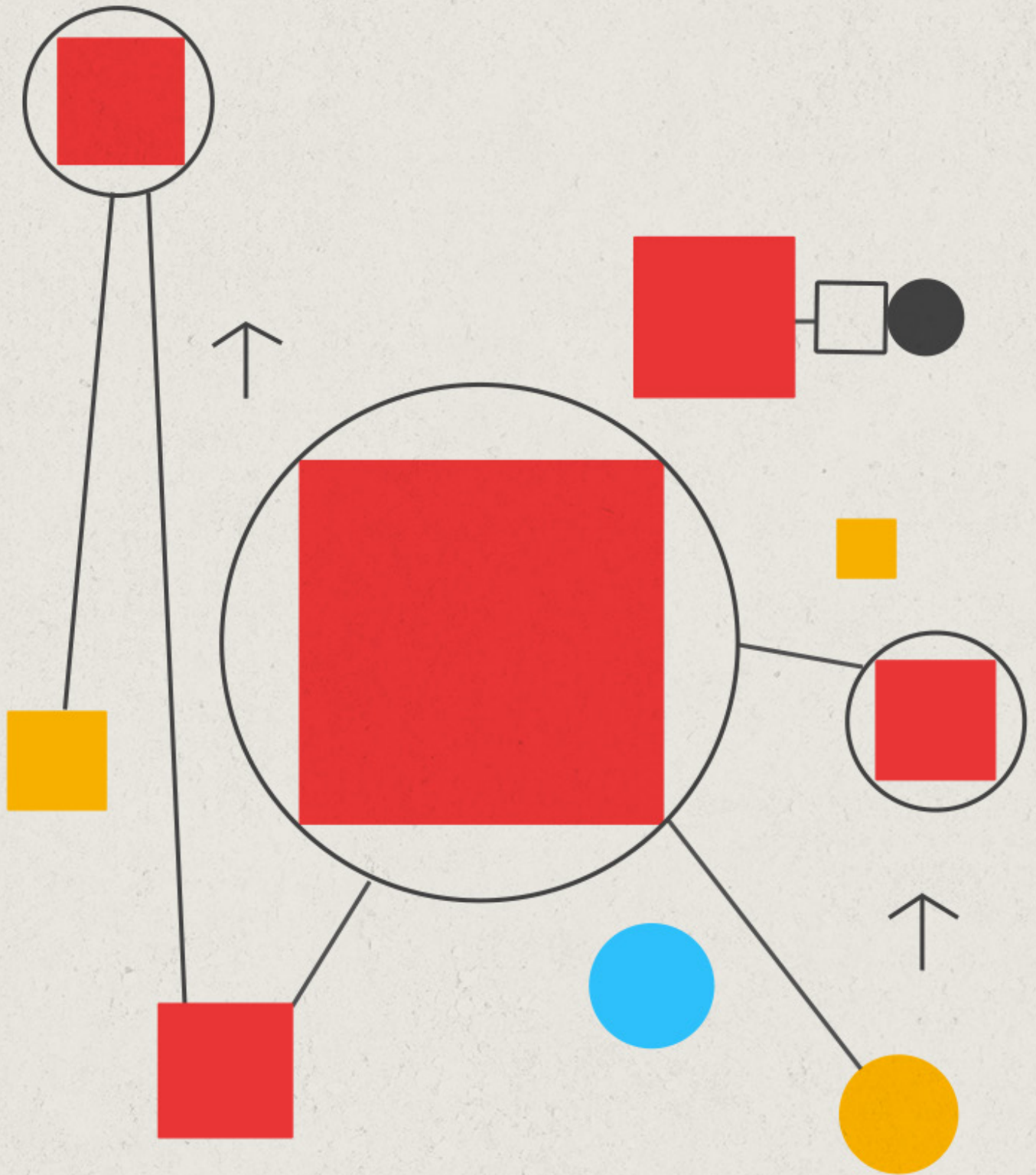


**Deloitte.**



**2024  
Public Sector  
Human Capital  
Trends Report**



# Introduction

It will come as no surprise to most people that the world as we know it is changing rapidly; “unprecedented events” and unpredictable global happenings seem to occur more frequently than ever before, and new technology, new workforce expectations, and evolving social norms are having a transformational effect on how people view the workplace. As traditional boundaries break down, the world is redefining how work is done, where, and by whom.

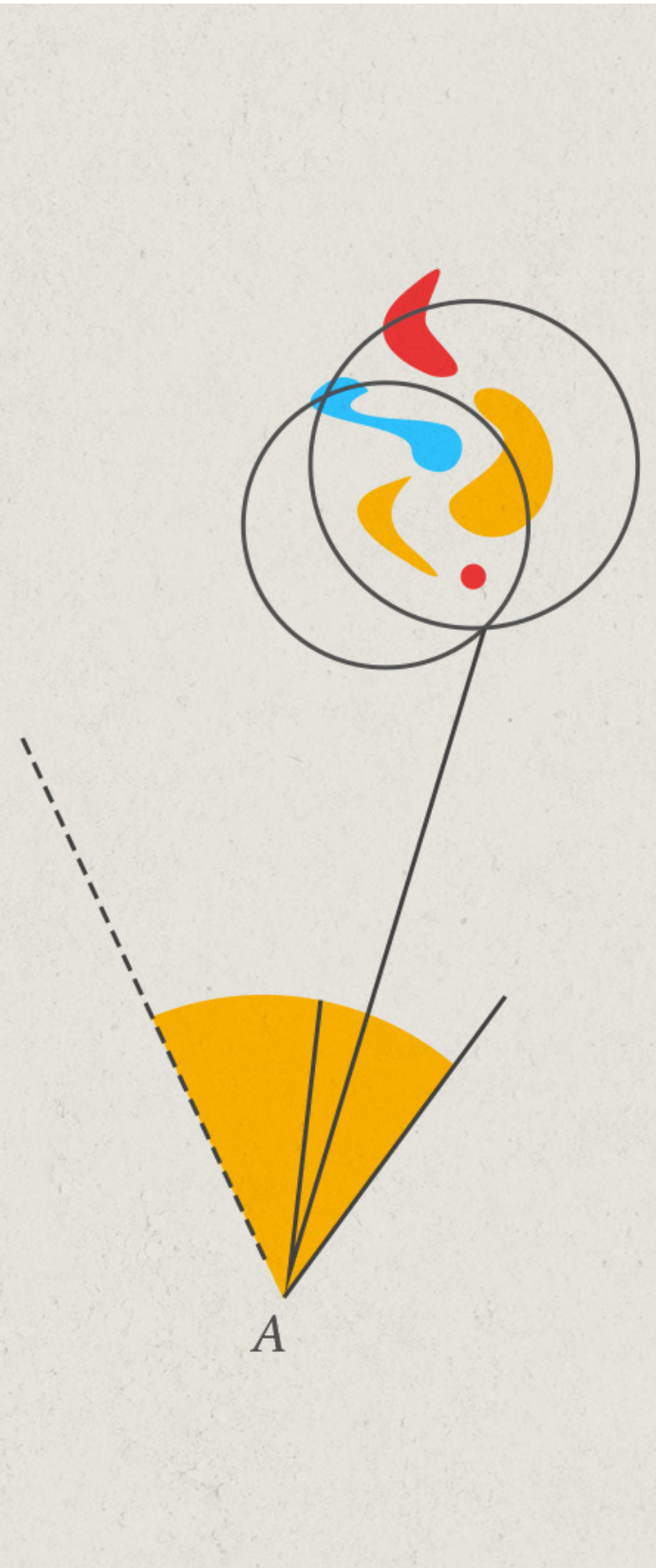
These changes have an undeniable impact on both the workforce and management. Many employees are reporting increased stress levels and burnout that impacts their mental health, family, and productivity at work. Simultaneously, management is finding it more difficult to motivate, inspire, connect with, develop, and gain productivity from their employees.

Faced with increasing demands for service and a depleted workforce, public sector leaders have an opportunity to re-evaluate traditional ways of managing people through the lens of human performance, recognizing that the organization thrives when its people thrive.

## **What is Human Performance?**

We define human performance as a mutually reinforcing cycle with compounding shared value for workers, the organization, and society. It involves striving simultaneously for both mission and human outcomes by considering workforce impacts in every key business decision. When done correctly, this can not only improve mission outcomes, but also allow the organization to address new concerns from the workforce, increase well-being, remain competitive with top talent, and shift workforce responsibilities to focus on uniquely human work.

Measuring human performance requires a dual focus on both organizational and human-centric outcomes and begins with an institutional focus on human sustainability, the degree to which an organization creates value for people as human beings, leaving them better off professionally, physically, mentally and socially. An organization that focuses on human performance will inherently keep human sustainability and its workforce at the forefront of all decision-making. When public sector organizations make the mindset shift to prioritize human performance and support the growth, capabilities, and health of workers, they are better positioned to attract and retain top talent both now and in the future.



### **Research Methodology**

Deloitte’s 2024 Global Human Capital Trends survey gathered input from 14,000 professionals across the world on a breadth of topics relating to the employee experience, readiness to meet challenges, and organizational priorities. Unique to this year’s trends survey, Deloitte supplemented its research with both leader- and individual contributor-specific surveys to uncover where there may be gaps between leader and workforce perceptions around work. The public sector survey data is complemented by several interviews with leaders who work with leading public sector organizations. These insights helped shape the trends in this report.

### **The 2024 Public Sector Human Capital Trends**

This year’s Human Capital Trends report identified seven trends, as well as a leadership epilogue, and explores the specific actions public sector organizations can take today to achieve outcomes that keep human performance at the forefront of decision-making. Work has shifted dramatically in recent years, but the shift toward using work and workforce data to measure human performance is still in its infancy. The 2024 Human Capital trends address this shift through the following lenses:



### **Human Sustainability**

Human connections—such as interactions with employees, contractors, customers, and residents—drive everything of value to an organization, including innovation and intellectual property, retention, and adaptability among others. However, many organizations are still stuck in a mindset focused on extracting value from people rather than working and collaborating with them, and organizations’ current efforts are falling behind on prioritizing these connections. To engage and retain top talent, organizations need to shift their perspective to prioritize human sustainability: the degree to which an organization creates value for people as human beings, leaving them better off professionally, physically, mentally, and socially.



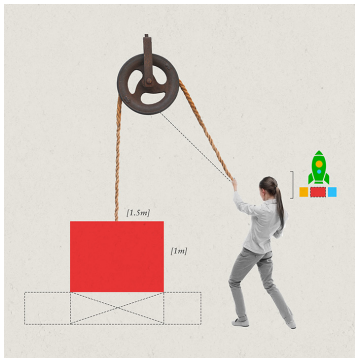
### **Beyond Productivity**

Due to the various disturbances that have impacted the workforce in recent years, including the rise of automation, leaders across the public sector are recognizing the limitations of traditional productivity metrics. Measuring worker performance as a series of outputs has become less effective at measuring the true impact a worker has on the organization and the broader mission. New approaches to measuring productivity should consider the employee as a human being to meaningfully assess human performance. To effectively measure workers’ productivity, organizations should review a balance of organizational and human sustainability outcomes—creating shared, mutually reinforcing outcomes for both the worker and the organization.



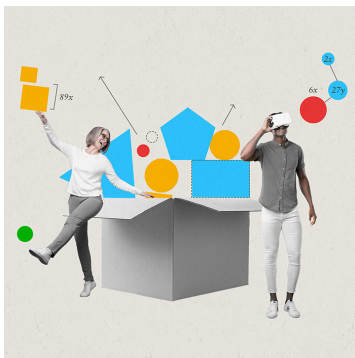
### **Transparency Paradox**

Due to recent advances in technology, almost everything in an organization can become transparent: anything from PTO taken to what employees are talking about on messaging channels. Leaders may assume that a greater level of transparency will lead to a greater level of trust from workers; however, that is not the often the case. However, organizations must balance trust and transparency when it comes to obtaining, using, and reporting on employee data. If managed well, transparency can create new opportunities to unlock the benefits of human performance; if mismanaged, it can lead to negative consequences like privacy breaches and a fear of micromanagement and oversight.



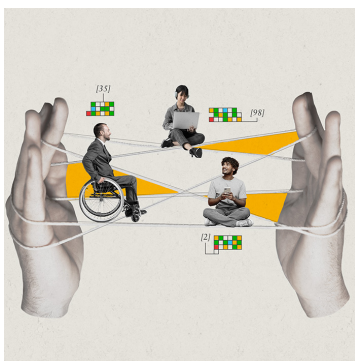
## ***Imagination Deficit***

The current era of technological disruption has created unlimited potential to improve human performance. As public sector organizations adjust to new ways of working, there is a need for human capabilities to help fuel innovation and adaptation. Faced with increased demand for creativity and forward-thinking skills, many organizations are struggling to capitalize on those human capabilities—an issue often referred to as an imagination deficit. To overcome this deficit, organizations should foster and operationalize employees' skills such as curiosity, creativity, and empathy while providing them with the autonomy to shape the different kinds of work they do.



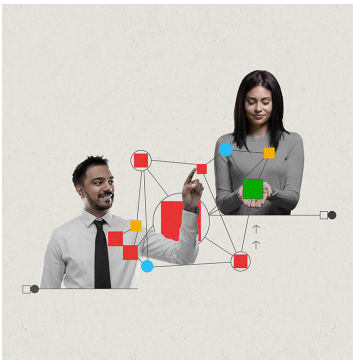
## ***Digital Playground***

As the workforce continually adapts to the changing landscape, there is a growing need for public sector organizations and individuals to have a safe environment where they can explore and test new solutions that help to deliver better human outcomes; these spaces are referred to digital playgrounds. A digital playground does not refer to a physical space or virtual platform; rather, it is an approach that provides employees at all levels and functions access to various technologies and tools, giving them the opportunities to collaborate, experiment, and deliver new and innovative solutions.



## ***Workplace Microcultures***

Previously, many leaders assumed that culture should be consistent across all levels of an organization no matter the location or function. In reality, organizations typically consist of various microcultures, which refer to subtle differences in how work gets done across different functions, geographies, workforces, and even specific work teams. Public sector organizations can harness the productivity of microcultures by encouraging autonomy within each of these separate functions, providing them with resources to establish their own specific ways of working while orienting them towards the same overarching guiding principles and mission.



### **Boundaryless HR**

As the workplace becomes increasingly boundaryless, public sector organizations require a new mindset to shift their ways of working to achieve their mission outcomes. This new mindset transforms HR from a specialized function that owns all workforce responsibility to an integrated function which collaborates across the various units within the organization to enable a better workplace experience and unlock human performance. When HR becomes boundaryless, the function can help develop people-expertise across the organization, which will help weave a people-focused sentiment throughout all aspects of the organization to maximize human performance.



### **Leadership Epilogue**

The report also highlights the role of leadership. Public sector leaders are responsible for setting human performance standards within their organization and can uphold changes by leading by example. Shifting away from traditional governance models to a more disseminated leadership structure can lead to lasting impact in organizational changes.

Public sector organizations have long embodied the mission-driven model of work, but now must broaden their focus to include a human-

centric model to enable their workforce's health, development, and growth. Meeting the needs of the mission while providing support for workers to grow can improve both employee engagement and mission outcomes, while enhancing the organization's ability to attract and retain talent. Focusing on human performance can inspire and motivate the workforce to drive towards the mission, enabling the organization to meet and exceed mission goals. Supporting both mission and workforce sustainability will enable public sector organizations to build resilience and prepare themselves to thrive in the face of further disruptions.

# Human Sustainability



## Summary

The public sector puts great importance on its interactions with people; human connections are a source of value provided by public sector organizations. Yet as traditional boundaries dissolve, relationships between employees and their employers are becoming increasingly strained. At the same time, workers seek greater support from their organizations. Human sustainability is the degree to which an organization creates value for workers as human beings, leaving them better off professionally, physically, mentally, and socially.

### Trend in action

The Virginia Department of Transportation is completing a multi-year strategic business initiative called “Building Future Skills” to identify what skills are needed to effectively complete changing work over the next 5–15 years including tech adaptations and a set of upskilling and reskilling strategies.

As the line between work and home has blurred, workers have placed significant emphasis on the impact their workplace has on their mental and physical health; these changing expectations that workers now have of their employers are forcing organizations to adopt a human sustainability mindset. To remain competitive in the talent marketplace and continue to meet mission needs, public sector organizations must make a concerted effort to foster a work environment that promotes professional growth while also prioritizing the physical and mental health of employees without sacrificing mission outcomes. Organizations that prioritize human sustainability create an environment where workers and the organization can mutually benefit from each other, setting up both parties for long-term success.

### How this trend applies to the public sector

The public sector has a competitive advantage in attracting and retaining top talent, as many people are inherently drawn to the mission and purpose-driven work. Yet with the new generation



entering the workforce, retention has become a significant challenge as the public sector struggles to create an employee experience that addresses the broad range of workforce needs: according to the 2024 Global Human Capital Trends survey, only 43% of individual contributors in the public sector believe they are better off than when they started with their organizations. Prioritizing human sustainability will enable public sector organizations to keep up with the changing expectations of the workforce and increase worker satisfaction, and therefore retention, while still focusing on driving mission outcomes. One way that public sector organizations can provide value to their workforce is to utilize technology, including AI, to automate transactional tasks that take time away from meaningful activities that support the people they serve, as well as their own professional growth and mental health. Reducing time spent on automatable tasks allows organizations to reallocate time to professional growth, mental and emotional support, and training of employees to foster a more efficient, empowered, and highly skilled workforce. Public sector organizations can also prioritize human sustainability by intentionally creating policies, programs, and benefits targeted at improving mental health and well-being; taking a broad view of well-being, these offerings can include flexible work arrangements and financial wellness programs. Because employees have a wide range of expectations relating to their desired workplace experience, public sector organizations will benefit from presenting a menu of options to workers when implementing different programming

and technologies. As the line between work and home continues to blur, public sector organizations can remain competitive in the talent marketplace and avoid short-term and long-term disruptions to mission delivery by prioritizing human sustainability to create a positive employee experience.

### ***Actions that public sector organizations can take***

- **Use various well-being metrics**— Leaders should not rely solely on self-reported data to understand employee well-being; instead, they should consider data such as leave and sick days taken, communications sent after hours, and participation in existing well-being programs and benefits to measure the current state of well-being in their organization.
- **Report well-being outcomes to the workforce**— Leaders should increase transparency around the well-being metrics evaluated across the organization by reporting out regularly on those metrics to create a dialogue and demonstrate how the organization is making strides to improve worker well-being.
- **Complete a maturity assessment**— Leaders can examine what their organization offers as well-being resources to include Employee Assistance Programs (EAP) and more. Organizations should understand gaps in current programs and what is needed to fill those gaps, such as physical fitness, nutrition, and financial wellness programs within their resources.

# Beyond Productivity



## Summary

Traditional productivity metrics emerged during the industrial era to measure the relationship between worker activity, (inputs) and their direct results (outputs). Advances in technology have led to a global increase in the automation of transactional work, shifting labor demands to workers with uniquely human skills like creativity, empathy, and collaboration. These skills are not easily measured, but significantly influence an

### Trend in action

Travis County, Texas sought to enable adaptive work across the County. As a result of their efforts, Travis County explored innovative ways of leading, evaluating, and managing performance, including introducing the idea of outcomes-based measures, to ensure workers had an understanding of leadership and performance expectations in a hybrid environment.

organization's outcomes—its impact and ability to meet mission needs. With an increased focus on human sustainability and the shift in skills needed to get work done, organizations must consider new measures to accurately capture employees' contributions and incentivize those outcomes accordingly. These new approaches should consider the employee as a human being, with a more nuanced perspective on how they contribute to the organization. Measuring human performance considers both organizational and human sustainability outcomes and begins with an organizational focus on creating shared value. Organizations that successfully make this leap are 1.75x more likely to achieve desired mission outcomes, and 1.9x more likely achieve positive human outcomes. Looking beyond traditional metrics to consider how the organization and workforce creates shared value and mutually beneficial outcomes can help organizations adjust to a future that places human performance at the forefront of the organization.

## How this trend applies to the public sector

According to the 2024 Global Human Capital Trends survey, 89% of public sector respondents say it is moderately important, very important or critical to seek better ways to measure worker performance and value beyond traditional productivity. However, change is slow: only 12% of public sector respondents say their organization is extremely or very effective at evaluating the value created by individual workers beyond tracking activities or outputs. To effectively evaluate the value created, public sector organizations should increase efforts to shift beyond traditional metrics to measure the amount to which the individual contributed to mission outcomes. Accurately evaluating performance is critical to identifying and rewarding high performers, which in turn will help with workforce planning and succession planning, retaining talent, and incentivizing key behaviors. Recognizing individuals who have an outsized impact on mission outcomes is crucial, as employees who feel valued by their organization are more motivated to see the organization succeed; this buy-in leads to better performance and better working relationships that can have a positive domino effect across the entire organization. A key component of this is understanding the tools available to gather data and being intentional about evaluating the human performance metrics that truly provide value to the organization. When implementing new metrics and using available workforce data to capture human performance, public sector organizations must carefully

consider what to make transparent, to whom, and how. Recognizing worker contributions beyond traditional productivity benefits public sector organizations by creating shared value: when individuals are no longer measured on traditional outputs, they are incentivized to build the sophisticated skills that will help drive the organization and the mission forward.

### **Actions that public sector organizations can take**

- **Identify new performance metrics**— Leaders should seek to evaluate workers on the quality of their contributions by defining specific Key Performance Indicators (KPIs) at the organizational, functional, or role-based level that align to the organization's strategy and priorities.
- **Understand and incentivize drivers of success**— Leaders should conduct a skills analysis to identify the technical and soft-skills that enable mission-delivery and drive the strongest outcomes and create development pathways to help workers build the skillsets that will provide the most value to the organization.
- **Establish responsible data practices**— Leaders should understand the data available to them and how it can be used to measure human performance, while maintaining compliance with regulatory and data privacy requirements.

# Transparency Paradox



## Summary

Technology advancements have enabled exponential growth in the ability to collect, measure, and analyze data that unlocks an organization's ability to make informed workforce decisions. Organizations must balance trust and transparency when it comes to obtaining, using, and reporting on employee data. Transparency is defined as sharing information, motives, and

### **Trend in action**

The Veterans Experience Office at the Department of Veterans Affairs (VA) is surveying workers to measure the employee experience over time to understand how employees view the VA through the lens of trust, and whether they would recommend VA as a place to work. The data leveraged will provide insights at the Department level and also determine the need to adjust at the local level to drive actions that will be most effective for their teams.

the rationale behind workplace decisions, and is perceived as a key method to promoting trust within an organization. In today's technological environment, almost anything in an organization can be made transparent. If managed well, transparency can create new opportunities to unlock the benefits of human performance; if mismanaged, it can lead to negative consequences like privacy breaches and a fear of micromanagement and oversight. Organizations must strike a balance to provide the right amount of transparency that will build, but not jeopardize, trust with their workforce and go to great measures to protect employees' sensitive data. Organizations that are successful in striking the right balance will experience a high degree of trust between leadership and the workforce, enabling greater employee satisfaction and achieving stronger mission outcomes.

## How this trend applies to the public sector

Public sector organizations have access to mass amounts of worker data and engagement

metrics. There is a desire from employees to make certain metrics more transparent within the organization to help hold leaders accountable to their workforce. According to the 2024 Global Human Capital Trends survey, 68% of public sector respondents agree that they want worker engagement metrics to be transparent, 80% want transparency into operations-related activities, and 76% believe that executive decisions should be transparent to the entire organization. As public sector organizations increase transparency in these areas, they can support human performance by utilizing this data to implement programs that boost metrics such as retention rate and employee satisfaction. However, public sector organizations need to do this intentionally, compassionately, and professionally, making sure to safeguard the data they have on their employees. To promote trust and transparency within the public sector, leaders need to harness worker agency, a concept introduced in the 2023 Human Capital Trends report, by collaborating with their workforce to create a sense of commitment and ownership around the collection, storage, and analysis of sensitive data. Employees must trust that the data collected will be used to benefit rather than punish the workforce, and that their

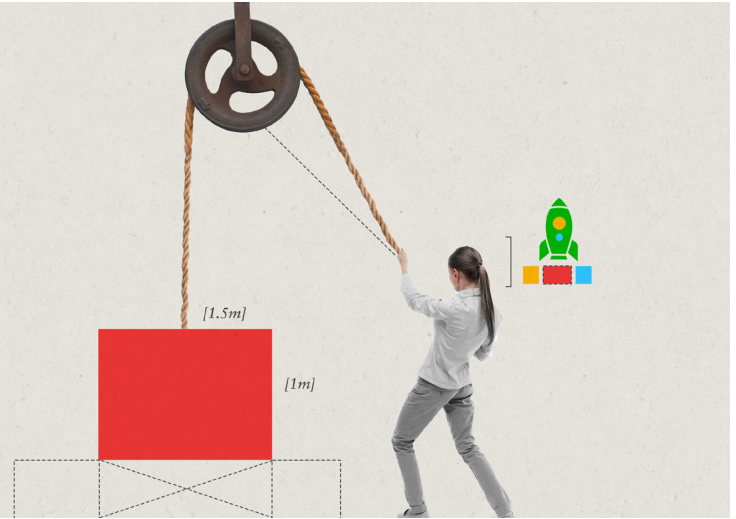
information and metrics will be protected from breaches and hacks. Without that trust in their employer, the workforce may resist efforts to collect additional data, which can significantly impede the organization's ability to make data-driven decisions. Public sector leaders need to collaborate with their workforce to determine the appropriate level of transparency needed for the organization to effectively drive human performance and meet their mission outcomes, while designing intentional safeguards to protect and reassure their employees.

### ***Actions that public sector organizations can take***

- **Be intentional about sharing information**—Leaders should assess and document what data exists, who has visibility, and how it's being used; that information should be shared with and explained to the workforce to promote transparency.
- **Create a data strategy**—Leaders should consider the potential impact of sharing specific information and craft a strategy to best utilize the available data and responsibly collect additional metrics needed to design programs that provide value to workers.
- **Give workers agency**—Leaders should create forums for the workforce to weigh in on what personal information should be kept private and give workers the ability to opt-out of certain data collection.



# Imagination Deficit



## Summary

The current era of technological disruption has created unlimited potential to improve human performance. As organizations adjust to new ways of working, there is a need for human capabilities to help fuel innovation and adaptation. Faced with increased demand for creativity and forward-thinking skills, many

### Trend in action

NASA's Innovative Advanced Concepts (NIAC) program is encouraging innovative ideas that could revolutionize future space exploration by providing a platform for the broader community to contribute their ideas, no matter how outlandish they might seem. This approach nurtures a culture of continuous learning and innovation.

organizations are struggling to capitalize on those human capabilities—an issue often referred to as an Imagination Deficit. To tap into the potential of both employees and organizations, it is essential to harness the power of human values such as curiosity and empathy. As organizations embrace modern technologies, it is important to recognize the public sector's history of innovation from the internet's inception to significant achievements in space exploration. Despite this history of innovation, many public sector organizations struggle to foster a creative environment for employees due to the rapid pace of change. Consequently, there is a need to empower employees to think creatively and find innovative solutions to achieve organizational goals.

## How this trend applies to the public sector

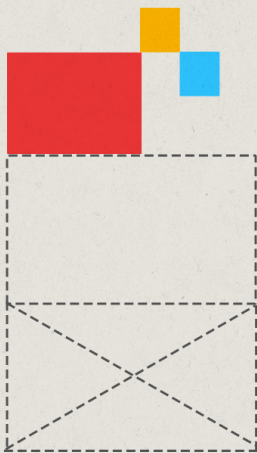
Today, AI stands at the forefront of disruptive technologies, offering limitless opportunities to reimagine public sector operations and services. Despite the remarkable advances

in technologies, the essence of creative invention—characterized by the drive to explore, craft narratives, collaborate, and think like a researcher—remains uniquely human. These qualities involve the ability to ask the right questions, envision alternative possibilities, and navigate uncharted territories—attributes that AI, despite its impressive capabilities, cannot fully replicate. Integrating AI into daily work can enhance decision-making and streamline tasks, freeing up workers to think creatively about their work; however, it is essential for organizations to intentionally nurture invaluable human qualities to address the Imagination Deficit and promote a harmonious interaction between AI and human ingenuity. To address the Imagination Deficit, it is crucial for both leaders and individual contributors to actively work together. According to the 2024 Global Human Capital Trends survey, only 42% of public

sector respondents are now thinking more creatively than this time last year. To address this deficit, leaders must find ways to not only cultivate curiosity, creativity, and the core human capabilities that will drive the organization forward, but to empower teams and workers to apply these newly acquired capabilities in shaping their work. As AI and other technologies become more integrated into the workforce, embracing, and amplifying human qualities such as experience and empathy becomes essential.

### ***Actions that public sector organizations can take***

- **Designate time for creative thinking**— Leaders should work to identify time and opportunities for workers to step away from their daily tasks to focus on solving specific problems or brainstorming creative ideas related to their work.
- **Implement development opportunities**— Organizations should prioritize the design and implementation of training and development programs that enhance creative thinking to strengthen workers' imagination and critical thinking skills.
- **Foster a culture of continuous learning**— Leaders and managers should create a culture of learning where employees acquire new skills and explore emerging technologies, including AI.



# Digital Playground



## Summary

Virtual Reality (V.R.), Augmented Reality (A.R.) and other AI technologies can transform organizations by integrating human and technical capabilities into new ways of working. As fast-paced technological advancement continues to show potential for positive enhancements to the workforce, many organizations are falling behind in implementation; 75% of public sector

### Trend in action

The National Security Agency (NSA) updated their orientation program, DISCOVER NSA Orientation, to include virtual reality (VR), providing a visually engaging and structured approach to guide newcomers throughout their Onboarding experience. With VR leveraged through 360-degree video watch floor tours and journey maps, new employees are welcomed to the agency with the goal of being “mission ready” upon reporting to their office.

respondents to the 2024 Global Human Capital Trends survey said they do not use AI at all in their work. Organizations that do not keep up with the technological landscape may risk falling behind, hindering mission outcomes and failing to retain top talent. Using digital playgrounds, envisioned as safe environments for experimentation with AI, organizations can evaluate new ways of working, explore modern technologies and realize the potential of technological advancements while minimizing organizational risk. Adopting a digital playground mindset and approach helps to not only rapidly develop new technology, but to enable workers to build their confidence and skillset, experiment with possibilities, and understand how to hone their human capabilities enabled by technology. In time, enhancements such as A.R. and V.R. will help bridge the gap between the virtual and physical work environments; the resulting digital playground will enable organizations and workers to co-create solutions and innovate at high speed.



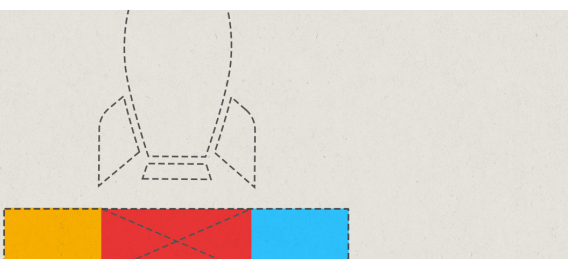
## How this trend applies to the public sector

Digital Playgrounds hold long-term promise in the public sector. According to the 2024 Global Human Capital Trends survey, 64% of public sector respondents believe their organizations could better prepare them for future technological changes. As with all advancements in technology, public sector organizations must not overlook the importance of data security and cyber threat mitigation when engaging with modern technology; digital playgrounds offer the opportunity of exploring AI while minimizing risk of data breaches and privacy concerns. Use of digital playgrounds allows for experimentation, piloting, and fine-tuning of new ideas before scaling the solution, which gives the organization ample time to develop a successful rollout strategy and work through challenges without disrupting operations or overextending funding. The ability for individuals and organizations to use an endless sandbox of experimentation powered by AI can lead to unprecedented innovation. Digital playgrounds allow the public sector to continue to evolve while minimizing risk to mission operations, security, and budget. In parallel, use of digital playgrounds provides the public sector with an opportunity to upskill their workforce; engaging in technical experimentation will not only help build comfort with integration AI into daily operations,

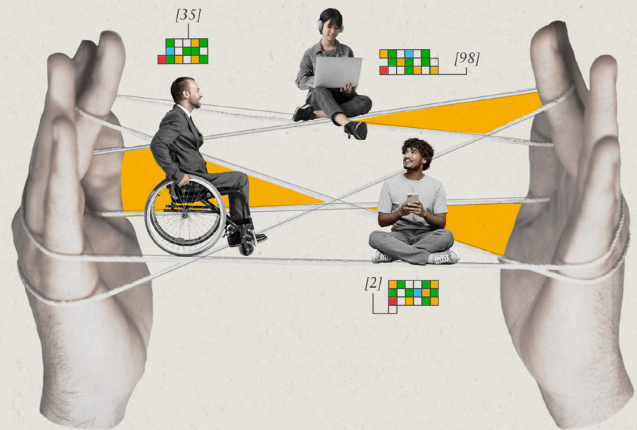
it also encourages creative thinking and the development of the human capabilities required to drive the organization forward. In order to adopt a digital playground mindset, the public sector must be intentional about granting its workforce explicit encouragement and opportunity to experiment, as well as the psychological safety to iterate when faced with challenges. Public sector organizations must continue to proactively engage with digital playgrounds to enhance their efficiency and decision-making processes while staying abreast of technological advancements to maintain ethical standards and data privacy in an increasingly digital world.

### **Actions that public sector organizations can take**

- **Create an environment for secure experimentation**—Leaders can identify and greenlight opportunities to prototype innovative solutions and conduct targeted pilots in a cost-effective manner before scaling.
- **Digitize and automate routine tasks**—Leaders can experiment with AI solutions that automate routine and administrative tasks to increase efficiency and increase free time for workers for more strategic tasks.
- **Embrace an experimentation mindset**—Leaders can define and communicate values and expectations that encourage workers to learn new skills and experiment with possibilities of a tech-enabled future.



# Workplace Microcultures



## Summary

Within a single organization, behaviors vary across different functions and geographies—for example, HR operates differently than Finance and a D.C. office has a different culture than a field office. Organizational culture has long been viewed as top-down, in which workers must fit into a fixed culture that is mandated across

## Trend in action

A Federal agency encourages differences among teams by supporting a bottom-up approach to action planning. Each directorate at the sub-agency level is responsible for action planning; everyone in these organizations participate in the agency's annual survey, then teams with 10+ employees receive a scorecard of their results. Using those results, each team then engages in team-level action planning based on their unique needs.

an organization. Instead of trying to enforce a monolithic culture, leaders should acknowledge and embrace the existence of microcultures, which refer to the differences in how work gets done across organizational units. To do so, leaders should establish overarching guidelines for the organization and allow autonomy for different teams to drive behaviors within those parameters. By cultivating an environment with multiple cultures, worker performance can be optimized to drive toward specific outcomes across the organization.

## How this trend applies to the public sector

According to the 2024 Global Human Capital Trends survey, 90% of public sector respondents indicated that focusing on individual teams and workgroups as the best places to cultivate culture, fluidity, agility, and diversity is critically or very important to their success. The expectations of public sector workers to have autonomy and a flexible

work experience is part of the competition organizations face to attract and retain talent. However, most public sector organizations try to enforce a monolithic culture: 63% of public sector respondents indicated that their experience of culture at work at least moderately matches the culture set by senior leaders. Given the size of public sector organizations, mandating a singular culture could limit their agility and restrict teams in how they meet their collective objectives. To compete for talent and drive toward mission outcomes, public sector leaders should embrace the microcultures that naturally exist within the organization. Leaders should set overarching guidelines for the organization and acknowledge that different bureaus, offices, and teams have different functions, each with their own behaviors and cultures designed to meet the needs of the people they serve. Autonomy

for teams to decide how to reach their goals within the organizational parameters enables organizations to quickly adapt to external changes, including government regulations and changes in priorities. Leadership at all levels must understand the importance of culture and their role in enabling microcultures to drive toward the mission and societal outcomes the organization is trying to achieve.

### ***Actions that public sector organizations can take***

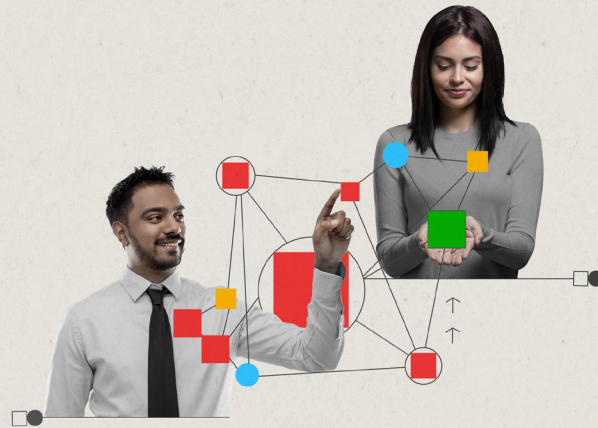
- **Establish organizational values**— Leaders should establish organizational values that are broad, inclusive, and align with the organization’s goals, including the Administration’s priorities and agency requirements, as well as encourage autonomy of managers to foster team-level cultures.
- **Embrace autonomy and drive a team-level culture**—Managers should partner with the workforce to co-create their microculture by defining behaviors that drive toward fulfilling their mission requirements and are within the organizational parameters.
- **Provide managerial support**—HR and leadership should provide managers and workers resources and trainings to help intentionally create a microculture based on the nature of the work, while aligning with overall organizational guidelines.



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# Boundaryless HR



## Summary

As work and productivity metrics shift away from traditional ways of measuring performance to focusing on human-centric outcomes, and team-level microcultures enable differences in how work gets done across the organization, the role of HR must mirror the boundaryless nature of the workplace to enable a better employee experience and unlock human performance. As such, HR

### **Trend in action**

The United Nations Children’s Fund (UNICEF) sought to redesign its global human resources (HR) services delivery model so its HR professionals could focus more of their efforts on strategic priorities than on transactional and administrative operations. Specifically, they are repurposing HR business partners to provide strategic support across decentralized offices to better support overall organizational performance and mission achievement.

should shift from a siloed function to a cross-functional discipline integrated across the various units that make up the organization. Organizations should invest in technology to more efficiently complete traditional HR-related administrative tasks to free up time for HR personnel to partner with team leads across the organization to create a workplace experience that effectively harnesses the potential of the workforce to drive mission outcomes. In this boundaryless world, the people management expertise previously exclusive to the HR function becomes the responsibility of all. Organizations should embrace their newfound responsibility for human sustainability by equipping leaders at all levels with people management experience and infusing a people-focused outlook into all projects, including those that were not traditionally in HR’s purview; this provides the people closest to the workforce, the supervisors, with the skills to support the development of their teams. To effectively foster microcultures throughout the organization, use human performance metrics to measure outcomes, and support human

sustainability, HR and organizational leaders at all levels must collaborate to enable a successful and supportive workplace experience.

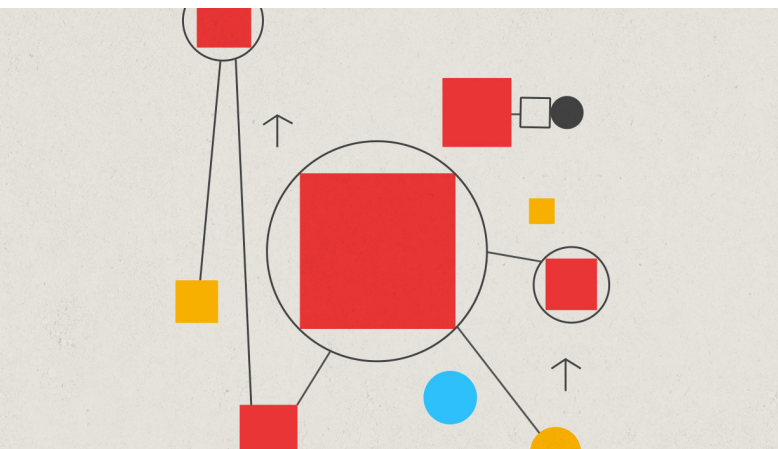
### **How this trend applies to the public sector**

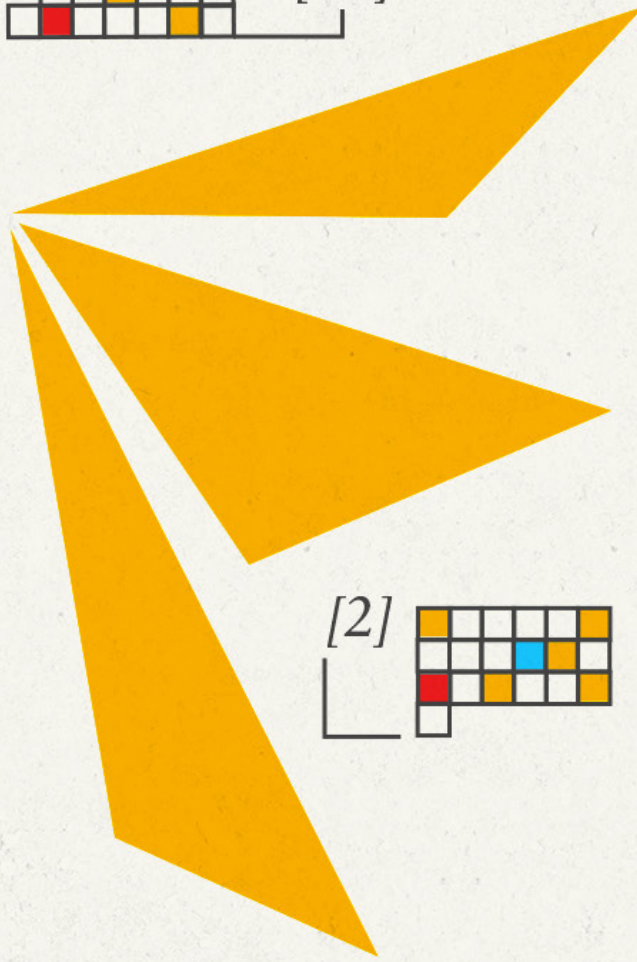
Boundaryless HR does not call for reorganizations, position reclassifications, or complete decentralization of the HR function, nor is it a tactic to install compliance monitors across an organization. Instead, it is a mindset shift through which public sector organizations must rethink how they use HR to tackle challenges and achieve mission outcomes. According to the 2024 Global Human Capital Trends survey, only 36% of public sector respondents agree that their HR department significantly supports and improves their performance and only 6% strongly agree that the way their organization supports people and conducts HR activities meet their unique needs. In a boundaryless world, HR should transition into a talent advisor role, integrating across the organization to be closer to the work and better support workers' needs and performance. This trend builds on the End of Jobs trend from the 2023 Human

Capital Trends report; in a boundaryless model, HR needs first-hand knowledge of the skillsets and sentiments of the workforce so it can align existing skills with the organization's needs to orchestrate a skills-based workforce. Additionally, HR can advise supervisors on ways to enhance talent management by helping them build core people competencies like mentoring, upskilling, and advising. In this world, managers maintain their role as the drivers of work and workforce, and HR consults on new opportunities, tracks progress, and shares results of talent initiatives to co-create the optimal talent experience.

### **Actions that public sector organizations can take**

- **Invest in technology**—Organizations should invest in automation tools and AI to free up time spent on administrative work so HR can partner with managers on more strategic talent initiatives.
- **Upskill HR professionals**—Leaders should provide resources for HR to improve their understanding of other functional areas to enable HR to provide cross-functional support and serve as a business advisor for different organizational units.
- **Support managers as people leaders**—Leaders and HR should provide resources for managers to strengthen people management capabilities, including coaching, delivering feedback, workforce planning, and analytics.





# Leadership Epilogue

## Summary

The 2024 Human Capital trends show that while work has never been more digital and high-tech, there is still a profound need for organizations to embrace a human-centric model and prioritize human performance. The complex balance of high-tech and human-driven work requires leaders at all levels of an organization to think differently about how, when, and by whom work is done. Leaders have an opportunity to design an intentional workplace experience that capitalizes on the uniquely human skills of their teams as a way to realize improved mission outcomes.

This unique window in time presents leaders with an opportunity to shift their thinking; meeting workforce needs does not need to come at the expense of mission delivery but can instead be a critical enabler to driving key outcomes. Human outcomes can be prioritized

alongside the organization's mission without sacrificing delivery, as mission outcomes drastically increase when workforce needs are met. Prioritizing human performance allow leaders to create the conditions where their workforce can reach its full potential, benefiting the entire organization and the public it serves.

Leadership plays a unique role driving this transformation towards a more human-centric way of working. Public sector leaders can support their organization's mission by adopting a mindset that keeps people at the forefront of their decision making, fostering an inclusive, supported, and highly skilled workforce. Prioritizing the growth, satisfaction, and well-being of the workforce has a multiplying effect on the public sector's ability to deliver its mission.

Leaders at all levels—from the top of the organizational chart to team leads, and even those looking to take on a coaching role—can help their organization embrace a more human way of working by prioritizing their time and effort to foster growth and success amongst their teams. As workforce expectations evolve, it is no longer feasible for leaders to focus solely on mission-driven outcomes at any cost; they must dedicate equal attention to effectively managing and growing their teams. In today's environment, leaders have both an opportunity and a responsibility to shift towards human performance.

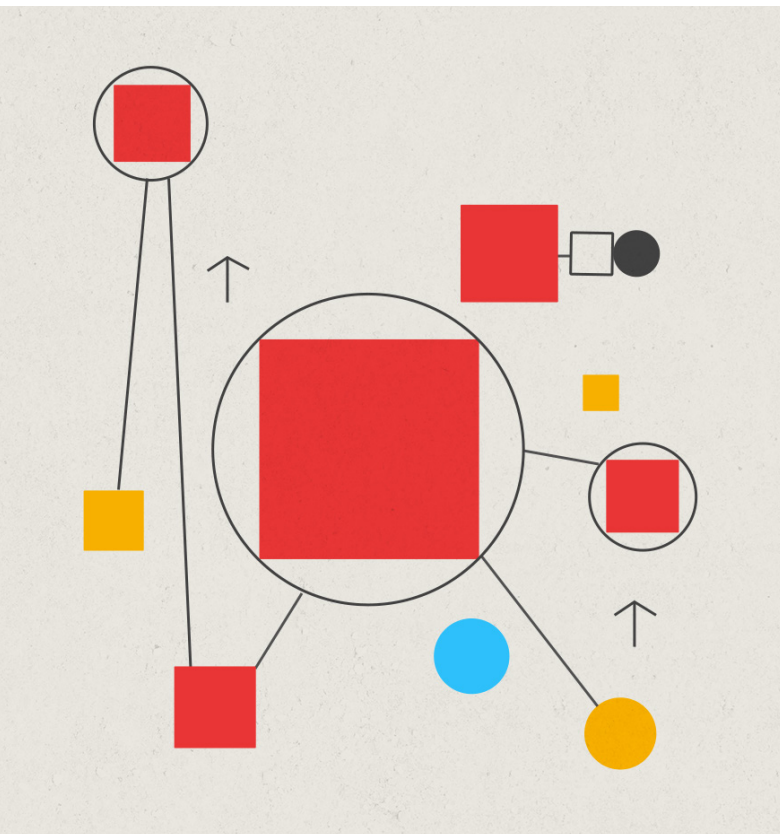
## Key actions public sector leaders can take to prioritize human performance

- **Define metrics and organizational priorities**

—Public sector leaders have the responsibility to redefine organizational priorities and metrics to include a focus on human outcomes and human performance. This does not mean redirecting attention from mission-driven goals and priorities; rather, leaders should infuse capabilities and metrics that are directly tied to human outcomes into mission-driven frameworks to help drive towards a more human-centric mindset and set clear expectations for employees to measure and drive their success.

- **Be prepared to adapt organizational governance structures**—Leaders can shift governance approaches from a top-down structure to a more collaborative framework where accountability is shared across all levels of leadership. It is no longer the sole responsibility for executive leaders to set the tone for accountability. All managers and team leads have the responsibility to improve human performance by helping clear any obstacles that may arise for employees, including strict policy regulations, heavy workloads, or unsupportive cultures
- **Be unequivocal about creating psychological safety**—Leaders at all levels are responsible for creating a work environment that not only builds trust but establishes a sense of psychological safety. Leaders should support employees' individual ideas and contributions, while also promoting well-being, providing recognition, and being transparent around decision making in a way that makes employees feel included and seen to promote psychological safety.

Leaders play a large role in each of the 2024 Human Capital trends. As boundaries continue to disintegrate, leaders should begin to view their role and the impact they can have on their organization through new lenses. While change is difficult and takes time, there are some clear steps that leaders at any level can take to make progress in each of these areas:

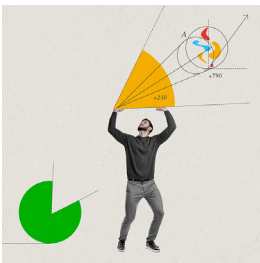




**Trend****Act****Avoid****Human Sustainability**

Involve workers in cocreating human sustainability initiatives

Hand off sole responsibility for human sustainability to HR

**Beyond Productivity**

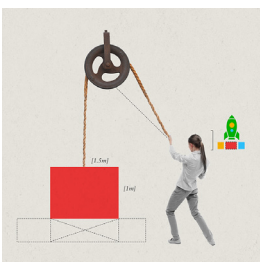
Extend human performance metrics into leadership positions to help unlock growth and innovation

Establish bare-minimum data practices only in response to regulatory requirements

**Transparency Paradox**

Enact guidelines that give workers reason to believe data about them will be assessed and used fairly

Use transparency to surveil or punish workers

**Imagination Deficit**

Communicate the importance of curiosity and empathy and build workforce capacity by hiring for these attributes

Become so focused on specific objectives or problems that you miss the upside of thinking creatively

**Trend**

**Act**

**Avoid**

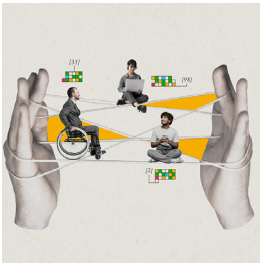
**Digital Playground**



Encourage exploration and experimentation in problem sets of importance and interest to the organization

Underestimate the importance of workers learning to collaborate with machines

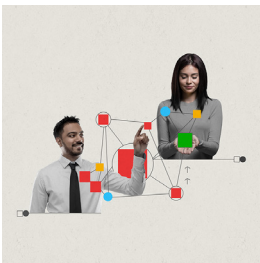
**Workplace Microcultures**



Recognize, reward, and reinforce teams who exemplify key cultural behaviors

Conflate equality with equity, trying to create the same work experience for everyone

**Boundaryless HR**



Redefine the role of the manager to include being a people leader

Get stuck in an HR compliance mindset



## What do I do now?

- **Read** the full Global Human Capital Trends report at <https://www2.deloitte.com/us/en/insights/focus/human-capital-trends.html>
- **Link** to the supplement to send to colleagues
- **Share** this article to your social networks, follow @DeloitteGov on Twitter and LinkedIn, and use #GPSHCTrends
- **Contact** the authors to discuss the trends or arrange one-on-ones with the specialists

***For more information about how Deloitte can help your organization take on the trends, please contact:***

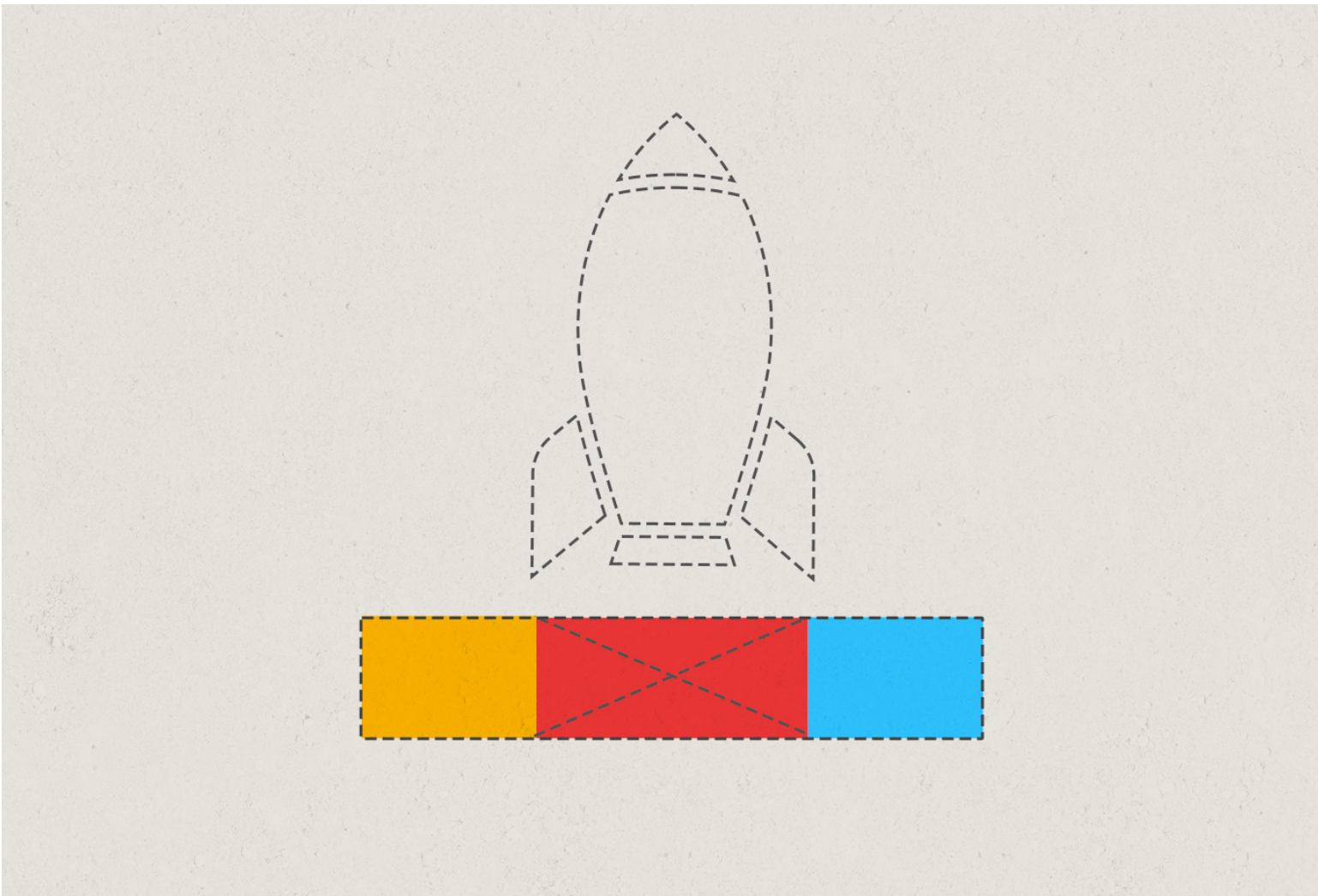
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