ILR CAHRS

Working Group:
HR for HR
Hosted by Workday
Pleasanton, CA | August 14, 2019

Participating Organizations:

Boehringer Ingelheim
Cornell University
E&J Gallo Winery
Estée Lauder
General Electric
IBM
Medtronic
Microsoft
SC Johnson & Son
Workday

Key Takeaways:

1. HR Transformation remains a constant at CAHRS companies. The areas of biggest focus currently include developing HR capabilities; starting up and expanding analytics and insights teams; implementing and leveraging technology; delivering services through an Employee Experience (EX) lens; and ensuring the three legs of the stool are working together well.
2. Challenges to the HRBP evolution continue including changing line and HR expectations about the role (especially at the most senior/experienced levels), transitioning work from HRBPs to Centers of Excellence (CoEs) and/or Shared Services, and acknowledging that the international HRBP role may be different than the United States based role due to geographic differences (laws, size of employee base, etc.)
3. More companies are using PhDs/Data Scientists to stand up their HR Analytics & Insights organizations. Where that team sits in the organization varies (HR Operations, Talent, Total Rewards, part of enterprise-wide analytics group) as well as whether they are focused on reporting or predictive analytics.

Ask any HR professional about their company's HR Model and you are likely to hear: "Our HR function is undergoing a transformation." The rationale behind the volume of HR transformations is, in part, due to growing specializations like HR Analytics and Insights; Organizational Design; EX; and an evolving role of the Human Resource Business Partner (HRBP). Further, advancements in Human Capital Management (HCM) Software allows HR and business leaders to have increased access to data, dashboards, and self-service transactions. This working group discussed the role of HR-for-HR within these more complex HR organizations, as well as best practices in leading multi-year HR transformations and developing HR talent.

The day started with Workday, the host partner, sharing their transformation in People and Purpose (their name for the HR function). Their objectives are to be growth ready, workmate obsessed, well-orchestrated to employees and to deliver with simplicity and excellence. Key areas of transformation include the HRBP role, resourcing People Operations, creating a People & Purpose Portfolio, building content and scaling tools, transitioning work from HRBPs to People Operations and launching a global workmate support brand. As you would expect given their line of business, Workday has advanced technology support including an HR Chatbot.
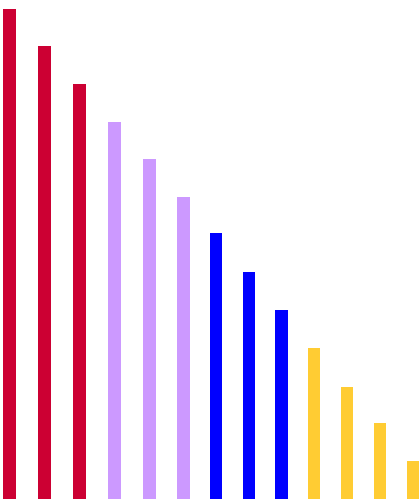
Transformation of the HR Operating Model

The HR Operating Model at all the companies present continues to evolve but remains firmly rooted in the three-legged stool (CoEs, HR Operations/HR Shared Services, HR Business Partners). Most companies are determining how their operating model should change given the focus on EX. Challenges continue to be transitioning both HR and their clients to fully leveraging the model – when to use self-service, when to go to Human Resource Shared Services (HRSS), how to leverage HRGs/HR Consultants or HRBPs, etc. The more senior and experienced the client, the harder the change is. In addition, the group most impacted by the change tends to be Directors. Senior level leaders continue to have access to HRBPs; junior levels adopt change more quickly and like technology/shared services. Directors are going through the most change, as their HR resources may no longer be dedicated. Newer companies are having an easier time with the transition than long-established companies.

HCMs like Success Factors and Workday continue to be a driver in transformation. The companies who had more advanced technology (three partners present) had or are in process of implementing chatbots – this completely changes the way employees get support. It is important to think about the escalation process from technology to shared services to human as well.

Another area of focus is determining what goes into HR Operations. As companies continue to build out this area, they should revisit what originally went into Tier 1 and 2 and see if the decisions still hold. Similarly, the structure of HR Operations and where it sits in the organization varies and evolves. Sometimes it sits in the HR function, other times with Finance and its shared services or in Global Business Services/Solution with other shared services areas.

While one company mentioned a goal of eliminating all HR Generalist (HRG) roles, others felt that might be extreme. HRGs may continue to be needed to support manufacturing or remote locations or if the company focuses on high touch HR.

HR Capabilities and Development

The group talked about what skills and capabilities their HR teams are focused on developing. The list varied by business focus, stage of transformation and culture.

- Organization Design
- Analytics
- Change Management
- Back to Basics HR
- HR Strategy
- Ability to influence
- Coaching/Consulting
- HR Technology
- EX
- Project Management/execution
- Solutions orientation
- Psychological safety
- Emotional intelligence/ empathy
- Contracting with vendors
- Conflict resolution

How companies are developing the skills and capabilities remains an area CAHRS Partners are building. Some are doing Master Class Sessions; others are building HR Academies.

HR Analytics & Insights

The focus on HR Analytics continues to grow as data becomes globally available and technology improvements are implemented. The biggest shifts here include dedicating more resources to analytics and staffing it with experts like Data Scientists/PhDs. These teams sit in a variety of places including Talent, HR Operations, Total Rewards or Global Business Solutions (GBS). Companies are moving from "reporting the news" to driving insights from data. There continues to be a big challenge in training HR on its role with the data, what questions to ask and how to use it to support the business. More data is not always better.

Employee Experience (EX)

As companies look to engage employees and focus on the EX overall, HR is reexamining its service delivery. HRSS and HCMs can positively or negatively contribute to EX. HR needs to decide what its high touch moments are. Even if you use a system, there are ways to make it feel high touch (i.e. using the person's name every time). Words matter even if you do the same transaction repeatedly. HR needs to identify system/s & tools that help or hinder this feature. The right balance of self-service and high touch is important and you may need to revisit this over time as EX changes or systems warrant. Measuring EX has evolved as well. Surveys are still the norm but how often and the length of surveys is changing to more frequent and shorter to have more real-time information to take action on. For example, one company has "Feedback Fridays." Every Friday, two questions are asked over a 17-week cycle. Managers can then see the trends, and learning tools are recommended. It's also important to think about using measures/language that your clients already use. For this reason, Net Promoter Scores are becoming more common.

Centers of Excellence/Human Resource Business Partner (HRBP) Relationships

The group discussed some challenges during transforming the legs of the stool; more commonly between CoEs and HRBPs than HRSS – perhaps due to HRSS mindset. Jointly mapping out global processes so that there is a common level of understanding is a good practice. Establishing role clarity (the Responsible, Accountable, Consulted, Informed [RACI] tool is useful) and service-level expectations for employees are helpful (i.e. Tier 1 response time). Communication between the groups is key. Some examples of how to do this well include:

◊ Monthly calls with Global HR leaders – share best practices; build in surveys
◊ CoE Connects – regular meetings between CoEs/HRBPs to discuss business challenges and how best to meet the needs
◊ Align HRBPs to CoEs to bring information back and vice versa
◊ Be clear on roles, responsibilities, escalation practices, ownership
◊ Establish service catalogs – document who does what and keep it updated

Over time, continue to reevaluate the model. Revisit processes and where things are located in the organization through the EX lens. There may be a need to rebalance resources — design is important at start-up, so CoEs may be heavier initially. Align with HR or business priorities — if execution is important, you may need more people dedicated to that. Standing up new CoEs or processes is exciting but there is also a need to take things down as the business evolves.

This Summary Report was prepared by Beth Flynn-Ferry for participants of the HR for HR Working Group.

The Center for Advanced Human Resource Studies (CAHRS) is an international center serving corporate human resources leaders and their companies by providing critical tools for building and leading high performing HR organizations. CAHRS' mission is to bring together Partners and the ILR School's world-renowned HR Studies faculty to investigate, translate and apply the latest HR research into practice excellence.

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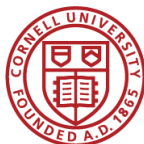
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