



TenStep Supplemental Paper

6 July 2010

Wrestling HRD

The change in perception about HR, which has come to be seen as a strategic function rather than a support function, is definitely positive. However, as they say, *there are no free lunches*. HR executives are paying heavily for all the attention and importance they are getting. They are expected to be on their toes gathering knowledge about the next big thing coming their way.

The corporate landscape we see today is infested with change. In a time frame as short as five years for non-IT industries and a year or two in the field of IT, technology becomes obsolete. People start craving more and better products. Hence, the entire corporate scenario needs to change. The intensified levels of competition have resulted in new corporate structures, technological platforms and cultures that are beginning to dictate organizational working. HR has been at the center of the change resulting in a complete overhaul of the function and the business model supporting it.

The change, however, has not only been in the form of altered business models or corporate structures. There are greater challenges that the changed corporate landscape is witnessing. Despite the challenges, HR specialists are excited to meet these challenges head on, equipping themselves with the knowledge and competencies required to do so.

A recent analysis was conducted of executive forums in America early this year. Of the many challenges mentioned by the senior HR executives, three issues trended strongly with the majority underscoring their relevance. The range of challenges varied from talent management to performance-linked compensation to change management.

The overhaul

The insecurities that once haunted HR have disappeared. Today, HR has come out as a survivor amidst a deluge of restructuring and cost cutting moves. Human resource executives are increasingly moving out of their traditional mold to enter into a more meaningful and strategic role. In the process, they are equipping themselves with the competencies and skills required to do justice to their new roles.

The functional overhaul has definitely been positive, but it has put tremendous pressure on HR specialists to give more and better results. The expectations from HR executives have shot up.

Despite all the good points, there is one sore point that seems to trouble executives - the lack of effective HR metrics. For instance, a business restructuring move calls for effective change management, which ultimately falls under the purview of HR. Despite their efforts, HR executives get little recognition since their efforts hardly translate into measurable units. The good news, however, is that HR metrics definitely validate concern. Moreover it is not significant enough to dampen the morale or enthusiasm of HR executives. HR executives have prepared to take on the changing business landscape.

Issues of concern



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The change in the corporate landscape has transformed the role of HR executives beyond doubt. From a single one-track role to a dual and more challenging one, the transition seems rather smooth. The role split has resulted in HR executives playing the specialist and a senior management team member under one job title. While the specialists are more function-oriented and focus on improving functional efficiency, the other role focuses on making more meaningful and strategic contributions. HR executives are already seeing successes register on either of the roles, performing them to the best of their abilities. However, as mentioned earlier, certain issues have posed greater challenges than other more maneuverable and simpler HR issues. The most daunting have been:

Hiring the best talent for meeting future organizational challenges

The corporate fraternity is in the midst a serious talent crisis. In addition to economic factors, the aging workforce is compounding the woes of hiring managers. The need for the best is coupled with issues concerning, retaining the best, succession planning and replacing talent gaps caused by retiring workforce.

Change management

Change is the only constant today. HR executives need to facilitate the change happening both within HR and other corporate functions. The challenge of effectively managing change has recently come into HR's fold. Hence, treading into unexplored territories makes the task even more compelling. HR should thus ensure that they have adequate tools to meet the challenge head on.

HR metrics

Metrics that indicate value addition by HR as a function are yet to be formulated. Metrics largely indicate significant cost reduction by HR. But there are no measurement tools to indicate the value that HR as a function provides to the business model.

The challenges are definitely daunting but not unconquerable. HR has come a long way in proving its potential as a strategic partner, what needs to be seen is how well it can sustain the momentum and how fast it can begin to add value such that it dispels all apprehensions associated with the function.