

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# Introduction: Constant Innovation Starts with Individuals

We live in an age of unpredictability and disruption. In this environment of unprecedented change and advancement, the most successful organizations will be those that can quickly change with the times. Agility and adaptability are perhaps the most important qualities necessary for success in a fast-changing global market.<sup>1</sup> Gone are the days where being first to market or even best-in-class were harbingers of success. Today, the real differentiator is constant innovation—and that comes from constant change.

Digital disruption is not only driving new imperatives in business, it's also changing how we work. The always-on nature of many jobs means that the delineation between "work" and "life" is becoming more blurred. The same personal pursuits that give us satisfaction in life, such as mastery, self-determination, and harmonious relationships, are increasingly required in the workplace for longevity and success. As work steadily intermingles with leisure and personal time, it's imperative to find alignment between purpose at work and purpose in life.

<sup>1</sup>. "Rewriting the Rules for the Digital Age." 2017 Deloitte Global Human Capital Trends.



As work and personal lives become more intermingled, the role of HR must evolve. It's no longer sufficient for HR organizations to focus narrowly on performance and work perks. Today, HR needs to take a more holistic approach to employee wellbeing, ensuring that high-potential and top-performing employees have the tools and opportunities they need to do work that is both personally satisfying and aligns to the goals of the organization.

**Today, the real differentiator is constant innovation—and that comes from constant change.**

It might seem that these two independent requirements—the need for organizational agility, while providing individual wellbeing—are at odds with one another. But they are actually complementary. Empowering high performing employees to solve unique problems, experiment with new ideas, and foster partnerships with other top performers also encourages personal work satisfaction. Together, they form a foundation for the agility that organizations need to be competitive.

In this eBook, we'll discuss how HR can employ this holistic approach to help organizations move forward on their journey toward continuous transformation—starting with individuals, extending to their teams, and then across the entire company.

## Chapter 1:

# Driving Transformation, One Person at a Time

Across generations and job levels, workers tend to be motivated by three things: mastery, autonomy, and purpose.<sup>2</sup> They want to excel, they want to own their work, and they want to know that the work they do contributes to their own and their organization's goals. When the most talented individuals are exploring job options, they will choose their employers based on how well they can deliver on these needs.

Fortunately, the very desires that motivate workers personally also benefit the organization at large. To harness the power of individual desires for autonomy, mastery, and purpose for organizational benefit, HR can begin with a simple idea: give employees permission—and perhaps even an imperative—to change.

## Worker Motivation



**1** Mastery

**2** Autonomy

**3** Purpose

<sup>2</sup>. Pink, Daniel H. *Drive: The Surprising Truth About What Motivates Us*. New York: Riverhead Books, 2009

# Empowering Individuals Energizes the Organization

High-performing individuals have a distinct need to be challenged and differentiated. For these individuals, simply carrying out assigned tasks, even if they do it exceptionally well, is not satisfying. And yet, because most people want recognition for the work they do, if performance is judged based on how well employees accomplish prescribed tasks, the task will become the focus.

But the task is not the job. The task is merely one piece in an ecosystem of organizational goals and objectives. The job is navigating that ecosystem and solving challenges along the way. Those challenges will always be in flux, and as they change, employees need to be empowered to shift and change their focus—and their jobs—to meet them. That kind of autonomy is satisfying. And it's exactly what organizations need in a world of accelerated change.

What would happen if employees weren't given a set of tasks to do, but instead a set of problems to solve? What if they had permission to be creative and curious? Who better than these highly competent, ambitious individuals to ferret out the real work that needs to be done, devise a plan of action, and then act?

When individuals have the encouragement and freedom to constantly adapt to the challenges they face without waiting for instruction from management, organizations gain on-the-ground agility and competitive advantage.

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**High-performing individuals have a need to be challenged and differentiated.**

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To innovate and move quickly, high performers need to be empowered to transform their roles—not just once in a while, but continuously. They must have the autonomy to evolve as challenges and drivers from both inside and outside the organization change. This expectation of customization and continuous transformation must be part of an agile organization's cultural DNA.

# Cloud Technology

- ➔ Integrate and enhance existing processes and systems
- ➔ Extend capabilities to meet special use cases
- ➔ Support upgrades when new business priorities arise

## Freeing Employees with the Right Tools

Satisfying the needs of high-performing, innovative thinkers requires a commitment from HR. These employees need tools and technologies to empower them and support their autonomy—to help them work more effectively and give them more time and freedom to focus on solving problems.

Simplifying or removing day-to-day, administrative tasks allows employees to work more efficiently. Working “in the zone”—that premium psychological space where thoughts and creativity flow through them effortlessly—is where the real value is. That ability to work deeply, without distraction and interruption, is critical to finding those breakthrough discoveries that propel organizations to the top of their class.

To support autonomy and the focused work modes that lead to continuous transformation, HR organizations are turning to the cloud to spur strategic initiatives while automating less essential tasks. Deploying the cloud’s flexible, adaptive technology enables organizations to integrate and enhance existing processes and systems like ERP and HCM, extend capabilities to meet special use cases that are unique to their business, and easily support upgrades when new business priorities arise.

## Chapter 2:

# Extending Transformation to Teams

While it seems like an oxymoron to say that top performers need more autonomy and more collaboration—it's true. Collaboration is key to driving change and transformation across the organization, and it's increasingly critical for business agility and success. As organizations learn that traditional, hierarchical operating models don't lend themselves well to the nimble adaptability they need, more are trending toward team-based models. These teams, working together as a network, form the basis of what Deloitte calls the "organization of the future".<sup>3</sup>

Traditionally, workplace teams were hierarchical organizations whose missions were defined by their activity, such as "demand generation" or "product marketing". While these kinds of teams are still fundamental and necessary, we are seeing an explosion of ephemeral, interdependent, objective-based teams.

<sup>3</sup>. "Rewriting the Rules for the Digital Age." 2017 Deloitte Global Human Capital Trends.





These “tiger teams” are composed of members from different disciplines and backgrounds who come together to solve a specific problem. Their work together may last a few weeks or could go on for much longer, but due to their project-based nature, they are always evolving. If the problem they face changes or disappears, team members may be traded in or out—or the group may be disbanded altogether.

This kind of continuous transformation at the team level allows companies to make faster decisions and tackle problems from different angles, but it’s not without its own challenges. In a recent study in the Harvard Business Review, 85 to 90 percent of participants stated that they could trust or rely on the colleagues in their own department.

But when asked whether they could trust or rely on people who work in another department in the company, that percentage dropped to approximately 50 percent.<sup>4</sup> In fact, colleagues in other departments were viewed with the same level of trust as external vendors. This is problematic for teams whose members span different departments.

4. Harvard Business Review, Jan/Feb 2016

5. Ibid.

6. “Rewriting the Rules for the Digital Age.” 2017 Deloitte Global Human Capital Trends.

7. Monahan, Tom. “The Hard Evidence: Business Is Slowing Down.” *Fortune* (January 2016)

Trust is clearly a concern, yet it’s not the key issue here. Although collaborative activities have increased 50 percent over the past 20 years<sup>5</sup>, the processes in place to facilitate communication and collaboration still come up short. A recent Deloitte study found that only 14 percent of companies believe their internal processes for collaboration and decision-making are working well.<sup>6</sup>

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In some ways, increased collaboration can actually be an obstacle. As Tom Monahan of CEB Global reported in Fortune, 60 percent of employees reported that they must consult with 10 or more colleagues on a daily basis to get their jobs done. That kind of “collaboration” is a time waster at best and an innovation killer at worst.<sup>7</sup>

## Enable Transparent, Process-Driven Collaboration

Fortunately, the right technology can alleviate these pain points and provide an intuitive platform for connecting employees across the organization. Cloud systems that track delivery dates, communications, content, and processes between teams can dramatically improve transparency, enhance trust, and minimize interpersonal frictions. These systems can reassure people from different departments, strengthen social bonds, and highlight underperformers.

Organizations that use the cloud to support team collaboration are better equipped to deliver a culture of continuous transformation. A comprehensive cloud solution improves business visibility and control, enabling organizations to bring together multiple disconnected systems, correlate employee and business data for better insights, and disseminate best practices while allowing individual teams the autonomy they need to do specialized work.

Cloud-based collaboration tools also help support a more informed, connected workforce, keeping employees fully aligned with business goals while facilitating interpersonal communication. Even distributed teams can collaborate easily and naturally via real-time communications tools, asynchronous sharing, and social media.

Nearly all companies (**94 percent**) report that **agility and collaboration** are critical to their organization's success, yet only **6 percent** say that they are **highly agile today**.

—2017 Deloitte Global Human Capital Trends

## Chapter 3:

# Building a Culture of Change Across the Organization

Trying to change corporate culture can feel like trying to turn an aircraft carrier. It's big and lumbering and takes everyone on board to make it successful. Yet, it's never been more true that an organization's culture is key to keeping employees challenged, interconnected, and aligned with purpose—and encouraged to try new things, without fearing failure.

## Freedom to Fail Fast Powers Innovation

Most company cultures have a low tolerance for failure, so employees tend to play it safe. They deliberate, rethink their actions, and avoid risks. However, innovation and risk-taking go hand in hand, and failure is often the natural outcome. Employees who are afraid to fail are also afraid to innovate. And an organization that cannot innovate cannot survive.



In a culture where employees have the autonomy to craft their own roles, people will make mistakes. They will try new approaches that won't work. But they'll also uncover new processes and ways of thinking that do work. Yet the road to innovation will be paved with small failures—and those failures must not only be allowed, but expected.

Organizational tolerance for failure is fundamental to creating a culture of agile, continuous transformation. The encouragement of experimentation and coloring outside the lines may lead to higher failure rates in the short term, but accelerates learning, creative thinking, and progress.

**An organization's culture is key to keeping employees challenged and encouraged to try new things, without fearing failure.**

8. Bersin, Josh et al. *"The organization of the future: Arriving now."* Deloitte 2017 Global Human Capital Trends.

9. "The New Organization: Different by Design." 2016 Deloitte Global Human Capital Trends.

## Taking Business Transformation to the Cloud

While it's important to encourage continuous transformation at the individual and team levels – how can enterprises support these capabilities at an organizational level? In a recent Deloitte survey, executives identified building the organization of the future as the most important challenge for 2017. In fact, nearly 90 percent of respondents rated this problem as important or very important.<sup>8</sup>

Cloud technology can be a highly effective tool for beginning the transformation. Human capital management in the cloud, for example, can support real-time and on-demand training and global collaboration, enabling employees to do their jobs more effectively. Its scalability and flexibility make it a strong choice for organizations that need to rapidly adapt to ongoing change – and save costs in the process. In fact, organizations redesigning HR in the cloud achieve 26 percent more revenue per employee.<sup>9</sup>

How can you use a cloud deployment to shift towards the organization of the future? The first steps require taking a deeper look into your processes, and considering exactly what you wish to accomplish with a move to the cloud, and how can you reinforce this new cultural approach. Consider what's holding your employees and organizations back, and determine how cloud can help you overcome those barriers.

## The right cloud solution can:

- 1 Empower Employees to Transform Their Roles:** Cloud can be a powerful platform that enables individuals to continuously adapt and transform their roles. Cloud can streamline training and on-boarding, providing social network support that enables employees to get up to speed faster, find help in getting things done, and evolve their roles.
- 2 Encourage Employee Focus and Experimentation:** Freeing employees to work without distraction sets the stage for more creative, strategic thinking. The right cloud solution lets you deliver a more integrated, consistent user experience to minimize complexity and make tasks more intuitive and efficient—and bring down barriers to innovation.
- 3 Foster Team Collaboration:** A cloud-based solution can bring disparate teams together in new ways, making it easier (and seamless) to support a more collaborative, connected workforce. With support for social networking capabilities and mobility everywhere, cloud enables activity streams that help employees share content, engage in social networking, and work together.
- 4 Change the Culture:** Creating a culture that supports continuous change—the only true constant in a dynamic, accelerating world—is essential to creating the organization of the future. Consider how new recruits would feel about the possibilities and potential of a job if they were told that their job would evolve rapidly over the coming year—and that they would be the person to lead the change.

## Dubai Airports Empowers Employees with Mobile HR Access

Dubai Airports announced a \$32 billion expansion to build the world's biggest airport that will serve as a global gateway for an expected 200 million passengers annually. The organization has deployed Oracle HCM Cloud to give its 3000 employees mobile access to key processes, including core HR, self-service, talent management, payroll, recruiting, and onboarding.<sup>10</sup>

“At Dubai Airports, we had a vision to automate all employee lifecycle processes end to end. We started with the Java Cloud Service to fill functionality gaps or to fit our custom processes. Then we used Oracle's SOA Cloud Service to build an HCM replica to provide as a base to fit into the extensions. Finally, we built our custom mobile app using Mobile Cloud Service from Oracle to provide functionalities to employees.”

—Chandra Gour, Head of Manpower Planning and HRD Systems,  
Dubai Airports



**Video:** Dubai Airports Uses Oracle PaaS to Automate HR Processes

<sup>10</sup>. Gour, Chandra. “Empowering Employees Through Smarter Collaboration.” Presented at Oracle HCM World, Boston, MA, April 13, 2017.

# Summary: Start Where You Are

There's never a perfect time to make changes to key business processes and the company culture, but it's always the right time. For HR organizations that are planning a transition to cloud technology, the best approach is simply to start where you are. Every organization is on a journey, facing unanticipated changes, new challenges, and other unpredictable events. What's important is to create a strategy to put the process in motion.

The right cloud solution can help you transform your organization into a more agile, innovative performer that's fueled by continuous change. It offers the capabilities you need to provide the autonomy and freedom your best-performing employees require—and the ability to collaboratively share ideas across teams.

Cloud solutions can also help make your processes more efficient, and apply them consistently across the entire organization. In fact, you can reduce time to hire by 50 percent, decrease HRIT costs by up to 60 percent, and increase your return on equity by 31 percent.<sup>11</sup>

In an age of digital disruption and accelerated change, the companies that succeed are those that are agile, can pivot quickly, and that never settle for the status quo. Organizations that have embraced constant change, and build continuous evolution deep within their cultures, will be the ones that win.

<sup>11</sup>. Casas Javier Moves to the Cloud to Improve HR processes, Cut Recruitment Time, and Reduce Maintenance Costs, Oracle 2016.

## HCM Cloud Solution

Reduce time to hire by  
**50 percent**



Decrease HRIT by up to  
**60 percent**



Increase your return on equity by  
**31 percent**

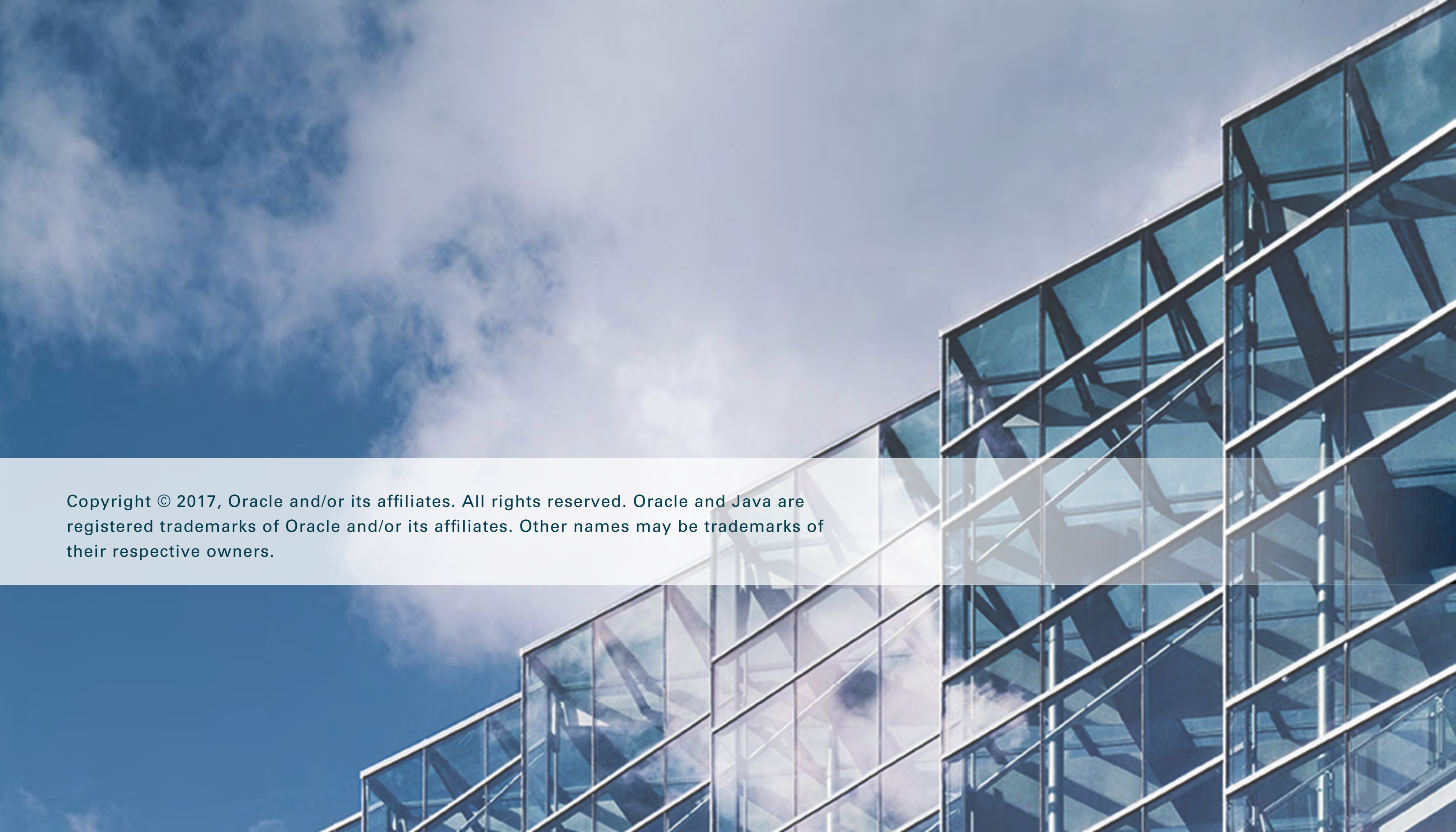




“ After enabling our employees with the tools, the right skills and the right perspective, they can make the right decisions and contribute to the success of the organization... This is something which is driving the performance culture—the ability to actually quantify what the employees have done throughout the year, through the tasks and services steps. ”

—Chandra Gour,  
Head of Manpower Planning and HRD Systems, Dubai Airports





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