

Executive Insight >> Thought Leaders

Re-inventing Human Resources Management

"The profession of HR is a very young function", Peter Senge proclaimed recently to an audience of some 200 human resource executives, adding "and it may not have a long future"

A rapidly changing global marketplace, accelerating technology and shifts in customer needs and expectations are forcing companies to rethink business focus, operation, structure and human resources strategy. Many are seeing threats to existing business, fresh opportunities to leverage core competencies, or the need to reinvent themselves to ensure a sustainable future.

Against this backdrop, human resources practitioners are being increasingly challenged to find new skills, offer new solutions and support the organization in ways that often stretch way beyond their experience or skill base. At the same time, there is increasing complexity of regulation, workforce issues and new technology applications that challenge the practitioner to be "expert" at a level of depth beyond that of most professions.

Today's profession of human resources contains a highly diverse potpourri of skills, experiences, perspectives, and functional persuasions. This salad bowl is exacerbated by an even broader array of views on the "role of human resources" held by organizational leaders, supervisors, employees, academics, the media, government officials and our neighbors at cocktail parties.

Against this smorgasbord, it is hardly surprising that the profession, above probably all others, is going through an identity crisis, and splitting up into diverse factions. There are those who are courageously and creatively trying to shape their future. There are those who, despite the whitewater, are steadfastly clinging to their past.

There are those who are being buffeted around enough to know that there has to be a better way, but do not know where to or how to start to change course. Finally, of course, there are those who are oblivious to the whole debate.

A reconsideration of the human resources waterfront uncovers four key roles/sets of roles that will emerge in the next few years:

1. **A Strategic Role** – focusing on setting standards, preparing the organization for the future and ensuring synergy of operation. This will be very much a business role very close to the leadership of the enterprise.
2. **A Business Performance Role** – focusing on helping the organization improve operational effectiveness. This will be a broad-based a generalist role very close to the organization members and intermediate supervisors.
3. **A Process Management Role** – focusing on administrative efficiency, cost effectiveness and customer service. This will be a supply management role that primarily interfaces with outsourced vendors. It will also be highly technologically driven.
4. **A series of Functional Expert Roles** – focusing on a discrete functional skill sets and the provision of strategy, design and compliance advise in their chosen area of expertise. These will be increasingly external roles, generally resident in consulting firms.

Human Resources organizations will be reconfigured into a networked web of internal and external interfaces, services and relationships that best fit the operating needs and style of the entity.

Gone will be the days of “one size fits all” – companies and practitioners will realize that trying to perform all of these roles internally in a single individual or small work group becomes cruel and unusual punishment, as well as distinctly impractical and ineffective. Moreover, each role will be stretched to fulfill to an increasingly higher standard of excellence, performance and innovation. Irrespective of their size, companies will have a blend of internal and external resources.

Sub-professions will develop around the four main branches, and over the next few years each will embrace new names, conventions of business practice. They will increasingly become dissimilar.

Skill sets will be those of the branch that one is best suited for.

At the strategic level, practitioners will have strong business skills, augmented by excellent relationship and communication competencies. They will have well developed business foresight, strong conceptual skills and a keen sense of the impact of discontinuity. They will be the designers of organizational architecture and proactive agents of change.

At the business operations level, practitioners will similarly require business (but at a more tactical level) and interpersonal skills, as well as a broad based understanding of performance and career development methods, problem resolution skills and a sound understanding of the key elements of organizational and leadership effectiveness. A key skill will be to know when to seek help, and realize that they cannot possibly be a repository of all

knowledge. They will be broad, but not deep in knowledge, but will have excellent application skills.

The process managers are equally likely to come out of customer service or purchasing disciplines than human resources and will excel at establishing and managing cost effective service relationships with a variety of vendors, providing payroll, benefits, recruitment, compensation, compliance, workers' compensation, relocation, immigration, fleet management services etc. etc. Some vendors will consolidate service offerings to help minimize the supply chain, and try to offer "one-stop shopping", but what you gain in synergy, you may lose in focused expertise. Suppliers will need to have extraordinary commitment to customer service, efficiency of operation and performance quality, as well as bringing strong competencies in systems and technology.

The functional experts will specialize in a single discipline and will advise organizations of best practices, alternatives and strategies as they relate to their particular area of expertise. Skills here will center on depth of expertise, innovation, consulting, interpersonal skills and technological capability. Many of these experts will be on a retainer-type of basis (philosophically, though maybe not financially), and provide proactive and just-in-time counsel to their clients, rather than responding to phone calls of inquiry. Functional areas will include compliance, compensation, benefits, training, health and safety etc., and their firms will also probably provide outsourced administrative services within their sphere of focus/expertise.

As these factions polarize, it will be increasingly important to understand and intellectualize the implications of what is going on. This is true both for individuals and the consequential impact on their careers and livelihoods, but also for organizations who need to decide how to invest, structure and resource the skills, services and competencies they will need for competitive advantage.

Many human resources practitioners will assess the contextual and consequential realities of all of this and decide (hopefully proactively, rather than reactively) that their skills, inclinations and capacities are best served in some other sector of the business world. They will commence the transition to new positions, the acquisitions of new skills and/or the retraining for alternative careers at an increasing rate.

Conversely, many others will embrace the new opportunities, hone their natural and developed skills and clearly decide whether to orientate themselves towards human resources strategy, business operations, process management or functional excellence. They will be increasingly appreciative that the world is looking at human resources through a fresh lens and allowing them to be what they want to be, providing for their success and the opportunity to add most value professionally.

Clearly, there will be crossovers and links, and career growth opportunities from one track to another. What will be increasingly recognized though is

that the purpose, focus of operation, interfaces, skill sets applied and the competency base needed will differ significantly from track to track.



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