Accelerating the Capabilities of HR: A New Approach

The Josh Bersin Academy Capability Network

The Human Resources profession has risen to a heroic role in business. Not only have HR professionals been asked to help companies deal with the Pandemic, but they are also helping organizations deal with tremendous stress in workforce and workplace transformation, an explosive need for focus on diversity and inclusion, and helping to redefine the role and nature of leadership. And throughout the last few years HR has become more digital, more agile, and ever-more focused on the role of data, analytics, and automation at work.

As HR professionals and organizations try to keep up with all the changes at work, one of the biggest challenges we face is the continuous professional development of HR teams themselves. Most HR organizations spend a lot of time and energy thinking about the skills and capabilities of their employees, but very little thinking about themselves. Now, more than ever, is the time for this to change.

Over the last two years we have built The World's Home for HR, an entire professional development Academy devoted to helping HR teams learn, share, and collaborate with each other. And as we've grown (more than 300 companies and more than 20,000 HR professionals have joined), we've found that companies want more. They want a way to "benchmark" their capabilities, inventory their strengths and weaknesses, and understand how to build ever-more powerful ways to develop their teams. This has led us to the development of the Josh Bersin Academy Capability Network.
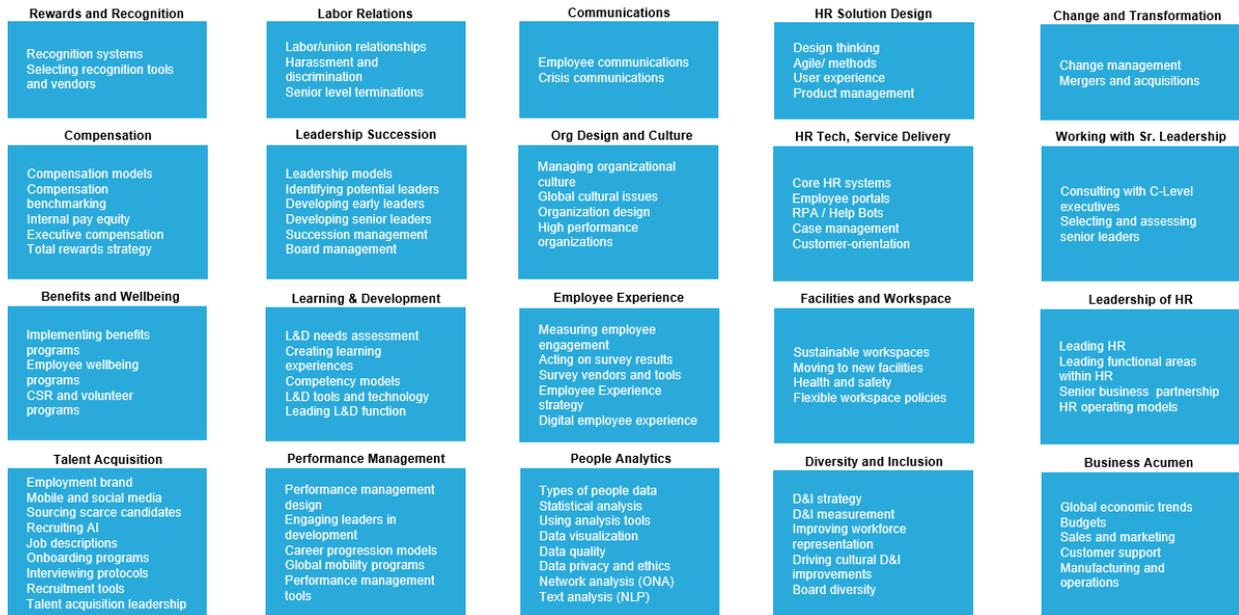
What Are The Capabilities Needed in HR?

As we have written about many times, there are many "competency models" and frameworks which try to define the skills of HR. But as we talk with hundreds of companies and study what really makes high performing companies work, we found that at its core, what HR professionals need are a set of strategic "capabilities" to do their jobs.

We define a "capability" as a business-oriented set of skills, which can be described in a phrase which is easy to understand. And these "capabilities," which are broader and deeper than "skills," can be tested, observed, and proven in the workplace.

An example of a Capability is "building an employment brand." This is a complex area of expertise, one which requires an understanding of marketing, data analysis, story telling, and the role of culture, leadership, and communications to succeed. We know that there are many "skills" that make someone an expert at employment brand – but there also experiences, mentors, and context required. So in our model a "capability" is made up of many things, ultimately measured by "your experience in driving employment brand" in real world situations.

As we studied HR over the years, we found more than 90 such "capabilities" are needed. Not every HR professional needs to be highly capable in every one, but we all need many of these to succeed. The list of capabilities is shown here, and I would guess you probably realize now that you need to know, or want to know, how to be expert at many of them.

Josh Bersin Academy Future-Focused Capability Model

Rewards and Recognition	Labor Relations	Communications	HR Solution Design	Change and Transformation
Recognition systems Selecting recognition tools and vendors	Labor/union relationships Harassment and discrimination Senior level terminations	Employee communications Crisis communications	Design thinking Agile/ methods User experience Product management	Change management Mergers and acquisitions

Compensation	Leadership Succession	Org Design and Culture	HR Tech, Service Delivery	Working with Sr. Leadership
Compensation models Compensation benchmarking Internal pay equity Executive compensation Total rewards strategy	Leadership models Identifying potential leaders Developing early leaders Developing senior leaders Succession management Board management	Managing organizational culture Global cultural issues Organization design High performance organizations	Core HR systems Employee portals RPA / Help Bots Case management Customer-orientation	Consulting with C-Level executives Selecting and assessing senior leaders

Benefits and Wellbeing	Learning & Development	Employee Experience	Facilities and Workspace	Leadership of HR
Implementing benefits programs Employee wellbeing programs CSR and volunteer programs	L&D needs assessment Creating learning experiences Competency models L&D tools and technology Leading L&D function	Measuring employee engagement Acting on survey results Survey vendors and tools Employee Experience strategy Digital employee experience	Sustainable workspaces Moving to new facilities Health and safety Flexible workspace policies	Leading HR Leading functional areas within HR Senior business partnership HR operating models

| Talent Acquisition	Performance Management	People Analytics	Diversity and Inclusion	Business Acumen
Employment brand Mobile and social media Sourcing scarce candidates Recruiting AI Job descriptions Onboarding programs Interviewing protocols Recruitment tools Talent acquisition leadership	Performance management design Engaging leaders in development Career progression models Global mobility programs Performance management tools	Types of people data Statistical analysis Using analysis tools Data visualization Data quality Data privacy and ethics Network analysis (ONA) Text analysis (NLP)	D&I strategy D&I measurement Improving workforce representation Driving cultural D&I improvements Board diversity	Global economic trends Budgets Sales and marketing Customer support Manufacturing and operations

The Role of Skills, Experience, Relationships, and Context

As we consider capabilities in a profession as complex as Human Resources, it's important to consider all the dimensions that truly drive success. Our research (and model) assumes that professional success is based on four things:

- **Skills:** what technical, professional, or managerial skills do you have – we define skills as granular areas of expertise on specific tasks, systems, or practices
- **Experiences:** what level of experience do you have designing, implementing, measuring, and improving various HR and talent related solutions? Have you implemented these solutions in small companies? Large companies? Globally? In what industries? Under what business conditions?
- **Relationships:** over the years of your career, who have you met that can advise, help, or coach you? How quickly can you identify vendors or technology partners to assist? Do you know solution providers, consultants, or others who can quickly lend expertise?
- **Context:** are you aware of the social, political, economic, or country-specific issues at play? All HR solutions exist in a world of local, ever-changing social context – so context is also key to your success. (This is why we are now offer research, have senior faculty, and deliver a regular cadence of events to our Academy members.)

In our work building the Capability Network, Assessment, and Josh Bersin Academy, we intend to address all four areas. And we do this with the awareness that your "job" or "job title" is only one small piece of the puzzle. Our belief, after talking with hundreds of companies and many thousands of HR professionals, is that the puzzle looks like this. And the boxes labeled "capabilities" are the most important of all.

Understanding Skills vs. Capabilities
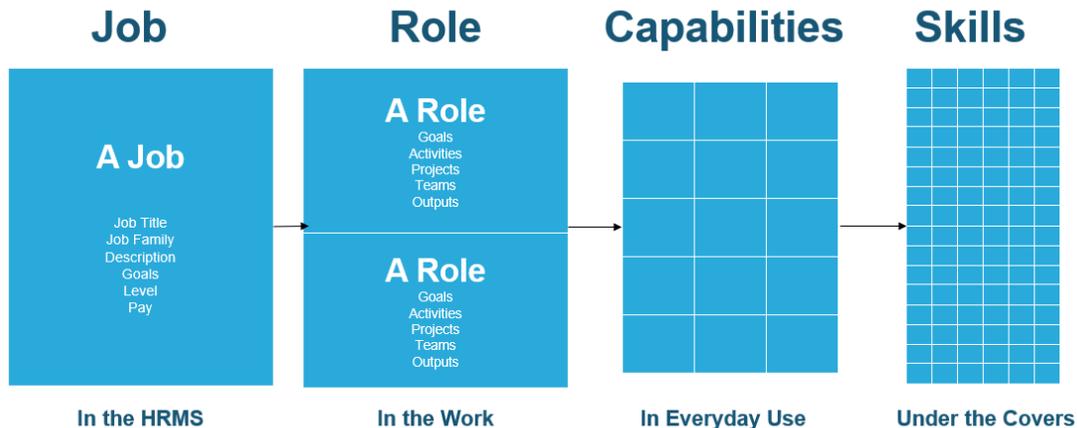
We will not, for example, teach you how to use Excel or understand statistics. These are "skills" that we know you need, but we know there are many sources for these cross-domain skills. So we will recommend, curate, and advise on education and development in these areas.

What we will do (and are doing now), however, is maintain a regularly updated, research-driven, set of strategic HR-domain Capabilities you can focus on. These are broader business needs (listed above) which are made up of 20 capability areas, which you can assess yourself against.

We want to make this easy. As you go through the Global Capability Assessment (it takes about 15-20 minutes and you can do it in stages), you'll see your strength, weaknesses, and overall inventory of capabilities against your peers. We segment peer groups by tenure, level, role, industry, geography, and company size – so you as an individual or you as a company can compare your capabilities against others very similar to you.
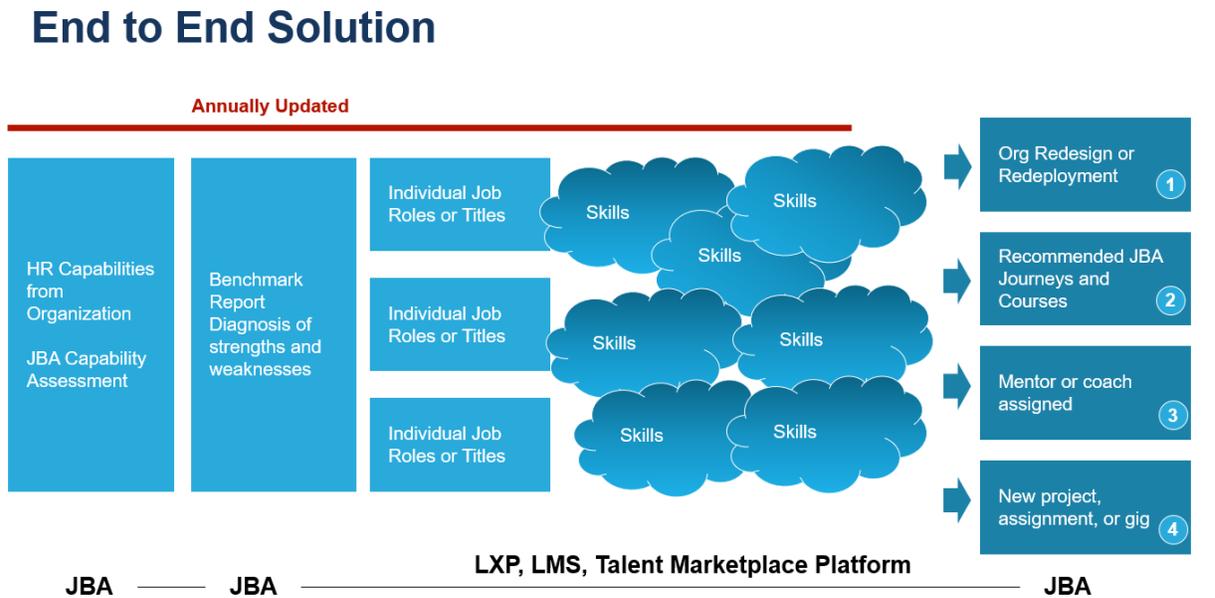
Our pilot companies have already seen amazing things from this data. One large organization in Asia found that some of their business units are quite primitive in their HR capabilities while others are quite advanced. This is helping them put in place a job rotation and mobility program to help. Another large company found that the HR Business Partners with certain capability strengths lead business units with much higher employee engagement and retention ratings. So they now know precisely which capabilities pay off the most and can actually put an ROI onto this program.

We believe and understand that your efforts to stay current will be complex. As the image below shows, we have four "solutions" to capability gaps you find:

- **Professional development**: Specially designed JBA Learning Journeys for you and your people
- **Mentors**: We will find and match you with mentors who are advanced in the areas you want to develop
- **Job rotation**: We are working with all the talent mobility platforms to use the JBA CA data to help you find a new position

- **Reorganization**: Sometimes companies just find that certain roles need to be redesigned).

We also recognize that our solution must fit into the context of your company's infrastructure. The end to end solution looks like the picture below, and we are already talking with many of the core HR systems providers to integrate the Capability Network into their platforms.

End to End Solution

Annually Updated

| HR Capabilities from Organization / JBA Capability Assessment | Benchmark Report Diagnosis of strengths and weaknesses | Individual Job Roles or Titles | Skills | | Org Redesign or Redeployment ① |
| Recommended JBA Journeys and Courses ② |
| Mentor or coach assigned ③ |
| New project, assignment, or gig ④ |

LXP, LMS, Talent Marketplace Platform

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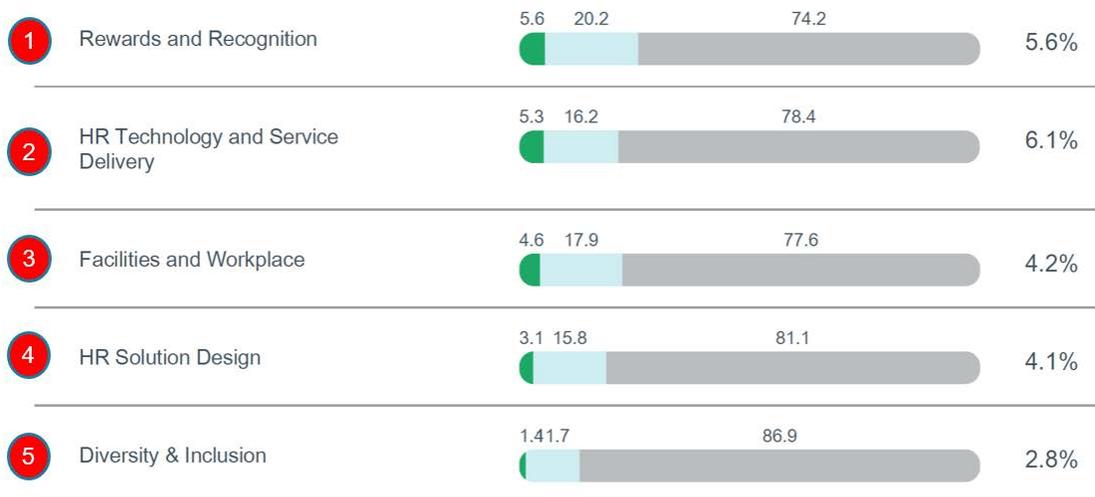
Benchmarking Your Capabilities

There are many reasons to use the JBA Capability Assessment. The most important is to get an inventory of your company's HR capabilities so you can see how strong they are. One of our pilot clients, for example, found that their major strength was in recruiting (this is a high turnover retail and hospitality company).

Top 5 Areas of strengths

Legend: ● % World Class / % Expert ● | % Experienced ○ % Beginner / % Novice ●

Global Benchmark

	Area	% World Class / % Expert	% Experienced	% Beginner / % Novice	Global Benchmark
1	Talent Acquisition	13.5	30.9	55.6	14.0%
2	Learning & Development	11.5	24.4	64.1	11.1%
3	Communications	9.9	27.7	62.5	10.8%
4	Working With Senior Leadership	9.3	22.1	68.6	12.4%
5	Leadership and Succession	8.9	20.3	70.8	9.6%

Their weakest areas were in rewards, technology, design, and diversity. This finding led the CHRO to immediately realize that D&I had to get more focus – so the company is now embarking on an enterprise-wide D&I program designed to show every HR professional how their role must change as the company becomes more inclusive.

Bottom 5 Areas of improvements

HR ACADEMY

|	Area	% World Class / % Expert	% Experienced	% Beginner / % Novice	Global Benchmark
1	Rewards and Recognition	5.6	20.2	74.2	5.6%
2	HR Technology and Service Delivery	5.3	16.2	78.4	6.1%
3	Facilities and Workplace	4.6	17.9	77.6	4.2%
4	HR Solution Design	3.1	15.8	81.1	4.1%
5	Diversity & Inclusion	1.4	1.7	86.9	2.8%

In our global benchmark database, which is rapidly growing, Diversity and Inclusion, Analytics, and Organization Design are among the weakest and most "in-demand" capabilities around the world. But as we build the database by industry, we will find that these benchmark needs vary by sector, geography, and location.

Another of our large clients is using the JBA Capability Assessment to understand precisely what different HR Business Partners actually do. While the job descriptions are clear, it's often well known that some HR Business Partners are highly strategic advisors while others operate as HR administrators or assistants to hiring managers. The JBA CA is helping this company identify these differences so they can build a most integrated, consistent HR Business Partner community.

HR Capabilities Directly Drive Business Results

One of our early clients used the JBA CA to assess more than 500 of their HR professionals and then correlated the data against business unit engagement, retention, and productivity. This company specifically found that certain HR capabilities had a direct impact on these measures, so they can now focus on HR needs that directly drive results.

CultureAmp engagement survey comparison with global benchmark
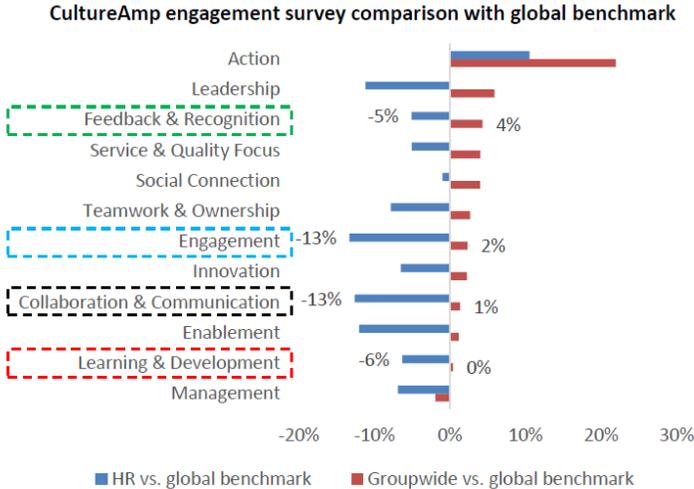
> **Stronger HR capabilities correlate to higher employee engagement scores in terms of the comparison between Groupwide and global benchmarks.**
>
> **HR capabilities go beyond a high performing HR team and play a key role in building and fostering a high performing organisation.**

For example, this global company also found that skills and capabilities in global change management and organization design were both badly missing and tremendously high predictors of business performance. This is helping the company work with us to directly address these issues.

Where the JBA Capability Network is Going

With several thousand HR professionals in our capability database today, we are early in our journey. But the roadmap and direction is clear: this global database will be very useful to you as an individual, your HR team, and your HR organization as a whole.

If you would like to join us in this journey, please let us know – we are looking for pilot clients. We already have experience with some of the world's largest companies and would love to work with you.

We hope to publicly launch the entire JBA Capability Assessment and Capability Network to JBA members in early 2021.

For more information, please contact Amy Farner (amy.farner@bersinacademy.com) for details.

Note: The Josh Bersin Academy Capability Model, assessment, and benchmarking data is developed and owned by JBA Inc. All information in this document is proprietary to the Josh Bersin Academy and for your internal use only.