

Comprehensive Workforce Planning Drives Integrated Approach to Talent Management at Rogers Communications

—Leighanne Levensaler, *Director of Talent Management Research* | April 2008

▶ IN THIS CASE STUDY

High-impact talent management requires an integrated approach that is focused on a business-driven strategy. Rogers Communications, Canada's largest diversified communications company, recently completed an initiative to transform its human resources department into a talent management organization that helps to drive business objectives.

Strategic workforce planning is a key component of this HR transformation. For Rogers, the ultimate goal of workforce planning is to build competitive advantage through proactive versus reactive talent management. A hosted workforce planning system helps to automate this process by aggregating HRMS and financial data to deliver specialized, state-of-the-art workforce analytics and planning. This provides business leaders and HR business partners with the data and decision-making tools needed to proactively manage and monitor the talent side of the business.

This case study will take an in-depth look at several topics, including:

FOCUS:

PLANNING
& STRATEGY

CONTENT
DEVELOPMENT

LEARNING
PROGRAMS

LEARNING
TECHNOLOGY

ANALYTICS &
MEASUREMENT

**TALENT
MANAGEMENT**

LEADERSHIP
DEVELOPMENT

- The business environment that drove the decision to reengineer a reactive human resource department into a proactive talent management organization;
- How the talent management organization changed in terms of structure, reporting, responsibilities and objectives;
- How the strategic workforce planning initiative works, including talent segmentation, governance and ownership, and the business results;
- Pilot programs and change management strategies put into place to test and ease the transition to strategic workforce planning;
- Technology implementation that supports talent management strategies, including a hosted application specifically focused on strategic workforce planning;
- The positive impact on the perceived value of talent management and the elevation of HR leadership to the company's top decision making process; and,
- Lessons learned and best practices developed. 

TABLE OF CONTENTS

| | |
|---|-----------|
| Company Overview | 4 |
| Business Environment | 4 |
| Global HR Transformation | 6 |
| Talent Management Model Goes from “Buy” to “Build” | 6 |
| Solutions-Focused Model and Initiatives | 7 |
| Strategic Workforce Planning | 9 |
| Phased Approach | 10 |
| Phase 1: Finance Creates Workforce Plan (Pre-project) | 11 |
| Phase 2: Talent Analytics and Baseline Workforce Plan | 11 |
| Phase 3: The Deep-Dive Pilots | 12 |
| Prioritizing and Closing Talent Gaps | 14 |
| Governance / Ownership and Timeline | 15 |
| Technology | 15 |
| Organizational Impact | 17 |
| Looking Ahead | 18 |
| Lessons Learned and Best Practices | 18 |
| Empower HR Business Partners | 18 |
| HR Leaders Need to Understand the Business | 19 |
| Do Not Forget Basic Blocking and Tackling | 19 |
| Prepare for Rapid Change | 19 |
| Conclusion | 20 |
| Appendix I: Table of Figures | 21 |
| <hr/> | |
| About Us | 22 |
| About This Research | 22 |

Company Overview

Rogers Communications is a diversified Canadian communications and media company. The company is engaged in wireless voice and data communications services through Rogers Wireless, Canada's largest wireless provider and the operator of the country's only national GSM based network. Rogers Cable is Canada's leading provider of cable television services, as well as high-speed Internet access and competitive telephony services.

Rogers Media is Canada's premier collection of category-leading media assets with businesses in radio and television broadcasting, televised shopping, magazines, trade publications and sports entertainment.

The Rogers group of companies is publicly traded on the Toronto Stock Exchange (TSX: RCI.A and RCI.B) and on the New York Stock Exchange (NYSE: RCI).

Figure 1: Rogers at a Glance

- Headquartered in Toronto, Canada
- Over 30,000 employees and contractors
- **FY 2007 Revenue:** \$10.123 billion
- **FY 2007 Operating Profit:** \$3.703 billion
- **Major markets:** media, cable and wireless

Source: *your.rogers.com*, 2008.

Business Environment

Rapid changes in the Canadian telecommunications and media industries are key business factors driving the transformation of the HR organization at Rogers. The company faces a changing business landscape characterized by accelerated government deregulation and growing competition, particularly in wireless services, a market where Rogers had enjoyed minimal competition in Canada for decades.

Faced with slowing growth rates in businesses that have been contributing high levels of free cash flow, such as wireless, senior management believes it is critical to leverage people resources and achieve the highest possible return on investment (ROI) on talent. With approximately 70 percent of its business costs related to compensation and benefits, Rogers has a strong incentive to maximize its workforce.

Acquisitions are another important business impetus driving the need for talent management. When Rogers buys another company, it is often purchasing human capital assets rather than physical assets. This is particularly true in the media and publishing group, where acquisitions are a key component of Rogers' strategy. The ability to effectively evaluate talent, assess workforce needs, and determine which talent to protect and which to let go, is critical to the success of any acquisition and integration of another company.

To help address business objectives, Rogers needed to:

- Develop a prioritized approach to talent investments;
- Aggregate and unify workforce data to develop metrics and performance indicators;
- Build a comprehensive, forward-looking talent forecast; and,
- Better connect talent management programs to business needs.

One of the highest impact talent management programs is strategic workforce planning.

A few years ago, HR information systems at Rogers were “broken,” and business leaders could not tell where the talent was in the organization or what the requirements for talent were going to be in the future. The need to become more analytical and strategic about talent management led business leaders to support an initiative to implement a strategic workforce planning process and an enabling technology solution to achieve the following objectives:

- Develop a strategic dialog between business leaders, human resources, and finance about talent demand and supply issues;
- Identify key talent gaps before they limit growth, execution and profitability;

- Identify and address issues that limit employee productivity;
- Analyze and segment positions by business criticality;
- Align investments in talent with the strategic contributions of each position; and,
- Integrate with finance and real estate planning processes for one view of people across Rogers.

Global HR Transformation

The strategic workforce planning initiative was introduced in the midst of a global, multiyear HR transformation led by the senior vice president / chief human resources officer. The senior vice president arrived at Rogers approximately two years ago, having most recently served in a similar position at a major semiconductor company. Because the chip business demands rigorous forecasting, this company had formal systems and tools in place to make strategic workforce planning decisions.

Rogers has a culture that is highly dedicated to people; as a result, the company enjoys very high levels of employee engagement. What was missing at Rogers was the structure and rigor required to drive the decision-making process. The company needed data and tools that senior business leaders could use to make key management decisions about people and talent.

Talent Management Model Goes from “Buy” to “Build”

To reduce its reliance on the outside marketplace for talent, Rogers reengineered the HR model, shifting from a “buy” mentality to an approach that seeks to identify, develop and retain talent from within. The first step was to automate and outsource administrative and manual activities, such as benefits and payroll, in order to free up internal resources to focus on proactive talent management.

Technology was leveraged in the transformation. The implementation of an online recruiting tool allows personnel to complete requisition forms and manage resumes and applications online. A self-service web portal enables employees to enroll in healthcare plans, change retirement savings plans (RRSP) / 401k investments, et al.

Traditional HR roles were replaced with job descriptions focusing on talent management competencies. As a consequence, the HR Business Partner (HRBP) role changed dramatically. More than 50 percent of the employees in that role turned over during the transformation. Some people self-selected out of the role because they recognized their skill sets did not match the new profile, while others were transferred or offered retirement packages.

A second major step in the HR transformation was the implementation of new information systems that allow managers to access comprehensive workforce data. As recently as 2005, HR was unable to calculate a total headcount of contractors in a given location. Today, the organization can account for and report on every employee and contractor by function, geography and business group.

Solutions-Focused Model and Initiatives

Rogers now has a solutions-focused HR organization. Figure 2 features a centralized consulting organization that provides shared services and centers of excellence to HR business partners and employees. HRBPs are organized around business unit, functional and geographic matrixes, and deliver strategic guidance, workforce planning and change management.

This new model has enabled Rogers to embark on several talent management initiatives designed to give senior business leaders the data and tools they need to make decisions about workforce and talent. In addition to the strategic workforce planning program, which is explored extensively in the next section, Rogers is in the midst of a major competency analysis project.

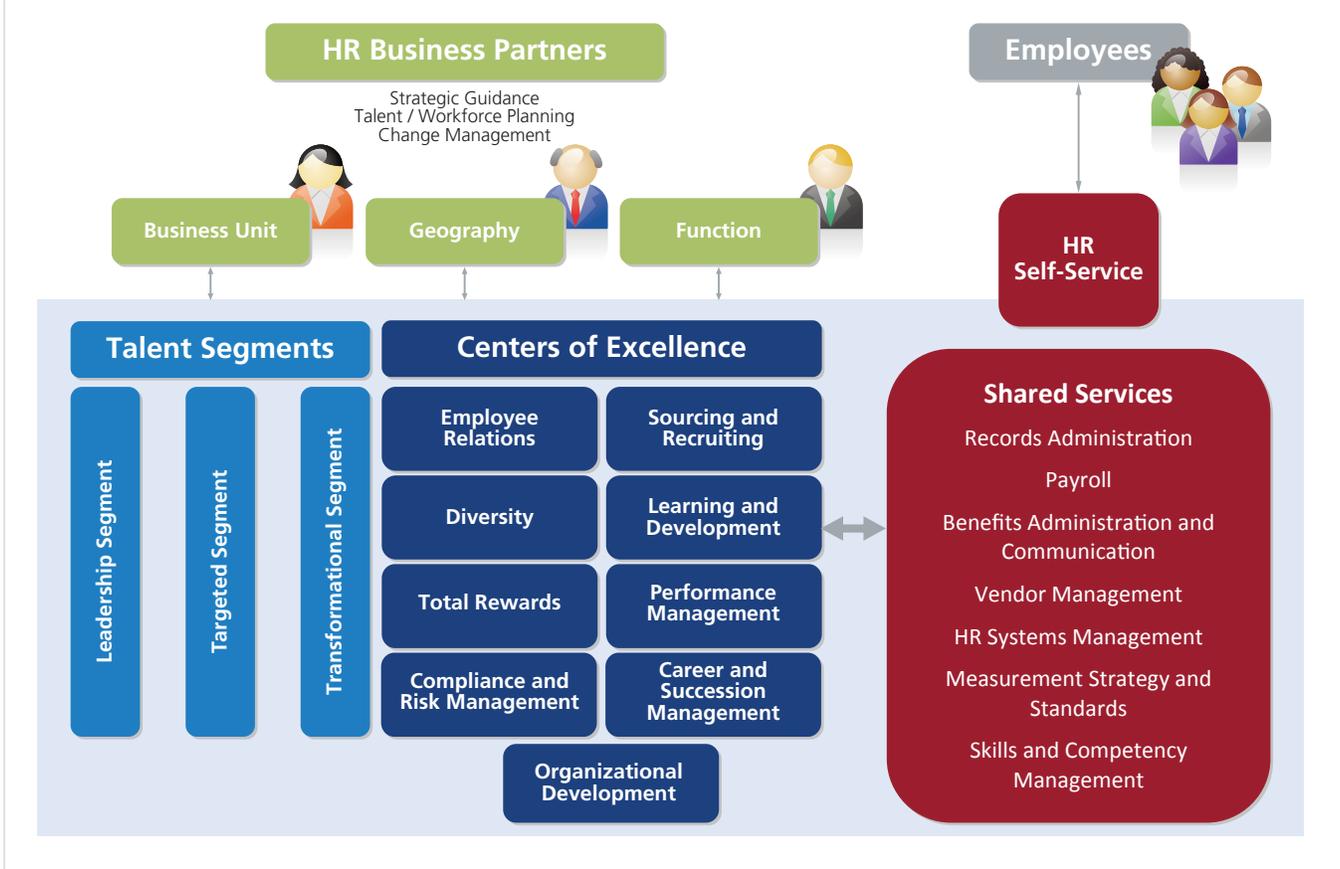
For this initiative, HR began by identifying and defining the company's core strengths (sales and marketing) and weaknesses (customer



KEY POINT

The multiyear budget for the global HR transformation was approximately \$10 million.

Figure 2: Bersin & Associates Solutions-Focused HR Organization



Source: Bersin & Associates, 2008.

experience and project management) through extensive interviews with customers, partners and senior managers.

Now, the group is developing a competency model based on cultural and leadership assessments. The ultimate goal is to build competencies into usable tools, such as scorecards, which HRBPs can cascade down through the organization.

Strategic Workforce Planning

Talent management leadership at Rogers defines strategic workforce planning as:

“... a guided process that helps the business articulate its need for talent in such a way that recruiting and HR can help it meet its priorities.”

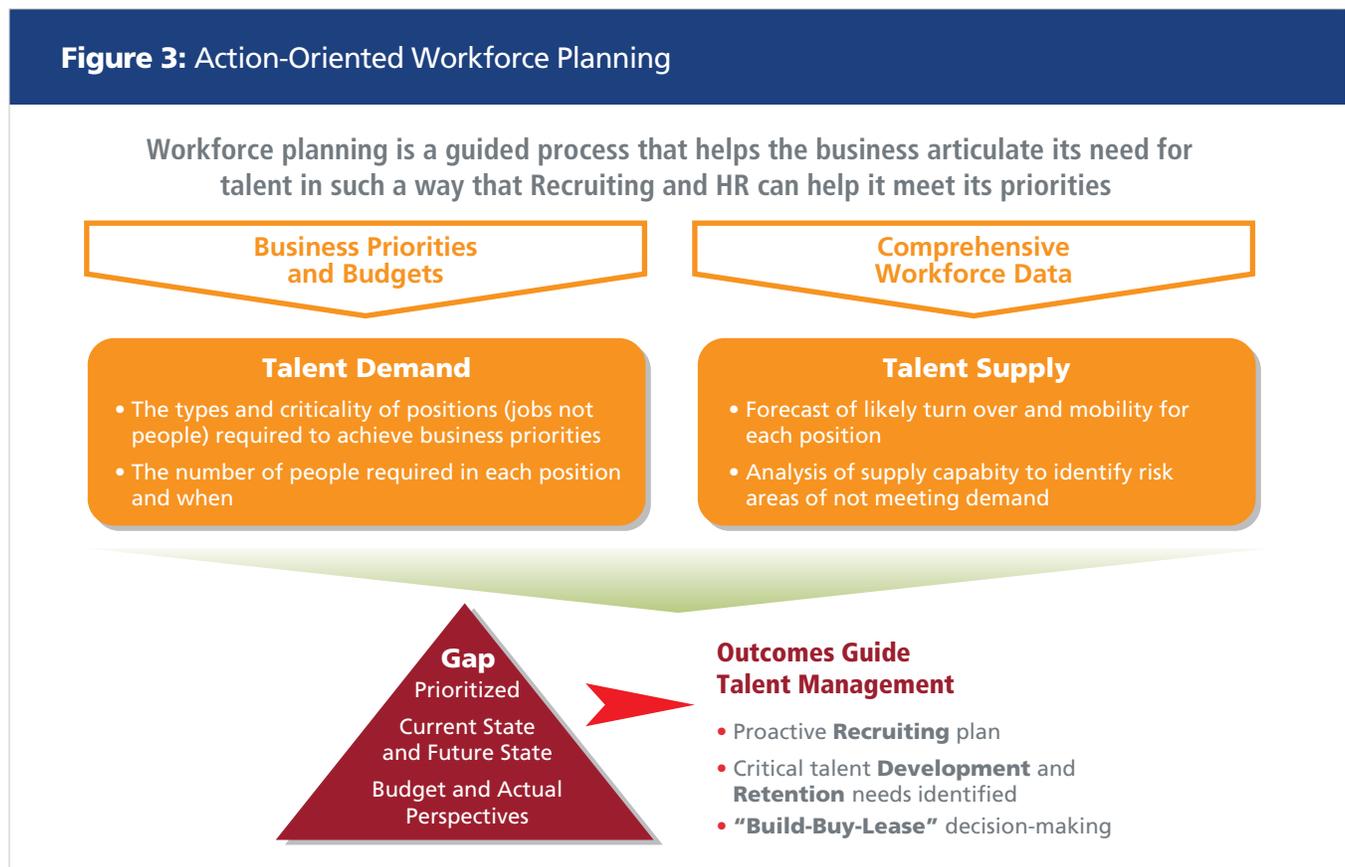
An action-oriented diagram (see Figure 3) of the process illustrates how talent demand (derived from business objectives) is compared to talent supply (derived from comprehensive workforce data) to calculate workforce gaps from multiple perspectives. These outcomes guide both short-term talent management tactics (e.g., recruiting) and long-term talent management strategies (e.g., development and retention).

Bersin & Associates defines strategic workforce planning as a business-driven process that determines the talent the organization will need today and in the future, and what talent is available to meet those needs.

Phased Approach

To drive support and gain buy-in from executives, the talent management organization took a phased approach (see Figure 4) to rolling out the strategic workforce planning program. The business impact of the program increases with each of the four stages of maturity.

Figure 3: Action-Oriented Workforce Planning

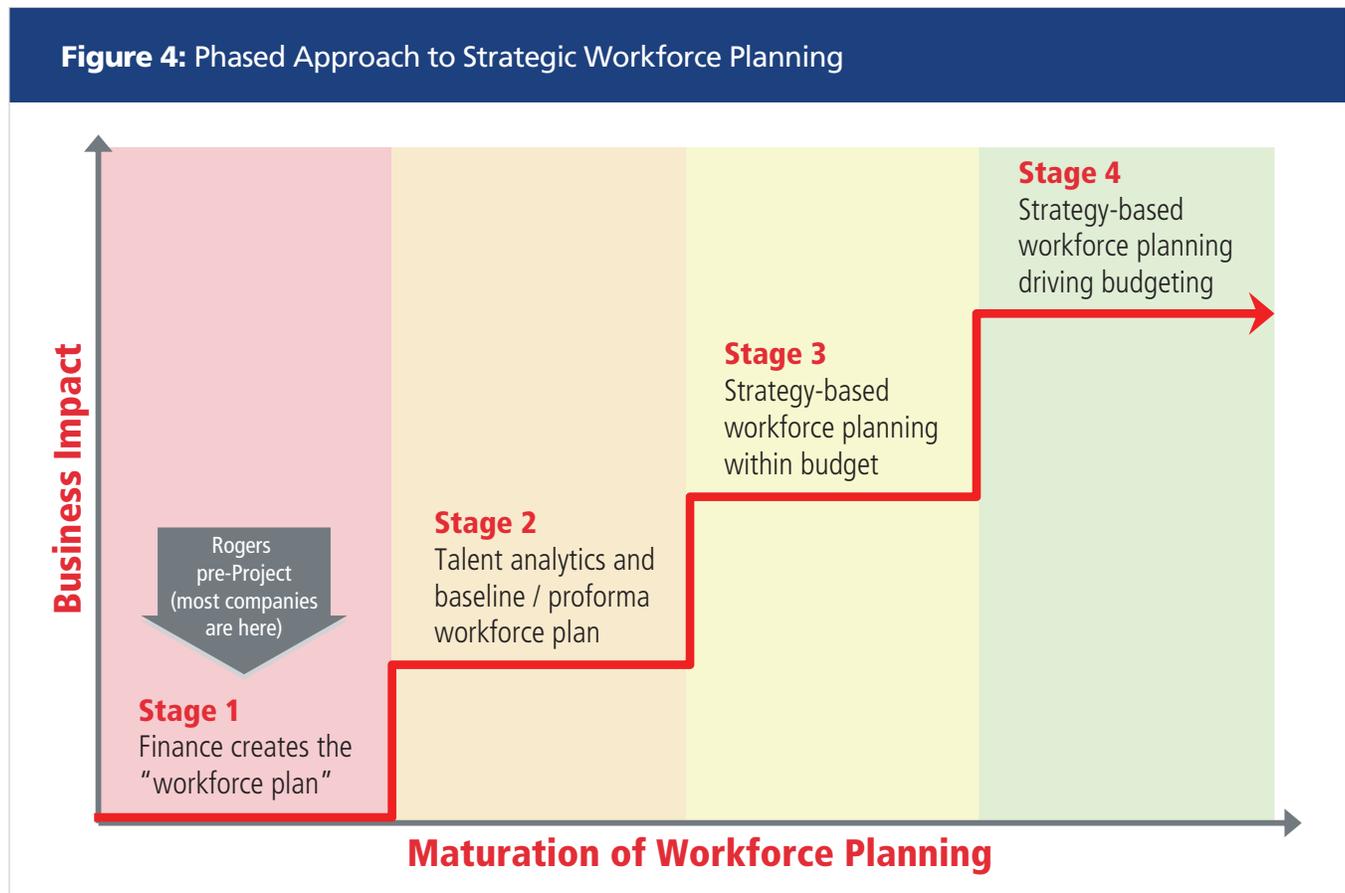


Source: your.rogers.com, 2008.

The main goal of this approach was to create “pull” or demand for the program by satisfying the needs of specific audiences of executives:

- **Senior vice presidents** need an easy way to monitor demand and supply across the planning unit (“...do I have enough people – and the right people – to meet my priorities?”);
- **Vice presidents** need a way to manage demand and supply consistently across the director base (“...where are the strength, weaknesses and risks across my group of directors?”); and,
- **Directors** need plans and custom / targeted metrics at a granular level to enable execution (“...what do I need to do more of, do the same, and what do I need to do differently?”).

Figure 4: Phased Approach to Strategic Workforce Planning



Source: your.rogers.com, 2008.

Phase 1: Finance Creates Workforce Plan (Pre-project)

Prior to the HR transformation, finance created the workforce plan in an ad hoc fashion. Plans were based on estimated replacement hiring at the business unit level.

One issue was that finance would create budgets at the cost center level, which would act as a constraint on growth. Also, there was little understanding of staffing requirements by position / role and no talent management orientation at all. The net result was that the HR organization only knew the timing of 20 percent of hires.

According to a 2007 Bersin & Associates research report on talent management practices¹, 40 percent of organizations rely upon line-of-business managers to independently forecast and implement their workforce plans. In this approach, business managers decide what their workforce needs are, and from there plan and implement recruiting and development plans independently of HR. As a result, HR receives support requests from many disparate sources that they must somehow prioritize without direct insight to the business objectives. ↻

Phase 2: Talent Analytics and Baseline Workforce Plan

In 2006, the talent management organization implemented a specialized data warehouse with information about employees and contractors, enabling detailed workforce reporting for the first time. A mapping process was instituted to define roles, organizational units and rollups,

¹ For more information, *High-Impact Talent Management: Trends, Best Practices and Industry Solutions*, Bersin & Associates / Josh Bersin, May 2007. Available to research members at www.elearningresearch.com or for purchase at www.bersin.com/hitm.

and demographics. This system allowed HR to auto-create a pro-forma workforce plan by planning unit and role (see Figure 5) from a finance-provided budget with applied estimates of growth and reduction.

The net result was greatly improved estimates of replacement hiring by role and planning unit. This phase of the roll out also served the purpose of socializing the concept of predicting hiring and improving the data feed to finance planning. It also demonstrated the need to dive more deeply and carefully forecast demand and hiring needs by business criticality grouping / segment.

Phase 3: The Deep-Dive Pilots

In 2007, the talent management organization went beyond tactical workforce planning to try to identify future hiring and retention needs at a deeper level. As part of the corresponding change management strategy, pilot programs were established to enable the shared services organization and HRBPs to develop job segmentation definitions and tools, to decide which data sets to examine, et al.

Figure 5: Sample Pro-Forma Workforce Plan

- Sample proforma workforce plan (allocation of budgets) by planning unit and role, shown with roles clustered into manager levels
- Demonstrates need to dive more deeply and carefully forecast demand and hiring needs by business criticality grouping / segment

| | A | F | G | H | I | J | K | L | M | N | O | P | Q |
|----|-------------------|---------------|-------------|------------|----------|-------------|------------|----------|-------------|------------|------------|-------------|-----------|
| 1 | | DIRECTOR & VP | | | MANAGER | | | EMPLOYEE | | | CONTRACTOR | | |
| 2 | BUSINESS UNIT ONE | Start HC | Forecast HC | Proj Hires | Start HC | Forecast HC | Proj Hires | Start HC | Forecast HC | Proj Hires | Start HC | Forecast HC | Proj Adds |
| 3 | | | | | | | | | | | | | |
| 4 | ALL | 367 | 381 | 42 | 903 | 1000 | 200 | 3170 | 3680 | 963 | 206 | 224 | 18 |
| 5 | | | | | | | | | | | | | |
| 6 | PLANNING UNIT A | 94 | 102 | 10 | 268 | 304 | 51 | 1314 | 1566 | 398 | 33 | 35 | 2 |
| 7 | PLANNING UNIT B | 34 | 37 | 9 | 137 | 167 | 47 | 361 | 424 | 105 | 10 | 12 | 2 |
| 8 | PLANNING UNIT C | 102 | 105 | 14 | 143 | 145 | 16 | 250 | 260 | 44 | 15 | 15 | 0 |
| 9 | PLANNING UNIT D | 41 | 41 | 3 | 118 | 133 | 31 | 369 | 429 | 126 | 96 | 108 | 12 |
| 10 | PLANNING UNIT E | 90 | 90 | 5 | 218 | 229 | 53 | 536 | 562 | 75 | 50 | 52 | 2 |
| 11 | PLANNING UNIT F | 6 | 6 | 1 | 19 | 22 | 2 | 340 | 439 | 215 | 2 | 2 | 0 |
| 12 | | | | | | | | | | | | | |

Source: your.rogers.com, 2008.

The sales and engineering organizations were both selected as the pilots – but for different reasons. A senior sales executive expressed interest in how to improve employee engagement and use this strategic workforce planning initiative to deliver better insight into worker productivity. Engineering was selected for the pilot program because it is a relatively large department in terms of personnel with skills that are in short supply. HR also believed that the analytical nature of engineers would make them good evaluators of the process.

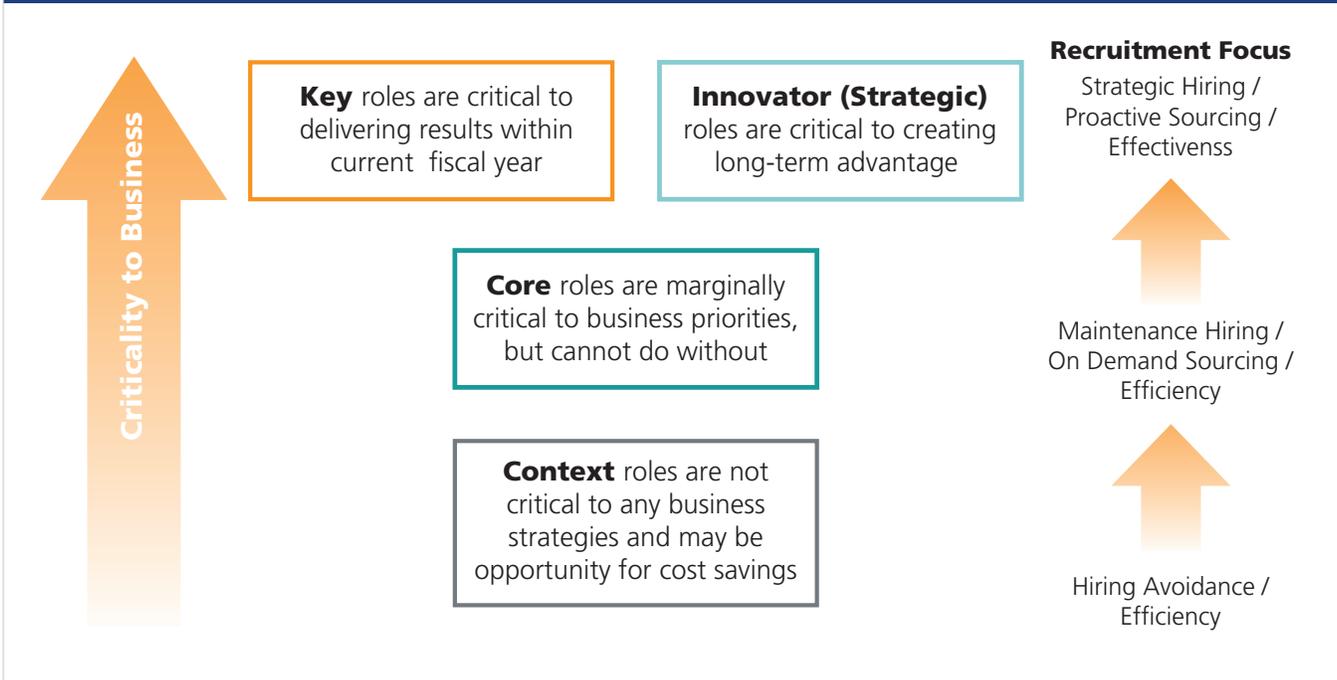
The actual strategic workforce planning process began with executive interviews to segment the workforce by criticality and value. Talent reviews (e.g., assessments) were conducted to measure current bench strength. A model (see Figure 6) was developed to segment the workforce into four tiers based on driving value in the business.

The segmentation approach allows for allocation of budget to demand forecast by segment and by position, ensuring that business drivers of demand are considered within forecasts. It also enables Rogers to conduct a capability analysis to ensure the right people are in the

KEY POINT

One important goal of segmentation is to get “A” level people into “A” level jobs with appropriate bench strength behind them.

Figure 6: Workforce Segmentation Model



Source: your.rogers.com, 2008.

right positions. The same information is used to enable better talent management programs, including:

- More effective performance and top talent management;
- Talent development and retention programs aligned with business priorities;
- Compensation strategy aligned with business objectives; and,
- Ability to meet the goal of predicting timing of 60 percent of total hiring.

The pilot programs were successful. For the first time, the sales organization was able to compare workforce requirements from leader to leader and from region to region. One tangible result of the pilot program was verification that the sales group was overstaffed and a hiring freeze was put into place immediately. The savings were approximately 10 percent. Rogers was better able to rework the sales force structure and prioritize investments in critical positions for the sales strategy. The strategic workforce planning process also identified opportunities for reengineering the sales staff based on how Rogers sizes its market geographies.

Prioritizing and Closing Talent Gaps

Strategic workforce planning is a powerful tool for closing gaps in talent through recruitment, development and retention measures. Demand for each role in each planning unit is forecast using judgment, budgets and demand ratios. Internal supply is forecast based upon trends and demographics.

To assist HRBPs in prioritizing talent gaps by criticality and size, the centralized services organization rationalizes workforce issues into three tiers:

- **Tier One** gaps are highly tactical. Example: the average age of switching station workers is 62.
- **Tier Two** gaps are somewhat strategic. Example: there is a single point of failure and no backup for a specific engineer role specializing in Radio Frequency technology.
- **Tier Three** gaps are highly strategic. Example: there is a requirement for operations leadership across functional and geographic boundaries.



KEY POINT

Strategic workforce planning allowed sales to bring HR and business data together to develop a new organizational strategy.

Many organizations in our 2007 talent management study² indicated that the current process of “workforce planning” follows the business planning process, implying that “headcount plans” are “given” to line-of-business managers after the revenue and budget targets are set. While this is clearly valuable from a budgeting standpoint, it greatly reduces the strategic planning opportunities in workforce planning.

Governance / Ownership and Timeline

Thanks to the success of the pilot programs, the talent management organization is rolling strategic workforce planning out to all business groups and brands across the Rogers Wireless, Rogers Cable and Rogers Media companies.

The centralized shared services organization is currently in the process of handing the strategic workforce planning program over to HRBPs, who will apply the tools, drive the process, and own the objectives and results. Shared services will not offer any centralized directives on workforce planning – it will only provide the tools to connect planning with business requirements.

In terms of an annual timeline, the strategic workforce planning process is embedded in the business planning cycle. The workforce plan feeds the finance budget with headcounts by business segment and acts as the front end of the business planning process. Talent reviews begin in May and continue until September. The workforce plan is finalized and approved at a board of directors meeting in December.

Technology

Workforce planning analytics software from Vemo plays an important role in the enablement of strategic workforce planning at Rogers. This innovative data warehouse, analytics, and planning technology helps to aggregate and unify workforce data from a variety of sources to develop

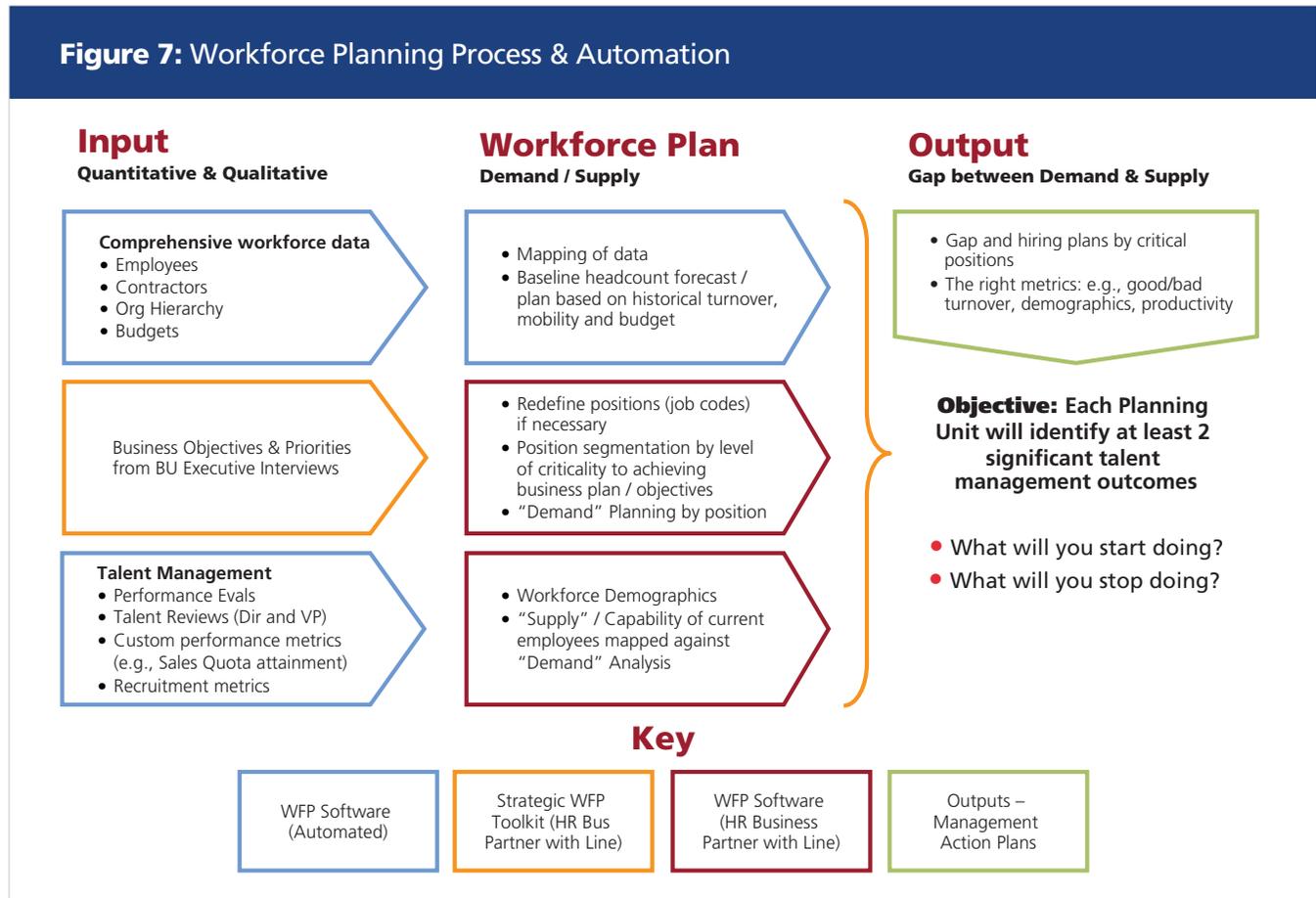
² For more information, *High-Impact Talent Management: Trends, Best Practices and Industry Solutions*, Bersin & Associates / Josh Bersin, May 2007.

metrics and performance indicators. It also enables Rogers to build comprehensive, forward-looking talent forecasts and workforce plans, as well as to automate the reporting process.

The decision criteria for selecting the workforce planning system vendor centered around three major factors:

1. A turnkey hosted software and reporting service provides an integrated platform for control and simplicity.
2. Rogers believes that the vendor’s approach to strategic workforce planning is more advanced than the rest of the market.
3. The senior vice president of human resources worked with the vendor at his former employer and had established a relationship of trust.

Figure 7 illustrates which pieces of the process are automated by the workforce planning software.



Source: your.rogers.com, 2008.

The workforce planning system handles everything from objective setting, to mapping and modeling, to plan creation. Data cubes (e.g., data warehouses) are built using core workforce information from the PeopleSoft HRMS, financials and the talent management organization. Query-based mapping and report building allows Rogers to receive actionable metrics at a granular level. The shared services organization is currently working with the vendor to develop a strategic dashboard, giving business leaders and HRBPs easier access to advanced reporting.

Organizational Impact

The desired outcome of the strategic workforce planning initiative at Rogers is talent-on-demand – that is, having the right people in the right place at the right time (e.g., when they are required). More specifically, the program helps Rogers to recruit, develop and retain talent by:

- Proactively sourcing (or proactively hiring) and developing people for key gaps / hires;
- Resourcing the recruitment function more effectively;
- Identifying critical roles with turnover and retirement risk, and addressing these through retention measures;
- Identifying hiring needs that cannot be fulfilled in the external market (constrained external supply);
- Identifying critical roles with capability shortages that need to be upgraded through development or replacement hiring; and,
- Measuring results with analytics using hard data about turnover, mobility, demographics, et al.

The strategic workforce planning initiative has put the talent management organization into greater alignment with company strategy. Business leaders are now committed to workforce planning, and business units are pulling the program and tools (e.g., requesting support) rather than having it pushed by HR.

The senior vice president is the first HR leader in the history of the company to report directly to the CEO of Rogers Communications. Previously, HR had little credibility in the executive suite, and the CEO had little insight into workforce planning and the impact of talent on business results. The strategic workforce planning project “proved” the value of HR in a very tangible way and now the senior vice president has a place at the table advising the CEO on business strategy.

Looking Ahead

In phase four, planned for 2008 to 2009, the talent management organization will implement strategy-based workforce planning that drives budgeting. This phase will be characterized by:

- Consolidation of duplicate planning processes into a single process that ensures Rogers has the talent necessary to drive business: integrating perspectives of senior management, line managers, HR and Finance;
- Proactive talent acquisition and management with workforce planning putting the control into the hands of business operators; and,
- Ability to predict the timing of more than 75 percent of total hiring.

Lessons Learned and Best Practices

The talent management organization at Rogers Communications learned several important lessons that can be used by other HR groups seeking to implement strategic workforce planning across a large enterprise with multiple business and planning units.

Empower HR Business Partners

Elevation of the HR Business Partner to a business advisory role was a key element in the global HR transformation at Rogers. In one of many

examples, a wireless engineering director had a longtime HRBP who served mainly as an administrator. The director resisted change, but the HRBP was replaced by a more senior manager with a strategic outlook.

Today, the HRBP for wireless engineering is viewed as a real advisor on business issues, who brings both talent management tools and a perspective that creates value. The workforce planning discussion creates the forum for aligning with the business, whether it is the management action plan or unexpected information learned along the way.

HR Leaders Need to Understand the Business

At Rogers, as at most companies, HR practitioners had to fight against a less than favorable credibility perception. The talent management organization finds that supply (e.g., risk) analysis provides the hook for workforce planning. It identifies which talent problems are business problems – and how an ongoing planning program will help. Ultimately, HRBPs need to be as knowledgeable about the business as the line manager in the room.

Do Not Forget Basic Blocking and Tackling

The HR transformation and strategic workforce planning initiatives were successes because the organization still efficiently managed the business of HR. The organization held its budget flat for two years while shifting resources to focus on the most *strategic* issues as defined by the business plan. The senior vice president believes that the organization had to deliver flawlessly to prove its value. This made it easier to get approvals for business cases and expenditures, including the \$10 million budget re-allocation to HR transformation.

Prepare for Rapid Change

Talent management organizations should challenge the conventional wisdom that workforce planning is strategic only if the duration of the plan is more than three years. On the contrary, business priorities and

the competitive environment change at a constant and rapid pace at Rogers. This is true at most other companies, as well.

To enable workforce / gap / hiring plans to change with current business conditions, Rogers makes monthly revisions to the workforce plan based on changes to actual data. This transforms workforce planning from a static forecast to a fluid management tool.

Conclusion

Most organizations lack the ability to systematically assess their workforce requirements. Rogers Communications offers a clear example of how strategic workforce planning can be a powerful approach to build alignment with the business planning process and a driver of integrated talent management. Workforce planning breaks down the silos separating development, recruiting, performance management and succession planning – and brings them together to address the strategic implications of a fluid long-term roadmap for talent.

 **KEY POINT**

It is strategic planning if it aligns talent investment and programs with business priorities.

Appendix I: Table of Figures

| | |
|--|----|
| Figure 1: Rogers at a Glance | 4 |
| Figure 2: Bersin & Associates Solutions-Focused HR Organization | 8 |
| Figure 3: Action-Oriented Workforce Planning | 9 |
| Figure 4: Phased Approach to Strategic Workforce Planning | 10 |
| Figure 5: Sample Pro-Forma Workforce Plan | 12 |
| Figure 6: Workforce Segmentation Model | 13 |
| Figure 7: Workforce Planning Process & Automation | 16 |



About Us

Bersin & Associates is the only research and advisory consulting firm focused solely on *WhatWorks*® research in enterprise learning and talent management. With more than 25 years of experience in enterprise learning, technology and HR business processes, Bersin & Associates provides actionable, research-based services to help learning and HR managers and executives improve operational effectiveness and business impact.

Bersin & Associates research members gain access to a comprehensive library of best practices, case studies, benchmarks and in-depth market analyses designed to help executives and practitioners make fast, effective decisions. Member benefits include: in-depth advisory services, access to proprietary webcasts and industry user groups, strategic workshops, and strategic consulting to improve operational effectiveness and business alignment. More than 3,500 organizations in a wide range of industries benefit from Bersin & Associates research and services.

Bersin & Associates can be reached at <http://www.bersin.com> or at (510) 654-8500.

About This Research

Copyright© 2008 Bersin & Associates. All rights reserved. *WhatWorks*® and related names such as *Rapid e-Learning: WhatWorks*® and *The High Impact Learning Organization*® are registered trademarks of Bersin & Associates. No materials from this study can be duplicated, copied, republished, or re-used without written permission from Bersin & Associates. The information and forecasts contained in this report reflect the research and studied opinions of Bersin & Associates analysts.