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I’ve always found it fascinating to gaze into the future and dream about what may be. This may explain why the “Back to the Future” series remains to be amongst my favorite movies and “The Jetsons” was one of my favorite cartoons as a kid. I would watch them with awe—will we have flying cars or a floating house in the sky? Likely not any time soon, but it is fun to imagine. More realistically, which subsequently makes it even more fun, is listening to a futurist. I’ve had the opportunity to listen to a few futurists that provide well-grounded predications of what to expect in the future, and my mind is always left swirling as I think about the possibilities. As futurist Jim Carroll mentions on his web page, Bill Gates once made the observation that “most people tend to overestimate the rate of change that will occur on a 2 year basis, and underestimate the rate of change that will occur over 10 years.” Of the many predictions he lays out on his web page, there is one that really stands out to me that seems to relate to the world of work, which is by 2025 he predicts “The concept of an education degree has come to an end; just-in-time knowledge factories dominate the education landscape.”

As he describes, university degrees and the traditional resume will eventually disappear and will be replaced by just-in-time knowledge and learning, beaming your personal-knowledge-genome to interested skill partners. Wow, that would be a shift. Now will this actually happen by 2025? Personally, it seems a bit of stretch to happen that quickly, but certainly this seems to fit somewhere in the near future. And so I would actually take his prediction of this just-in-time learner perspective one step further—that companies will similarly be thinking more about just-in-time skills they need to ultimately “get work done,” and marrying that with technological and social platform advancements, the window of opportunity expands quite considerably in how that may play out. I remember about 10 years ago, we were ultra-focused on the topic of transitioning workforces—the baby boomers retiring, the gap that would leave, and how we work differently with Millennials. I don’t see the same level of focus and concern on this topic as I saw 10 years ago, and I think that is because it is no longer about ‘transitioning’ the workforce, as much as it is now about ‘re-defining’ the workforce.

I’m really excited about the focus of our HRMAC Research Series this year, “Evolving HR: Disruptive Trends and Opportunities to Lead into the Future.” When we think about the world of work and how work gets done 10 years from now, what are the global talent trends to prepare for this future? How does this impact the structure and function of the HR organization? How will artificial intelligence influence how work gets done? All of these topics will be explored with expert panelists and group discussions.

For details of the series and to sign up, go to www.hrmac.org, hover over ‘Events,’ and choose ‘2017–2018 Research Series.’ On behalf of the Research Series committee, we appreciate your participation and look forward to seeing you at our first event in January.
Retaining Talent Through Deal Value

By Jeff Cox, Senior Partner and Global M&A Transaction Services Leader, Mercer, and Dan McGuire, Principal and Director of Global M&A Retention Research, Mercer

In spite of the daily geopolitical chaos, corporate mergers and acquisitions are alive and well.

In comparison to 2016, results from the first half of 2017 are showing some noticeable shifts. To name a few, global M&A volume is down 4%, but deal value is up 2% and the value of cross-border deals has increased by 9%.

Consistent with our research findings from last year, buyers continue to take greater risks, operate with much less information, invest in new geographies, and deploy unprecedented levels of capital in leveraging cheap debt and credit.

In taking a broad view of business and industry around the world, we see that one common denominator drives deal value: people. In our experience advising on more than 1,200 deals annually, we see clear evidence that buyers who consistently drive exceptional operating results have a disciplined process for identifying, engaging, and motivating key talent. This is underscored in Mercer’s Flight Risk in M&A: The Art and Science of Retaining Talent.

In researching the people aspects of mergers and acquisitions to learn about emerging trends through the lens of deal experts, we shared insights that highlighted people-related transaction risks and introduced practical strategies and solutions to help deliver economic value.

Still, both the buyers and the sellers we polled needed specific data and a process to help them identify and retain key talent during transactions. Our research pinpoints specific actions that both buyers and sellers can take to hedge flight risk, engage key talent, and drive an affordable retention plan as part of an M&A transaction.

In today’s environment, where capital is abundant and cheap, the opposite is true for talent. Top performers are expensive to replace. And buyers are vulnerable to the flight risk of key talent in most transactions. The organizational change involved in most deals puts people on edge, and without an added incentive to stay focused, it can result in them opting out or becoming disengaged. Successful acquirers around the world routinely manage their people assets with the same rigor and discipline with which they manage balance sheet risk; they concentrate on three primary people practices to drive value:

- **Engage the workforce.** The first step is to commit to an investment in change management communications. This starts with defining a culture that is tangible as well as assigning decision-making rights, risk management, accountability, and governance.

- **Practice event management around retaining top talent.** Retention programs are viewed as insurance policies to hedge against flight risk in transactions. By applying the right framework, buyers and sellers can effectively lock down critical talent and drive operational excellence post-close.

- **Align rewards with behaviors.** Aligning total rewards (compensation, long-term incentives, benefits, etc.) is foundational to driving behaviors within the organization to unlock true value.

**People-First, Bottom-Up Approach is Key**

One significant finding from the last time we looked at retention in M&A back in 2012 is that successful acquirers are taking a people-first, bottom-up approach when designing retention programs. They’re not first budgeting for retention and then distributing to employees—the typical top-down process; instead, they’re focusing on talent first and making sure retention is designed with a focus on key employees.

This bottom-up approach also revealed another significant trend: retention programs are expanding outside of the C-suite. In fact, when asked about retention bonus eligibility outside of senior management and the C-suite, 70% listed “other employees critical for integration” and 35% listed “other employees regardless of critical for integration.” This last figure is up 150% from the level found in Mercer’s related research report published in 2012.

In addition, the “where” matters. Mercer’s look at global talent retention practices revealed that a company’s headquarter location and industry can greatly influence talent retention practices. These nuances need to be understood and taken into account to avoid talent flight and to ensure the right level of expenditure. Buyers and sellers need to be aware of certain industries that pay financial incentives that vary greatly from the norm. For example, globally in the technology sector, buyers fund individual retention bonuses for all levels on average at 49% above the market median.

Successful buyers have elevated their retention strategies from an art to a repeatable science. The results are tangible and clear—increased productivity, engagement, owner-like behaviors on the part of retained employees, and accountability. As M&A activity continues its global race towards value, successful organizations cannot risk ignoring the right strategies for talent retention.

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Companies have rushed out to provide a slew of perks and benefits to employees in the name of attracting talent, retaining those oh-so-fickle Millennials (and beyond), and increasing satisfaction among employees. LaCroix filled fridges, endless coffee, ping pong tables, flexible working days, and TGIF with free beer on Fridays to kick off the weekend are just a few of the work perks adorning offices today. The list goes on and on as employers engage in an arms race to have the best benefits, but once integrated into the workplace, the line of questioning around performance, utilization, and actual impact can fall by the wayside. Or worse, it never really existed in the first place. This not only compromises the employer’s ability to assess a benefit’s effectiveness, but it stifles and mutes the needed channels to allow employees to voice their feedback, thoughts, and concerns.

In order to mitigate this risk when evaluating new and existing benefits, employers should be asking the tough questions to providers to gauge whether they can answer the crucial question of accountability: is this benefit providing a measuring and reporting mechanism that allows the employer to assess its intended impact?

Not all perks can or should come with a measuring system—just imagine trying to show the increased socialization or happiness impact on your employees—however, far too many benefit providers do not provide anything to help employers understand how the benefit is impacting both the individual employee and the organization at large.

In thinking about increasing this ability to report on impact, one significant inroad is to ask whether or not the benefit is designed to hold itself accountable. Benefit providers who have internal mechanisms for measurement and are willing to report their performance, utilization, and impact to their clients (the employer) are best in class. They are both concerned with delivering a high-performing benefit and are using data analytics—both quantitative and qualitative—to drive product improvement, adoption, and employee outcomes. Most times, the metaphorical buck stops once the company adopts the benefit and the employer is left to build and deploy any type of evaluation among employees. This isn’t inherently bad, especially if the voice of the employee can be captured accurately and easily. Simply surveying employees about whether they prefer having LaCroix or Perrier should do the trick. Tracking the attendance during a Friday TGIF happy hour gives valuable insight. However, for more complex perks, such as financial health and wellness benefits, the burden of showing positive impact for employees and employers should be on the provider themselves.

Providing an internal metrics and assessment mechanism that inherently captures an employee’s feedback, concerns, and ultimately the outcomes they experience gives employees a voice and allows them to be a more active and engaged participant in the organization. This is critical as a truly effective work perk can and should deliver value to both employees and their employers.

Recognizing that employers want to genuinely provide their employees with something they value, we have built an initial “financial health audit” that we use to survey employees to see whether or not they would value a financial wellness benefit. This simple tool is an example of what benefit providers can develop that gives employees a voice and empowers them to advocate for their own needs. As employers collect this type of data both before deploying a benefit and through its lifecycle once adopted, they are able to make more informed decisions in evaluating whether the benefit is appropriate and useful for their organization.

Once adopted, we continue to track our quantitative impact in order to continue to advance the employee’s financial health and security. It also holds us accountable to our own performance all while delivering impact and ROI data to the employer. This triple alignment between the employee, the employer, and our benefit allows for a virtuous cycle of feedback. The employee gets results (improved financial health, reduced financial stress, and increased levels of job productivity), the employer gets ROI (less absenteeism, more engagement while at work, reduced turnover), and we are able to improve and refine our impact model and deliver an increasingly powerful perk that holds itself accountable to employees and employers.

Whether adopting a financial health program, a physical or emotional wellness solution, or any number of other perks, accountability to results should be a staple in assessing a benefit’s viability at every step of the way. Benefits without accountability mechanisms can be appropriate in some cases, but the ones that demonstrate impact should be held up as examples as they are willing to demonstrate that they empower employee voices directly and are willing to subject themselves to a higher degree of accountability.

Joe Holberg is the Founder and CEO of Holberg Financial, a financial technology start-up, and the author of “Rogue Finances: The ‘un-system’ designed to help you become financially healthy, successful, and awesome.” He can be reached at joe@holbergfinancial.com.

...endless coffee, ping pong tables, flexible working days, and TGIF with free beer on Fridays to kick off the weekend are just a few of the work perks adorning offices today.

By Joe Holberg, Founder and CEO, Holberg Financial

NEWSBRIEFS
Why Leaders Must Measure Emotion in Change

By Bridget Stallkamp, Managing Director of Root Insights, Root, Inc.

Change is scary. There’s no way around it. In fact, research says change is significantly more emotional than logical and the same part of the brain that processes decision-making also processes emotion. According to Dr. Antonio Damasio, Professor of Neuroscience and Psychology at the University of Southern California, damage to the orbitofrontal cortex leaves patients not only unable to process emotions, but they also experience a challenge making even minor decisions.

What does this mean to you and your business? Well, because of the way our brains are wired, our emotions impact our decision-making abilities. Dr. Jennifer S. Lerner, co-founder of Harvard Decision Science Laboratory, substantiates this statement with research proving that emotions constitute powerful, pervasive, and predictable drivers of decision-making. So when an organization asks its employees to accept a change—whether that be a merger, new initiative, restructuring, or any number of things—leaders need to understand there are many emotions connected to this ask.

After all, even good changes, whether professional or personal, often spark fear and uncertainty. Will I succeed in my new role? Will I be happy in this new city? Will I have the willpower to stay on my diet?

As leaders we might be thrilled to launch a strategy, but our people may be feeling uncertain and scared. If you can gauge your people’s understanding of a new strategy—and how well it’s resonating—you can actualize the culture shift you need to bring it to life. This is where organizations fall short, again and again.

Yes, There is a Way to Help People Accept Change

While change is inevitable, so is our aversion to it. But as leaders we can do a lot to help our people prepare for, understand, and accept organizational changes. It starts by measuring and addressing our employee’s emotional state.

Getting an accurate read on what your people are thinking and feeling isn’t just administering a simple three-question anonymous survey. And it’s more involved than a coffee break chat.

Here are three actions leaders must undertake to help their employees:

1. Make sure you allot time for emotions by including emotional measurement in your change strategy.
   - What to do: Leaders need to measure an employee’s emotional state, on micro and macro levels, and turn that information into tactical next steps to ensure a lasting change.

2. Dig deep. Don’t evaluate people’s feelings about change based on whether or not they understand the change.
   - What to do: Leaders need to measure how people feel about the change, not just what they know about it. After all, how they feel is the primary predictor of whether or not they will actually change!

3. Always have your people’s emotions in mind. They haven’t been focused on the change the way you have been, and this is likely new and unfamiliar territory to them.
   - What to do: Leaders need to deliver information in ways to make employees feel comfortable and diminish the fear that would otherwise undoubtedly create execution problems.

The Power of Measuring Emotion in Change

There are many types of quantitative questions leaders can ask in order to get a broad pulse of how an engagement, change, or message is being consumed and perceived within a company. Four great questions for leaders to ask themselves are:

- What kinds of emotions are different populations experiencing after being introduced to a change?
- Are more tenured employees more likely to feel excited than less tenured employees?
- Are more senior roles more likely to feel confident than more junior roles?
- Which roles have the highest confidence, and which have more doubt?

By asking these questions and answering them honestly, leaders can get a very good understanding of which populations need additional engagement. But this quantitative information only provides part of the picture. We still don’t know what they need. And so we need to ask them.

That’s where open-ended questions come in—resolving this conundrum by identifying and comparing how different groups feel. When creating open-ended questions to ask your people, remember to word each question carefully so it is unbiased, not leading, and designed to capture emotion.

Examples of open-ended questions to consider are:

Describe in one word how you feel.
- When people answer this question, you might get a quick overview of the overall sentiment.
- The answers can be used to gauge immediate sentiment. This emotional reaction helps tell you where and when your change initiative might stall.

Based on your current understanding of this change, how confident are you?
- While all other questions are inwardly focused, this question accounts for other variables.
- For example, someone might respond, “I may be confident in myself but not confident in my team.”
- This information can be used to get a full 360° of the change initiative.

Why Is Measuring Emotion in Change so Important?

Measuring emotion in change is a critical part to any change strategy... or at least, it should be. Why? Having the right information can empower leaders to better plan for dilemmas (and we all know that some sort of challenge or dilemma will arise when a change is put into place) that might respond to common messaging, and which issues might require

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salary budgeting is underway for most companies and to the surprise of no one, merit increase projections for 2018 continue to be stagnant. The challenge many organizations will soon face is how to communicate the results of their salary planning process, especially when the size of the merit pool is small. There are several compensation plan actions you can take, such as:

- Performance differentiation
- Using targeted adjustment budgets
- Increasing the utilization of variable pay

But one area often overlooked is in taking actions related to education and communication. In this article, we focus on how you can use pay transparency to enhance your merit increase conversations. According to Aon Hewitt’s 2017 Trends in Employee Engagement study,1 the top opportunity for driving employee engagement is in the area of rewards and recognition. That study goes further to say that pay fairness is top-of-mind for many employees and there is an increasing trend for higher levels of pay transparency expected by employees.

What is Pay Transparency?
Pay transparency refers to a level of communication within an organization about the pay philosophy, salary structures, plan design, administration practices, and more.

When pay transparency is in its best form, the level of communication about pay is truly a dialogue, meaning the communication flow goes both ways.

- Organizations convey information to employees about the pay programs.

- Employees communicate to the organization what they value most.

Built on a Foundation of Trust
Pay transparency requires mutual trust between the organization and its employees. One caveat about pay transparency is that the degree of transparency has to “fit” with the overall culture of the organization. A culture that supports pay transparency is built on a foundation of trust. In other words, you can’t have a culture of low trust where there is limited disclosure about most topics and then expect high levels of trust and disclosure related to compensation.

Here’s a trust challenge faced in many organizations: We all need to recognize that there’s no shame in employees wanting to earn more money. The challenge this presents for managers is twofold. First, the organization needs to create a culture where employees feel comfortable expressing their desire to earn more. And two, each manager has to be comfortable with helping employees find the path they can work towards to achieve their goal—even if it means leaving the organization. The onus is still on the employee to perform and grow into new roles but when a manager actively participates in dialogue to support the employee’s earnings goal, you have demonstrated high levels of mutual trust.

Communications Is the Cornerstone
When laying that foundation of a culture built on trust, the cornerstone to that culture is communications. Organizations that promote a culture of clear, direct, and active language in their communications demonstrate leadership and build trust. This is one of the key points raised in Josh Bernoff’s article in the Harvard Business Review:2

One shortfall many of us have when communicating is remembering the ultimate goal is not judging how well we send a message, but rather how well the recipient understands the message. How many times have we all heard someone trying to defend a situation where communications fell apart by saying, “Well, I sent you the email about this?” Ensuring employees understand the messages you send is extremely important when it comes to the topic of communicating pay.

Practice, Practice, Practice
Achieving a culture of high pay transparency is not easy and doesn’t happen overnight. You may hit bumps in the road where the level of information is too much or too little for where the culture of the organization is at any moment. You will be relying on managers and employees who may be at different phases of their own skills when it comes to more challenging conversations. Expect that to be the norm and allow both groups to practice this new behavior.

When you buy into the notion of pay transparency, your intent should be that more openness in communication leads to higher employee engagement. From there, a more highly engaged workforce is more productive and delivers greater results toward the goals of the organization. Being transparent with communication about compensation does not eliminate the challenges you may face in your upcoming merit increase conversations. However, you should find that employees are more likely to be receptive to the reality of limited salary increase budgets when you engage with them candidly, provide more details, and ensure that the messaging connects to both the business performance and the pay aspirations of the employee.

Chris Kelley is the Director, Survey Product Management for Aon Hewitt. You can follow his frequent blogs at #PayInsights.

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Measure Emotion, from page 6

targeted solutions. Knowing this difference is critical for efficient sustainment.

By taking, collecting, and measuring the right data, you can create a plan to empower your people to accept the changes and behaviors you need them to adopt. Your efforts are well worth it, as you’ll be teeing up your people—and the future of your business—for real success.

* Bridget Stallkamp is a Managing Director, Root Insights at Root, Inc. She can be reached at bstallkamp@rootinc.com.
Why Operating with Integrity is Critical to Your Employment Brand

By J. James O’Malley, Partner, TalentRISE
Frequent corporate missteps have hit the headlines recently in the traditional press, not to mention social media channels where numerous cringe-worthy incidents are shared around the globe in a matter of minutes. No industry is immune; the airline, automotive, accounting, pharmaceutical, banking, broadcast, and transportation network industries have all been in the hot seat most recently. In situations like these, PR crisis specialists are typically called in to handle the aftermath and to minimize the harm done to the customer brand.

What’s often overlooked, however, is the damage such actions inflict on what’s known as the employer brand. The employer brand is “essentially what the organization communicates as its identity to both potential and current employees. It encompasses an organization’s mission, values, culture and personality. A positive employer brand communicates that the organization is a good employer and a great place to work.” Since the employer brand is inextricably tied to the external customer brand, hoping that you’re going to solve a crisis by focusing only on the external front is short-sighted and can be lethal to the whole enterprise.

It follows that, in times of crisis, organizations also deal with all possible repercussions on their employer brand because, ultimately, corporate values are at stake. Everyone understands that, short of large scale intentional institutional corruption, individual employees can be dishonest, mistakes are often made, and even the best-intentioned policies can backfire. But how the organization deals with the crisis, from admitting wrongdoing to apologizing and offering restitution, is a reflection of its core values—most notably, its integrity. A real or perceived betrayal of integrity will always have a negative impact on both the ability to recruit and retain talent.
The ramifications on RECRUITMENT

Let’s face it: in most industries today, it’s a seller’s (candidate’s) market and great candidates have lots of options. This is especially true for positions in upper echelons and/or when there is a need to hire executives with very specific skills. Considering CareerBuilder’s forecast that 45% of U.S. employers planned to hire full-time, permanent employees in the second quarter, recruiting top talent is becoming an even greater challenge. In a dramatic reversal from just a few years ago, candidates today have many choices—including staying put in their current jobs—and don’t want to associate their personal brand with an employer that has a real or perceived issue with integrity.

As a result, we see a lot more candidates opting out of active discussions when they feel that working for a particular organization, because of its reputation or perceptions formed during the interview process, will taint their resume and make it more difficult to find their next position.

The ramifications on RETENTION

As far as retention, workers as a whole aren’t particularly engaged at work. The most recent report by Gallup shows that 51% of U.S. employees say they are actively looking for a new job or watching for openings.

The situation is even more critical in the ranks of up-and-coming employees, especially when you consider the cultural attributes of younger generations. 71% of Millennials, according to Harvard Business Review, are either not engaged or actively disengaged at work, making them the least engaged generation in our domestic workforce. Culture and values have a very different meaning for Millennials than they do for generations before them in the workplace, and many will depart their jobs if they view their employer’s actions, responses to issues, and overall agendas inconsistent with stated corporate values and/or their own personal values. We see strong evidence of this in the proliferation of contract workers and independent consultants. Employers need to realize that employees no longer consider that they work for “the Company” as they did in the past; this generation’s perception of their employment experience is that they work for the client, their colleagues, and their boss, and they are constantly checking that all are aligned with their sense of culture and values.

What YOU can do

While not all-encompassing, here are several action steps for all readers:

First, routinely evaluate your employment and HR operations from top to bottom to analyze risk and do as much as possible to make sure that they are scandal-proof. Admittedly, there are no guarantees that something bad can’t occur. But pay particular attention to policies that have the potential to lead to bad behaviors. Compensation practices, for instance, motivated a prominent bank’s frontline office staff to open up over two million bogus customer accounts. As part of your risk management process, also focus on the assessment of people, by, for example, conducting iron-clad independent background checks as part of your hiring process.

Second, don’t just establish a whistleblower policy—enforce it. Companies have come a long way in establishing formal processes on reporting fraud, unethical behavior, and violations of company standards and policies, but much more can be done particularly in terms of making employees feel safe in stepping up and reporting malfeasance.
Having a stated whistleblower policy without a safe environment for disclosures is just as bad as not having one at all.

Third, practice reputation management at the recruitment level by keeping your ear to the ground so you know what is being said about working for you. Executive recruiters can be a good source of real time data on how your brand is perceived in the market. Candidates themselves are a good barometer to measure how your employment brand stacks up against those of your competitors. Also use exit interviews to understand why your organization may be losing good people.

Fourth, recognize the role your own employees play when it comes to your organizational reputation. With social media, employees can make or break company reputations. The ever-growing number of “best places to work” type surveys can help you attract and retain people, but striving for a high ranking by gaming these surveys (not an uncommon practice) is a meaningless achievement unless the survey reflects reality in your workplace. Integrity matters.

Fifth, be prepared to act if something bad does happen. Get involved in the management of the crisis to ensure that none of the actions can do further damage to your brand. Don’t hope that the issue will go away on its own.

Finally, know that INTEGRITY starts at the top

Many of you probably grew up with parents telling you, “Stay out of trouble.” Rule number one for mitigating a reputation crisis is to be sure your organization acts with integrity all of the time. No exceptions.

This takes leaders who understand that building organizational value starts with core values. In fact, Ethisphere claims that the reputation of a CEO contributes nearly half (49%) of a company’s reputation which, in turn, is deemed to contribute to 60% of a company’s market value. According to Weber Shandwick, CEO reputation also attracts (77%) and retains (70%) employees. Their research also shows one out of every two executives (50%) say that their CEO’s reputation impacted their decision to accept the position, and 58% say it keeps them at the company.

As John G. Blumberg writes about integrity: “It yields a return like no other investment can make. When integrity becomes a part of our culture at work, alignment becomes natural. Engagement becomes authentic.

In summary, despite implementing best practices related to regulatory compliance and risk management, organizations will still encounter significant issues when integrity is in short supply within their corporate culture. This requires a need to shift the focus away from technical, rules-based standards toward a more values-based approach. Values-based approaches mean that not only will organizations comply with all applicable technical rules and reporting guidelines but with the spirit or intent of the company’s mission, vision, and values. That, in turn, will help them attract, hire, and retain the best.

71% of Millennials, according to Harvard Business Review, are either not engaged or actively disengaged at work, making them the least engaged generation in our domestic workforce.

Rule number one for mitigating a reputation crisis is to be sure your organization acts with integrity all of the time—No exceptions.

Service becomes genuine. And, collectively, these return a better performance with better results.”

In summary, despite implementing best practices related to regulatory compliance and risk management, organizations will still encounter significant issues when integrity is in short supply within their corporate culture. This requires a need to shift the focus away from technical, rules-based standards toward a more values-based approach. Values-based approaches mean that not only will organizations comply with all applicable technical rules and reporting guidelines but with the spirit or intent of the company’s mission, vision, and values. That, in turn, will help them attract, hire, and retain the best.

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HRMAC has transitioned!

What has changed?

Our address and access to resources! By joining SmithBucklin, we have moved across the river and gained staff, access to new technology, and more.

What hasn’t changed?

Our mission! We are more dedicated than ever to serving you — our members.

Questions or concerns? Reach out to hrmac@hrmac.org. We’d love to hear from you.

Human Resources Management Association of Chicago
330 N. Wabash Ave., Suite 2000
Chicago, Illinois 60611
Many organizations solicit data from employees through surveys, meetings, and informal discussions. How does your organization capitalize on the information it gathers?

How have you tied HR metrics to the organization’s strategic goals?

Have you transformed employee feedback into concrete actions from your C-Suite? **Tell us how!**

Angela Hills

Executive Vice President
People & Culture

Cielo

Vice Chair, HRMAC Board

We do a quarterly pulse survey to get input and feedback from our employees with ongoing communication. We moved to the quarterly approach to be more frequent and actionable. We ask a very short list of targeted questions on a quarterly basis. This year, for example, our priorities were around fairness, fun, and achievement so we directed our questions to focus on a fair and fun environment. People love feeling a sense of accomplishment, and we want to make sure we’re creating this environment and providing the right tools. We have made progress within this around frequency. We used to do surveys annually, but in this world, we’re just so used to working so quickly that if we have a one or two year cycle, it feels like it’s taking longer to create change.

Working with organizational goals is where we start with everything. We begin our process by discussing our organization’s global and regional goals. From there, we work with our business leaders to discuss the talent and people implications of those goals and priorities. We set our People & Culture goals to align and then confirm the metrics that we’re going to be measuring. Certainly for us as a growing service organization, retaining our talent is very important. We’re committed also to diversity and creating an inclusive environment where people feel that their opinions and ideas are valued. We track how effectively we are maintaining and improving diversity within our organization regularly. For example, today 62.5% of our executive team is female, and our metrics around women in leadership overall are very strong. Tracking this data and building plans around it helps us align our HR practices to strategic goals. Like most organizations, we still have more work to do around analytics. We have reasonably sophisticated data and analytics for our talent acquisition practices and are now working to improve our analytics capabilities for the rest of our HR practices.

We’ve made several changes directly resulting from employee feedback. First, for some context, Cielo is growing quickly. We’ve quadrupled in size since 2011, which means that sometimes we outgrow practices faster than we realize! We’ve always been a very transparent organization and we share business updates in “All Hands” meetings run by our C-suite regularly. Over the past year, based upon direct employee feedback, we’ve been able to change the format, style and frequency of these meetings to better meet the needs of our business today. When we were smaller, we could hold meetings like this in person with everyone in a conference room. Now, with employees in over 10 service centers and 33 different countries, we still have to keep everyone informed, however that approach clearly won’t work. Based on continuous feedback and experimentation, we’ve changed the frequency and structure of these meetings, and we use technology differently to make sure that all employees, whether remote or in a primary office, have a great experience. The biggest challenge from growing so quickly is making sure we never get too far away from our employees or customers, and listening to them both is the best way to do that! •

Continues on page 14»

www.HRMAC.org
Vi offers beautiful environments, engaging programs intended to support our “living well” philosophy, exceptional service, and quality care, but at the end of the day, Vi recognizes that high-tenured and engaged employees are what differentiates Vi versus other senior living companies and deliver on our Company’s brand promise.

Data supports Vi in a wide-range of human resources decisions that have an impact on organizational performance. Examples include:

- Vi uses new hire surveys to evaluate the Company’s hiring, onboarding, training, and managerial effectiveness in supporting the success of new hire retention and performance. Vi uses this data to refine and develop new practices and programs. For instance, in late 2016, Vi introduced the “Vi Wings Program” with onboarding Captains to support the assimilation of new hire employees to Vi.
- Vi leverages a third-party exit interview provider to collect data on factors contributing to attrition. Vi uses this data for location action planning around specific trends related to manager effectiveness, employment practices, opportunities for improvement and other factors contributing to attrition.
- Vi leverages data from our organization’s employee engagement survey as well as from Best Places to Work surveys and associated focus groups to develop individual, departmental, and corporate action plans. Data from these surveys drives organizational people strategies to support employee engagement initiatives.
- Vi leverages data from the Company’s career site to determine the most effective means to connect with candidates. Data from Vi’s career site has not only helped us around decisions related to site design, content/messaging, where the Company directs spending, and social media for recruitment purposes, leveraging data from Vi’s career site and new hire surveys also gives us insight on what resonates with candidates when selecting Vi as an employer. For instance, our deliberate focus on marketing Vi’s commitment to employee development has yielded “the Company’s reputation for training and development” as #2 (ahead of pay and benefits) for why candidates select Vi as an employer.
- Vi measures many factors to evaluate the Company’s benefit programs—including costs, utilization, etc. Vi has leveraged this information to create educational and communications programs to drive behavioral changes—such as participation in Vi’s 401(k) program.
- Vi invests heavily in evaluating the Company’s training and development programs. Not only does the data we gather help us understand the impact learning has on employee performance, it also helps us refine our methods of training delivery and ultimately, improve outcomes. For instance, Vi invests heavily in data assessments to measure every aspect of the Company’s year-long Breakthrough Leadership Program. Numerous measures were taken to determine the extent to which participants acquired the intended knowledge, skills, and behaviors. Below are the results:
  - Knowledge increased an average by 40% with some knowledge areas seeing 100% gains. Only modest knowledge decay occurred across the 12-month program.
  - There was a 10% gain in self-efficacy and 8% yield in utility perceptions.
  - Vi realized a 33% increase in on-the-job task performance, 20% and 12% increases in emotional intelligence, and leadership skill ratings respectively by supervisors.

Given the magnitude of observed performance increases, it is estimated that Vi will realize a standardized return on investment resulting in a total value of an employee’s performance of $124k based on an average participant salary of $105,000 and an upper cost of training estimated at $5,000/participant (Cascio & Bodruea, 2010). The data presented in this response paints a clear picture about the effectiveness of Vi’s Breakthrough Leadership Program and the impact of learnings from Vi’s first cohort. In particular, the results indicate that substantial learning has occurred among Vi participants. Vi partnered with Dr. Bob Rubin from DePaul University to conduct this research.

Given Vi recognizes the importance of employee retention in delivering exceptional customer service and quality care to our residents, Human Resources metrics are a part of

Judy Whitcomb, SPHR, SHRM-SCP
Senior Vice President Human Resources and Learning Vi
Vi’s strategic goals. Vi has stated goals related to retention, employee development, and other initiatives and objectives contributing to attracting and retaining talent and improving organizational performance. These goals are tied to compensation decisions.

Vi’s executive team and functional leaders are highly invested in Vi’s strategic human resources initiatives. Since Vi’s Learning and Development Programs are part of the Company’s value proposition for new hires, Vi’s senior leadership is deeply engaged in employee development and as teachers. At Vi, learning and teaching is part of every leader’s responsibility. Leader engagement in employee development starts with not only having employee development as a core leadership competency, but inclusion of employee development initiatives in Vi’s corporate goals. Executive commitment to learning and development programs is reflected in our Company’s employee engagement survey results as well as individual development program results.

Vi’s Learning and Development team engages senior leaders in delivering new leader business orientation. Throughout the year, Vi’s senior executives lead business orientation virtual sessions for leaders across the Company. For instance, Vi’s Chief Financial Officer personally develops and delivers “Financial Engine” model to new and emerging leaders. Vi’s senior marketing, sales, nursing, operations, human resources, and legal team members are also all engaged in developing and delivering virtual business orientation sessions as well as classroom training.

Likewise, Vi’s senior leaders are actively involved in Vi’s one-year Breakthrough Leadership Program. For instance, Vi’s President not only kicks off each cohort group, but once classroom training ends and Vi’s virtual sessions and study groups begins, he is actively involved in virtual check-in points. As another example, Vi’s SVP of Operations, Sales and Marketing and Vice President of Operations deliver a session on importance of emotional intelligence and personal leadership lessons learned to program participants. In addition, during the 8 month virtual portion of Breakthrough Leadership, each session is kicked off and hosted by a senior officer at Vi.

Besides supporting new and developing leaders, Vi’s senior leaders also provide significant support for Vi’s frontline Management Development Program (MDP) in the form of in-person meetings with participants, leading Management Development Program webinars, and leading a virtual discussion on an aspect of the MDP Program.

Senior leaders also celebrate successful completion of learning programs within the Company. For instance, not only do participants receive a personal invitation from Vi’s President to participate in Vi’s Breakthrough Leadership Program, and a half-day in-person leadership lesson session from him, upon successful completion of the program, individuals are formally recognized with a personalized letter from Vi’s President, recognition in the Company’s newsletter, and in-person recognition from the location’s Executive Director and/or Executive Management Team member.

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The 18th annual Golf Outing happened to fall on a day with perfect weather. Golfers were met with sunshine and clear skies as they golfed 18 holes at Schaumburg Golf Club. While golfers rounded the course they enjoyed a grilled lunch and beverage carts and ended the day with a beautiful reception at Chandler’s.

Thank you to all who came out to enjoy this beautiful day and thank you to the following sponsors:

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Strategic Talent Solutions (STS) is pleased to announce the appointment of Mary Jo Rogers as managing partner of the firm. Since 2007, Mary Jo has led a successful practice focused on the development of leaders and teams to increase operational results and safety performance. She will continue to serve the firm’s clients while acting as managing partner. Mary Jo succeeds John Philbin, who stepped down after 14 years of service as managing partner. Philbin, a co-founder along with Ed Gubman, remains with the firm and continues to support STS’ longstanding clients and contribute as part of the firm’s leadership team.

Forbes named Ultimate Software to this year’s list of 25 Fastest-Growing Public Tech Companies! The list features firms that have shown strong sales growth and are proven industry leaders.

Shields Meneley Partners, the career transition services firm catering to C-Suite level executives and business leaders, is pleased to announce M. Bernadette Patton, CAE has joined the firm as a Partner. In her newly-created role, Ms. Patton will oversee global marketing and new business development for the firm. Based in Shields Meneley Partners’ Chicago headquarters, Patton’s first day was Aug. 1.

Prior to joining Shields Meneley Partners, Ms. Patton spent 17 years as president and chief executive officer of the Human Resources Management Association of Chicago (HRMAC), the premier resource for advancing workforce strategy and leadership.

Radio Flyer is celebrating 100 years of being “a staple of childhood in America,” according to the Chicago Tribune. Congratulations to the home of the little red wagon!
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One of the most valued member benefits are the free interest group programs offered to all HRMAC members. Interest groups are in-person learning programs that represent the key functional areas of HR; two geographic groups; a group geared for young professionals; and a group for colleagues in transition or seeking career development. These programs deliver the latest thought leadership on all aspects of HR, and many programs offer accreditation. Below are recaps of a few of the most popular interest group meetings that took place this past quarter.

International Interest Group Meeting, 09.07.17

Global Immigration & Travel Bans

Evolving regulatory movements relating to the impact on organizations’ globally mobile workforce.

HRMAC’s International Interest Group hosted an informative panel on the latest trends in global immigration including the recent travel bans implemented by the Trump administration. The panel offered great information and profound insights from a mix of attorneys and HR leaders in the trenches. The session focused on a 90 day travel ban that was instituted on January 20, 2017. The ban detained a slew of nationals including permanent residents from Iran, Iraq, Libya, Syria, Somalia, Sudan and Yemen. It allowed US Custom and Border Patrol officials to use extreme vetting and deny refugees permanently. A number of lawyers immediately appeared at airports across the United States to help those in limbo.

In Chicago, these legal champions are organized as the Chicago Legal Responders and continue to help those whose initial point of entry is O’Hare International Airport. Services initially focused on those directly impacted by the travel ban have expanded to deal with adjudication on visa and employment applications. There were many lawsuits and counter suits along the way from the ACLU and states including Hawaii. President Trump kept it interesting by signing a new travel ban in March. This resulted in a narrower ban which removed Iraqis and permanent residents as well as anyone with a bone fide relationship with an American citizen. The Supreme Court plans to hear the case in October. As many as 2,000 people were impacted immediately after the initial ban was signed. Quick action from the courts have minimized the issue until the Supreme Court rules in October.

President Trump rescinded DACA effective March 5 and garnered much conversation among our panel. DACA or Deferred Action for Childhood Arrivals is one of former president Obama’s signature executive actions that protected over 700,000 DACA recipients who work for US employers. President Trump’s action means DACA recipients will not be able to obtain employment authorization or advanced parole after March 5 unless Congress acts. There are legal implications to companies who are grappling with the problem and trying to uncover how many DACA employees they have. There are around 40,000 DACA recipients in Illinois alone.

A number of other topics were discussed including foreign students, H1B1 Visa turmoil, changes in the green card process, and increased site audits from Immigration around the globe. •

Submitted by Denis Beaurejour, Senior Director, O.C. Tanner
2017-2018
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