Meghan M. Biro: The times people, they're changing. How do you like that little ditty? On today's episode of #WorkTrends, we're talking to Mark Stelzner about what HR leaders can do in the face of constant change.

Meghan M. Biro: Welcome to the #WorkTrends Podcast from TalentCulture. I'm your host, Meghan M. Biro. Every week we interview interesting people who are re-imagining work. Join us on Twitter every Wednesday, 1:30 PM Eastern using the hashtag #WorkTrends. There's a lot of talk about the future of HR, especially when we look at all that new HR technology on the market. We're seeing our HR transform into the coolest, hippest part of the org chart. Right? But all this amazing tech doesn't mean we're leaving our old regulatory responsibilities behind.

Meghan M. Biro: I just read a fascinating article in Fast Company about how laws to protect workers have not kept pace with the advances in workplace technology. It's a reminder that big, big changes are coming to the workplace, so you better start making some changes right now. Don't wait. Let's dig deeper with today's guest.

Meghan M. Biro: I have known Mark Stelzner for eons of years. I always know he's going to have an unfiltered take on what's happening in HR. Mark is the founder of the consulting firm IA. He runs the blog voiceofHR.com. He's here today to talk about change in HR and what we need to know about what's coming next. Welcome my friend Mark.

Mark Stelzner : Hey Meghan, great to be here. Thanks for having me.

Meghan M. Biro: Thanks for joining us. You've been at the forefront of a lot of innovation in HR, but let's start with the here and now. What are the big changes you're seeing in HR today?

Mark Stelzner : Well, one of the first changes we're seeing is we're talking less about employees and more about workers, meaning that historically HR seeded much of the workforce to procurement, in terms of contingent workforce. Now there's this notion of a liquid workforce that the workforce is comprised of individuals. Individuals occupy roles. Those roles are filled with people who have skills and those skills need to be dynamically assembled into teams and those teams need to be deployed for key care abouts about the organization. We have this very fluid liquid workforce that is dynamically assembling around work and disassembling to then give people rest to rescale and repeat. And what's new is many of the organizations that we work with, and our median client right now is about 75,000 employees, they're really embracing this notion of the liquid workforce.

Mark Stelzner : And with talent consistently entering and leaving, entering and leaving, leaving roles, lots of mobility around the world, the real question that they're wrestling with is how do we define a job? How do we define a role? How do we have a

common language around skills and skills taxonomy globally, and how do we set an example of consistent and persistent work while at the same time recognizing that not everybody wants consistent and persistent work. Because of the fluid nature also of these organizations, meaning they're entering and exiting new geographies, new markets consistently, they're expanding and contracting through organic growth or integrated growth, HR's having to lean more on its service providers to control for a significant portion of the talent life cycle.

Mark Stelzner : Meaning that if your organization decides to enter Budapest tomorrow, do you know anything about Budapest regulations? I personally don't. You've got to find somebody who can hyperlocalize, but also can bring your talent and can allow you to be compliant, but allow you to thrive wherever and whenever you want to be. Developing talent has become more critical than ever, but also coming up with a common language to be able to achieve these very dynamic outcomes.

Meghan M. Biro: Mark, really, speaking of common language, the liquid workforce really. I'm sorry, but I got to call you out on it, number one because it's so cool. Number two, where is this coming from and do we need to start a movement?

Mark Stelzner : No, I don't think. First of all, I get paid by the word so if I come up with something that could just be worker, I have to use three words for one so it all comes back.

Meghan M. Biro: Oh Mark, it's good to have you here, you know?

Mark Stelzner : Thank you, yeah.

Meghan M. Biro: HR is going to be playing a bigger and bigger role in talent development. What does that look like now?

Mark Stelzner : The World Health Organization just came out with a report a couple months ago that burnout is now a recognized global condition. What we're finding really interesting... Let's just focus on the U S workforce for a minute. What's very interesting is the US tends to embrace whatever who publishes within about a two year time horizon. Imagine what that means, that you as an employee of an organization would be able to request time off because you're burnt out because it's an actual chronic health condition. We've seen a lot of organizations embrace things like emotional wellbeing. But what organizations are struggling with is they're deploying these new programs, they're trying to meet the employer, the worker where they are. They're trying to foster interventions that create sort of the creative outcomes for these employees, but we've got to make sure that people are rested and they're ready for what's to come.

Mark Stelzner : I think what's happening in terms of organizations right now is they have a real issue associated with the fact that people are completely fried. If we think about it, even in the context of HR professionals, we really never bounced back from the recession. We just were piled upon as a function and we were asked to do more and more with less. The same is true of every other function throughout the enterprise. What it means is you have to focus more on developing the talent that you have, which means allowing that talent again to find time off, acknowledging your role in burnout and thinking about, I'm going to say it, the employee experience. If you're playing Buzzword Bingo at home, that's two squares for you.

Meghan M. Biro: Yeah. I was like, "Okay everyone, game on. Here it comes."

Mark Stelzner : Here it comes. Yeah, hit the bell. Hit the bell. And at the same time, thinking about what are the skills that we're actually going to need in the future. The business unit leaders that we see in these very large enterprises, they're not necessarily waiting on HR to resolve these issues, to develop the right talent. They're going out and they're trying to define their own outcomes. And then here comes another buzzword, right? Robotic process automation, looking at anything that AI can do, et cetera. The idea is what the human is left to do will presumably be mission critical. If we have fewer people, those people need to do highly bespoke work. They're fried and we're hoping to surround them with automation and narrow cast their work in a high value task. Talent development is where the war will be won. I think of it less of a war... the war for talent, it's the war to really maintain and extend the talent that you've already acquired.

Meghan M. Biro: And to keep everybody human and rested and sane, basically. Speaking of insanity, and I mean this in the most positive, loving way possible, you're going to be going to HR Tech in early October with the masses. You're going to be speaking, which is wonderful. What are the big themes we should be watching for at HR Tech this year?

Mark Stelzner : Well, one of the drum beats that we're seeing is this notion of constant change and this idea that as an organization, as a profession, we tend to wait for change to be imposed upon us, meaning that there are new technologies and new solutions that are available to us and providers are exposing us to what we can do or things we've never even considered and that HR Tech is sort of the perfect assembly of these new innovations. The reality though that we see is these organizations, all organizations, regardless of size or complexity, geographic propensity, vertical market, are under constant change and threat. What I'm really curious about is to see how HR Tech as an organization, as an assembly, starts to address this notion that constant change is in fact the new normal.

Mark Stelzner : We were looking at, for example, the C-suite for most of our clients. In many organizations, the CEO now will turn over within four quarters. So the idea that you have a 90 day listening tour and then you're going to put forward your key

initiatives, it's gone. The speed, the expectations for speed, efficiency, decisiveness, and all of that under the reality of really imperfection, that the foundation is imperfect, and we're willing to trade off movement for imperfection. I'm curious to really embrace that conversation at HR Tech. And we know the bingo cards are going to be spinning, right, because everyone's going to be talking about these ill-

Meghan M. Biro: Everybody get ready.

Mark Stelzner : That's right. These ill defined notions of AI and employee experience and mobile first and what does it all mean? But at the end of the day, what I'm hoping to see and what I'm hoping to foster in the few sessions that our organization's supporting, is the fact that you shouldn't wait. There are incremental changes that we can take on at any moment in time. And if you do wait, it's too late. So let's start as a function to take a little bit more control of our fate as we move forward.

Meghan M. Biro: Well, I love that you bring up C-suite and C-level because I feel like, oddly enough, it's sort of out of the equation half the time. You don't hear that leaders, they're leaving quickly too, right?

Mark Stelzner : Mm-hmm. That's right.

Meghan M. Biro: It's always like the employees and but... So it's an interesting look at the fact that it's everybody. It's all of us. And you're exactly right Mark, constant change is the new normal. Why wait? Let's hashtag it shall we, right?

Mark Stelzner : Yeah, let's do. Let's do it.

Meghan M. Biro: For all of the HR leaders out there listening, how can we build resilient organizations that can sustain the pace right now? Because that's really the key to being successful.

Mark Stelzner : One of the things that we recommend at the beginning, frankly, of almost every engagement, is you have to have a hypothesis on a prioritization model. If we feel like we're being peppered with needs and requests constantly, and some of these are internal needs, some of these are external needs, some of these are known, some of these are unknown, some could be scheduled, some simply come out of the blue. The only way to really triage in an emotionless way is to determine what are the key care abouts for the organization at large, have that documented, have that weighted. And it sounds very transactional in some respects, but in the fact that every new change that is either imposed upon you or that you potentially want to embrace in each fiscal year... You can't look out more than two years. Anyone that tells you you can plan more than two years is frankly crazy right now. You have to have a way of understanding how you're going to develop a prioritization model.

Mark Stelzner : What we find in many cases is the enterprises that we support have literally hundreds and hundreds of theoretically strategic initiatives. But when you really window it back and you say, "Listen, the primary focus of the organization for the next year is what is what? Is it a foundation for growth? Is it cost reduction? Is it geographic expansion?" Whatever, and it may be all of the above, but once you know it, then what we have to do is we have to map every initiative and how it threads exactly to those strategic outcomes. And when you have that lens, and it sounds like such a silly simple exercise to go through. You need-

Meghan M. Biro: I know. I'm like, "Mark really, you're doing...." Because it sounds really simple.

Mark Stelzner : It sounds really simple, but once you have it then you can start to realize what are the resources that we can then apply? Resources come in the form of your staff that's keeping the lights on every day, that also has to facilitate and foster these changes, as well as how you can apply a capital and operating expense to be able to afford and deploy some of these solutions. But part of it is just getting your house in order, understanding how you make decisions. With that framework in mind, you can start to then prioritize what is really incremental change and build some change muscle memory internally so that it's not constantly feeling like everything is being imposed upon you, but you can start to take control of your own fate. But it all starts with a common language and situational awareness of how you decide, how you're prioritize and in what instances you will deploy.

Meghan M. Biro: And you're talking large enterprise and you're basically telling us start small.

Mark Stelzner : That's right.

Meghan M. Biro: Start now.

Mark Stelzner : Mm-hmm.

Meghan M. Biro: what are some of these small changes leaders and all of us can make in our organizations right now? Give us some tips.

Mark Stelzner : Yeah, I mean, stop trying to boil the ocean. If we focus, let's say, on just your service provider community. We mentioned earlier that we're starting to have a disproportionate codependency or dependency on our HR service providers. There's a Darwinian nature of the market right now where service providers are subsuming or consuming subordinate service providers. So for example, if we pick on talent acquisition. If you're trying to reframe or restructure or you see some opportunities for improvement within talent acquisition, don't go out and choose a disassociated background check vendor and a disassociated drug screening vendor and a disassociated assessment vendor. If you declare fealty to a particular technology and outcome that's going to power a large proportion of your talent acquisition life cycle, use the ecosystem or the marketplace of

that core provider to define your subordinate provider ecosystem. Because those providers are certified, they're integrated, they're infused into the single experience and you get away from this notion of disassociated relationship management and governance.

Mark Stelzner : The other human factor within HR right now is when you're across talent acquisition and talent management, core HR, payroll, rewards, any combination there in, is relationship management is hard. It's hard to govern your own teams. It's hard to govern your own people. It's hard to proxy all these relationships with these vendors. So you can start small by really even just drawing a picture of your entire ecosystem and saying, "Where is there displacement, replacement or unification strategies, even among the relationships that we already have." The idea here is you don't have to go for big, massive, foundational transformation, these are incremental changes that will fundamentally change your cost basis and also make the life of you and your employees just a little bit more... a little bit easier, less of that burnout we were talking about earlier.

Meghan M. Biro: Something we call culture. All right, Mark, it's crystal ball time. We've reached that point in the podcast. We've been talking about change in HR right now. What about five to 10 years from now? I know you said we really shouldn't be looking any more than say two years if we're being realistic, but heck, let's throw that aside, Mark. It's crystal ball time. What about five to 10 years from now? What do you... If you just have to throw it out there, what do you predict?

Mark Stelzner : Yeah, I know it's not Halloween and this isn't meant to be that scary episode, but I'm going to scare some people.

Meghan M. Biro: Excellent.

Mark Stelzner : I spent a lot of time in the C-suite and with the boards of these organizations. The goal really for many of these companies is to eliminate employees wherever possible. Not overtly. They know that they need employees in key positions to make key decisions and to fundamentally help them thrive. But when we look at industries like the transportation industry, I'll pick on long haul trucking for example, the second highest cost of payroll is workers' compensation, but the incentive for truck drivers is to move freight from A to B as quickly as possible. So automation, I don't, I believe, yes, that this fourth industrial revolution will create new jobs that we haven't thought of before, but it will not do so at a pace that will control for the massive displacement of entire industries.

Mark Stelzner : So my prediction, five to 10 years from now, and this is why I go back to the importance of this rest and reskill and retool and the notion of workers as sort of dynamic assets, is that entire functions will be wiped from the face of the workforce. And that if we don't embrace that now, and we also need to embrace the fact that the traditional supervisory hierarchy, the idea that we are

all stacked neatly upon one another, that I have a manager and they have a director and they have a VP and so on and so forth, that will also go away and that really the new means of work will be team-based. Teams will assemble for a specific need and then be redeployed elsewhere, either within the four walls of the organization or in support of other organizations. So as much as we think about gig work, now gig work of the future may be all work with the exception of the C-suite.

Mark Stelzner : What if the only employees, Meghan, of an organization where the C-suite? What if everything else was dynamic? I think in certain industries, we're going to see that come faster, faster, faster, faster than anyone can possibly imagine.

Meghan M. Biro: I actually think it makes sense, right? When you look at the numbers and you look at how we're all changing so rapidly, it makes better business sense, right?

Mark Stelzner : It does, but it breaks my heart to even verbalize it. it does make business sense, but at what cost? And not to get on a political bandwagon, but at the end of the day, this is why we... Here we go. This will make for good a Tweet and I'm here to help, but this is why we need to think about potentially a living wage. Are there things we need that are foundational to allow people to thrive, to have the basic needs cared for? Because we've leaned on the fact that organizations will provide benefits and will provide some form of opportunity and care and feeding. At a time right now where there's 2 million more jobs available in the US than are people looking for work, it's hard to think about this fairly dystopian future that I'm painting, but things will change. It will come.

Meghan M. Biro: Constant change. It's happening. It's the new normal for sure. There's a part of me that, and I think you're the same way, we thrive and love it, but it is scary. Let's be honest. I think it's time for all of us to get rested and to focus on how we can stay relevant because that's what this is all about. Right.

Mark Stelzner : Incredibly well said. I agree.

Meghan M. Biro: Thanks for stopping by Mark. It's been great.

Mark Stelzner : Thanks for having me. I enjoyed the conversation as always.

Meghan M. Biro: Let's keep this party moving. Join us for our #WorkTrends Twitter chat. We are going to be on the Twitters with Mark Stelzner on Wednesday, September 11th at 1:30 PM Eastern, 10:30 AM Pacific. Join us to talk about how HR can lead the way in building resilient organizations. If you'd like to get our Twitter chat questions in advance, sign up for our newsletter at talentculture.com.

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