REIMAGINING HR IN THE RESOURCES INDUSTRY
The Resources industry is undergoing unprecedented change, with external and internal forces shaping the future of the industry and the workforce.

There are several factors affecting the Resources Industry. The impact of technology, along with the pressures of environmental and social political changes, are compelling HR and CHRO’s to rethink their priorities and how to create more value for the business and industry. With a focus on agility and changing workplace expectations, HR is focused on redefining their role, exploring new business models and adapting to a more digitally-savvy and fluid workforce.

**SUB-INDUSTRY INSIGHTS, NATURAL RESOURCES, ENERGY AND UTILITIES**

Each area within the Resources Industry face their own unique challenges. The levels of maturity and evolutionary journeys of the resources industry players are different.

- **Natural Resources**
  - **Volatility** in commodity prices, increased investment in renewable sources, challenging international trade relations, environmental and safety regulations and the ability to attract talent are transforming the chemicals and natural resources.

- **Energy**
  - **Volatility** in prices, ongoing consolidation activities and environmental regulations require the industry to look for sustainable ways to conduct business, reduce costs and improve business performance.

- **Utilities**
  - This industry is driven by distributed sources of energy, customer expectations and cost competitiveness. Many players are replacing legacy systems with intelligent systems such as smart grid and embracing the power of big-data and internet of things to better manage the distributed networks.
TRENDS IN HR

The challenges and opportunities in the resources industry require HR to anticipate business and workforce needs, find agile and digital ways of service delivery, improve the organisation’s ability to manage change, and new-skill the workforce including its own capabilities.

We have identified the following five trends are reshaping HR in Resources:

1. **Strategic**
   Uplift HR capability to move from the back end to the front end, transition away from the administrative service provider to the influencer and strategy architect.

2. **Customer-Centric**
   Workforce experience at the core of its offerings

3. **Data Led**
   Harnessing the power of data to see patterns, predict outcomes and inform decisions

4. **Technology Driven**
   Anticipating the impact of technology and equipping and amplifying capabilities with intelligent technologies

5. **Future Focused**
   Predicting, attracting and shaping the workforce of the future

HR MATURITY LEVELS

Companies within each industry are at different maturity levels and evolving at a different pace in their hr transformation journey

**Vision & roadmap**
- Align vision
- Create business case
- Define transformation & digital blueprint
- Plan implementation & journey

**Core digital HR**
- Design system-enabled user experience
- Make foundational decisions
- Simplify processes
- Enable data visibility

**HR evolution**
- Deliver end-to-end workforce experiences
- Reimagine HR operating model
- Predict workforce needs & behaviors
- Strategic workforce planning and future capabilities

**Intelligent talent & HR**
- Reimagine the work & workforce
- Deliver personalized workforce experiences
- Provide total talent HR services
- Apply intelligent decision support & automation
- Enable organization for continuous evolution
**Natural Resources**

*Strong HR foundations & future capabilities*

As the industry transforms with digital and automation, there is a requirement to modernise the HR platform to enable better controls and quality of core HR processes and data while reducing the cost-to-serve. This will help to shift the effort/investment to design the Future of Work and support the workforce transition into the future state of the business.

There are a few actions that HR functions are working on as priorities:

- Deliver efficient and effective HR services by leveraging HR SaaS and automation
- Simplify processes to improve experience
- Develop robust Strategic Workforce Planning and define the future capabilities
- Prepare for New-Skilling the workforce at scale

**Energy**

*Digital HR & ecosystem enablement*

With the ongoing shift to more sustainable sources of energy, organisation requires to work with the ecosystem to progress their business strategies. HR has to enable digital platforms that allows the business to integrate the extended workforce, upskill middle management to work with partners at every level of the organisation and develop business agility with real-time information and new ways of working.

There are a few actions that HR functions are working on as priorities:

- Reimagine technology led low touch HR service delivery
- Deliver strategic and signature HR processes for employees and contractors
- Leverage people analytics for data driven decision making
- Enable line management to navigate the new business ecosystem

**Utilities**

*Employee experience drives customer experience*

The competitive landscape for utilities and the need to pivot as a greener business requires a radical change of the people agenda. HR needs to develop a great employee experience which will drive significant value for customers, at the same time to build a purpose-driven organisation that attracts the best talent.

There are a few actions that HR functions are working on as priorities:

- Provide agile and digitised HR services
- Deliver differentiated workforce experiences to improve customer experience
- Apply intelligent HR technologies and big data for automation and decision support
- Design and develop a purpose-driven leadership and organisation that is attractive to the future talent
HR TRANSITION

Long standing Traditional HR BP/CoE Model is giving way to hybrid models tailored to match the business context

- **Successful Transition**: 37%
- **Undergoing Transition**: 58%
- **Not Successful**: 5%

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<th>HR Operating Models</th>
<th>HR Service Delivery</th>
<th>Emerging Practices</th>
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<td>Professional Services Model</td>
<td>Technology enabled HR delivery model</td>
<td>Design Thinking</td>
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<td>Advanced HR Business Partner/CoE Model</td>
<td>Shared Services/Operations Centers</td>
<td>Agile ways of working</td>
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<tr>
<td>Hybrid Models</td>
<td>HR Advisory Contact Centers</td>
<td>Crowdsourcing niche skills</td>
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~60% companies are still transitioning to a target end state operating model.

37% of companies have transitioned successfully to their current HR operating models.

For companies experimenting with new HR Models, the experiences and outcomes are varied

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<th>Success Drivers</th>
<th>Challenges</th>
<th>Lessons Learnt</th>
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<td>Crowdsourced cross functional self-directed teams</td>
<td>Understanding of new ways of working and change adoption</td>
<td>Pilot and use early wins to build momentum and support</td>
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<td>Modular approach to transformation</td>
<td>Overlapping priorities or unclear role definitions</td>
<td>Drive enterprise mindset and reward the right behaviors</td>
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<td>Focus on capabilities rather than competency</td>
<td>Lack of an ‘ideal’ structural fit and need for constant refinement</td>
<td>Upskilling the workforce for human-machine collaboration</td>
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<td>Increased use of self-service, mobility and artificial intelligence</td>
<td>State of flux- new models haven’t reached a steady state yet</td>
<td>Transformation journey is iterative and demands agility and resilience</td>
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<td>Cultural barriers and resistance to change</td>
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FUTURE FOCUS

Over the next 2-3 years, there is a shift in where HR is investing, increasing focus on technology and organisation development

**HR Transformation**
- Initial changes to HR operating model
- Replacement of core HR systems
- Digitization to improve efficiencies and productivity
- Health and integrity of HR data capture

**Org Transformation**
- Initial steps on enterprise-wide strategic workforce planning
- Developing change management capabilities to support business transformation
- New ways of working and org models

**Workforce Effectiveness**
- Identification of future skills and capabilities
- Leadership and middle management capability
- New skilling the workforce for the future of work, especially digital workplaces

**Employee Services**
- Simplifying and standardizing processes
- Digitisation for productivity and efficiency gains
- Improved HR service delivery

**HR Transformation**
- Integrated talent management and total workforce platform
- Technology enablers for improving employee services and experience
- Intelligent technologies for automation and decision support
- New skilling the HR function in line with emerging roles

**Org Transformation**
- Redesigning work
- Developing fluid organisation models
- Building cross functional centers of excellence for emerging and cross-function agnostic skills

**Workforce Effectiveness**
- Predictive skill identification
- Rolling forecast and predictive strategic workforce planning
- New-skilling on demand and at scale, using technology (AR/VR)
- Reimagining Talent practices and frameworks in a multigenerational and increasingly digital workplace

**Employee Services**
- Significant automation acceleration
- Increase scope of shared services to high value HR activities such as people analytics
- Pivoting shared services centers to be experience led
EMBRACING THE AGE OF REDISCOVERY

Human Resources is undergoing an age of rediscovery, transforming its core from administration centric to business and workforce centric. This is especially true in the Natural Resources Industry. Companies are open to rediscovering their identity—with players examining who they are as an organisation and who they want to be in the future. Essentially, more resources companies now want to transition into being technologically capable, strategic, and analytical.

HR is increasing focus on technology and organisation development, positioning itself to deliver better value for business

INTELLIGENT TECHNOLOGIES SPECTRUM IN HR

Resources industry is evaluating the potential of intelligent technologies before moving from pilot phases to full implementation

- Applications and software as a service
- APIs
- RPAs
- Virtual assistants
- Chatbots
- Algorithms for candidate assessments
- Strategic workforce planning
- Real-time Workforce Sentiment
- Candidate Selection
- Succession and career path
- Personalized development recommendations
- Text/video analytics
- Wearable sensors
- Real time data analysis
- Augmented reality
- Decision support automation
Resources companies are relatively unfamiliar with and slow at adopting intelligent technologies in HR and are experimenting and piloting at a small scale

**Perception towards intelligent tech**
Intelligent technology is seen by everyone as a positive development that can improve outcomes, safety, agility, simplicity and user experience

**Readiness to work with intelligent tech**
Most companies are not yet ready to work with intelligent technologies, with less than 30% feeling well prepared

**Investments in intelligent HR tech**
Most companies are investing in intelligent HR technologies but the current spend is limited to acquiring cloud-based services, BI tools and chatbots. Most companies do not have clear methods or metrics to measure business value created
ABOUT T&O

Accenture Talent and Organization’s mission is to unlock the potential of people and organizations to lead disruption that advances industry and society. We offer a comprehensive, analytics-based approach to identifying workforce needs in light of business goals, collaborating with clients to dramatically improve performance through integrated talent, HR and organization change services.

Organisation Change
We help clients develop an organization and culture with the capacity to capitalize on disruption and respond rapidly to changing market forces.

Leadership
We work with senior teams and leaders to develop individual and collective capability while improving the performance of the organization through leadership strategies, coaching and development programs integrated with the business agenda.

We have 12,500+ talent and HR professionals with deep strategy, consulting, technology and operations capabilities.

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ABOUT ACCENTURE

Accenture is a leading global professional services company, providing a broad range of services and solutions in strategy, consulting, digital, technology and operations. Combining unmatched experience and specialized skills across more than 40 industries and all business functions—underpinned by the world’s largest delivery network—Accenture works at the intersection of business and technology to help clients improve their performance and create sustainable value for their stakeholders. With 492,000 people serving clients in more than 120 countries, Accenture drives innovation to improve the way the world works and lives.