Why Leading Organizations Need HR to Drive Business Sustainability

By Morné Swart
Vice President, Global Product Strategy & Transformational Leader
It’s Time for HR to Take the Lead

When businesses fail to adapt, it is only a matter of time before revenue, innovation and long-term economic viability begin to suffer. It makes sense, then, that organizations must adapt to a changing work environment, which includes new ways of doing business, understanding changes in creating a desirable employee culture and sharpening skill sets throughout the company.

HR should live at the nucleus of this ongoing innovation toward business sustainability. After all, HR leaders know their people; they know the deck of skills within the organization, and they understand the soft and hard skills it takes to innovate. It’s time to take the lead.

What is Business Sustainability?

Business sustainability refers to structuring an organization, from the inside out, to best guarantee ongoing success. Success has many faces—growth, continued employment stability, budget to innovate, and most of all, nimbleness to compete in a changing marketplace.

For many of these organizations, failure came by way of lack of strategic business sustainability. This failure meant these organizations fell behind when competing with organizations that embraced technology, innovation and automation.

Organizations that practice business sustainability ultimately deliver a talent strategy that allows them to continue to remain agile and achieve strong growth.

“It is not the strongest or the most intelligent who will survive, but those who can best manage change.”
Charles Darwin

DID YOU KNOW?

Over the last fifteen years 30% of the companies that make up the Dow Jones Industrial Average have been replaced?

Dow Jones

1 www.dowjones.com
Why Leading Organizations Need HR to Drive Business Sustainability

HR Should be at the Helm of Business Sustainability.

HR Leaders have the skills to think about what a rapid pace of change in today’s economy looks like. HR leaders also have the hard skills to build a resilient and agile talent strategy to deal with digital transformation and its impact on their workforce.

C-Suites are Already Taking Notice

If anyone is aware of the need for a lean and agile workforce, it’s the C-suite. They are acutely aware of the volatile business environments that can leave a one-time industry giant in financial trouble. In fact, talent strategy has become a top priority for many CEOs. A survey of 1,600 global organizations, ranked by Market Cap, found that the percent of C-Suite members who discuss talent management related strategy and issues with investors has increased to nearly 70%. Suffice to say, this concept is top of mind with executives, and plays a big role on overall organizational purse strings.2

What Does Business Sustainability Look Like?

HR leaders know their industry, and each industry is unique. That being said, there are themes that are affecting the business world at large. Just a few of those are:

• Digital transformation
• Innovation
• Automation
• Adaptation to market change

Digital Transformation

How is, or how has, the digital revolution impacted the way your organization does business? Is there room to grow? Has your organization embraced digital from a skill management perspective, a recruiting perspective or a compliance perspective?

Leading organizations are implementing a digital-first philosophy when it comes to employer branding, skill development and employee engagement. That being said, business...

“Today we have more than three billion pieces of plastic that represent our business. Pretty soon it will be tens of billions of connected payment devices.”
Ryan McInerney, President, Visa3

---

2 “CEOs Everywhere are Talking Talent and Culture.” Michelle M. Smith, TLNT, November 29, 2017.
Why Leading Organizations Need HR to Drive Business Sustainability

Sustainability also means understanding when digital just doesn't cut it, and face-to-face human interaction is necessary.

**Innovation**
Are the same products and services still leading the way within your industry? Or have the tides of change brought unrest to the surface? Business sustainability means that companies have it together, so together in fact that they have the space (mentally and financially) to innovate. Think of innovation as the last step, a litmus test of the total health of an organization.

C-suite and HR leaders know that innovation is what keeps your organization top of mind for customers and business partners. How will you make room for innovation and prioritize new ideas amid the day-to-day grind of running a business?

**Automation**
The answer to innovation is often automation. When business leaders are trying to find more hours, moments, seconds, in the day, automation automates what was previously time-consuming or inefficient.

Many organizations fail to automate out of fear—and their employees are fearful as well. What does a completely different workforce look like? Smart organizations realize that automation does not have to mean less people or less jobs, but rather training, organizing, and mobilizing current employees to use their brains at work in ways that are more efficient and meaningful to the growth of the company.

**Adaptation**
You've probably heard the phrase "that's how we've always done things"—much to your chagrin. Adaptation is an attitude, one part excitement, one part nervous energy and one part passion. The result is a willingness to try something new, to automate (as mentioned above), in a new way.

Adaptation does not mean perfection, or that an organization cannot change directions. It's about finding what works—and making sure that you retain culture, skills, training and key employees in the process.

**Strategic Leadership Should Live with HR**
The best way to ensure business sustainability and preparedness for change is to develop a talent-centered, people-first strategy, with HR at the helm. Unfortunately, what often happens when businesses innovate without allowing HR to set the pace is that employees leave, people feel a sense of unrest, culture comes to a driving halt, and even the best talent doubt their place in the changing work environment.

What instead is required is a culture where individuals feel trained and ready to tackle change. Where they know that new skills sets will be properly taught, where they can take ownership of their education and growth, and where career opportunities are limitless.

Employees want to work for an organization that helps them be better and provides a clear path to achievement? You can help transform change from
scary to exciting, and help your people bring the best of themselves to work each day.

**First, Make Talent a Top Priority**

Markets may change, client and consumer expectations may change, but talent is what allows organizations to weather that storm.

There are currently five generations in the workforce. Millennials will soon make up the majority, and with that, there are changing expectations in the what employees are looking for from their employer and how they make career decisions. Unlike previous generations, millennials are keenly aware of the worth of their skills, they know a recruiter is just around the (digital) corner, and want to feel an intrinsic motivation and connection with their profession.

It’s not just about collecting a paycheck—it’s about identity, growth, challenge, passion, and teamwork. Meeting these expectations is demanding but these types of employees are also invested in learning new skills, stretching themselves intellectually, and will show passion, ushering your organization into market leadership. More expectations, but more reward, too.

Of course, the task is finding the right incoming talent. Leading organizations focused on business sustainability must hire the right talent with an intuitive and customizable requisition process, screening, interview and application tools, and the ability to search and manage pools of external and internal employee candidates. It’s not about “headcount,” it’s about the right heads, sitting in the right chairs. As any experienced HR leader knows, that requires tremendous organization and a frictionless recruitment process.

**Critical to success is empowering and “leveling up” the talent you already have.**

The adage remains true, it’s less expensive to keep an existing employee than find someone new. The path towards business sustainability is about helping to guide and train those employees to be ready and able to lead.

It’s imperative to develop a strategy that eliminates skill gaps and provides comprehensive, repeatable,
Why Leading Organizations Need HR to Drive Business Sustainability

and scalable training. You can empower your people with intuitive, personalized tools that allow them to pursue their own self-directed path for development and career growth. By putting success in their hands, and laying a clear path to career milestones, you're providing a level of personal agency that was unheard of 50 years ago. When your long-time employee shows enthusiasm for this opportunity, he or she has the right attitude and mindset to help your organization achieve business sustainability.

Which Skills Do Your People Have and Which Do They Need?

Again, HR knows how to research the skills needed. Examine your workforce, and the market. Consult with your business strategists. Where does the organization need to go in the next five years? Ten years? And which skills are needed to make that journey?

Then take an assessment of your current employee population. Which skills already exist? It’s important to revisit each employee — the job they currently have might not be the breadth of their skillset. A project manager might have a degree in software engineering, a software engineer may have studied mathematics and boast prowess in data analysis. The point is, let go of preconceptions, and examine your people with fresh eyes — you may be surprised at what you find, and that many would jump at the chance for new opportunities.

Once you’ve exhausted your current employees, then the list of new talent needed is that much more apparent.
Remember, Skill Gaps Live Within HR Too

While it would be nice to think that skill acquisition and learning opportunities only exist for the general employee population, agile HR leaders know that running a sustainable business means keeping their skills sharp as well.

One way to do this is to supercharge HR data analysis and become comfortable with employee analytics. This can also help HR as a department fill in as the right-hand to business strategists, investors and board decision-makers.

Next generation HR and learning solutions provide hyper-segmentation through interactive analytics, opening up new opportunities for HR Leaders. What’s the tenure of the average employee? How often are individuals promoted? How often do merit-based raises occur? These are powerful pieces of information that can live within Human Resources and provide valuable data both within the department and externally.

Modern HR leaders need to feel comfortable applying these analytics to make informed, data-driven decisions.

This may require new skills and a new level of understanding about what the data is telling you. The payoff is that real-time insight and accessibility deliver actionable information and enable swift decision-making.

Company-Wide Digital Literacy is Essential to Business Sustainability

In order to take advantage of training, compliance, recruiting and analytics tools, every single member of your organization needs to feel comfortable using the tools relevant to their position and relevant to their growth.

Digital literacy allows seasoned employees to bring their knowledge and experience while “speaking the same language” as newer employees, providing opportunities for thoughtful innovation throughout the organization. Furthermore, a diverse employee population provides an engaging place to work, where talents are appreciated, and new ideas are formed. Of course, in order to make this happen, digital literacy is essential.

At the end of the day you’re ensuring that talented and experienced employees are not left behind, and providing greater opportunities for mentorship and cross-generational learning within your organization.

SumTotal Helps Progressive HR Organizations Address Business Sustainability

As discussed, HR driving business sustainability requires the right tools and resources. SumTotal offers a single unified suite that helps address these challenges. We believe that building an agile workforce is the key to sustainability, growth and success. We offer that through our end-to-end solution that delivers the following resources:

- **Talent Acquisition**: Our recruiting and onboarding solution allows your organization to attract and rapidly hire top talent to meet your current and future needs.
Our onboarding solution brings learning, development and career growth into the mix from the time an offer is accepted, instilling a culture of learning at your organization.

- **Learning Management:** The importance of learning and development is central to business success today and for the future. SumTotal provides a consumer-grade learner experience that allows a personalized experience for each employee. Employees can build the skills and competencies to be successful in their current role, while also setting their sights on aspirational career growth and starting the process of building towards their next role.

- **Talent Management:** SumTotal helps make performance management a frequent mentorship and development experience versus a tedious annual event. Our succession planning tools help highlight the rising stars, understand future needs and drive internal mobility that helps improve retention and growth.

To get the full picture of what SumTotal delivers, take a look at our latest solution brochure.

**Business Sustainability is Possible with the Right Tools and the Right Strategy**

Business sustainability is exciting because it brings HR to the growth and business development conversation. When HR leaders can thoughtfully contribute to the future viability of their organization by providing the right talent, the right skills, and the right tools, business sustainability occurs organically. Now, more than ever, HR has the opportunity to create long-lasting change and help prepare their employers for success in a changing business world.

Watch a video, “Talent Agility in the Emerging Workplace.”

**WATCH NOW**
Meet The Author

Morné has been responsible for leading innovation and driving product strategy with more than 20 years of experience in enterprise-wide HR Technology products and services. He has a passion for building higher-performing organizations by optimizing the effectiveness of people, process, information, and technology.

Morné Swart
Vice President, Global Product Strategy & Transformational Leader

linkedin.com/in/morne-swart-28219989/
About SumTotal

SumTotal Systems is the most comprehensive and flexible HCM solution. Built on decades of providing solutions to the most complex and regulated industries including airlines, financial services and pharmaceuticals. SumTotal incorporates four key components – Talent Acquisition, Learning, Talent Management and Workforce Management. SumTotal continuously invests in platform innovation to address the challenges of attracting, retaining, developing and engaging today’s multi-generational workforce. SumTotal is the first LMS to fully enable content aggregation across xAPI, CMI5, third party and custom content as well as unified access to the largest corporate learning library from Skillsoft. SumTotal integrates Skillsoft’s market-leading, immersive, multi-modal content, enabling organizations to develop talent through a knowledge-centric employee lifecycle. [www.sumtotalsystems.com](http://www.sumtotalsystems.com).