All too often, human resources (HR) organizations transform themselves in a strategic vacuum, responding to the business’ day-to-day operating needs without a clear view of the big picture. To be effective, HR needs to align its improvement efforts with the company’s business strategy. This requires an HR transformation strategy that is realistic and executable – with accurate plans, schedules, resource requirements and estimated benefits that the company can rely on.

**Putting strategy into practice**

A recent global survey sponsored by Deloitte Touche Tohmatsu and the Economist Intelligence Unit found that only 4 percent of senior business executives surveyed believe their HR function is highly effective in addressing the needs of the business. Sixty percent of those surveyed describe HR’s capabilities as “adequate but needing improvement,” and another 30 percent of survey participants say “significant improvement” is required.

What can HR do to regain the confidence of its business colleagues? And how can HR develop the capabilities necessary to help the business achieve its goals?

The first step is to work with the business to understand its top three or four strategic priorities – and then to develop an HR transformation vision and strategy that aligns with those priorities. The next step is to identify the detailed actions, resources, timing and budget necessary to put the strategy into action. Detailed transformation plans and expected benefits should be based on facts and real-world experience, not wild guesses or wishful thinking.

**How we can help**

Deloitte is one of the world’s top-ranked HR consulting firms with access to more than 7,500 HR specialists across major regions. We have deep knowledge and experience across the many phases of the HR transformation process, from vision and strategy to implementation and change management, and have helped leading CHROs around the world develop and implement HR transformation strategies and plans that are executable and reliable.

Our specific services include:

- Working with CHROs and business executives to align business and HR priorities and show how HR can support revenue growth, talent strategies and operational excellence
- Identifying new and enhanced HR services that support the business’ strategies and service model
- Building business cases, and developing detailed implementation plans to support new or improved HR services
- Developing and implementing plans for managing communications and change

**Bottom-line benefits**

- An HR transformation strategy that fits the true needs of the business
- Accurate and executable HR transformation plans that companies can rely on
- Support for strategic business objectives, such as revenue growth and global expansion

**Three ways to get more value now**

Find out what the business needs. All too often, HR pours its heart and soul into developing new services and capabilities, only to discover they aren’t what the business really needs. Make sure the business helps shape your HR transformation strategy and service delivery model before you leap into action.
Focus on end-to-end solutions. Businesses want complete solutions, not a collection of components they have to piece together. For example, when bringing a new employee on board, a wide variety of tasks must be completed – from filling out paperwork and setting up a desk to assigning a computer and issuing an ID card. HR is already responsible for some of that work, but it could create even more value by transforming itself into the single point of contact for all related tasks.

Improve one thing at a time. Instead of transforming everything at once, focus on completing one high priority initiative as quickly as possible. Once that’s up and running, move on to the next one.

HR Transformation Strategy and Planning in action
• We helped a leading financial services firm develop a new plan of action for HR in the wake of the global economic crisis.
• We worked with one of the world's largest life sciences companies to help craft an HR service delivery strategy and plan to support globalization.
• We helped the HR leadership team and CIO of one of the fastest growing online retailers develop an HR service delivery plan to support the company’s ambitious growth objectives.

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
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