

# Achieving Peak Performance with Centralised Workforce Architectures

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Most executives have begun to view the workforce broadly, including all stakeholders, necessitating new management practices. How is this transforming the work culture and environment?

*Featuring insights from MIT Sloan Management Review article 'Manage Your Workforce Ecosystem, Not Just Your Employees' by Elizabeth J. Altman, David Kiron, Jeff Schwartz, and Robin Jones*

# Orchestrating Workforce Ecosystems

The workforce ecosystem involves stakeholders within and beyond the organisation



## Collaboration

- Stakeholders collaborate towards individual and collective goals
- Enables interdependencies and complementarities among participants



This involves cross-functional participation from



C-Suite



IT



Procurement



Finance



Legal



## Contributors



Employees



Contractors



Gig Workers



Developers



Others

# Inadequacy of Traditional Approach

Decentralised management approach where

*Procurement, strategy, tech, and human resources manages contingent workforce, partnerships, AI & automation, and full & part-time employees respectively*



Hierarchical, command-and-control management



Siloed functions for employees and external contributors



## Consequence



Hinders coordination and innovation



Inefficiencies and risk of ill-defined decision rights and governance processes

# Role of Integration Architectures

Many organisations are adopting centralised and cross-functional integration architectures to address the shortcomings of decentralised approaches



## Coordination

- HR coordinates with procurement and IT for workforce management. Business leaders collaborate with HR to proactively manage risks



## Cross Function

- Adopting cross-functional management for all worker types. HR plays a key but less central role, with talent marketplaces supporting workforce needs across units

They ensure that activities are aligned with strategic objectives and enable efficient utilisation of resources

# Case Study: NOVARTIS

Cross-functional steering committee had to manage 100,000 internal and 50,000 external workers



They utilised 'workforce strategists' who

- Provides real-time access to talent
- Enhances visibility into talent sources



Improved coordination

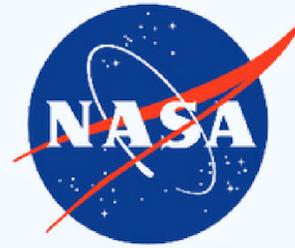


Streamlined talent management processes



Maximisation of workforce potential

# Case Study:



Transition to a centralised talent marketplace from multiple platforms



Through a single orchestrating mechanism they

- Adopted a unified mechanism to coordinate access to internal talent



Enabled future expansion:

- Plan to extend the marketplace to external contributors
- Enhance collaboration and innovation

# Integration Architecture: Concerns and Solutions

## 01 Identifying Stakeholders

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Determine the right set of stakeholders for integration architecture

## 02 Stakeholder Engagement

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- Encourage stakeholders to participate in local experiments
- Tailor shared goals to specific contexts

## 03 Coordinated Learning

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- Promote learning from local experimentation
- Foster coordinated improvement

## 04 Addressing Structural, Political and Cultural Issues

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- Understand the division of labour, goals, and incentives to bridge gaps
- Engage all stakeholders to minimise conflicts
- Communicate effectively to address cultural challenges

# Phases of Workforce Integration

## Phase 1



### Orchestration Team Creation

- Develop plans, goals, and metrics
- Consult stakeholders
- Address skill gaps
- Select action-oriented champions

## Phase 2

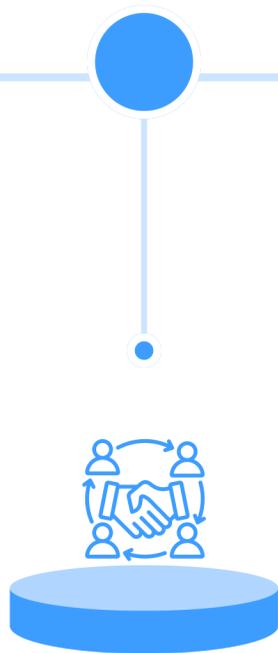


### Promoting Local Experimentation

- Introduce pilot programmes
- Address challenges
- Measure outcomes

# Phases of Workforce Integration

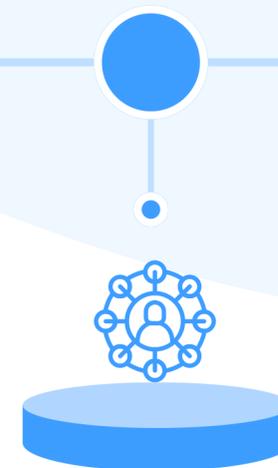
## Phase 3



### Coordinated Learning and Resourcing

- Oversee local challenges
- Revise policies
- Manage resourcing

## Phase 4



### Workforce Ecosystem Expansion

- Analyse pilot outcomes
- Adopt successful practices
- Expand team representation
- Connect with client ecosystems
- Promote learning and communication
- Address concerns

# Strategic Implementation of Integration Architectures

To implement integration architectures in your organisation, start by assessing the functionality of your workforce ecosystem. Decide if a more centralised approach is necessary. Identify key stakeholders to oversee the process. A holistic workforce ecosystem perspective can offer deeper insights into achieving strategic objectives.

~ **Anand Vijayasankaran, Assistant Professor, Organisational Behaviour**

