



Working Group: The Evolving Role of the Human Resource Business Partner

Hosted by TIAA
Charlotte, NC | February 7, 2019

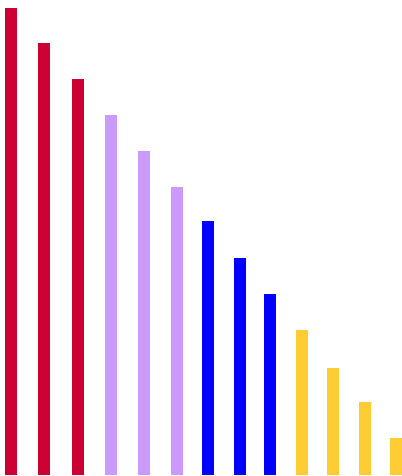
Participating Organizations:

Accenture
Compass Group
Cornell University
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Duke Energy
Hershey
IBM
Ingersoll Rand
MetLife
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Key Takeaways:

1. Transformation of the Human Resources operating model is the primary driver of the evolution of the Human Resources Business Partner (HRBP) role. The new model presents a huge opportunity to build strategic capability but also introduces a number of challenges, including setting new client expectations and upskilling HRBPs in areas such as business acumen and data analytics.
2. One persistent challenge with the new HR operating model is the tendency for HRBPs, Centers of Excellence, and shared services to become siloed and disconnected from one another. Thus, companies are looking for ways to facilitate partnerships across the different areas to ensure that they are delivering a “One HR” experience to the client.
3. One of the biggest barriers to HRBPs being able to adopt a more strategic role is that they often remain inundated with transactional work, sometimes by circumstance and sometimes by choice. Companies are working to free up capacity for their HRBPs to focus on more strategic work-through approaches that combine elements of priority-setting, systems-design, and accountability measures.
4. As the HRBP role evolves, it is important to consider the capabilities that are critical for success since what made someone effective in the past is not necessarily going to ensure his/her success in the new model. Companies are using a number of innovative development approaches to upskill current and future HRBPs in areas such as business leadership, data analytics, and systems thinking.

HR generalists who lead HR for large divisions face unique challenges. The role of the “Senior/Executive HR Business Partner” is evolving rapidly, making it more important than ever for these HR leaders to find new and innovative ways to solve their business challenges. This working group delved into how the HRBP role is changing and the factors driving the changes, critical skills that HRBPs need today, and how companies are building these skills, including some of the challenges and opportunities associated with the new HR operating model.



The Evolution of the HRBP Role

The group started the day with a discussion about how the HRBP role is evolving in their companies and some of the factors that are driving this evolution. Most companies are at some stage of transforming their HR operating model to one consisting of Centers of Excellence, HR Shared Services, and HR Business Partners, commonly referred to as the three legged stool model. This model has enabled many administrative and transactional tasks to be shifted to the shared service centers, thereby freeing up HRBPs to focus on more strategic work. Companies are also working to advance their data analytics capabilities. As these systems mature, HRBPs are expected to increasingly leverage data in their decision-making.

Although the group believed the new HR operating model presents a huge opportunity to build strategic capability, there was acknowledgement that the transformation has not been without its challenges. For example, although HRBPs are increasingly being expected to engage in data-based decision-making, many are not yet comfortable working with data. Also, there is a sense in some companies that the specialists in the shared services centers have become so task and process oriented that they are losing sight of the personal context. This is causing some companies to think about how to humanize service delivery. The new model can also create challenges with clients. First-line managers get frustrated because they don't have someone they can call. At the same time, HRBPs are sometimes frustrated because they want to help managers and nurture the relationship, but are forced to push work to the service centers.

To address these challenges, companies are experimenting with different structural modifications to the three legged stool model. For instance, some companies have kept the traditional model in their plants, while introducing the new model elsewhere in the company. Also, some companies have created virtual generalist centers that consist of experienced advisors that can help handle more complex work alongside more junior advisors that handle more basic/transactional work. Finally, some companies have instituted unique roles designed to manage critical workflows across the organization. For example, one company has global process owners that ensure consistency in how a particular process (e.g., talent acquisition) is carried out around the world. Another company has someone that oversees all change management activities and another person that is in charge of digital transformation for HR.

Facilitating Partnerships

One persistent challenge with the new HR operating model is the tendency for HRBPs, COEs, and shared services to become siloed and disconnected from one another. Thus, companies are looking for ways to facilitate partnerships across the different areas so as to ensure they are delivering a "One HR" experience to the client.

To do this, some companies have employed cross-functional teams that consist of members from across the different areas. Having clear, cross-cutting strategic priorities can also help to create a shared mental model across areas.

Some companies have tried to tackle this challenge through more subtle efforts. For example, it can be helpful to have informal activities that bring together people from the different areas. Also, ensuring that there is representation across the areas at important meetings can facilitate better awareness and more effective knowledge sharing. Communications should also be shared across areas and some companies have had success using networking platforms, such as Slack, as a way to keep everyone on the same page. Another subtle, but potentially important, change that some companies have made is to view HRBPs as partners, rather than customers, of shared services.

Creating Capacity

One of the biggest barriers to HRBPs being able to adopt a more strategic role is that they often remain inundated with transactional work, sometimes by circumstance and sometimes by choice. Thus, the group spent some time talking about different approaches they have adopted to try to create more opportunity for their HRBPs to do strategic work.

The group agreed that there is a need to prioritize issues/initiatives so that HRBPs focus on mission critical items. Goal deployment can be one way to do this. Goals need to cascade from the top (what are the four to five most critical things for the year?) This helps to focus and prioritize people's activities. There should also be clear, measurable results tied to these priorities so progress can be tracked. Along somewhat similar lines, the group talked about the importance of holding HRBPs accountable for doing strategic work. This often requires a shift in what gets measured (e.g., moving from client satisfaction to KPIs).

Mechanisms should also be in place to understand what the business wants and needs. A lot of HR time and energy is spent on initiatives that the business doesn't really need. A number of companies have setup talent councils with the businesses to help better identify what the critical priorities should be.

Some companies have also tried to alleviate the burden of transactional work by designing it out. For example, systems may be setup so that HRBPs are unable to do certain types of tactical work. The risk with this approach, however, is that it can put the HRBP in a compromising position and undermine its credibility.

Building Capability

As the HRBP role evolves, it is also important to consider the capabilities that are critical for success since what made someone effective in the past is not necessarily going to ensure his/her success in the new model. The group also noted that there is often considerable variability across business partners since they come into the role with different backgrounds and expertise. This can create an unevenness and also a tendency to see all issues through a particular lens (e.g., recruiting, learning, employee relations).

The group discussed whether there are some leading indicators of who is able to make the shift from tactical to strategic and landed on a few key factors, including learning agility, adaptability, systems thinking (i.e., ability to make connections), business mindset, and an ability to interpret and make sense of workforce analytics. The group also discussed the need for modern HRBPs to have the following competencies: culture catalyst, employee engagement, workforce planning, organizational effectiveness, and relationship management/influence/consulting skills.

Companies are also experimenting with a number of innovative initiatives to build these capabilities among their current and future HRBPs. One company, for example, has developed an HR academy designed to upskill junior talent. Another company has junior talent work on projects that cut across different parts of the organization. These diverse projects typically last for three months and are very attractive to Millennials. Another approach one company has adopted is to develop a talent accelerator program that takes people right out of school and rotates them through different assignments and projects over a two-year period. The program has been quite successful, but it is challenging to scale.

Some other development approaches companies were using included online learning, courses in business acumen (e.g., finance), and opportunities to spend time observing how the business operates (e.g., "A Day in the Life").

Geographical Differences

The group spent some time discussing how their HR operating models are organized across geographies. It was clear from the discussion that there was no “one-size-fits-all” approach. Rather, the right model depends on both the company and its culture.

Regardless of the specific approach that is adopted, the group noted that several challenges commonly arise. One is that the HR model tends to be very United States-centric because that is where many companies are based. This can lead to a host of issues, such as a tendency to schedule all meetings based on the home-country time zone. Also, it can be difficult to strike an appropriate balance between standardization and local customization. One company regularly conducts calls with country leads to understand their unique needs.

Pressing Issues

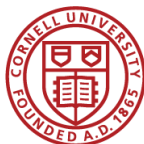
The group wrapped up the day by discussing some of the pressing issues currently facing their HRBPs. These included the following:

- Bullying in the workplace
 - #MeToo
 - Flexwork/remote work (as some companies unwind their work-from-home programs they are facing considerable resentment from employees)
 - Re-skilling and re-deploying talent
 - Workforce planning
 - Managerial training (managerial training has been relegated in recent years in many companies and there are efforts underway to again make it a priority)
 - Leveraging the latest technology and tools
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This Summary Report was prepared by Brad Bell for participants of The Evolving Role of the HRBP CAHRS Partner Working Group.

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