HR Value Mapping

How to assess as-is HR value chains and identify potential improvements

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Executive Summary

What

HR Value Mapping (HRVM) is a way of identifying and diagramming services and activities of HR organisation aligned to its users.

HRVM is based on Wardley mapping framework by Simon Wardley (licensed under CC BY-SA 4.0) – business model technique. It was further customized for the HR value chains.

The goal of this document is to introduce the mapping approach and equip the readers for drawing their own HR value chains.

Who

HRVM can be beneficial for the following stakeholders:

• Strategic decision makers in HR
• HR and HR IT practitioners
• Enterprise architects

Why

Mapping increases the success rate of your HR decisions by:

• Increasing situational awareness about your HR organisation and competitive landscape
• Establishing common understanding about the current capabilities of HR organisation
• Identifying “possible moves” and changes

“A map does not just chart, it unlocks and formulates meaning; it forms bridges between here and there, between disparate ideas that we did not know were previously connected”

Reif Larsen
1 Why Mapping Matters for HR
1.1 Why Does Mapping Matter for HR?

„Maps are fundamentally about communication. It’s also important to note, that every choice you make (if you have a map) can be reviewed in the future and learnt from. Mapping itself isn't about giving you an answer, it's about helping you think about a space and learn from what you did”

Simon Wardley

„Value is defined by the receivers of HR work – the investors, customers, line managers and employees – more than by the givers. HR is successful if and when its stakeholders perceive that it produces value”

Dave Ulrich

„A map is not the territory it represents, but, if correct, it has a similar structure to the territory, which accounts for its usefulness”

Alfred Korzybski
What Are Maps?
Maps are symbolic, most often two-dimensional diagrams representing some space, objects and relationships between those objects.

Why Maps Exist?
Because they help people capture and share knowledge about the landscape/territory maps are representing. Maps are invaluable for making informed decisions.

Why Should We Map HR Value Chains?
Short answer: Because it is very hard to understand where we are and where to go without maps.
Many business functions, including HR, undergo constant significant changes. Every part of the HR job constantly evolves:
• Administrative and compliance tasks are being automated and outsourced
• New HR practices in talent acquisition, rewards, learning and communication emerge
• HR practitioners improve their ability to better contribute to overall success of the business.
Constant evolution of capabilities can be captured in HR value maps and structured around the users and their needs.
As observed by various mapping enthusiasts, the process of mapping helps the teams establish the common understanding about the current situation. The knowledge distributed among different team members gets captured on the external medium. It can be reviewed, updated and used for strategic discussions about evolution and maturity of HR organisation.
Basic Concepts of Mapping
2.1 Every Map Needs Coordinates

Learn From Geographical Maps
Most of geographical maps have system of coordinates – usually, top of the map is magnetic north. Cardinal directions (north, east, south and west) are very important for anyone using maps, because they allow us to explain the position of objects relative to each other.

Start with User as an Anchor
For HR value maps we should have “User” as the point of “magnetic north”. Value can only be delivered to the user, and it should not be omitted from the map. We will discuss different types of users further.

Use Two Axes of Value and Maturity
We will use two axes:
• Y-axis is the value and its visibility for the user
• X-axis is the evolution/maturity of a component.
Those concepts are difficult, so we’ll spend some time on them.
2.2 Definition of User

Let's Define the User
User is very important for mapping, because it's the starting point of our value discovery.

"User is a person who ultimately uses or is intended to ultimately use a product" (from "End user" Wikipedia definition).

We can also use some definitions from Value Delivery Modelling Language (OMG 2020):

"User is the ultimate customer or an internal end user of the value stream".

Who Are Users of HR?
Recipients of HR's value can be both internal and external. We can use the key stakeholders list defined by Ulrich as a list of possible users:

- Employees
- Managers
- Partners and alliances
- Community and regulators
- Investors and owners
- Customers

Key stakeholders to HR (Ulrich 2017)
2.3 User Needs

Ways to Analyse User Needs

There are numerous ways to analyse user needs:

- **“Jobs to be Done” (JTBD) theory** ([https://jtbd.info/]). JTBD is the process a consumer goes through whenever she aims to change her existing life-situation into preferred one, but cannot because there are constraints that stop her. Products enable customers to get job done.
- **Customer Journey Mapping** (Nennonen et al. 2016). It is a method to identify key interactions customer has with organisation, and takes into consideration mental models, flow of interactions and possible touch points.
- **Interviews and surveys**

Users may have different and competing needs and mapping practitioners should be prepared to balance possible conflicts.
2.4 Y-axis: Value and Its Visibility

What is Value?
Value can be defined as: “Measurable benefit delivered to a recipient in association with a business item” (OMG 2020).
Value should be identifiable and measurable, both tangible and intangible. And since we are mapping value chains, we should focus on the values which are being delivered to the users as the results of exchange or transaction.

Meaning of Position on Y-axis
Components of the map, which are closer and more visible to the user, should be put in the top part of the map.
Components of the map, which are further from user and are not visible, should be put in the bottom part of the map.

Valuable things visible to your users, think of it as “front end”.
Examples:
• self-service for time planning
• Leadership development program

Valuable things hidden from your users, think of it as “back end”.
Example:
• Servers and infrastructure
• Internal process guidelines
2.5 X-axis: Evolution

Meaning of Evolution Axis
Evolution means the maturity of a component within the market. Every component (activity, data, practice or knowledge) should be assigned to one of the evolution stages. Below we share some evolution characteristics.

<table>
<thead>
<tr>
<th>Data: unmodelled</th>
<th>divergent</th>
<th>convergent</th>
<th>modelled</th>
</tr>
</thead>
<tbody>
<tr>
<td>Practice: novel</td>
<td>emerging</td>
<td>good</td>
<td>best</td>
</tr>
<tr>
<td>Knowledge: concept</td>
<td>hypothesis</td>
<td>theory</td>
<td>universally accepted</td>
</tr>
<tr>
<td>Focus of value: high future worth, but immediate investment</td>
<td>seeking ways to a ROI</td>
<td>A valuable model, focus on exploitation</td>
<td>High volume / reducing margin / important but invisible</td>
</tr>
</tbody>
</table>

Genesis  Custom-built  Product / Service  Commodity / Utility  Evolution
Example Map Step by Step
3.1 Start with the User and Need

**Selecting User**
We will select “Candidate” as the user of our first HR value map.

**Selecting User Need**
Let’s select the most obvious need - a candidate needs a job.
3.2 Map Components One by One

Chain of underlying components
To find a job, we need to apply for it, go through selection process and be offered a position.
Components can be data, activity, practice or knowledge.
You can also see that we started putting components into different areas - application process in our example is standardized.

Keeping it simple
The level of details can be very different: you can put much more components needed for the job (for example, selection process, job offer).
For the sake of simplicity in our example, let us map out the "Job application" chain of components.
3.2 Map Components One by One (Continued)

Application is done via our career site (customized), external recruitment agency (service) and social media channels.
Job posting is custom-built, because it involves a lot of customized manual steps to transfer data to different recruiting channels.

ATS is a software product, so it belongs to “Service” area.
3.2 Map Components One by One (Continued)

Job requirements are custom, because they are created “ad hoc” by hiring managers.

Multiple workforce plans exist, not connected to core HR data.

Analytics on talent flows are being developed and tried out.

Systems run on servers, which are commodity nowadays.

Servers

Core HR data

Job Application

Candidate

Job Posting

Agency

Career Site

Job

Applicant Tracking System

Recruitment Policy
4 Next Steps with Maps
4.1 Reviewing Maps

1. Review Scope
Check if the created map is still meeting the defined scope, and consider removing or adding components to better fit the purpose of a map.

2. Review User Needs
Check if all user needs are covered. If a map has too much going on, consider moving some of the value chains to separate maps.

3. Check level of details
If there are too many components or too many connections, you can group or remove some of them to declutter the map.

4. Share Map with Broader Audience
It gives you “outside-in” perspective and forces you to prepare and explain the value chain you’ve drawn.

In our example, we can consider moving “workforce planning” bit to a separate map with different users. We also miss some important candidate’s needs, like “selection for a job” or “job offer” – it can be mapped separately.
Let’s focus for a moment on one component of our example map – “Job posting”. It’s in the custom-built area, because it’s not automated, complicated and takes several steps due to limitation of our current applicant tracking system (ATS). It is natural for us to try to make our HR service more efficient by removing or simplifying this component. Can it be standardized or even moved completely to ATS?

Evolution implies that it’s natural for components to move to the right part of the map over time.
4.3 Types of Moves

- **Value**
  - **Genesis**
  - **Custom-built**
  - **Product / Service**
  - **Commodity / Utility**

- **Evolution**
  - **Visible**
  - **Invisible**

- **Introduction of novel practice to replace existing**
  - **New fancy recruiting practice**

- **Reconfiguration of component, significant change of practice**

- **Exposure to the stakeholders, bringing component closer to them**

- **Further development and standardization**
  - **Applicant Tracking System**

- **Hiding component from stakeholders, reducing interactions**
4.4 Checklist for Next Steps

1. Create maps during group discussions
2. Review maps. Watch out for duplication, scope drift, etc.
3. Identify possible moves
4. Use maps for decision-making
5. Review maps after changes happened
5.1 Mapping Tools

Choice of mapping tools can depend on many factors: size of the team, offline or online presence, real-time or decentralized collaboration, etc. On this slide we’ve listed possible tools for mapping. I also recommend to study tools list at https://learnwardleymapping.com/tools/ and read a great article by Ben Mosior about mapping tools at https://hiredthought.com/2017/10/11/wardley-mapping-tools-and-techniques/

Pen and Paper
Anybody can draw small circles and lines.
Very easy method to start drafting maps, but it is not very easy to move components around during the discussion.
It is also not easy to review and update paper-based maps.
Some mapping practitioners recommend having a mix of paper, post-it notes for components. Stickies can be easily moved around, and you can draw connections afterwards.
You can print the canvas to make things faster.

Slides
Simply download a template and copy-paste different elements of the map.
Powerpoint allows you to have full control over the visualization, and you can use animations to highlight specific value chains on the map.
The disadvantage is that it takes more time to add and arrange components on the map.
There’s also a great Google Slide template made by Tristan Slominski.

Online Boards
Most of the online collaboration tools allow you to draw on some canvas. The easiest way to collaborate online with a bigger team.
Tools to consider:
• Miro (template is available)
• Mural (you can paste the canvas)
• Diagrams.net (template from Julius Gamanyi)
• Figma

Modellers
Modelling software which can be used to draw maps:
• Archi
• Omnigraffle (with Harry Love’s gstroke file)
• Visual Studio Code (with extension from Damon Skelhorn)
• OnlineWardleyMaps.com
This slide has examples of different needs of possible HR users. It is provided only as an inspiration and can serve you as a starting point. User needs analysis (including analysis of users’ feedback, requests, interviewing, journey mapping, see paragraph 2.3) can help you identify the most important needs.
5.3 Examples of HR Components and Values

Next slides include the list of possible building blocks for your HR value maps. This list is not complete, and the process groupings might be overlapping, but the goal of the list is to help you start thinking about the components, their value, possible connections and the ways it all can be depicted on your maps.

### Core HR Process Area

<table>
<thead>
<tr>
<th>Users:</th>
<th>○ Employees</th>
<th>○ Managers</th>
<th>○ Government</th>
<th>○ Shareholders</th>
<th>○ Customers</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>User needs:</th>
<th>○ People data</th>
<th>○ Self-services</th>
<th>○ Legal compliance</th>
<th>○ Public HR KPIs</th>
</tr>
</thead>
</table>

**“Front” components:** ○ Employee Portal | ○ HR Hotline | ○ Mobile app | ○ Corporate site | ○ HR Ticketing app | ○ Public reports
○ HR Generalists | ○ HR Business Partners

**“Back” components:** ○ HR IT system | ○ HR Process guidelines | ○ Service-level agreements | ○ 3rd party IT systems integration
○ HR Data Governance model | ○ Enterprise data | ○ Internal IT systems integration
○ Analytics platform | ○ Center of Expertise | ○ Document storage | ○ Servers
○ Servers | ○ 3rd party IT systems integration | ○ Internal IT systems integration | ○ Document storage | ○ Center of Expertise | ○ Analytics platform
○ Analytics platform | ○ Center of Expertise | ○ Document storage | ○ Managers | ○ Government | ○ Shareholders | ○ Customers
○ Managers | ○ Government | ○ Shareholders | ○ Customers

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**Image Diagram:**

- **Value dimension:**
  - Visible
  - Invisible

- **Evolution:**
  - Core HR Process Area

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**Learning and Development**

**Users:**
- Employees
- Managers
- Government
- Shareholders
- Customers
- Candidates
- Partners

**User needs:**
- Career growth
- Professional skills
- Productivity
- Customer trust
- Retention
- Corporate social responsibility
- Reskilling

**“Front” components:**
- Learning Content
- Learning Management System (LMS)
- Social media
- Mobile app
- MOOC
- Corporate site
- HR Business Partners
- Learning recommendations
- E-mail
- Individual development plan (IDP)
- Competency library
- Notifications for compliance trainings
- Training catalogue
- Job profile
- Talent review session
- Development planning session
- High schools
- Coaching

**“Back” components:**
- HR IT system
- HR Process guidelines
- Compliance requirements
- Job architecture
- Learning Management System (LMS)
- Job profile
- Training catalogue
- Workforce planning
- 3rd party IT systems integration
- Internal IT systems integration
- Servers
- Content creation
- Competency library
- Training budgeting
- Workforce planning
- Training administration
- High schools
- Coaching
5.3 Examples of HR Components and Values

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**Recruiting and Onboarding**

- **Users:** Employees, Managers, Government, Shareholders, Customers, Candidates, Partners
- **User needs:** Jobs, Workforce, Career growth, Compliance, Social responsibility, Enablement, Customer support, Diversity and inclusion
- **“Front” components:** Career site, Employee Portal, HR Business Partners, Social Media, Job boards, Search engines and aggregators (e.g. Glassdoor), Mobile app, Paper forms, External recruiters, E-mail, Interviewers, Buddies, Onboarding guide, Hiring managers, Job description, New hire training, Customer feedback gathering, Job offer, Assessment centres
- **“Back” components:** HR IT system, HR Process guidelines, Applicant Tracking System (LMS), Competency library, Learning Management System (LMS), Compliance requirements, Job architecture, Workforce planning, Identity Management System, 3rd party IT systems integration, Internal IT systems integration, Servers
5.3 Examples of HR Components and Values

Next slides include the list of possible building blocks for your HR value maps. This list is not complete, and the process groupings might be overlapping, but the goal of the list is to help you start thinking about the components, their value, possible connections and the ways it all can be depicted on your maps.

Performance Management and Compensation

**Users:**
- Employees
- Managers
- Government
- Shareholders
- Customers

**User needs:**
- Compensation and rewards
- Benefits
- Motivation
- Guidance
- Growth
- Compliance
- Equity
- Customer satisfaction
- Revenue
- Meaningful work

**“Front” components:**
- HR Business Partners
- Performance review
- Payslip
- Bonus Letter
- Employee Portal
- Goal-setting process
- Talent review meeting
- Compensation policy
- Grades
- Workforce budgeting
- Financial reports
- Equal pay reporting
- Customer feedback gathering
- Employee performance check-ins
- Shared vision, strategy, mission
- Non-financial rewards and recognition
- Assessment
- 360-degree feedback
- Coaching
- Mentoring
- Leadership development
- Employee engagement survey
- Customer survey
- Pay reviews

**“Back” components:**
- HR IT system
- Workforce planning
- Salary and grades benchmarking
- Performance management policy
- Reward strategy
- Grade and pay structure
- Recognition schemes
- Job evaluation
- 3rd party IT systems integration
- Internal IT systems integration
- Servers
### 5.3 Examples of HR Components and Values

Next slides include the list of possible building blocks for your HR value maps. This list is not complete, and the process groupings might be overlapping, but the goal of the list is to help you start thinking about the components, their value, possible connections and the ways it all can be depicted on your maps.

<table>
<thead>
<tr>
<th><strong>Organizational design and development</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Users:</strong> Employees Managers Government Shareholders Customers Partners</td>
</tr>
<tr>
<td><strong>User needs:</strong> Productivity Cost effectiveness Development Defined relationships Diversity Compliance Autonomy Motivation</td>
</tr>
<tr>
<td><strong>“Front” components:</strong> Organizational values and norms Policies Communication channels Org. structure Competency framework Organization review Networking Cross-functional teams Public report Job and roles definitions Well-being Leadership development Flexible working policy Employee engagement Work-life balance Performance and rewards policies</td>
</tr>
<tr>
<td><strong>“Back” components:</strong> Organizational culture Work system design Agile framework Lean framework High-performance working practice Strategic planning Change Management Knowledge management</td>
</tr>
</tbody>
</table>
5.4 Cheatsheet for Evolution (X-axis) Placement

<table>
<thead>
<tr>
<th>Stage of Evolution</th>
<th>I</th>
<th>II</th>
<th>III</th>
<th>IV</th>
</tr>
</thead>
<tbody>
<tr>
<td>Activity (used)</td>
<td>Genesis</td>
<td>Custom</td>
<td>Product (+rental)</td>
<td>Commodity (+utility)</td>
</tr>
<tr>
<td>Data (implied)</td>
<td>Unmodelled</td>
<td>Divergent</td>
<td>Convergent</td>
<td>Modelled</td>
</tr>
<tr>
<td>Practice (implied)</td>
<td>Novel</td>
<td>Emerging</td>
<td>Good</td>
<td>Best</td>
</tr>
<tr>
<td>Knowledge (implied)</td>
<td>Concept</td>
<td>Hypothesis</td>
<td>Theory</td>
<td>Univerally Accepted</td>
</tr>
</tbody>
</table>

- **Characteristics**
  - **Uniquity**: Rare
  - **Certainty**: Poorly understood / exploring the unknown
  - **Publication Types**: Describe the wonder of the thing / the discovery of some marvel / a new land / an unknown frontier
  - **General Properties**: Forming market / an array of competing forms and different models of understanding
  - **Knowledge management**: Uncertain
  - **Market (Ecosystem) Perception**: Chaotic (non-linear) / domain of the "creasy"
  - **User perception**: Different / confusing / exciting / surprising / dangerous
  - **Perception in Industry**: Future source of competitive advantage / unpredictable / unknown
  - **Focus of value**: High future worth but immediate investment
  - **Understanding**: Poorly understood / unpredictable
  - **Comparison**: Constantly changing / a differential / unstable
  - **Failure**: High / tolerated / assumed to be wrong
  - **Market action**: Gambling / driven by gut
  - **Efficiency**: Reducing the cost of change (experimentation)
  - **Decision Drivers**: Heritage / culture

<table>
<thead>
<tr>
<th></th>
<th>I</th>
<th>II</th>
<th>III</th>
<th>IV</th>
</tr>
</thead>
<tbody>
<tr>
<td>Widespread in the applicable market / ecosystem</td>
<td>Commonly understood (in terms of use)</td>
<td>Focus on use / increasingly an accepted, almost invisible component</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Growing market / consolidation to a few competing but more accepted forms.</td>
<td>Nature market / stabilised to an accepted form</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Learning on operation / using prediction / verification</td>
<td>Learning on use / focused on testing prediction</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Increasing expectation of use / Domain of &quot;professionals&quot;</td>
<td>Standard / expected / feeling of shock if not used</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Increasingly common / disappointed if not used or available / feeling left behind</td>
<td>Cost of doing business / accepted / specific defined models</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Advantage through implementation / features / this model is better than that</td>
<td>High volume / reducing margin / important but invisible / an essential component of something more complex</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>High profitability per unit / a valuable model / a feeling of understanding / focus on exploitation</td>
<td>Believed to be well defined / stable / measurable</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Increasing education / constant refinement of needs / measures</td>
<td>Essential / any advantage is operational / accepted norm</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Competing models / feature difference / evidential support</td>
<td>Surprised by failure / focus on operational efficiency</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Market analysis / listening to customers</td>
<td>Metric driven / build what is</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Analysis &amp; synthesis</td>
<td>Analysis &amp; synthesis</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

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Call to Action
6.1 Call to Action

What to Do Next?
Start mapping your HR organization and the value it delivers.
You will never have ideal maps, but it never was a purpose – during the process your team and you will establish common ground, agree about the current state and identify improvement potentials.

Get Some Inspiration and Training
A lot of mapping practitioners share their maps and thoughts about it:
- https://learnwardleymapping.com/
- Map Camp 2020 Youtube playlist
- Wardley Maps BarCamp 2020 Youtube playlist

Make your first HR map
About

Author
I’m Andrey Kulikov, HR advisor with 17 years of experience in HR software consulting, design and delivery of HR projects.
I work for SAP as HR value advisor and help European customers design and implement HR projects.
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• Andrey.kulikov@sap.com

This Document
This document is licensed under Creative Commons Attribution-ShareAlike 4.0 license and uses content by Simon Wardley under CC BY-SA 4.0 license.
He had bought a large map representing the sea, 
Without the least vestige of land: 
And the crew were much pleased when they found it to be 
A map they could all understand.

"What's the good of Mercator's North Poles and Equators, 
Tropics, Zones, and Meridian Lines?"
So the Bellman would cry: and the crew would reply 
"They are merely conventional signs!

"Other maps are such shapes, with their islands and capes! 
But we've got our brave Captain to thank"
(So the crew would protest) “that he's bought us the best – 
A perfect and absolute blank!"
Literature


• OBJECT MANAGEMENT GROUP (2020) Value Delivery Modelling Language 1.1 Specification Available at [https://www.omg.org/spec/VDML/1.1/PDF]


• WARDLEY S. (2016) Wardley Maps. Available at [https://medium.com/wardleymaps/on-being-lost-2ef5f05eb1ec]