

## Jérôme JULIA: Survival kit for HR managers in a digital world – 10 strong ideas.

### **Idea #1: become aware of the digital's stakes**

Digital technology and new functions impact all forms of intermediation in businesses, especially Human Resources, which will be transformed faster.

Digital practices can be engineered by all management teams in a way that is good for the company. Nevertheless, there is still significant room for manoeuvre for stakeholders. When talking about digitalisation – and the word is important – one talks about easy-to-reach technology for all. People know how to use it without training. It is a fundamental change for firms, which were used to working with closed technology over which they had complete control.

HR management teams are faced with a new situation. They have sometimes had an instrumental approach of their functions, aiming to control and plan for the General Management. Some HR Directors can see that they have reached the end of this path. Some would even happily change name, to become Human Wealth or Happiness Directors. And these issues of names are not secondary – they reveal the in-depth change that is concerns them.

Humbly, and on the empirical basis of professional experience, here are a few powerful ideas to follow, to guide HR managers and help them stay in charge of their destiny in a digital world.

### **Idea #2: do a digital check-up of the company, to keep its assets from dying out**

With the rise of the Internet and digital technology, with the arrival of new players, real game-changers, now more than ever is the time to know, feed and advance one's intangible assets – human, relational, organizational capital, i.e. the company's inherent – to develop new assets and to translate them into customer itineraries. That's what will make the company unique: the specific wealth of the customer path and, in the end, value creation.

Here, HR Directors' role is to do, along with the company's general management, an inventory or a map of the company's personality, to identify which assets are in good condition and will help support future growth, which assets are becoming obsolete, and which assets need to be gained and/or strengthened for the future.

### **Idea #3: anticipate possible disintermediation in one's own value chain**

Watch out for intermediation champions! They infiltrate the value chain and harness it for their own benefit! Whether they are pure players or new competitors, smart shopping agents or new

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providers and partners... the Internet acts as an incentive for the rise of players who come to harness value on all or part of the historical chains and short-circuit traditional operators.

### **Disintermediation in play: how the block chain is going to impact the HR function**

The block chain is a transparent, secure technology for storing and sharing information that works without a central control system. By extension, a block chain is a database recording all communication between its users since its creation. This database is secure and shared, by the different users, with no intermediary, allowing everyone to make sure the chain is valid. There are public block chains, open to all, and private block chains, whose access and usage are limited to a certain number of people.

Block chains are designed to be open to all stakeholders and spread out. For instance, they can be open to students and applicants, or advisers contributing to the employer brand. A block chain can be compared to a very large public/private book, anonymous and impossible to forge, which everyone can read for free, on which everyone can write but that no one can erase or destroy.

Working together and fairly rewarding all the contributors of a project is now made easier with the block chain. With the block chain technology, new HR management platforms can now spring up, based on gamification and reputation. Companies such as BackFeed or Colony offer this type of platform that open the door to new, fairer modes of management, decentralized 'honeycomb' cooperation.

In the end, communities live according to rules of trust and reward all their stakeholders. In more technical terms, the rules of a community are based on two key elements: gamification and reputation. Gamification includes rules to commit, get and lose points. For its part, reputation must be based on measurable and certified facts.

Some companies are specialized in creating algorithms dedicated to the management of communities using the block chain.

For individuals, the challenge is to ensure the permanence, traceability, integrity and interoperability of their assets and of their name. For organisations, the challenge is to ensure the transparency and resilience of the mechanisms used to share value and governance.

The block chain will impact the HR function as a trusted third party and intermediary in a complex relation or chain of transactions: an application, a recruitment process, an assessment process, a disciplinary sanction, a dismissal, a bonus, social bargaining ... The virtual expertise monopoly and the sovereign power of the HR function in its main prerogatives, are now being questioned by this decentralized and 'open' approach of the protection and development of the company's human capital.

#### **Idea #4: create one's HR "market place"**

Pure players on the web directly sell products and services and often operate via a market place, somewhat like a virtual shopping centre. These marketplaces have a lot of advantages, including effectiveness, upgradeability, scalability (the ability to change the order of magnitude) and cost.

By analogy, the HR function can build its own market place, with three features:

1. Managing the stakeholder communities that help the company grow.  
This practice has been gaining momentum for several years, based on a thick technological offer. Yet, feedbacks on corporate social media and the management of these communities are still mixed. To transform the management of skills, trades and careers, there are three challenges:
  - Identify how each colleague carries intangible assets as well as the company's identity, beyond the job description
  - Give each colleague independence in their community involvement and in activating their strengths
  - Further open communities to the outside world (e.g. the company's "volunteers")
2. Providing a catalogue of services, possibly run by external partners, for instance:
  - Jobtruster: compare recruitment firms to find the best candidates, pay the firm once the applicant has been hired, and better control recruitment costs.
  - Supermood: generate short questionnaires, regularly send them to all co-workers, and then introduce simplified results.
  - Scoringline: assess applicants interested in job offers – notably via questionnaires. Shortlist applications, thus releasing the HR Director from sorting through applications, and modernise the process.
  - Goldenbees: bank on the algorithm to better meet HR's recruitment needs. In the recruitment campaign, only target an audience that matches the profiles sought after, taking account of a multitude of criteria, such as the candidate's sociological profile, current position, interest or localisation.
3. Sorting and presenting workers' HR contributions.  
How to turn each employee into a temporary, regular and diversified HR supervisor? Contributions can vary: recommending an application, conducting a recruitment interview, conducting an assessment interview, taking part in a people review, being active on a forum, publishing within the framework of a communication campaign, ... Here, the idea is to introduce a ranking, similar to that of a sports championship, to follow everyone's contributions. Points are awarded to every contributor for an HR contribution, regulated by the HR management team, regularly updated and, sometimes, published.

### **Idea #5: create the role of HR Data Analyst**

The annual social reports gives a good overview of absenteeism, the number of sick leaves, or even the age pyramid. This is the raw material but the most interesting is to analyse it, to compile it with more precise tools, to give it more meaning and added value. HR Data analysts (or scientists) answer to the HR department but have a transverse role that goes beyond the traditional social management supervisor. They gather data from HR sources (absenteeism rate, performance rate, etc.) and crosscheck them with data concerning the company and its background, e.g. information regarding finances, sales.

#### **How to handle 100 million professional lives?**

An example of big data analysis is the projection of the skills that will be necessary for the company to grow. Using data makes this search easier and completely alters recruitment paradigms. In this capacity, tools such as Clustree (a start-up that has developed a platform to analyse data pertaining to careers, positions held, sectors, skills and so on, to submit proposals regarding positions or careers), can analyse tens of millions of professional lives.

### **Idea #6: turn the diversity of profiles into wealth in service of the company's uniqueness**

The issue of matching a profile and a company remains a fundamental one and the HR Director is often one of its main agents.

Everyone agrees to say that recruiting isn't easy – even more so for trades that are constantly rewriting the rules. For recruiters, it can be really hard to a typical profile for a given job search. Conversely, for the applicant, how can you do when you have not graduated from a major graduate school and that you haven't had a traditional professional life?

#### **Jaipasleprofil.fr**

The website [www.jaipasleprofil.fr](http://www.jaipasleprofil.fr) (I don't have the profile) has decided to tackled this issue of atypical profile. It is a job platform that isn't quite like the others, dedicated to profiles that can't be put in a box. This job board was able to convince a lot of businesses with a simple and efficient strategic position, claiming that “differences are strengths”, and a groundbreaker on a market where applicants and recruiters only swear by conformism.

HR Directors need to turn the diversity of profiles and the otherness of possible contributions into a strategic strengths to develop their company's unrivalled personality, win market shares and help the organisation grow.

### **Idea #7: display the same talents as great businessmen**

What do great businessmen, who started companies like - LinkedIn, Chipotle, eBay, Under Armour, Tesla Motors, SpaceX, Spanx, Airbnb, PayPal, Jetblue, Gilt Groupe, Theranos, and Dropbox, have in common? It's the question American researcher Amy Wilkinson<sup>1</sup> asked 200 entrepreneurs worldwide, who founded inspiring companies that have grown a lot over the last decade – reaching over 100M\$ turnover.

The six skills that emerge are the following:

- Identify opportunities and spot gaps on the marketplace and the company's ecosystem,
- Maintain a long-term vision,
- Implement and iterate quickly,
- Fail smartly / cleverly bounce back in the event of failure,
- Collaborate with others
- Be generous.

### **Idea #8: strive to become Chief Digital Officer (CDO)**

According to a recent analysis by Markess<sup>2</sup>, the HR management team is not yet in a position of strength to become tomorrow's CDO. HR Directors are aware that they need to get there but barely over 30% say that their function is mature compared with the digital technology.

There are 3 types of CDO: those specialised in digital marketing who come from agencies, digital transformation strategists assigned to reinvent the organisation, and technologist, who usually answer to the CIO. But few CDOs come from human resources.

It is possible that CDOs will come from HR tomorrow, notably considering that the core of their mission is to transform the company's culture. And digital technology definitely implies changing customs, procedures and behaviours.

### **Idea #9: commit to a fight for the common good**

The vitality of a company clearly depends on the vitality of its ecosystems. Therefore, the company's responsibility also shows in its investment into common assets, territories, employment areas or vocational fields.

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<sup>1</sup> "The Creator's Code: The Six Essential Skills of Extraordinary Entrepreneurs" (2015) – the study was carried out over five years

<sup>2</sup> Cabinet d'études spécialisé dans l'analyse de la transformation numérique des organisations. Étude menée entre juillet et septembre 2015 auprès de RH et SIRH en poste

If the ‘uberisation’ of the economy simply means exporting an activity’s risks and externalities towards the community, then these types of models – service offers coming from self-employed workers with little to no relation with the company – won’t last. HR Directors need to take over the relations between the company and its ‘providers’ of extended services, whether they are on the payroll or not. Who is the über driver? Who is AirB&B’s owner? What are their rights and obligations, their reciprocal commitments towards the company? How can their employability be improved in the long run?

### **Help jobseekers identify opportunities: Paul Druan’s challenge**

An example of this balance posture between innovation, business and common weal, is the partnership between Paul Duan and Pôle Emploi (the French Unemployment Office) in France. This 22-year-old man, born in Trappes, exceptionally gifted in the area of Big Data, wants to guide jobseekers in their procedures, in a more personalized way. His goal is to overcome unemployment via a powerful algorithm! By subtly exploiting Pôle Emploi’s anonymous database and banking on his software’s powerful calculations, the young entrepreneur is going to create an application that will help guide jobseekers through their procedures in a more personalized way. Thus, the application should suggest job and training offers that are more fitted to every jobseeker’s profile. This makes jobseekers’ journey through the twists and turns of unemployment agencies and the different support structures simpler. A beta version of the service is expected in the spring of 2016 and it should be officially launched by the end of the year. “Paul Duan works in a benevolent logic searching for the common good, close to the notion of public service,” said Reynald Chapuis, Director of innovation at Pôle Emploi.

Every HR Director has to answer one question: what is your common good fight?

**Idea #10: do not lock yourself in others’ ideas and, preferable, trust your own instincts!**