

LIGHTS OUT FOR HR?

You may think it is a ridiculous notion not to have an HR department but a few months back I met a substantially big retail employer that does not have one professional HR practitioner in their company, despite having a workforce well over a one and a half thousand. As they said, 'We haven't seen the need for one or met anyone we felt could add value at executive level.' Instead they have some admin people ensuring that everyone is on the payroll, maintaining the function as a purely administrative one.

A decade ago the requirements of an HR manager were different from today – they were called Personnel Managers then, with little more required of them than mere administration, maintaining employee records, making sure everyone was paid on time and so on... Today the expectation is that the HR manager sits around the table with the big boys, adding value because they have both business acumen and functional expertise. It makes sense that for any reasonable credibility the HRM needs to be conversant with finance, sales, marketing and manufacturing and know how to help the organisation achieve its goals. The trouble is that not all HR people are up to speed on this one and if they can't catch up quickly their days may be numbered.

The word on the street is that there are too few HR people around that meet today's expectations and my experience seems to bear this out. As an HR professional it is incredibly depressing to be asked to attend interviews for HR Managers only to see them awkwardly squirm and fumble when questions about that department's return on investment and strategic contribution to the organization crop up. In this day and age did you really not expect them? So surely you should have figured out the answers beforehand? I mean, it really should come as no surprise that these two questions are tabled on the interview agenda when for the past 15 years pressure has increased for HR departments to justify their existence and become strategic partners in the business. Their role has come under increasing scrutiny to define what it is and envision what more it could be. This hasn't just come about as a result of companies wanting to quantify expenditure and ensure that everyone was doing their bit in climbing on the measurement bandwagon. It was to fill a growing need for integrated management and forward planning. Indeed HR themselves lobbied for higher status, more respect and made lots of loud noises to ensure they were taken more seriously and allowed to contribute at boardroom level.

Generally executive management responded to the call but the idea has still not been universally adopted such as in the case I cited earlier. They are sceptics and not without cause. Where we seem to run into problems is when the HR manager limits him or herself to their Social Sciences degree and fails to broaden their knowledge and develop an understanding of the function as a value-adding, results-focused strategic contributor. Not enough HR professionals understand what it means to be strategic and this is due largely to their lack of business acumen – a problem not exclusive to Botswana. To combat this it is not unusual for companies elsewhere in the world look outside of the profession to fill top HR slots. So the jobs start to go to people with finance and marketing backgrounds because they can talk the business language. Whilst this is not necessarily a problem, it does not auger well for the future of the profession when it needs to be managed from outside.

The profession could well be under threat. Many companies in the last few years have been handing over many of their HR activities. Outsourcing companies are popping up all over the place, geared up to handle every single product and service offered by HR, including staffing, payroll, benefits administration, training, IR, and compensation. What started with just payroll has developed into a major world-wide industry highly popular because companies are finding that external vendors through technology and economies of scale can provide more efficient and cost-effective HR services than in-house departments. There's a chunk of the HR work that's gone and I can't see it coming back. So HR survival in organisations can only be secured by ensuring that professionals in the field step up to the plate and become strategic players who help the bottom line and tackle the big issues. My advice to heads of HR departments is to make sure you can answer the questions no one else can. Have answers about what will affect the future workforce like for example the role that rapid technological change will play in transforming the workplace and eroding traditional concepts of work schedules, locations and responsibilities, the growth in telecommuting, proliferation of information resources, and pending advances in computer and robotic technologies and how this has led to predictions of a "jobless" future. During the next decade, HR professionals will be asked to lead their companies through these types of changes.

The bottom line is move your efforts away from the mundane 'cos nobody really cares if the personnel files are up to date or the leave register balances – that can be outsourced and if it is not already it probably soon will be. Make sure you really question your HR contribution, always with strategic planning and the big picture in mind. Be aware that HR is at a crossroads, one road leading to where it becomes indispensable, the other to becoming obsolete. Only the people currently working in the profession hold the key to this. If they are able to forge a link between HR initiatives and corporate goals, their indispensability is all but assured. If not, a lot more HR professionals may file themselves out of a job!

