

How to Lead Workforce Transformation



Over the last year, there has been large-scale change in the way people work, and leaders need to capture the best of this innovation. **Emma Carroll** sets out the steps they are taking



CFOs say that developing the workforce is their number one priority. At a time when their people are increasingly exhausted, how can business leaders transform skills and ways of working in a way that boosts productivity while engaging employees?

In Criticaleye's [CFO Research 2021](#), 'retaining key talent and developing skills' took the top spot of the finance chief's list of priorities for the fourth year in a row. At the same time, cost reduction and organisational redesign shot up the table.

At our recent CFO Forum – held in association with [Capita Consulting](#) and [Workday](#) – we heard how all three of these priorities can be targeted in a purpose-led transformation.

Andrew Minton, Managing Director at Criticaleye, said, "Even before the pandemic, technologies including digitisation and AI were offering significant opportunities for workforce transformation. The pace of this change has increased massively.

"The last twelve months have seen significant innovation around ways of working, and the challenge will be capturing this as we move forward."

Stephen Scott, Divisional Growth Director for People Solutions at Capita, explained that leaders planning to transform their workforces today have a new challenge to keep in mind. "If you're going to land an effective transformation, you need to take a step back and look at the context.

"Employees are going through an enormous transformation themselves,

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because the COVID crisis has made them reflect on their choices about things like where they live, who they work for and what really makes them happy. So, if you're not approaching your transformation, and how you engage employees, on a similar level then it won't resonate."

The wellbeing of your people is central to this approach – and can benefit the bottom line too. **Stephen** reflected on how customers will never be happier than your employees: "In a way, wellbeing is a non-economic term for productivity. There is a line that goes all the way from the individual person back to the financial benefits, not only in terms of cost but also on the upside by driving growth and revenue."

Keeping business purpose at the heart of any transformation will be critical.

Julie Brown, Chief Operating and Financial Officer at Burberry, said that the FTSE 100 fashion house had done a lot of work on its purpose and had planned to roll it out in 2020, but then COVID struck. "It wasn't possible to get everyone together physically, so we still rolled it out remotely, which was a major IT achievement," she said.

This has proved central to steering them through the crisis. "It was powerful to connect people to the purpose and the 162-year heritage of Burberry. We used it as an opportunity to talk about the way that Thomas Burberry behaved all those years ago – he was very philanthropic and thought about the community.

"We brought those values forward into 2020, so people understood what we stood for. I think the real benefit was that we combined this with the tangible actions we took."

Julie explained how, amongst other decisions, Burberry chose not to furlough its workforce and to issue a public sustainability bond to diversify its sources of funding and raise capital for eligible sustainable projects. "People could see that the actions we were taking in the middle of a pandemic were consistent with those Thomas Burberry took 160-years ago, and that was really powerful."

Jitesh Sodha is the CFO of Spire Healthcare, the largest provider of private healthcare in the UK with an estate of 39 hospitals. Like Burberry, they had changes set for 2020. "We had a significant workforce transformation planned before coronavirus, starting with working on our purpose – which we developed with 400 of our colleagues and management teams from our hospitals – a cultural shift and a focus on clinical quality," he explained.

This project included a move away from command-and-control leadership and a focus on economies of scale, implementing new technology and aligning reward structures. "Our plan was focused on purpose and culture. >



Then it was about getting the right systems and data. We also launched an apprenticeship programme,” he said.

The pandemic accelerated the culture piece of this transformation. “When you have your workforce on the frontline – as we did when we quickly shifted to supporting the NHS – then the focus around supporting them and ensuring we live up to our purpose comes to the fore. That cultural shift we were already pushing on became more important. We are an industry that’s full of people that care, so we have to allow them to care and we have to care for them,” **Jitesh** said.

A New Culture of Learning

A workforce that demonstrates openness and takes on board lessons from its mistakes is what leaders should be aiming for. “To [establish] a learning environment, you must create a safe [place] for people to speak up and to fail,” **Jitesh** said. “We’ve created freedom-to-speak-up guardians across our hospitals, but even within Finance you have to build that. Sometimes that can be counter cultural as Finance is not supposed to get things wrong.”

He emphasised that news isn’t ‘good or bad’, but rather ‘on time or late’. “You know you’re going to get a knock on the door, and someone saying, ‘You know you said, there’s no such thing as good news or bad news?’ And then your heart sinks because you know it’s going to be a big thing. Creating culture is about how you react to that and how you help them solve the problem,” he said.

Remote and hybrid ways of working are also changing how we upskill our

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workforces. **Stephen** said: “People are talking a lot more about digital learning. They now do 70 percent of their shopping online and I’m sure they’re going to expect to do 70 percent of their learning online.”

Brian Montgomery, Finance Director at Workday, explained how this has worked for them. “We use a mixture of the traditional classroom type training and online approaches. It’s hard to use the traditional methods remotely – you need a really good trainer who can bring people in and encourage them to talk.

“We also used bite-sized learning. We enabled people to upload little vignettes and snippets onto the system of how they approached certain tasks, saying ‘If you are finding this hard to do, this is how I do it.’ People can also engage with the learning system directly and request help with specific things,” he said.

Few businesses expect to return to operating exactly the way they were 12 months ago, and executives across the leadership team must collaborate to make sure the new ways of working are successful. **Stephen** said: “There’s an opportunity for Finance to work alongside the HRD in an educational role around how you land a transformation in your organisation.

“We spend endless hours creating project plans and have transformation directors and managers, but we don’t approach purpose or culture with as much care. Ironically, those are what the transformation is driving, so we must plan for the main game.” ■

Join us for our next [CFO Forum](#) on 30th June 2021. Speak to your Relationship Manager for more information.

Featuring Commentary From:



Julie Brown
Chief Operating and
Financial Officer
Burberry



Brian Montgomery
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