Next Generation HR – Part III

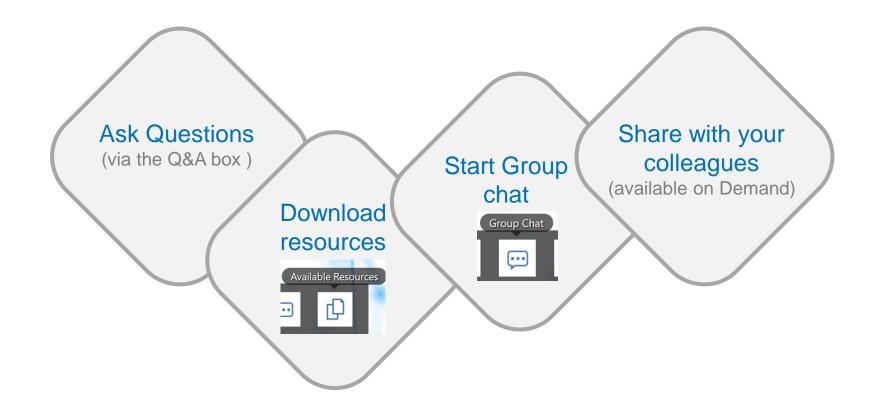
Bayer's HR Transformation: HR Next

February 16, 2021 03:00 PM CET [15:00] (Brussels)





Making the most of the webcast



Tell us about your experience to help us improve our future program





Panelists:



Marion Devine
(Moderator)
Senior Human Capital Researcher, Europe
The Conference Board
Bio



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Bio







Strategic thinking Influence stakeholders

Drive execution

Change management

Adaptability & resilience

Key outcomes of transformation

Optimize costs

Talent magnet

Digital transformation

Deepen purpose, value & culture

Deployment levers

Leverage HR technology

Flexibly deploy via cross-functional projects Adopt Agile approaches

Source: The Conference Board, 2021

Next-Generation HR Fluid and Adaptive

Business priorities

strategic agility, cost

HR skills & resources "flow" to high-impact work, to deliver maximum business value

Note: This infographic is based on over 700 responses from a global survey and focus group discussions with over 100 international HR executives

0 Transformation roadmap

Basic blueprint with room for flexing

Get business buy-in first

Experimentation, fast failure, learning, and course correction

Criteria for deciding to redesign or transform

Enhance HR's role as strategic partner Impact business performance

Deliver to the CEO

Align HR with the business model

Cost implications



HR value proposition

Talent, leadership, culture, digital transformation, innovation, continuous learning

Strategic impact

Deliver & drive people strategy

Create new people-based value

Continuous strategic prioritization

Deep & wide dialogue with the business

Transformation design principles

Line of sight to business impact & value

Opportunity for flexing & finessing

Stay true to purpose & values

Service excellence

Customer centricity

https://conferenceboard.org/topics/nextgeneration-HR/Nextgeneration-HR-infographic

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Fluid HR: "Tight-Loose" Dynamic

- A "tight" <u>strategic alignment</u> between the business and people strategy
- And a <u>"loose" deployment</u>: a flexible HR structure to ensure the right combination of skills and resources "flow" to wherever they are needed









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Conference Board Webcast

Elke Bartl

February 16, 2021





Bayer 2022: The business context in 2018

Driven by new technologies, **our** markets are changing quickly

- Increasing demand for faster innovation, digital transformation and responsiveness to customer needs
- // New players are forcing us to become more agile

Our evolution to a leader in life sciences has led to significant changes in our portfolio

- Need to adjust processes and infrastructure
- Share of platform costs has increased and is less competitive compared to peers

In some areas **our business** has not been in
line with expectations

- / Insufficient profitability in the divisions compared to peers
- Need to deliver on our targets and capital market expectation



Starting point for HR: Living our purpose in the Ulrich model

HR mirrors the business structure across the globe

Head of HR			
HR Functional Leadership			Global & regional HR Business Partners
Set Framework	Design / Build	Execute	Engage
 Strategy & Portfolio Management Organization & Executive Development Talent Management¹ Compensation, Benefits & Mobility HR International 	 HR Project & Portfolio Management* Learning & Training* University Talent Marketing* Benefits Consulting* Change & Performance Consulting* 	 Global HR Service Center country HR Service Center² 	 BP Pharmaceuticals BP Consumer Health BP Crop Science BP Corporate Functions BP Business Services



2018 HR: ~ 2,400 FTE



Business leader interviews set transformation priorities...

Most Value

Strategic and Transformational Consultation

- // Deriving divisional HR strategy from business strategy
- Support at all stages of business transformations
- Strategic consultancy to move ahead of market, with internal & external perspectives
- // Organization design: meaningfully challenging org set-up

Talent

// Talent attraction & onboarding, career development, talent reviews

Least Value

Business Impact

- # HQ org too large & distant to have real impact on business needs
- // Global/local disconnect confusion, high alignment effort
- Too many levels of approvals impact speed and empowerment

Data allocation to leaders / HR systems

// Activities & processes too complex, resource-intense vs impact



Leading to a clear transformation strategy

Keeping HR purpose while transforming to enable leading businesses

Commitment for 2022:

- Achieve required savings
- Ensure leaders can make timely, informed people decisions and feel enhanced accountability
- Enhance employee experience
- Provide greater workforce flexibility in HR

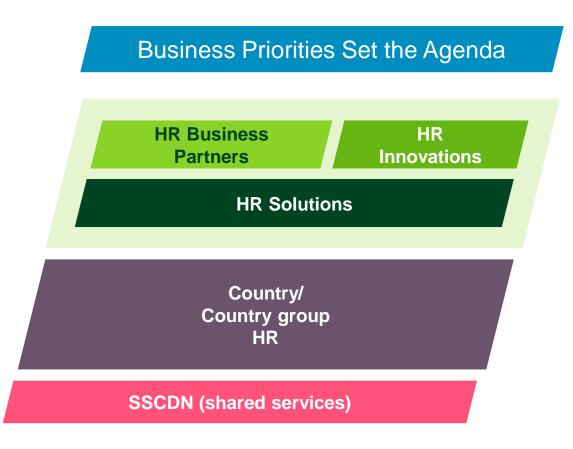
By

- Elevating the strategic focus of HRBPs
- Advancing people analytics, & speed through digital capabilities
- Adopting an end-to-end perspective
- Enabling freedom in a frame
- Engaging the HR workforce & upskilling our HR talent to achieve this and more



New model advances capabilities, flexibility, sustained savings

Lean, effective teams balance dedicated and shared resources for increased business focus





2022 HR: ~ 1,900 FTE



Our journey: where do we stand today?

Leader interviews June 2020 confirmed achievements and areas needing further focus

Well achieved

- # Function is financially on track
- Potential of the operating model fully recognized
- Promising start for a flatter organization & less silo mindset
- // First steps on flexible resourcing, experimentation & speed
- # Enabling countries & leadership teams through 'freedom in a frame' fully recognized
- // Increased understanding of the own function

Further focus needed

Priority-setting and further reducing redundant activities

- Engagement model for strategic roles & for local and global Business Partners
- # Advance end-to-end thinking & employee experience
- Speed of decision making
- # HR skillset & new ways of working
- Key success factors of the transformation



Webcasts

Upcoming Next Generation HR webcasts:

HR's role in building a purpose-led business at NatWest 16 March 2021 - 15.00CET

Tetra Pak's HR "metamorphosis" to world class performance 20 April 2021 - 15.00CET

Previous Next Generation HR webcasts

The Move to Agility and Agile, JTI (available soon) **Novartis Gets Curious: Transforming Learning**

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