Chapter 11
A Framework for Transforming Your HR Function

Why a transformation?
• “A transformation which calls for a paradigm shift that will change an HR department form a functionally fragmented, administrative cost center to a value-adding, integrated organization aligned with corporate business strategies requires a framework”.

A transformation; what to where?
• Transform from reactive, defensive, order taker to proactive strategic partner
• Anticipate the question, not respond to someone else’s answer
• From a support function that responds to a strategic function that anticipates business demand
Why good HR?

• The availability of the right people to do the work that offers a competitive advantage
• Alignment of individual goals and work objectives with strategic goals
• Reduced risk factors of inadequate competencies, non-compliance, or poor morale
• Cost savings in doing the work of a transformed HR department

5 ‘Success Drivers’

• The culture of the HR organization
• People in HR
• Processes used to deliver HR services
• The structure of the HR organization
• Technology used by the HR organization

5 ‘Success Drivers’

• The culture of the HR organization
  – Must start thinking of themselves as strategic business partners that anticipates a business’s demand for HR
  – No longer administrative gophers and order takers
  – Want the problem to solve, not just the answer to implement
5 ‘Success Drivers’

• People in HR
  – Previously spent most of their time hitting the moving targets of regulations, laws, etc
  – New competencies required of HR people, such as:
    • Think and act strategically as a business partner
    • Have a knowledge the business and its current requirements
    • All decisions include awareness of business-related HR strategies
    • The ‘holy grail’ is when all functions and staffers have the same, correct understanding of the business needs of the organization, and what these mean in terms of needs for people and their competencies

• The structure of the HR organization
  – Tends to be fiefdoms or silos
  – Locus of HR, where do the functions reside? Is it centralized, or decentralized to line managers and supervisors?
  – Need to break down silos and fully understand who owns what in the HR organization.

• Processes used to deliver HR services
  – Many process are ad-hoc solutions to crises, not well thought out and planned processes
  – Many tasks are redundant, many systems overlap
  – Grew from the bottom up as the organization grew, not from a well thought out strategic plan
5 ‘Success Drivers’

• Technology used by the HR organization
  – Basic subject matter is mostly unpredictably volatile, diverse and hard to quantify, making it difficult to automate
  – Most automation focuses on events and transactions
  – Needs to include the new mission of HR and its systems, goes beyond automating existing processes and transactional record keeping to help manage the skills, knowledge, etc that matters most to the organization

• Technology used by the HR organization, cont’d
  – Technology was an automater of existing processes, and an enabler of re-engineered processes
  – Rethink technology, don’t just automate existing processes
  – It can distribute tasks outside of HR, such as manager and employee self service

A transformation: What is it?

• Not completed
Why do it?

How to measure it

Questions