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HR Business Partnering
A Custom Approach



Human Resources is at a turning point

CEO's expect the Human Resources function to play a much more active role in enabling business strategies.

For a decade now, HR has been undergoing a process of transformation. For many organisations however, this process has increasingly failed to produce the results expected of it. During these times of rapidly changing economics, HR is faced with a stark choice. It can either evolve and make a significant contribution to the business or be diminished and dispersed into the business and other functions.

At today's leading organisations, talent is becoming entirely integrated into business strategies, capital investments and operations. Human capital issues command increasing attention and, in some cases, has become a permanent fixture on board agendas. Senior business leaders consider talent to be perhaps the critical factor in the push for sustainable growth and the need to manage new opportunities and risks in a more complex – and interdependent – world.¹

¹ Global Business Driven HR Transformation (2011) Deloitte



The HR business partnering challenge

HR transformation efforts are continuing to be hindered by an inability to sustainably implement the business partnering model effectively

The 2013 Deloitte Human Capital Trends Report² indicates that transforming HR to meet new business priorities is one of the top trends. In South Africa, many organisations have implemented the business partnering model which is seen as key to accelerating the evolution of the HR function. Most organisations are however struggling to understand how HR Business Partners should contribute to the business. In particular, the way the role is structured and positioned can be a fundamental challenge. There is also a pertinent need for the Business Partner role to have much greater impact on the business value chain as well as ensuring that HR services and solutions are producing the desired impact on business outcomes and results.

In our current climate of low economic growth we are seeing many organisations following cost containment strategies whilst still continuing to seek opportunities to grow the business through expansion into developing markets. There is also

therefore a heightened expectation of Business Partners to play an advisory role to the business in developing and implementing strategies that are aligned to business objectives. To this end, organisations are facing a number of challenges:

- The capability level of HR professionals is not ideally suited to the requirements of the Business Partner role;
- The maturity level of many HR functions is not yet at a point where Business Partners are able to fully leverage the HR service delivery model;
- Many organisations are currently looking for ways to minimise their people costs and Business Partners are therefore very involved in restructuring and cost optimisation exercises.

² Deloitte Human Capital Trends Report (2013) Deloitte

How are South African organisations responding?

Local companies need HR Business Partners to play a role like that of an account manager – deep organisational and industry knowledge matched with a heightened understanding of where to go to bring services and solutions.

Business Partners also need to play a leading role in influencing key business decisions and managing people-related risk and compliance whilst continuing to focus on innovative responses to the talent challenges that we experience in South Africa. Business Partner positions therefore need to be filled with people who have strong project management capability, who are adaptable to new projects, and who can draw the most out of the Centres of Expertise for specialist input.

Organisations are implementing some of the following strategies and actions to address the challenges being experienced:

- Optimisation of systems and processes in order to enhance efficiency and reduce the transactional burden that gets pushed up the HR organisational structure;
- Reorganising HR service delivery and operating models to be more aligned to the business architecture as well as more client focused and flexible around business requirements;
- Sourcing “Stars” from outside HR – Recruitment of non-HR resources into HR Business Partner roles to ensure a deeper understanding of the business within the HR function.

- Implementation of HR Academies and Business Partner training programmes to accelerate the development of capability at all levels. There is a particular focus here on developing consulting, project and change management skills as well as general business and commercial acumen.

Case Example

Over the last year Deloitte has partnered with a leading South African petrochemical organisation to help in building HR capability across all HR roles. The HR Executive had a key strategic objective to drive effective HR service delivery and to enable this she wanted to design and implement an HR Academy that would build the competencies needed. The HR Academy has been built on a blended learning approach that focuses on specialist and generalist HR capability development with the key objective of driving more effective partnering with the business.



What are the success factors?

There are trends associated with organisations that have implemented successful HR Business Partner models. These are shown in the table below:

Trend		Description
Get the basics in place first		The HR Business Partner role cannot be fully functional, or credible, without the provision of reliable HR transactional delivery and underlying foundations, such as standardised reporting, technology, and policies.
Prepare the line manager		Clearly describe the types of business outcomes HR Business Partners should focus on delivering.
Be clear about the roles		Focus on building the capability of the HR Business partner but also on clarifying and sorting out interfaces and role expectations between roles - line, Business Partner, shared services, COE's. Relationship management is the new talent management and significant focus needs to go into the space between roles not just within roles.
Match the person to the role		Focus on the skills and experience it takes to be credible and trusted as an HR Business Partner.
The power of information		Provide timely, meaningful management metrics and reports to guide people-related decisions. Then track results.
Focus on the business requirement		Keep the desired business outcome visible as you go.
It takes time		Focus on quick wins first but do not undertake too much too soon.

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