

Have we lost the Human in Human Resources?

A look at the ever-changing world of Human Resources Shared Services, and the role of HR in People Management

Many of you know me as a senior operational leader running large organizations. The latter part of my professional career has been focused on Management of large global operational functions (before my venture into consulting with CE3 Solutions). The first part of my career was essential in developing my management successes for the future, working in Human Resources.

I owe a great deal of my people management success to my time in HR, especially in areas of Employee Relations and Conflict Management. While I was very comfortable in handling these situations once I moved to operations, I still relied very heavily on my HR Business Partners on advisement on how to handle challenging employee issues.

Recently, I was asked by a colleague who works for a large search firm to provide my views on what HR Shared Services does today. I found if you ask ten HR professionals on what the term HR Shared Services means, you may get ten different answers. I thought about my perceptions, how shared services has evolved from a centralized group of individuals focused on policy and benefits, to providing advisement and decisioning around Employee Relations and Conflict Management related issues (to name just a few). Then I asked myself a question, if organizations have moved to a centralized management model of Employee Relations and Conflict Management, what is the impact on the day to day employee support managers receive from HR? Have we lost the Human in Human Resources?

CE3 Solutions reached out to numerous HR Professionals to get their expert opinions on this, specifically senior managers who manage Shared Services functions. The feedback was very insightful in helping provide an answer to the question.

To start, there seems to be two extreme views of the role of HR. One extreme says that HR is there to enable the business to succeed and that should be the reason we practice HR. The other extreme says that we should be in HR to help people. Where does your arrow land on that spectrum? Are we in danger of being irrelevant if we do NOT understand and speak on behalf of the business? Or have we lost the essence that people are at the heart of successful organizations and we are in danger of ignoring that fact? A critical cultural question for an organization to answer.

Regardless of the answer to the questions above, it is factual that many organizations have moved away from HR “field” employees supporting business leaders to centralized functions. For smaller organizations, HR may be one of many “hats an individual wears” in managing the day to day business operations of their organization. So how do these organizations handle complex HR related situations? What considerations need to be made to handle these situations successfully and protect the employee and the business?

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Successful organizations who have put a centralized HR Shared Services model in place, or who rely on a key management member to manage their HR functions along with other business responsibilities, have developed a blended approach to managing HR related issues. These organizations understand the makeup of their employee population. They train their line leadership on how to handle basic and routine people management issues, have sound business policies, processes and tools in place to help leaders handle situations, including escalation processes when more complex situations occur. They also are continuing analyzing internal and external data to proactively understand what changes may have to be made to their model.

Here are some examples on the Shared Services Model that are required for success:

Makeup of employee population: Organizations should understand the type of day to day issues that their employees and managers have and build the appropriate support model to help them. Leaders who manage exempt employees may have different challenges than those who manage nonexempt employees. Leaders who manage multiple levels of leadership (managing managers) have different challenges than those who manage one level of leadership. Understanding the makeup of your population, and the typical situations that they need to handle, is a key component of success

Line Leadership hiring: The origins of many HR Shared Services centralized models were based on the ability of front-line leaders to handle many HR related issues and concerns. Tenure and experience with the company were critical factors in having the confidence that many issues can be being resolved in the field, and leaders having the judgement of when to involved HR expertise as appropriate. With management turnover creating less experienced leaders, there is more pressure to look at the HR Shared Services model and make appropriate adjustments while management competency is built over time.

Line Leadership training: With new leadership being put in place along with a greater focus on handling employee relations concerns, providing behavioral based and situational training can help leaders gain more confidence in handling cases, as well as the awareness of when to address an issue and when to escalate. A key component is ensuring that you are building training techniques and curriculum that are best adaptable to your managers, specifically related to generational management. As an example, feedback from experts suggests that millennials are more than comfortable with people management and just need the tools to execute in management situations, while other generations like more behavioral based and role play training. That said, there is no one size fits all approach. Learning should be customized and adaptable to your organization's needs.

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Policies/Procedures/Tools: While many changes have occurred in the type of challenges HR and managers have on a day to day basis in addressing employee concerns, having clearly defined policies and procedures is one fact that has remained constant. Tools for managers to leverage goes a long way in helping address issues and protect the employee and the business.

Escalation Process: While training, policies and procedures are all important foundations, there are situations that occur that need a higher level of involvement and expertise. Educating your line managers on how to identify these situations and a process for them to escalate the issue is critical. Escalation to a subject matter expert to handle the situation will reduce the corresponding risk associated with it.

Data: There is a lot of discussion about the importance of data and how we use it for managing our HR functions. Historical reporting data has long been used in Human Resources, but the next generation of successful leaders and organizations will need to use data on a forward-looking basis to predict and shape actions with a future view. Effective and robust use of the right data for predictive modeling purposes will differentiate one organization from another.

In summary, every leader in an organization owns the Human in Human Resources. The ability of a line leader to have the skills to understand employee issues, anticipate concerns, and quickly address them minimizes the risk to the organization. These skills also help the manager and employee resolve the conflict. HR continues to be a relied upon resource to handle the more complex employee related issues, while continuing to support the day to day operational needs of the business.

CE3 Solutions specializes in management mentoring and training, as well as the development and implementation of procedures, processes and tools to help develop leaders to be world class managers. We also have a strong ability to analyze data to determine what specific needs an organization has now, and in the future, to be successful. We have done work with organizations both large and small.

Please let us know your thoughts on the topic, additional insights, and any assistance you may need.

Mike DeCandido is Chief Operating Officer and Partner with CE3 Solutions, LLC, a boutique management consulting firm specializing in creation and implementation of strategic and tactical roadmaps for businesses to simultaneously improve their customer experience, shareholder/business value, employee engagement, and risk management. CE3 Solutions partners have collectively over 100 years of experience in directly managing these areas with numerous Fortune 500 organizations, while also providing solutions to businesses of all sizes.