



E M S L I E *analytics*

Accounting for people in business

Standing Back



The first of a series of occasional articles by Rick Emslie, HR Strategic Adviser, where he offers a view on current strategic issues facing HR professionals.

Last week I had occasion to become involved in two discussions with HR professionals about the difficulties they found in demonstrating to the rest of the organisation that the work they do is beneficial to the organisation as a whole. In fact, in one of the discussions, involving around 15 Heads of HR Shared Service Centres from both public and private sectors, the following question was posed: "We have shown that we can reduce numbers and costs in our operation, but how do we go about demonstrating that we add value?" The other instance was where

an HR Director was being asked to demonstrate the return on the "investment" being made in a new grading structure which involved some considerable cost for the organisation.

The problem with the HR function is that it has, not without cause, developed a siege mentality over recent years. It, like so many support functions, is under constant pressure to reduce costs and numbers. By and large, it has delivered on these, but not without pain and damage to its confidence, and, arguably, to the detriment of the organisation as a whole. So many of the HR heads I speak with are in defensive mode and have forgotten, more often than not, that attack is the best form of defence. By this I mean that they shy away from being pro-active in case they are, yet again, battered down as a consequence. They become inwardly focused and, when challenged to find added value, look only within their own function. It is no surprise to me that they have difficulty in finding it there.

If only they would lift their heads to the broader horizon of the organisation as a whole, for it is there where they will find the added value emerging from their actions. Take one simple example: an improved recruitment process will show most of its benefits in the line manager's department, not in HR, but the extent of these is not always immediately apparent to the beneficiaries. HR needs to use numbers (preferably with a £ sign in front) to demonstrate the added value brought. This may be as a result of far fewer new recruits being lost in the first six months of their employment through better selection of 'round pegs for round holes'. Not having to re-recruit means that the recruitment costs will not be incurred all over again, as well as all the costs of disruption, providing cover for the vacancy and training for the new starter. That represents considerable value if we take the trouble to quantify it. Or we may save line managers' time through having more tightly defined job and person specifications so that we interview fewer candidates who are then eliminated because they are inappropriate. Space prevents me giving more examples, but there are many.

Of course, for those readers who already use the Strata HR Analyser and do so to its full potential, all of this is old news. They will already be producing the broader people-related metrics and using scorecards which make it easy to disseminate and demonstrate the added value they bring.

So, take control! Afford yourself some time away from the pressures of the day-to-day transactions and stand back. Take a view of your work in the context of the broader organisation because it is there where you will find evidence of your added value, not within the bowels of the HR department!

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