

The Future of Work podcast is a weekly show where Jacob has in-depth conversations with senior level executives, business leaders, and bestselling authors around the world on the future of work and the future in general. Topics cover everything from AI and automation to the gig economy to big data to the future of learning and everything in between. Each episode explores a new topic and features a special guest.

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Jacob Morgan: Hello, everyone. Welcome to another episode of the Future of Work Podcast. My guest today is Harriet Harty. She is the Chief Human Resource Officer at Allstate. Harriet, thanks for joining me.

Harriet Harty: It's great to be here, Jacob. Thanks for inviting me.

Jacob Morgan: Oh, of course. Yeah, and I spoke at an Allstate event in October, and learned about some of the cool stuff that you guys were doing. I'm glad you agreed to join me today.

Harriet Harty: Yeah, and we know we've done quite a bit of work since then and that [00:00:30] breakout session was awesome. It was one of our highest rated ones out of our breakouts, so thanks for attending.

Jacob Morgan: Very cool. Okay, see, I didn't know that. Now, I'm even more excited to talk to you.

Harriet Harty: Yeah, there you go.

Jacob Morgan: Okay, so as I like to do on the podcast is to learn a little bit more about you before we get into the topic. I know you've been at Allstate for a while, but maybe you can give us some background around how you got involved with what you're doing, how did you end up at Allstate?

Harriet Harty: Okay, great. Yeah, I've been here, [00:01:00] it'll be 23 years later this year. Interestingly enough, right out of school, I got my BA in accounting, so right out of school went and worked for a small manufacturing company doing accounting work. I was six years in, and it wasn't really feeding my soul. I happen to be at a party with a really good friend of mine who worked at Allstate. [00:01:30] She mentioned that there was an opening in the human resource's area, in the compensation area, so using a lot of numbers. I interviewed and I got the job. I've had the opportunity to be here for the past 22 plus years, all in human resources, but having the opportunity to sit and just about every seat in HR, which has given me what I would say a ton of experience.

[00:02:00] Every new opportunity is a challenge, whether it's lateral, whether it's a promotional opportunity. I've been the CHR at Allstate for a little over three years, so it's a great organization. We'll talk a little bit more about what's going on there, so.

Jacob Morgan: How big is Allstate? For people that are not familiar with the company, [crosstalk 00:02:26].

Harriet Harty: Yeah, so think 35-billion revenue.

Jacob Morgan: [00:02:30] Small company, small start-up, right?

Harriet Harty: Yeah, small start-up. We have 43,000 plus employees globally. The majority of them in the United States, but roughly I'd say just shy of maybe 8,000 outside of the US. So a very, very large organization.

Jacob Morgan: Yeah, and you guys are, the commercials of course are famous. I always hear the voice, [00:03:00] the Allstate voice in my head. I see those on TV all the time.

Harriet Harty: Yeah.

Jacob Morgan: So, 43,000 employees, obviously a very large, good size organization, and doing some interesting things. What's a typical day in the life of Harriet like as the CHR over 43,000 [crosstalk 00:03:19]?

Harriet Harty: It's a great question, because there's no typical day. I would say there's a few things that happen everyday, they're not typical. [00:03:30] There's always something changing. Having sat in many seats in HR, I'd say this is the seat where there's never a status quo, because I have the ability and the view of knowing what's going on around us in the industry and in the market. The talent market right now is unbelievable. [00:04:00] I was just at an event with other CHROs just this past weekend, and it is highly competitive in the market. It's not because there's a specific skillset that is needed for right now.

There's that of course, but there's also how do we prepare for the future, and what's really going to happen with disruptive technologies and just the world [00:04:30] changing, that CHROs right now, and myself very much included, we're not only concerned about how do you get through today and this week and even this month, but how do you get through the next three to five years and making sure that you have your eye on that ball. I would say change is a typical day. There's always something different going on where you come in and you're thinking you're going to get [00:05:00] something done. It evolves throughout the day.

I'd say another thing that's a typical day is a lot of things are not done in a vacuum. What I mean by that is it's either brainstorming with my team, brainstorming with my peers, walking down to one of my peer's offices on my

floor and saying, "Hey, can I run something by you real quick," or them doing the same thing with me. [00:05:30] That brainstorming or cross-collaboration I think makes it very powerful to really do your day to day work, because I think doing it in a vacuum, you really lose a lot of well, of my first mindset and the different perspectives.

There's one individual that I work with on a regular basis, one of my peers, in fact, who I know that if I want to hear from someone who's going to disagree with me, I go directly [00:06:00] to him. You'd say, "Why would you do that?" "Well, I do that, because I want him to help me think through something that I have not thought of before." We do a lot more of that at Allstate than I would say we did maybe 22 years ago when I started.

Jacob Morgan: It's funny, I was just going to ask you about that. Allstate, you guys are 86 years old from what I read, founded in 1931.

Harriet Harty: Yeah.

Jacob Morgan: You've been there for 20 plus years.

Harriet Harty: Right.

Jacob Morgan: Have you noticed any big differences in [00:06:30] Allstate since when you first started working there up until now? Maybe you can do a before and after, I don't know what kind of comparisons you might be able to draw between those two times.

Harriet Harty: Yeah, I can share some. Let me first start out with innovation. Insurance company-- a lot of people may think not too sexy, not innovative. But there were things that we were doing 30, 40 years ago around [00:07:00] safety, around airbags, around when we created our motor club business that I guess maybe we didn't call it innovative, but at that time it was something that was out of the box. I think now, it's just more business as usual. Innovation is much more business as usual than it was 40 years ago. I'd say as an organization, [00:07:30] we're likely much less silo than we were maybe 20, 30 years ago. I think we've seen the power of working across areas and across teams where and maybe we didn't realize what that power really looked like.

I'll give you an example of that. A couple years ago in the insurance industry, we saw a high frequency [00:08:00] in the auto business, right? Us being one of the largest insurance, P&C insurance companies, we saw it very early, and before a lot of our competitors saw it. What we did internally is I would say one of the reasons why I work here and why I'm a part of Allstate is it didn't become one [00:08:30] area's problem. It wasn't, "Okay, this is an auto frequency issue, so this is the claims' department's problem." Because the reality, it impacted distribution, it impacted marketing, it impacted our product organization. As an

organization, we rallied together to really figure this out, and that's the power of what we are.

Now, I would say I didn't necessarily have that lens 20 years ago. [00:09:00] I was sitting in a different seat. Now, I have the lens to be able to see that. Maybe it was happening and I just didn't know what's going on, but I would say the collaboration and the working across boundaries is huge for our organization now. I'd say the other is we've clearly defined our purpose. As an organization, we live in what we call "our [00:09:30] shared purpose," which really represents our culture. It really defines what it means to be an Allstater.

Part of that purpose is our commitment to our customers, the behaviors that we have in order to stay competitive, and the values that we have like being inclusive diversity, or integrity, or engagement. I think [00:10:00] we had that 22 years ago. Again, maybe it's the seat that I'm sitting in that I'm able to see that, but it's much more articulate in everything that we do, and we lead with our shared purpose. If you were to ask employees, they know what our shared purpose means. I think it's clearer. The clarity is likely there.

Jacob Morgan: Looking at [00:10:30] the culture of technology in physical space, I know you've obviously led to the culture. Obviously the technology I'm sure was very different 20 years ago versus today?

Harriet Harty: It was. No doubt. There wasn't any instant messaging or any Skype. I think we did have email, but I think that was it. Definitely a different platform, but now you can get a hold of anybody at any point in time. Texting them. [00:11:00] The ability to quickly react to something is so much larger than it was 20 years ago because of the technology enhancements. The ability to go to market so much quicker than we had the ability to do 20 years ago. Technology has definitely played a huge impact for us.

Jacob Morgan: What about as far as the space [00:11:30] goes? Have you guys made some pretty significant changes to the physical space?

Harriet Harty: We have. It was probably about five or six years ago that we started this, where we revamped and we started first in our home office in Northbrook and then are doing it in our regional locations, and some of our field locations. We took the physical space and really wanted to make it much more collaborative, so where you would see very high cubes, we brought those down. [00:12:00] Where you would see huge offices for some of our executives, we made those a lot smaller. What we really wanted to do was to create more of a collaborative space for our employees to work in. With bringing the walls down, or having the offices a lot smaller, we also in doing that, brought down the hierarchy and said, "Okay, you don't have to have a 500-square foot office." [00:12:30] I'm exaggerating, a 500-square foot office in order to be an executive.

Where there are some executives that are out in the cube if they want to be or in a very small office. It was a cultural change. I will tell you being in the midst of that along with my real estate partners, it was in some areas a huge adjustment, and it was just [00:13:00] going through a lot of the change management with folks in order to get there, but right now it's a moot point. People had been living in this for the past several years, and if they want to have a one on one conversation, we've built what we call, "Enclave's very small conference rooms," and they can go in there and have a private discussion, or a private phone call. That has changed a lot, and our regional offices are changing along with us.

Jacob Morgan: You mentioned that the space that you changed helped eliminate hierarchy. Was there a lot of hierarchy at Allstate before back in the day?

Harriet Harty: There was, but I think when I say [00:16:00] hierarchy it was who was in the big office and whose office was bigger. I think large organizations, a lot of them were structured that way. I do think the physical space has actually brought that hierarchy down where you could just now peek over a cube and speak to your boss and say, "Can I run something by you?" It goes to that very [00:16:30] quick decision making of where in the past you may be schedule a meeting or send an email. Now, you can either, if they're not through maybe IM and find them walking in the hall somewhere, but you can take a peek over the cube and you can ask them a quick question, and get something done very quickly.

Jacob Morgan: What is it like to work at Allstate? Obviously, you've been there for a while. Most of us listening to the podcast, and myself included whom obviously never worked there, [00:17:00] most people have never been into an Allstate space. So if you had to give us a description of what it's like to be an employee at Allstate, how would you describe what it's like to work there?

Harriet Harty: Can I answer it in a different way, Jacob?

Jacob Morgan: Sure.

Harriet Harty: Let me give you the two reasons why I've been here for 22 years. The first is I've always had the opportunity to grow. What I mean [00:17:30] by that is, and it's not just promotions, it's just the opportunity to develop myself, whether it's a different assignment, a temporary assignment, a project, a lateral move, or a promotional move. I've never been in a position where I didn't have that. I've had that for 22 years. My number one and number two are probably a tie, but that is the first reason [00:18:00] why I'm still here. The second reason is the people. They're phenomenal. I gave an example of what happened during the auto frequency, I'd call it "crisis," the auto frequency situation. You're not in it alone.

I can walk over to one of my peers and say, "I've got a problem, can you help me?" There's never a no. That's a double negative, but there's never a no. Whether it's my team, whether [00:18:30] it's my peers, whether it's my leader,

I feel that Allstate, I call it my second family. It's my Allstate family. My husband and my daughter know it as my Allstate family. We talk about work life balance, which I think is a tough thing to really balance. I'm not quite sure if I'm necessarily a proponent of the words "work life balance." [00:19:00] I think it's more integration, because I've tried to integrate my home family into my work family.

When I've done that, my 15-year old daughter whose now 15, but when she was 5, when she was 10, and I had to go to a work event or work late, she felt that Allstate was part of our family. It didn't become, "Oh mommy's got to go to work. [00:19:30] She doesn't want to spend time with me." It became, "Mom really loves her job, and she wants to be there, and Allstate is the extension of our family." Those are the two reasons why I'm here and continue to be here.

Jacob Morgan: Yeah, those are very important reasons that a lot of people around the world I think wish they had that in their jobs as well. It's great that you do, and I'm sure many other Allstaters have that as well.

Harriet Harty: Yeah.

Jacob Morgan: When you look at [00:20:00] just the workplace in general and the future of work as a theme, what main trends are you paying attention to? Trends, or concepts, or ideas that you as a CHRO, what's top of mind for you?

Harriet Harty: I'll put it in the bucket of the changing workforce, and the changing workforce could be the demographics, [00:20:30] when we look at 5, 10, 15 years from now as far as how many of our employees are going to be retiring, the Baby Boomers retiring. That's a big piece that weighs on us in the sense that those individuals will be taking a lot of institutional knowledge with them. That's one, one area of the changing workforce. Another area of the changing workforce is with all the disruptive technologies, what's going [00:21:00] to happen to the jobs that we have now and that we will need in the future. What I mean by that is, so there are certain roles that may be enhanced or even replaced by artificial intelligence. What do we as Allstate, what do we do about that?

This goes to a little bit about our employee value proposition, which [00:21:30] we're actually enhancing at this point. What we're doing is really looking at not just what is the employee value proposition of today, but what is the employee value proposition 5 years from now. What I mean by that is, and let's just take one category, training and development. Typically right now, typically in general, and I'm saying that because some of my peers who may listen to this say, "No, we don't do it that way." In general, we [00:22:00] spend probably our majority of our time on how to either train or develop employees for the now.

What they actually need now either to do their current job, or if we are placing them into a new role, or a new opportunity what they will need in that to actually do that job. I would say we spend less time on the key skills and

capabilities that we will need [00:22:30] 5 or 10 years from now. What Allstate, what we're going to be focused on and are now starting to focus on is we need to focus on both. We need to focus on the now, but we also need to ensure that our employees have the skills and capabilities for 5 years from now or 10 years from now.

As part of the tax reform, I know a lot of organizations are [00:23:00] spending their money on different stakeholders, whether it's the shareholder, or whether it's employees, or whether it's communities, we've actually done all three. Where we're spending on employees, one category is on training and development. We're going to spend millions of dollars on not only training employees in the now, but training them to have the skills and capabilities for the future, and their employability [00:23:30] in the future.

Jacob Morgan: This is a new initiative for you guys, the millions of dollars [crosstalk 00:23:35]?

Harriet Harty: It is.

Jacob Morgan: Interesting.

Harriet Harty: It is. With the tax reform, there is a savings that comes to many organizations. What we've decided is to invest a big portion of that savings in our employees. One being learning and development, and the other being providing them a choice to [00:24:00] invest in either 401k in a health savings account, or take money as cash. They would get a choice depending, it's a range of \$1,000 to \$2,000 and they get to make a choice through those three buckets. That's how we have chosen on the employee side to invest some of that tax savings based on the new tax reform. We're in the process now of actually developing a lot [00:24:30] of those programs, those learning programs so that we can provide that additional investment to our employees. That's really exciting.

Jacob Morgan: Yeah, no, and I have a few questions on that.

Harriet Harty: Yeah.

Jacob Morgan: You mentioned quite a bit that you're focused not just on today, but of the future. First question before we talk about your program specifically. Did you guys already identify a set of skills, or traits, or attributes that you want for employees of the future? If so, how did you determine what those are?

Harriet Harty: That's [00:25:00] a great question. I think there are some traits or attributes that have continued to evolve. Let me just give you an example, data and analytics, right? I think 5 years from now we're going to need data scientists. I think as an organization, many organizations feel really comfortable around that. From a data and analytics standpoint, we had committed this in the 4th quarter of 2017 before all this tax savings came, [00:25:30] that we were going to train what we call our, and a specific group of our employees, roughly 5,000 employees in data

and analytics. Because we feel that they needed to have that mindset around data and analytics. Now, we weren't trying to make everybody [crosstalk 00:25:51]

Jacob Morgan: Yeah, it's a big group that's ... It's like 10% of the workforce there.

Harriet Harty: That's a big group. Yeah, right. That was on the docket already. [00:26:00] Data and analytics is just something that we've identified as a future trend. As we look at what other future trends, we are actually looking at that by area of responsibility. What I mean by that, right now, we are actually doing a pilot in our claims organization to say, "Okay, we know what the skills and capabilities are or needed right now, but what [00:26:30] if we were to forecast and do some strategic workforce planning, and typically we would do that for a year from now, maybe two years from now. What if we were to do that looking 5 years from now?" What are the skills and capabilities that we would need in our claims organization, which is for us a 16,000 people.

Okay, so that's a big chunk of our organization, which is a great place to start, because that impacts a big part of our business when we think about protecting [00:27:00] the consumer. We're actually in that process to determine what are the skills, capabilities, competencies that we need in our claims organization, and that we will need in the future in order to be proactive? We're actually going to go down the path of looking at our various areas of responsibilities and doing a similar exercise in order to be able to define those skills and capabilities.

We'll have those by [00:27:30] area of responsibility, but then I would say there'll be others that will really be across the enterprise, whether that's data and analytics to some degree, whether that's the ability to be much more agile and be able to live in a much more agile environment, that's another area that we're looking at, change management another area that we're looking at. There are some core capabilities that I would say span the enterprise. Then there are others [00:28:00] that would be specific to an area of responsibility like claims or human resources, or legal for example.

Jacob Morgan: To figure those out, it sounds like you're doing some research, you have a team internally that's trying to look at trends and what skills might be relevant after those trends become mainstream.

Harriet Harty: Exactly. We establish a team within human resources that works directly with [00:28:30] we call it the HR business partner, all the specific area. For claims, works directly with the HR business partner of claims and works directly with claims in order to identify that. Because what we'll learn through even just the claims exercise, which is 16,000 employees is there'll be some commonalities that we think may have been area of responsibility specific, but will in turn be enterprise [00:29:00] specific like agile, or change management, or other type of skillsets.

Jacob Morgan: How big is your HR team? Can you give a sense of how it's structured? Obviously, you have people that are doing data and analytics, you have people that are partnering with different teams, but maybe help us visualize what your team looks like and how the roles are divided up.

Harriet Harty: Sure. We have roughly I'd say about 515 employees in human resources. [00:29:30] Those employees are mostly US based, so they are across the United States. Right now, roughly 200, maybe 250 in home office in Northbrook and then the remainder out in the field. We're changing that mix a little bit. The way that we're structured is we have a shared service model. Each area [00:30:00] is either a center of expertise, so for instance compensation, benefits, recruiting, learning and development, or they'd be a business partner, more in the general lists space.

There's a leader for each one of those areas. Then our field locations have our main field locations, the 14 locations have an HR presence. That could vary from anywhere between [00:30:30] two to five employees depending on the complexity and size of the region. We're involved in everything talent related in the region, employee and agent. Our agents are not employees of the company. They are exclusive agents, so they're independent contractors, but we are actually involved in recruiting and onboarding our exclusive [00:31:00] agents working very closely with our sales department.

We are likely not the norm. We know we're not the norm, we've actually benchmarked that, but it is something that is so important to our business, and we have seen when we put additional focus and commitment, and dedication in doing that, that it impacts the top line. We've made a [00:31:30] commitment to do that. Does that help as far as how workforce is?

Jacob Morgan: Yeah. No, that's very interesting. For people that are not familiar with shared services, maybe you can explain what that means.

Harriet Harty: Sure. We are centralized. We are not a decentralized model, so everybody reports into home office. They all have a straight line to me. Those folks that support for instance a specific business [00:32:00] area typically have a dotted line into that specific leader. We provide a shared service. We provide recruiting service. We provide a learning service. We provide a compensation and benefit service to the business, and then basically an allocated fee for that service to each of the business areas.

Jacob Morgan: Got it, that makes sense. Okay, so I want to go back a little bit to some of this learning [00:32:30] and development programs, because yeah you're nesting, how many millions of dollars did you say you're putting into this?

Harriet Harty: Millions and millions of that.

Jacob Morgan: Millions and millions of dollars. That's a good enough number for me.

Harriet Harty: Is that?

Jacob Morgan: How do these programs actually work? Let's say I'm an employee at Allstate and you've put these programs in place. Is it like the manager recommends that I take it? Do I take the program? Is it an online thing? Maybe you can give a sense of how these things are actually structured and put in place and what they look like?

Harriet Harty: [00:33:00] We're still working on the structure, but I will tell you what the vision looks like. Likely the majority of it, because we want to impact every employee or have the opportunity for every employee to benefit from this at some point. That may not happen all in one year, but at some point online is really the way to go. We already have a learning management system that is online that we provide our employees [00:33:30] where there is a curriculum of various classes that they can take at any time. They can take a technical course related to their role. They can take a leadership course in change management or in influencing.

There's various categories and we have tons and tons, hundreds of different type of courses that they can take now. We will likely leverage that and more. What I mean by that [00:34:00] is we have been doing some research, and I still am not as clear on how you pronounce this, but I think it's called a, "MOOC." M-O-O-C, have you heard of it, Jacob?

Jacob Morgan: Yes, massive online open courses.

Harriet Harty: Right. Likely we will leverage that, because that can get to the masses, right? You would be able to actually partner with various universities based on their [00:34:30] expertise in a specific subject matter expert, so for actuaries. What is the best university for us to partner with through some sort of the MOOC program? As we're structuring this, we're likely going to look at some sort of a framework like that, so that it gets to a large majority of our employees in a short period of time. It also gives them the opportunity [00:35:00] to look at a vast and diverse curriculum that they could pick from.

We haven't gotten yet to the point of saying, "Okay, you X employee need to do this, and you X employee need to do that." We will, once we're finished with this one pilot and claims, we'll be in a position to say, "This is how we're going to do it in claims. We can scale that if it works, but we're in the early stages of really looking at that." Right now, we spend [00:35:30] millions and millions of dollars on training. I think what we're going to do is just be a little bit more focused on not only the now, but also looking at what those key capabilities and skills will need in the future.

Jacob Morgan: Very cool. Then when are you guys planning on rolling this out? I know it's a new initiative.

Harriet Harty: Yup.

Jacob Morgan: When will it be made available to the Allstaters or roughly around it?

Harriet Harty: Yeah, so we've already communicated to the Allstaters that it's coming. [00:36:00] We have committed by midyear that we would have something for them and what it would look like, and what the offerings would actually look like.

Jacob Morgan: That's fantastic.

Harriet Harty: Yeah.

Jacob Morgan: How much of the accountability is on employees to take advantage of this versus Allstate pushing it out? It's one thing if you have all these wonderful things and employees don't use it. How do you balance that with making sure that employees take advantage of it?

Harriet Harty: Yeah. You'd be surprised. There'll be a lot of employees taking [00:36:30] advantage of it, where we likely have to get a little creative is we have a lot of operations that are on the phone or on the computer directly working with the customer, that at times currently cannot get away to actually take a course. We're going to have to get creative the nose areas to say, "Okay, we're going to have to do this in shifts." This [00:37:00] shift, you take two hours in the morning. This shift, you take two hours in the middle of the day. This shift you take two hours later at night. I've just made that up, but it's in concept, we're going to have to get creative, because when you think about the employees that are on the frontline, it's very, very important that they are attuned to the skills and capabilities that they'll need not only now, but also in the future, because they're touching our customers, right?

Jacob Morgan: Yeah, of course.

Harriet Harty: We're going to [00:37:30] have to get creative with that group, but you'd be surprised, there's a lot of employees that take advantage of our tuition reimbursement. They take advantage of the online courses. I don't know that we're going to have a challenge on that end.

Jacob Morgan: Yeah, that's always a good thing to hear.

Harriet Harty: Yeah.

Jacob Morgan: We talked, before we started the podcast, a little bit about the employee experience and you guys are doing [00:41:00] some cool stuff on the employee experience equation of the culture tech and space. With that, maybe we could spend a few minutes looking at what is Allstate doing internally around these areas? Culture, technology and space, you can pick where you want to start.

Harriet Harty:

Okay. Let me start with space. I mentioned what we're really doing in that area and what we've done with our campuses across the globe, and what we're doing as far as looking at [00:41:30] our space and determining where to really have specific what we call them, "talent centers," like what HR did that we've declared that we're a three talent center. We have a three talent center, strategy, the field locations, our regional locations, our Irving, Texas location and Northbrook. Each one of our areas of responsibilities are going through different, a similar [00:42:00] exercise may not land on something similar, but trying to decide where their talent should reside.

From a cultural standpoint, I talked a little bit about our shared purpose. Let me hone in on a couple other areas that I think are really important and that I'm really proud of from a CHRO standpoint. I mentioned the behaviors that we have [00:42:30] established and what we say is to be an Allstater, there are certain behaviors that is the Allstate way. What I mean by those are, we, several years ago established what we call "leadership principles." Basically declared that every person, regardless if they have people reporting to them, whether they're individual contributors, everyone is a [00:43:00] leader, and you can lead from any seat. You don't have to have a big office and direct reports in order to lead.

Huge change for us, very good change I will say. It takes time to evolve to that mindset, but we basically said that in order to be a leader at Allstate, you have to really abide [00:43:30] by 6 leadership principles. Those are, we're here to serve, we win together, we drive results, we're transparent, we continuously get better, and we develop each other. We rolled out these leadership principles roughly 4 or 5 years ago and to every employee at Allstate. We basically said, "These are the behaviors [00:44:00] we empower every employee to lead and drive change."

What we also did at that time, we said, "As part of being accountable to these 6 behaviors, your annual performance review will be tied to these behaviors. 50% on your goals, and 50% on these leadership behaviors, okay?" [00:44:30] Historically, if you were held accountable to what I called the hard goals, the what you do, in the future, you will be accountable for not only the what you do and what you deliver, but how you do it as measured by these 6 leadership principles. I'd say likely that was the bigger change in putting it into the performance management system and doing that across all Allstaters, whether you had [00:45:00] people reporting to you or not.

Great change. Four years later, most employees can rattle those 6 behaviors off the top of their head. We see it being exhibited all the time. It is permeating through the system. I'm really proud of the work that we've done there. Another area that I would say from a cultural standpoint, we'd made some change over the [00:45:30] past couple of years has been in the inclusive diversity space. I remember several years ago, one of my peers and I in HR, we're talking about, "How do we move the needle in inclusive diversity?" The flavor of the month at that time was, "Well, put a goal out for everybody to

achieve it. Increase female representation by X amount, increase minority representation by X amount, [00:46:00] and we'll move the needle on it."

It did not bite at all. Here's what I realized why. That did not resonate with every area. Let me give you an example. If the organization was going to put a declarative to say, "We need to increase female representation by I'm making it out, 10%." I have majority females in HR. Harriet would've got by, [00:46:30] right? I would've been like, "Well, I've done my job. I'm done." I know there's other areas within human resources that I can be, I can do a better job in inclusive diversity. One is bringing talent in from the outside. Two, bringing enterprise talent in, meaning from other parts of the organization and three, bringing more male talent into HR.

All those are inclusive diversity attributes in my opinion. [00:47:00] We rolled out about two years ago what we call, "inclusive diversity commitments." Those commitments are done by area. You just heard what my three commitments are. Maybe claims is female minority representation. Maybe corporate relations is male and enterprise talent. We actually customize our, [00:47:30] what we call inclusive diversity commitments by area and then we saw them the needle start to move, because it resonated with each area. Increasing female representation did not resonate with HR. Increasing male representation did resonate with HR.

We honed in on the areas where we really needed each specific area to focus on. We've seen two years [00:48:00] into it that we're actually moving the needle on a lot of those inclusive diversity attributes.

Jacob Morgan: That's interesting.

Harriet Harty: Yeah.

Jacob Morgan: Especially how you have the, I like how you have the different stats. They're not just general stats across the company, like bringing more men to HR as opposed to ... I mean, it's very interesting the way that you guys break that down and have the granular view.

Harriet Harty: Right. You know what? We had to use a lot of data to do that. How did I land on those three? I [00:48:30] looked at where my gaps were and those were my gaps. We did that with every area. Every one of the business areas worked very closely with HR to say, "This is what I will declare as my gaps. Now I need to declare what the measure will be in order to fill those gaps." It's resonated with each of the areas, so it's been a great step. When [00:49:00] we look at technology, there are a lot of parts of our organization that when you think about a technology, we're a technology company. I don't know how many companies can say that they're not, because when you think about the work that we're doing in the connected car space or the work that we're doing,

working closely with SquareTrade or Esurance, technology is [00:49:30] at the forefront of everything.

I remember years ago where going to the before and after, 22 years ago I would say technology was an afterthought and was brought in after the business strategy was set, and now it's way at the forefront really creating the business strategy. We've come a long way.

Jacob Morgan: Yeah, it's interesting to see that shift.

Harriet Harty: Yeah.

Jacob Morgan: All right, so it sounds like you guys are definitely doing some pretty cool things over [00:50:00] there. I'm curious and I'm mainly asking this for selfish reasons, because this is what my next book is about. The future of leadership. If you were to look let's say for example in the year 2025 and you're thinking about what skills leaders at Allstate are going to need to know in the year 2025, what skills or mindsets do you think your team, your employees will need to have?

Harriet Harty: I think an agile [00:50:30] mindset for sure, and being able to act quickly, and decisively when trying to conquer something. An agile mindset. Innovative, and innovative I think is in the eye of the beholder. What I mean by that, innovation can take a lot of different [00:51:00] lenses to it, but I think someone that can think out of the box challenges status quo, push the envelope, take a lot of risk is something we'll definitely going to need in the future.

I think with changing generations, I talked to my peers about this quite a bit. It's [00:51:30] being able to be a versatile leader and not a one size fits all. What I mean by that is knowing how to really motivate your team and your group. It's not just one way to motivate people and really getting to know your team in order to be able to motivate John differently than Sally, I think is going to be really important. [00:52:00] I think a lot of our leaders here are ahead of that, because we've seen that on the change in generation, and remote workers, and how do you lead differently than you may have led 10 years ago, whether that's generational, or remote, or any other way. I think those are the leadership attributes that are really important.

Jacob Morgan: It sounds like you're [00:52:30] generally optimistic though when you think about the future of work here, more positive than you are perhaps your fuller scared or negative. Would that be fair?

Harriet Harty: Yeah, that would be fair. I'm also probably not sharing my fear. No. Yeah, I'm kidding. I think for me, it's an opportunity and I accept an opportunity with it's a challenge, and it's exciting. It really is when you think about the workforce changing. [00:53:00] It's going to happen. So there's no fighting it, and I say let's figure out the best way to do it. I think what Allstate is doing as far as investing some of our tax savings, it goes back to Jacob your question around Allstate,

that's another reason why I'm here. Allstate really cares about its employees. Otherwise it wouldn't be investing that much in them.

Jacob Morgan: Yeah, it's great to make a conscious decision to do that.

Harriet Harty: Yeah.

Jacob Morgan: Yeah, there are some companies out there I'm sure just gladly pocketing more money, [00:53:30] looking at how to replace workers, but it seems like you guys are making the conscious decision of supporting, and helping, and educating, and teaching workers, which is really good to see.

Harriet Harty: Yeah.

Jacob Morgan: When you think about all this stuff that's happening in the world of work, all the changes that we're seeing, knowing all the work that you guys are doing internally, what advice would you have to other leaders inside of other organizations? How should they be thinking about the new world of work? What would you tell them and any of your peers listening?

Harriet Harty: You know what, [00:54:00] I would likely tell them what I've told my team. It's okay to be uncomfortable. There's likely quite a bit of uncomfortable coming. What I mean by that, there's a lot of unknown. There's going to be territory that we likely have not touched yet, and it's going to be new, but take that more as a challenge and a development [00:54:30] opportunity versus, "Oh, I'm afraid that I'm not going to do it." I've told my team, I said, "I try on a regular basis to stay in an uncomfortable zone." What I mean by that is I look at a scale of 1 to 10 and say, "I should be at a 7 or 8 on an average basis," because if I'm at a 2, then I'm really not [00:55:00] pushing myself, and if-

Jacob Morgan: This is the being uncomfortable skill, you should be a 7.

Harriet Harty: Yeah, right. If I'm at a 10, that's probably a little unhealthy for a long period of time, but if I'm at a 7 and 8 on average, then I'm pushing myself and I'm developing, and on a new territory and that's okay, because out of all of this we're all going to learn out of it as well. That's what I would tell my peers, [00:55:30] which is no different than I tell my team is this is a great challenge. It's exciting. Let's figure out how to do it. Will there be bumps along the way? Absolutely, but we'll figure it out and we'll figure it out together. That's what I would tell them.

Jacob Morgan: What advice would you give to employees? So not your peers, but these are maybe entry level employees, maybe even mid-level employees that are trying to figure out how to succeed and thrive in the new world of work. What advice do you have for them?

Harriet Harty: I would [00:56:00] likely give them the similar advice around being uncomfortable, but I would add to that, you have an organization like Allstate that is investing millions and millions of dollars in learning and developing. Take advantage of it. Really grab that. Have discussions with your leader around what your aspirations are or what skillsets you want to hone in on. [00:56:30] Take advantage of it, because it's an opportunity that's in front of you. Don't be afraid of it. We'll be providing a lot of information and a lot of tools to employees. I'm optimistic that employees are going to take advantage of it, but it's new territory for some employees, and they may be a little leery. I'd say just jump in. You're going to learn a ton.

Jacob Morgan: I like it. Jump in instead of waiting by the sidelines.

Harriet Harty: Yeah, [00:57:00] exactly.

Jacob Morgan: Okay. Now, I have just a couple of fun questions for you. Not related in anything that we've been talking about.

Harriet Harty: Oh, great.

Jacob Morgan: The first question is what's the most embarrassing moment you've had at work?

Harriet Harty: That's not fair, Jacob. You didn't give me a heads up on this. What's the most embarrassing? Okay. New into my job as CHRO. I'm on the 8th floor in one of our buildings. [00:57:30] There was either a paperclip or something on the floor and my heel hit it and I fell smacked dabbed down on my knee.

Jacob Morgan: Oh, man.

Harriet Harty: I turned around. Of course and I go, "My God, who saw that? Who saw that?" Luckily, it was only one person. I'm like, "You breath this to anybody." That's recent, so I would say that's probably my most recent embarrassing moment.

Jacob Morgan: Okay. All right. I like that one.

Harriet Harty: That work related more, [00:58:00] yeah.

Jacob Morgan: If you were a superhero, who would you be, or Disney character, or anybody?

Harriet Harty: I'd like to be Wonder Woman.

Jacob Morgan: Wonder Woman, okay.

Harriet Harty: It was probably, because I just saw that movie not too long ago and it's pretty inspirational.

Jacob Morgan: Great movie.

Harriet Harty: Great movie, inspirational.

Jacob Morgan: What's a book that you recommend? It could be a business book or a non-business book.

Harriet Harty: It could be a business book or a non-business book. Option [00:58:30] B, I'm actually reading that right now, socials-

Jacob Morgan: Yeah, I know that book.

Harriet Harty: Yeah, it's not a new one. I'm a little behind on my reading, but I think the world of Adam Grant. I haven't had the opportunity to meet Sheryl Sandberg, but she did actually visit Allstate last year. Some real life stuff in there. Highly practical that you can really use. I'd say that's a good one.

Jacob Morgan: Okay. If you were doing a different career, what do you think you would've ended up doing?

Harriet Harty: [00:59:00] An attorney.

Jacob Morgan: An attorney, wow. Okay.

Harriet Harty: My mother would always tell me I was a great negotiator. My husband tells me that now, so.

Jacob Morgan: Very good, all right an attorney. If you could have dinner with anybody on planet earth, who would it be? Past, present, or future person.

Harriet Harty: John F. Kennedy.

Jacob Morgan: John F. Kennedy, okay. If you could live anywhere [00:59:30] in the world, where would it be?

Harriet Harty: Greece.

Jacob Morgan: Greece is gorgeous.

Harriet Harty: Yeah.

Jacob Morgan: All right and the last two questions for you, if you could get rid of one workplace practice inside of Allstate tomorrow, what workplace practice would you get rid of?

Harriet Harty: Meetings.

Jacob Morgan: Meetings, okay that's a very common one. If you could implement one workplace practice or policy, what would you implement at Allstate tomorrow?

Harriet Harty: No meetings.

Jacob Morgan: No meetings, all right. Meetings and [01:00:00] no meetings, fair enough. Harriet, you've been very gracious with your time. I appreciate it. Where can people go to learn more about you or Allstate, or any of the stuff that you guys are doing?

Harriet Harty: You can learn more about me on my LinkedIn.

Jacob Morgan: Okay, perfect. Then LinkedIn, that's of course, everybody's got a LinkedIn profile these days, so that's an easy place to spot you.

Harriet Harty: That's an easy place, yeah.

Jacob Morgan: What's your careers page in case people are listening to this podcast thinking, "Okay, I want to work at Allstate." Is it just on the Allstate site just the careers tab?

Harriet Harty: Yeah. Yup. Go right underneath the careers tab, and now you'll find a slew of stuff across the country.

Jacob Morgan: Okay very cool. Harriet, thanks again for joining me.

Harriet Harty: Jacob, thank you very much. It was a pleasure. [01:01:00] Thanks a lot.

Jacob Morgan: Yeah, likewise.

Harriet Harty: Okay. Take care.

Jacob Morgan: Thanks everyone for tuning into this week's episode of the podcast. Again, my guest has been, I can't even speak, my goodness, Harriet Harty the Chief Human Resource Officer at Allstate. I will see all of you guys next week.