When it comes to transforming HR, creating a grand vision and giving out new job titles isn’t enough. HR leaders must find out what services their businesses need and decide how those services should be delivered – and then put them into action. That’s how HR can drive meaningful improvement and change.

Where details really matter
Leading HR organizations focus on four major factors when designing and implementing a new delivery model for HR services:

Strategy. Top CHROs target HR capabilities that fit the strategic needs of the business, including specialized programs and services to tackle issues such as talent management, emerging markets, global mobility and total rewards. They position HR to influence business strategy through deep insights about workforce trends and other talent challenges.

Customers. Getting “great” requires improving how HR serves its customers, including employees, managers, retirees, contractors and recruits. That might mean offering high-end service to some customers, such as employees in critical workforce segments, while offering more cost-efficient service to others.

HR structure and staff. HR staff need the right skills and training to fulfill HR’s new role. Also, they must be organized to support the business as efficiently and effectively as possible.

Enablers. To do its job, HR needs the appropriate policies, processes, vendors and systems. This includes improved HR integration and standardization across the enterprise, as well as performance measures that reflect HR’s true business value.

How we can help
Deloitte is one of the world’s top-ranked global HR consulting firms. We have virtually unmatched experience managing complex HR transformations and have helped organizations design and implement improved HR service delivery models. Our specific offerings include, but are not limited to:

- Current state analysis (organization, policy and process, third-party vendors and technology)
- Identification of improvement opportunities
- HR activity-based costing and benchmarking
- HR organization design (shared services, Centers of Expertise, HR Business Partner functions)
- HR process redesign
- Service delivery blueprint
- HR organization sizing
- Global vs. regional vs. local delivery of HR

We also offer a full range of HR and business services, as well as deep industry experience. This combination helps us deliver solutions that make sense from both an HR perspective and a business perspective.

Bottom-line benefits
- HR services that align with the needs of the business
- Reduced HR costs with improved service quality and compliance
- Greater ability to anticipate and address workforce trends and market shifts
- Improved focus on critical HR customers and workforce segments

Five ways to get more value now
Build a compelling case. To win C-suite support, develop a business-driven case for change that focuses on specific HR improvements and tangible results. Present the benefits in terms that business people can understand. Design the business case to serve as a baseline for tracking progress and assessing results against expectations.

Define clear boundaries. Scope creep can cause improvement projects to collapse under their own weight. Decide in advance which areas of HR you want to target for improvement and which areas are out of bounds.
Go deep. Superficial changes do not create sustainable improvement. For example, if you want HR to become a strategic partner to the business, you can’t just print new business cards with the title of “business partner.” You need to design and implement a new service model, supported by the appropriate people, processes and tools and staffed by individuals with the skills and capabilities to deliver.

Engage the business. The business should be directly involved in designing HR’s new role and operating model. Otherwise, it will tend to keep engaging HR in the same old ways.

Face the tough decisions. HR transformation will require new skills and capabilities. In some cases, existing HR staff can be retooled or retrained to do the job. But in other cases, it may require bringing in fresh talent from the outside with new and different perspectives. Avoiding these tough decisions will make it difficult for HR to deliver on its promises.

HR Operating Model and Function Design in action
- A leading global financial services company needed to reduce headcount and costs within its HR function. We helped define the appropriate service delivery model, standardize and harmonize policies and processes, identify near-shore and off-shore locations and implement a global shared services organization. The new model helped the business achieve its performance targets and provided a foundation for developing HR into a true strategic business partner.
- A large transportation organization wanted to convert its HR function from a generalist model to a specialist model with three pillars: HR Business Partners, Centers of Expertise and Shared Services. We helped the company define a new HR operating model and service portfolio. We also helped design and implement streamlined HR processes and roles. The new model reduced HR’s administrative overhead and improved the quality and consistency of HR services.
- A global consumer products company wanted to shift from local to global HR service delivery, enabled by a new global HR system and increased self-service. We helped define the business requirements and design the new delivery model. We also helped design and implement new processes and systems – including a Web-based portal. The new model improved process and data integration across business functions and geographies, and reduced overall HR costs.

Related insights
- From the Ground Up: Building an HR Infrastructure to Support Future Growth
- CHRO Perspective: Taking Action in Uncertain Times
- HR That Means Business: Focusing on Value Creation

Related case studies
- Aligning People, Processes and Technology to Drive Profitability in the Retail Sector
- Life Sciences Company Seeks Improved HR Service Delivery
- Human Capital Transformation Helps Multinational Pharmaceutical Companies Through Merger

Related offerings
- HR Transformation Strategy and Planning
- HR Shared Services
- HR Technology
- HR Outsourcing
- Benefits Administration and Operations
- Global Mobility Transformation
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