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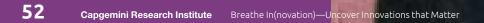
Quarterly review N°6 — 2022





# **MAJBRITT ARFERT** SVP & Chief People Officer

Ericsson





# RECONNECTING WITH OUR ROOTS: STRENGTHENING A CULTURE OF DIVERSITY IN THE WORKPLACE

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MajBritt Arfert joined Ericsson straight from university. In a career spanning over 35 years, Arfert has held various global executive HR roles and was responsible for handling international acquisitions, driving change,

aligning all people-related initiatives, and managing employee and industrial relations.

Arfert was appointed Senior Vice-President and Chief People Officer for Ericsson in April 2017. In this role, she focuses on creating an exceptional employee experience and a culture that attracts and inspires top talent.

The Capgemini Research Institute spoke to Arfert about Ericsson's approach to nurturing diversity and inclusion, transforming corporate culture, designing the new workplace, hiring, upskilling, and retaining talent in a hybrid environment.



#### INFUSING THE WORKPLACE WITH DIVERSITY AND INCLUSION

## As Ericsson plans its hybrid workplace of the future, what is your hiring approach?

— At Ericsson, since the onset of the pandemic, the percentage of newly hired employees co-located with their managers has fallen dramatically, from 75 to 50 percent. The organization's hiring approach has been refined to focus on finding the best fit for the role in question, rather than the best candidate from the talent pool of a given location. However, hiring team members from totally different time zones is not ideal for roles that require close collaboration and extensive office time, potentially having a negative impact on employee work-life balance and, ultimately, well-being.



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Moreover, over the past two to three years, it has become clear that remote work does not necessarily hinder productivity as Ericsson had around 85,000 employees working from home during the pandemic. Ericsson continues to deliver on its strategy and is experimenting with a 50/50 hybrid model.

## How is Ericsson increasing representation of women in technical roles?

— Ericsson aims to increase representation of women companywide, to 30% by 2030, up from 25% in 2021. We are partnering with other organizations in the ICT/tech industry to encourage more people from different backgrounds to apply.

Post-recruitment, organizations must ensure that women in technical roles are given sufficient support and opportunities to allow them to grow, both in their roles and in the organizations. Ericsson launched its Altitude Program, to offer mentorship, networking, education, and training to allow employees to fulfill their career aspirations. We follow up closely on the impact of our initiatives. Our data shows that about one-quarter of graduates from the Altitude Program have moved to new positions in their organizations, demonstrating its effectiveness in facilitating career progression and mobility.

We have also linked our long-term variable-pay program for our executives to increasing the percentage of women in line-manager positions.

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#### **CULTURAL TRANSFORMATION, GROWTH, AND INNOVATION**

# Could you outline the progress and impact of the organization's cultural-transformation program, Ericsson on the Move?

— The program is part of our effort to transform Ericsson's culture. It is centered around our five core focus areas: empathy and "humanness"; cooperation and collaboration; executing with speed; fact-based and courageous decision-making; and creating a speak up environment. Cultural change is not about sending around a memo or pinning up a poster; it's about changing day-to-day work habits and attitudes.

Recognizing this, rather than seeking to enforce cultural change, we designed the program to foster it through positive inquiries. We put around 7,000 of our formal and informal leaders through intensive, handson workshops, during which they are not only provided with training and resources but are also encouraged to experiment with different ways of using them in their day-to-day jobs. We wanted to create awareness about why change was necessary and what it should look like. This methodology focuses on continuous experimentation, which in turn fosters agility and adaptability.

## How are you changing the habits and attitudes of the whole workforce?

— This upskilling and awareness-raising process equips our leaders to drive change in the organization. At the same time, we have begun to build awareness across the workforce and engage employees in the journey. We invited all 100,000 employees to participate in a 72-hour discussion about our transformation journey and the role each of us can play in it.



## CULTURAL CHANGE IS ABOUT CHANGING DAY-TO-DAY WORK HABITS AND ATTITUDES.



In 2021, we moved this globally driven transformation program to be operationally driven by our leaders in our local units. We have also launched a digital platform called the Move Journey, through which internally trained leaders can deliver team workshops. By end-2021 over 15,000 people had used the Move Journey, and over 8,000 had participated in our workshops.



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# What have been the impacts of this cultural-transformation program?

— We've been on the journey for more than three years, and we have already seen the impact. The data shows a clear correlation between customer experience and employee feedback across the five focus areas. Teams that engage with the program have 1.5 times higher overall employee feedback scores than those with no awareness. We saw similar results when people feel psychologically safe to speak up about different topics. For

"aware" teams, positive results were 1.4 times higher. In relation to the dimension of executing efficiently, teams that were aware of Ericsson on the Move scored 1.8 times higher than teams with no awareness.

#### DESIGNING WORKPLACES FOR THE HYBRID WORLD OF WORK

## How has Ericsson adapted its workplace strategy to the new working environment?

— To inspire workers, the office should have a demonstrable purpose. External data tells us that people quit their jobs when they are asked to return to offices full time. Our people said they wanted to come to the office to collaborate, network, share knowledge, build social capital, and rediscover a sense of belonging. We are redesigning our offices to support these aims.



People will be able to return home to concentrate on their personal workloads." Collaborating in the traditional, siloed office environment can be tough, so we are now piloting new designs in several offices globally. We believe that the right environment will enhance employee well-being and improve productivity; in a collaborative team environment, people will want to contribute. In the office, more experienced employees can more easily help newcomers, support colleagues, and just have the usual conversations around the coffee machine or copier, which we have all missed. We are experimenting more with open spaces, too. There are mini meeting rooms and quiet areas for focused work. But people will be able to return home to concentrate on their personal workloads.





#### **SKILLS OF THE FUTURE**

### How is Ericsson adapting its skilling strategy to meet its long-term goals?

— We have defined the critical skills using four standardized proficiency levels and have embedded skilling strategies in our annual business- and financial-planning cycle. Each critical skill area has a designated lead who curates various experiential up- and reskilling journeys. We have set targets for skill shifts to measure progress. Our most mature journey is on artificial intelligence (AI) and automation, where we have upskilled 19,000 employees across the four proficiency stages, and we expect to double that number of employees during the next year.

### How are you preparing Ericsson's people to lead in the future?

— Leaders need to be able to bring clarity – to communicate complex ideas and messages clearly to the whole workforce. The second priority is optimization: how does a leader balance the needs of individuals in their team with the needs of the team as a whole, in order to optimize productivity and impact? Third is demonstrating empathy and humanness. Leaders need to stay close to their people, especially now; in a hybrid model, you cannot distance yourself.

Of course, all these three elements are underpinned by good understanding and effective use of digital tools to maximize efficiency, wherever and whenever work is done.



We have upskilled 19,000 employees on artificial intelligence (AI) and automation





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