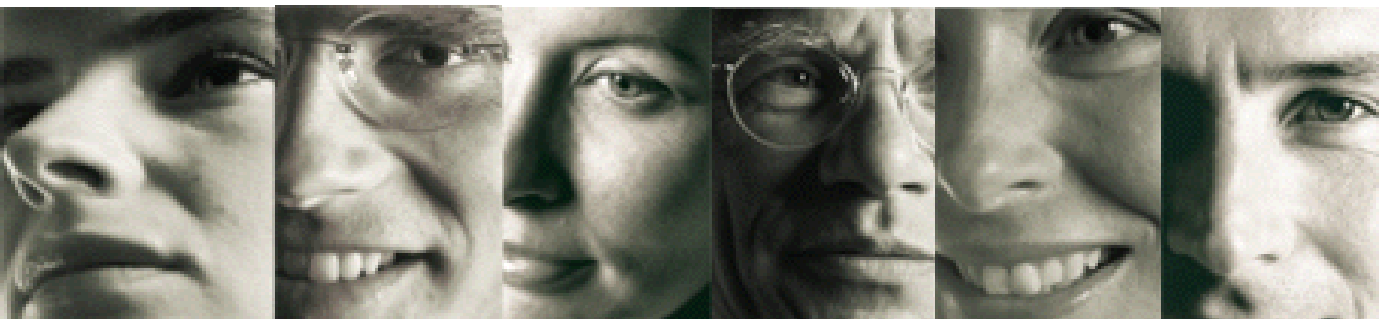


ADC

the source of human resource



Positioning Assessment Centers in Organizations

*Strategic HR and the Role and
Contribution of HR Professionals*

Strategic HR

‘Having the right HR *structures* and *practices* in place helps people to make the right choices to support your strategy’

Michel Porter

‘An *integrated* HR approach is essential, linking company strategy, pay systems and employee behaviour’

Ed Lawler

‘Put all the business strategies on one wall and HR programmes on the other wall and hope to hell they line up’

Senior VP HR, Amoco Oil

Question

“To be competitive, what are the top five business challenges your executives must pay attention to?”

Answers:

Challenges (1)

1. Globalization:

New markets, new products, new mindsets, new competencies

2. Value Chain for Customers:

Innovation, speed, linking with suppliers

3. Profit through cost- & growth+:

M&A, leverage existing clients, innovation

4. Redefining Core Competence:

Current vs future capabilities

Challenges (2)

5. Change, change and change:

How to manage change; learn and unlearn, adapt for future

6. Technology:

Boundaries disappear, $OO+NT=E00$

7. Managing Intellectual Capital

Attract, retain and bind Knowledge Workers

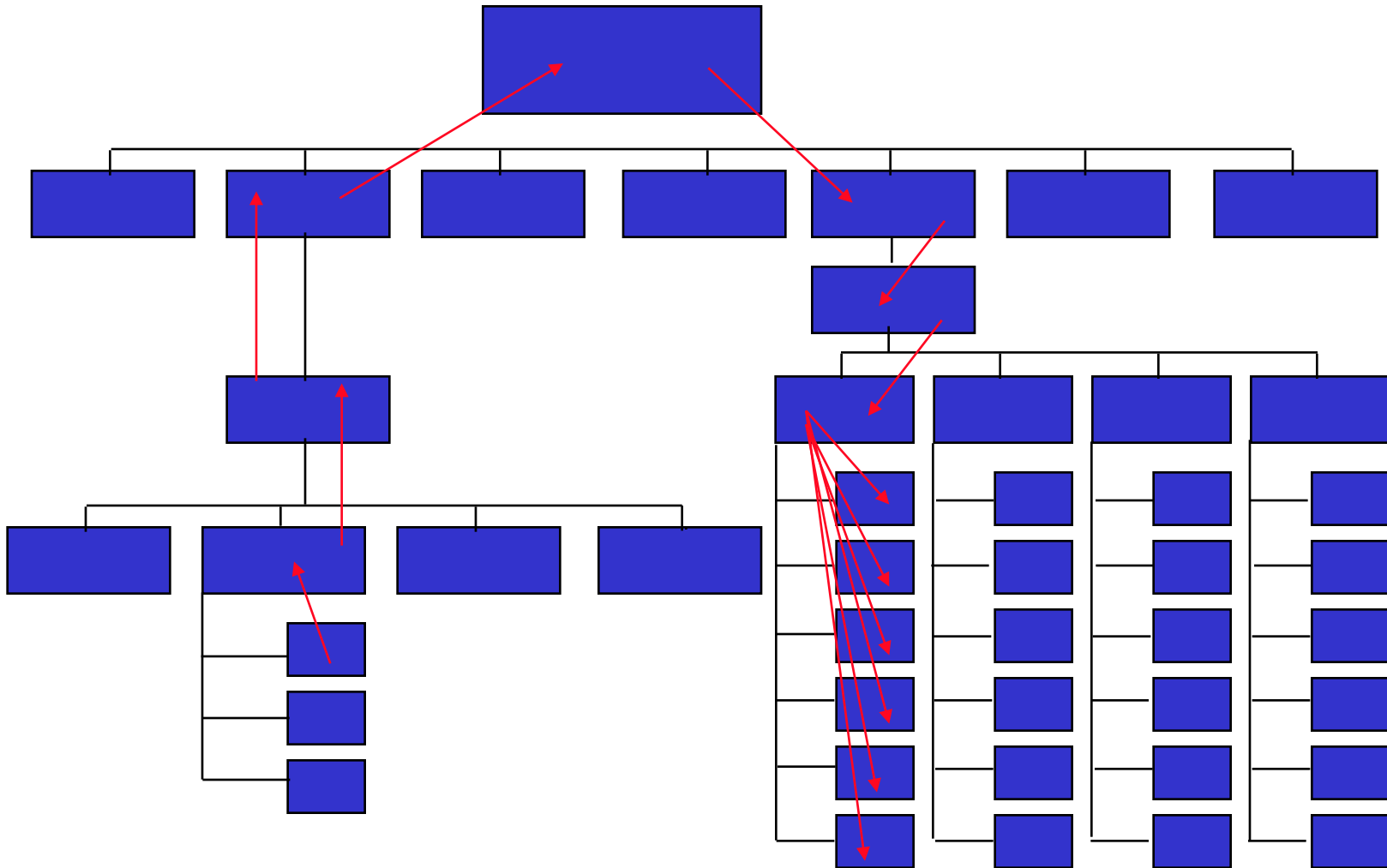
8. Turnaround vs Transformation

Other mind set and mental model

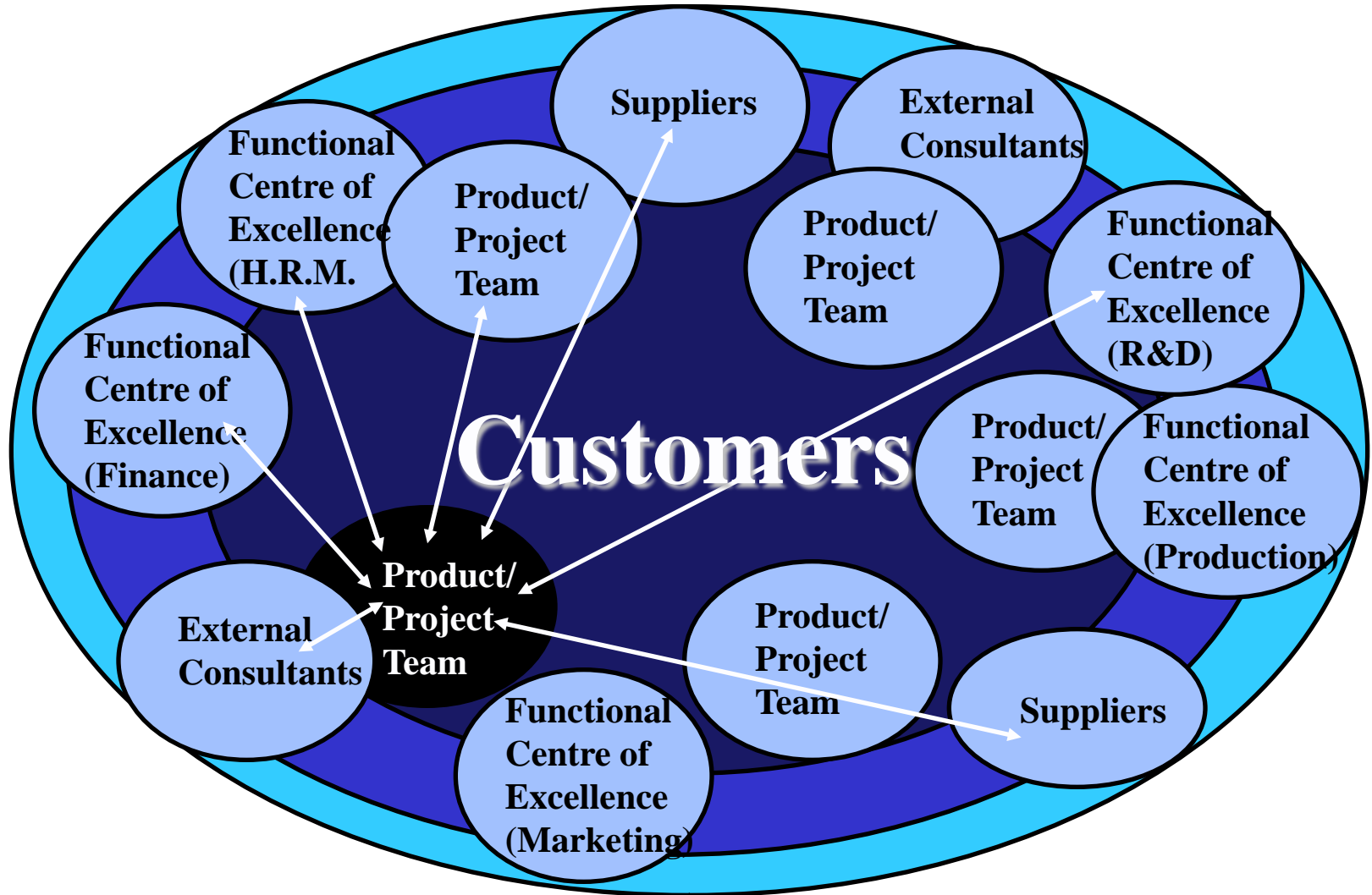
Test 1: 1-10 points

	Recruitment & Selection	Appraisal	Reward Remuneration	Development
Globalizing International				
Value Chain management				
Growth through innovation				
Knowledge management				
Change, change,...				

Traditional Relays Organization



Changing Organizations



Business-HR miss-fit

- Globalizing
- Empowered teams
- Cost management
- Customer Focus
- Technical expertise
- Market differentiation
- Use of local standards
- Individual appraisal & reward
- Payment for getting older
- Functional structure
- Career = becoming a manager
- Internal equality

HRM shift

From:



- Job description
- Job Profiles
- In- or Output appraisal
- Individual oriented
- Skills & experience
- JIT or JIC training

To:

- Roles/ Key result areas
- Competencies
- Performance Management
- Empowered Teams
- Potential en adaptation
- Just For You training

So:....High need for HR Services

**Top management asks from HR Help
with strategic transformation
processes in which their
Organisations are involved but....**

***.....HR is lacking credibility to be a
solid partner***

Changed Role of HR

From:

R&S, Reward, Appraisal and Development

To:

Creating a Organizational *Context* in which competent people *feel attracted, can develop themselves,* motivates people and stimulates teamwork

**Turn Strategy into
Competencies and
Capabilities**

Human Resources:
Cultural Change
Resources
Development

**Manage Money for
the Strategy**

IT/Admin:
Record
Data Management

Accountants/Finance
Financial Resources
Cost estimates
Cash Flow estimates

**Helps us know
where we are**

**Future
Strategy**

**Create Strategic need
with customers**

Manufacturing:
Build Product
Design New Products
Meet Customer Needs

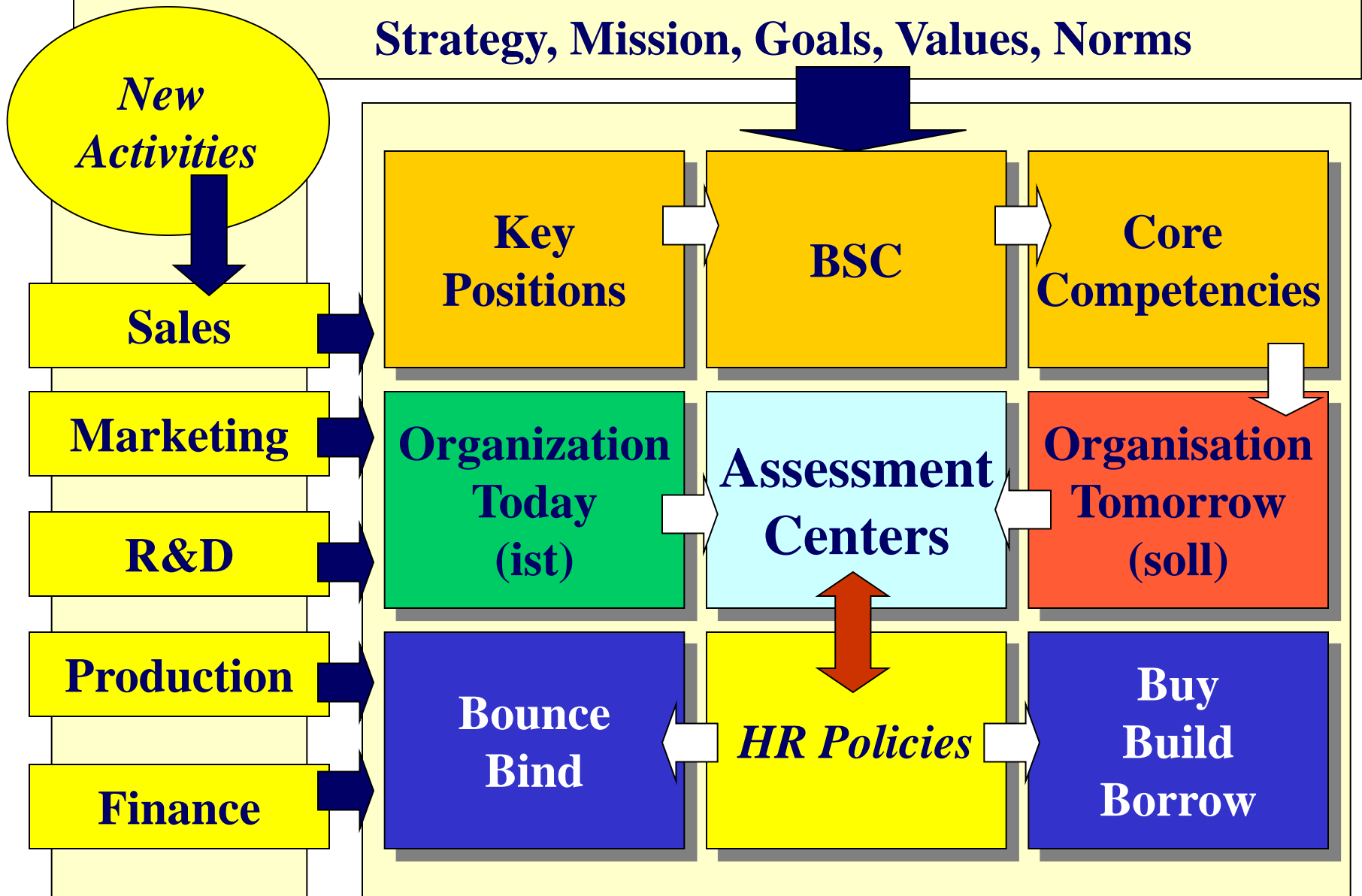
Marketing:
Create Customer Need
Open Markets

**Turn Strategy into
Products**

Sales/Distribution
Talk Products to Customers
Generate Income

**Turn Strategy into
Sales**

Strategy, Mission, Goals, Values, Norms



Strategies for Building Employee Competence

Buy: Acquire new talent

Build: Train and develop talent

Borrow: Partner with outside resources

Bounce: Remove low performers

Bind: Retain key persons

Implication

1. Redefine Competition
2. Redefine Leadership
3. Redefine HR Deliverables

Redefine HR Deliverables

- Executing Strategy

Organizational diagnoses: aligning HR and business strategy

- Building Infrastructure

Shared services: Reengineering Organization Processes

- Employee Commitment

Providing resources: Listening to Employees

- Renewed Organization

Ensuring capacity for Change: managing transformation

Redefine HR Roles

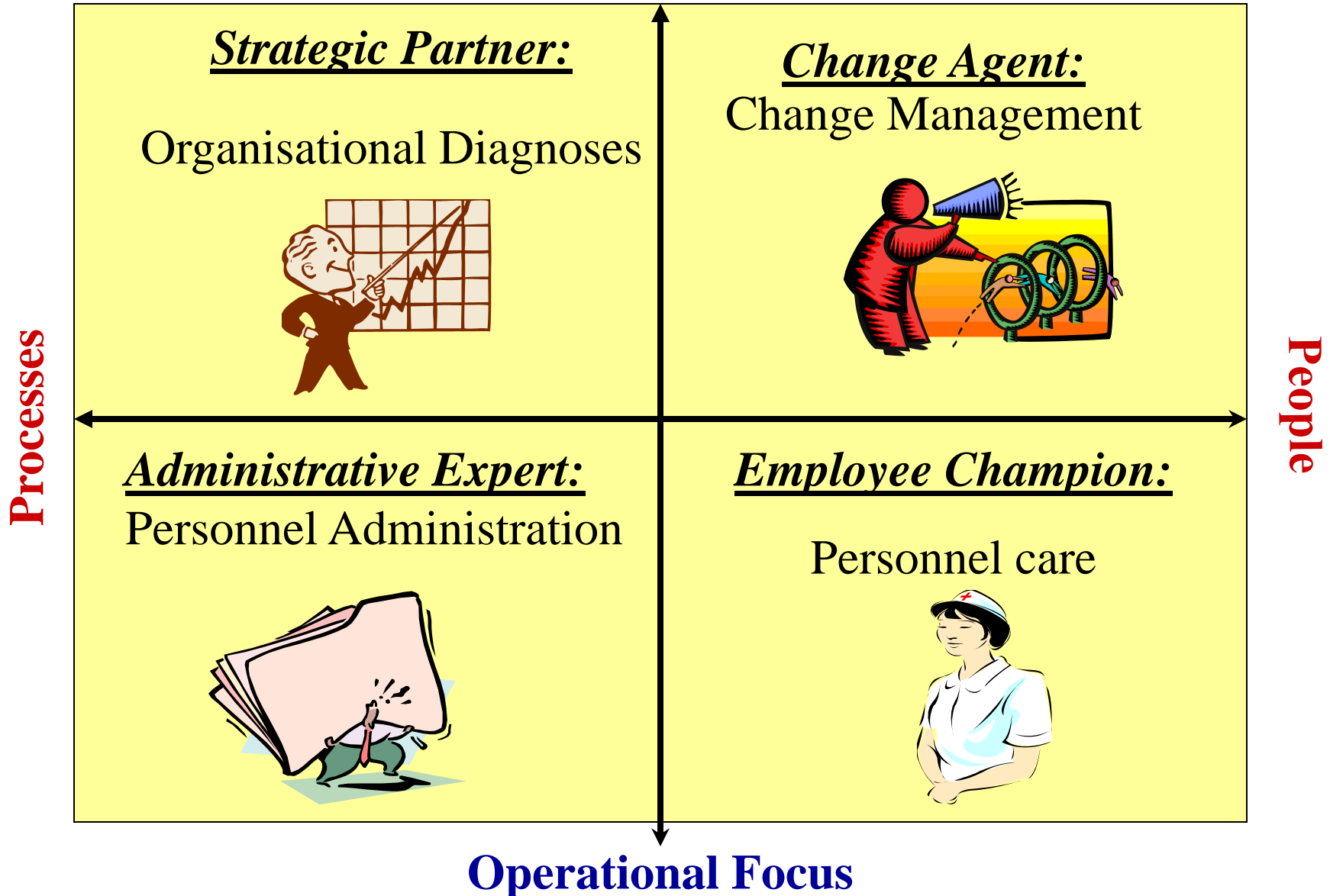
- Executing Strategy
Strategic Partner
- Building Infrastructure
Administrative Expert
- Employee Commitment
Employee Champion
- Renewed Organization
Change Agents

TEST

Please fill in the questionnaire

HR Roles

Strategic Focus



Operational Focus

Youre Role?

Strategic Focus



Strategic Partner:

Define Organizational Architecture

- **Competencies:** What competencies do we need?
- **Consequences:** What are the key performance indicators?
- **Governance:** What organization do we need?
- **Work-Processes:** How able are we to manage change in work-processes?

Define Organizational Architecture HR Department

- Competencies: Do we have the right competencies?
- Consequences: Do we have the right PM system?
- Governance: Do we have the right HR structure?
- Work-Processes: How able are we to manage change in work-processes?

Assessment of HR Organization-Capability Architecture

	Rating 1-10	Best Practice
Competence		
Consequence		
Governance		
Work Process		

HR Competencies?

Personality? HR people are unassertive, sensitive, dependent, agreeable, influencers (16 PF)

Innovative? Many of our ideas, solutions, etc based on common sense; not great on breakthroughs

Change habits? Major change of individual habits can threaten some

Performance Management

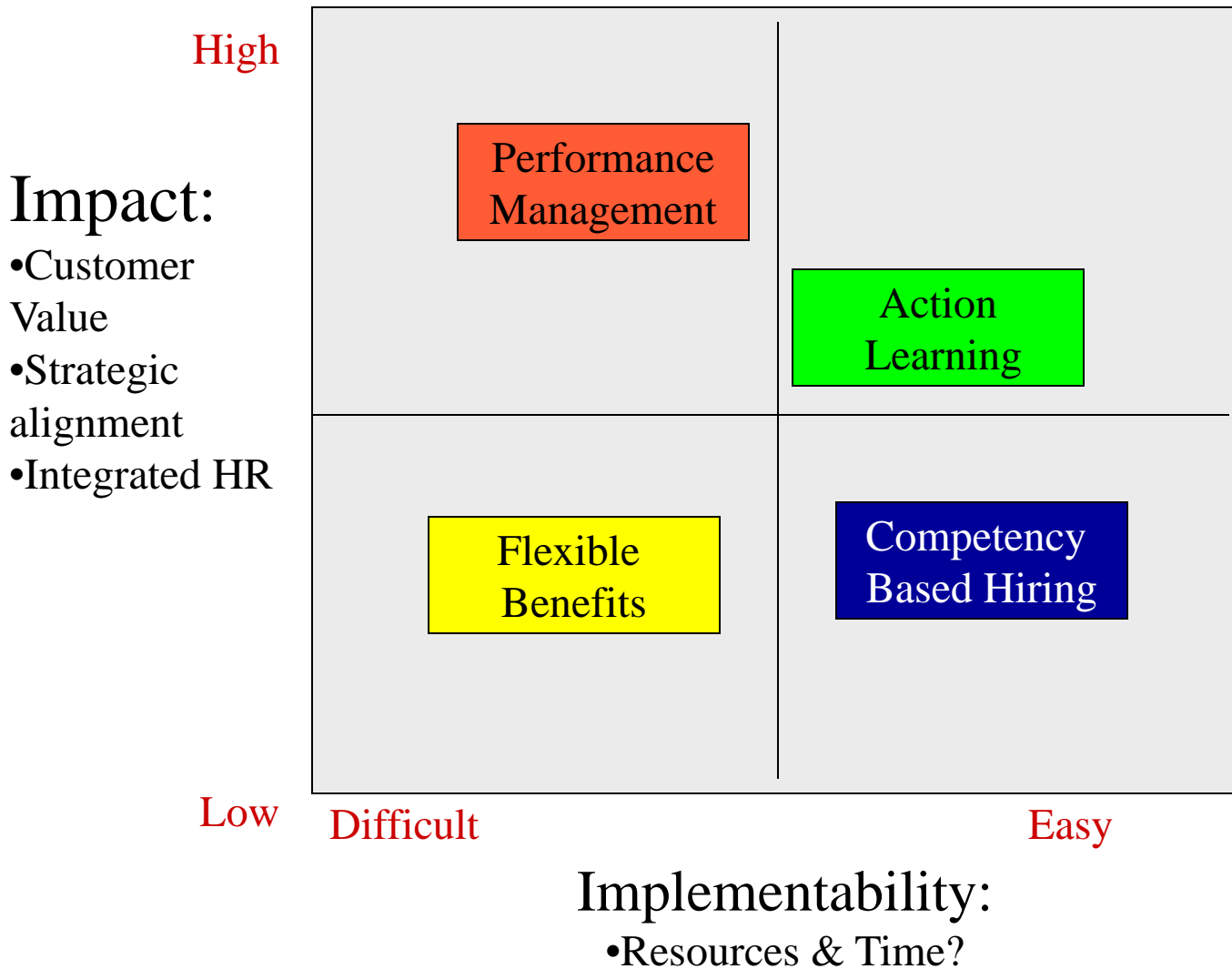
“HR professionals are often their own worst enemies when it comes to performance management. Although they design and advocate their company’s PM process, they often fail to apply it within their own department.”

(David Ulrich)

Performance indicators

Create Added Value:

- *Investors:* economic value added
- *Customers:* customer value added
- *Employees:* people value added



HR Mastery: Young Profession?

‘HR is a young profession and management as well as ourselves are still in the habit of focusing our delivery on products such as recruitment, training, assessment, as once off inputs to support the business. They have not acquired habits of HR as a Strategic Partner’.

▪

Business Mastery: Systems Approach?

‘We in HR do not sufficiently understand the organization as a total system. We usually act on parts of the system with activities in isolation. We do not work at a systems level with the impact on culture, organizational change capability, organizational adaptability, the psychological contract, etc’.

Change & Proces Mastery: Specialists?

HR consultants, organizational psychologists tend to make their living by pushing specialist techniques, packages, etc;

very few consult to the organization as a total system

Key Elements of HR Leadership:

Business Mastery

(Fin/Technol/Org)

18,8% perf contr

Demonstrate Personal Character

(habits, integrity, trust,
thinking outside the box.)

Delivery of HR Practices

(Staffing, appraisal, reward,etc)

23,3%

Management of Change

(handle resistance to change,etc)

41,2%

Ulrich & Yeung; 12.689 respondents

Levels of Function in HR (1)

Level one:

- Operational efficiency
- Apply techniques to train, evaluate, assess, recruit

Levels of Function in HR (2)

Level one:

- Operational efficiency
- Apply techniques to train, evaluate, assess, recruit

Level two:

- Best Practice and Diagnostic
- Seek to understand best approaches
- Applies HR Theory appropriately
- Seeks diagnostic and analytical excellence

Levels of Function in HR (3)

Level three:

- **Integrative Multidisciplinary functioning**
- **Works with value chains across disciplines, principles, not rules**
- **Thinking in systems- studies knock-on effects with the system, relationships between parts**

Levels of Function in HR (4)

Level three:

- Integrative Multidisciplinary functioning
- Works with value chains across disciplines, principles, not rules
- Thinking in systems- studies knock-on effects with the system, relationships between parts

Level four:

- True Strategic integration
- Systems Understanding; discover new relationships between events
- Develop new business HR models
- New philosophical paradigms
- Transforms thinking and beliefs