

What Organizations Need Now From Human Resources

The job of Human Resources today is to make people and organizations grow, yet it has only marginally evolved since its inception around the end of the nineteenth century. Starting as "Personnel," to protect women and girls in industrial environments, it gradually morphed into other realms including employee hiring, firing, attendance, and compensation. Motivation, organizational behavior, and selection assessments were added to the mix in the 1960s and '70s. Over the last decade or so, the title of H.R. Business Partner – essentially a business-focused H.R. Manager role – was introduced with little impact.

Not much has changed in a hundred years.

H.R. Business Partner Role Failings

It is not uncommon for business leaders to describe their H.R. departments as reactive, uncreative and lacking basic business understanding. This stems from H.R. teams measuring and focusing on things that don't add true value to their organization, like:

- speed of hire
- percentage of completed performance reviews
- number of managers trained

These are all good things to know, but none of them – on their own – help an organization grow or increase profits. Despite this, some H.R. departments are relentless in the pursuit of such metric data to report on at leadership meetings.

The introduction of the H.R. Business Partner title hoped to reinforce H.R. as more than just a cost center. Despite best intentions, H.R. has not instilled trust from numbers-driven business leaders. It suffers from a lack of hands-on business experience and the ongoing stigma that "H.R. doesn't do numbers." Compounding the problem, some H.R. departments are plagued by inaccurate reporting of data like head count numbers – the single largest expense line for most businesses and their most critical decision data point. All of this leads to a sideways rather than a forward progression.

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True Business Partners

H.R. professionals who want to be recognized as true Business Partners must see themselves first as business people who specialize in H.R., not as H.R. people who advise a business. In an ideal world, this would require H.R. professionals emerge from within a business or shift out of H.R. to work temporarily in a business unit to gain perspective and training.

As an H.R. Business Partner you must grasp how business works (from reading financials to managing people) and be able to comfortably speak the language of business leaders. Once this is accomplished, your measured and proven impact on business results will earn you a real seat at the table. Plus the respect and trust you seek from your organization and its leaders.

H.R.'s New Agenda

To truly have a business impact in today's new economy and build sustainable organizations, H.R. needs to focus on the following five critical areas:

1. Define And Align Organizational Purpose

Raj Sisodia's book *Firms of Endearment*, reports that purpose-driven companies provided returns of 1,646% between 1996 and 2011. This is staggering growth when compared to 157% for the S&P 500 and 178% for the firms featured in the bestselling book *Good to Great*. In addition, Sisodia's research shows that corporate purpose is also the single most powerful tool for affecting both top and bottom line growth.

Despite the remarkable evidence that purpose matters, the majority of organizations and employees struggle with purpose. Many companies can't clearly articulate why they exist. Most employees see their paycheck as the main reason they work for the organization. Clearly, this circumstance ineffectively capitalizes on what purpose alignment can do for an organization.

According to the Atlanta-based purpose consultancy BrightHouse, purpose driven organizations have "an inspired brand galvanized around a distinctive, inspirational, and authentic purpose." They also have tools and systems in place to build a sustainable, high performing organization.

To achieve this ideal in your organization and the added benefits of it, your organization needs to mix its foundation with the following elements:

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- **DEFINITION:** Employees at your organization – from receptionist to CEO – must be able to clearly articulate why your organization exists. What is its purpose?
- **ALIGNMENT:** Employees need to understand their purpose and how it connects to their job, department and your organization's purpose. Plus, departments and teams must understand how the purpose of their collective efforts (including the introduction of tools and systems) aligns with your organization.
- **RESULTS:** How the above alignment drives business results to improve the bottom line.

There is nothing more effective for employee engagement than ensuring that your people jump out of bed each day because they believe they are fulfilling their purpose at your organization. Aligning employees with your purpose reduces turnover and costs while increasing productivity and profits.

2. Recruit Talent Who Will Love Your Organization

Have you ever interviewed for an organization that represented and marketed all the things you wanted to hear, but failed to deliver when you became an employee? False marketing and misperceptions of an organization are primary reasons many employment relationships fail.

Organizations need to create, market and sell an Employee Value Proposition (EVP) that reflects the true culture of the entity along with the reason it exists. If your internal employees are not living your EVP, it is not your EVP, and attracting candidate with it is misleading.

If you are not sure what your employees would say about what they experience working for your organization, ask them directly or through an anonymous survey. Every organization desires to hire employees passionate about their cause and purpose. What your candidates experience online – plus see and hear during their job interview – must reflect who you are as an organization. When you attract candidates this way you ensure that they will be passionate about what you stand for and who you really are at the core.

Utilize a few questions to find a good fit with a potential employee during an interview. By looking for common themes in candidates' responses (those which run parallel to the job they are interviewing for and also match your organization's purpose), you will get a better sense if they are a good fit. To help ensure candidate purpose alignment, hiring managers can ask the following interview questions:

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- What gets you out of bed in the morning?
- What were you most fascinated with as a child?
- If you didn't need money, what would you do in life?
- When in your life have you been so passionately focused on an activity that you lost track of time and what were you doing?
- What do you want to be remembered for in life?

3. Focus On Employee Strengths

In the mid '90s I worked for a theatrical touring producer in New York City. The job did not last long. Not because I didn't enjoy the work but because I was in an environment that operated against my strengths. The entire company consisted of the producer, his assistant and me – his production manager. We worked together in a small room and frequently placed phone calls simultaneously. Sometimes we shared the space during separate meetings.

In this job extraordinarily high focus was a key strength for success. I am easily distracted, so you can imagine the results of this combination. It was a six-month nightmare that worsened when my stress levels rose daily. I knew I was not performing at my best. I was not in a good place. After a discussion with my producer, we agreed to part ways once he could find a replacement. The day I trained this new person was the best day of the entire job.

Make every effort to understand what your candidates and employees do best. Put them in roles where they can play to their strengths as much as possible. Using those strengths 80% of the time is ideal, less than 60% is asking for trouble.

Two effective strength assessment tools I used in my career are Clifton StrengthsFinder® and Predictive Index®. Being open and honest about what you need from a candidate and employee, plus asking good questions to probe for strengths help make the determination, too. A combination of the above is ideal.

Finally, focus on the development of your employees' strengths and manage around their weaknesses. Weaknesses or flaws can only be forced so far, resulting in mediocre work. Strengths will comfortably develop into world-class performance.

4. Create Organizational Alignment

Believe it or not, there are H.R. and other departments in organizations that celebrate hitting objectives while the business as a whole fails. I fully support and recommend recognizing or rewarding all individual and department achievements. But if those achievements don't align with the organization's objectives or with its success, should they be celebrated?

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Building a successful and sustainable organization requires a unified team effort. If an individual or department succeeds while everyone around them fails, something is wrong. This isn't because individual performances can't shine during the darkest of times. Rather, those high performing individuals and departments should be expected to assist those around them in achieving great things, too.

Leaders, employees and departments need to think "organization first" during all actions and objectives. Everyone top to bottom needs to support this thinking. Building incentive, reward and recognition systems tying employees to the organization's core purpose and mission – plus short- and long-term objectives – will merge the organization together, ensuring all have skin in the game.

5. Accurately Measure The Right Things

Good measurements are key to the success of any organization. You can't build a house without a measuring tape, nor will it stand if you don't measure the right things or record accurate numbers. If you can't measure or analyze your organization, how will you recognize improvements or whether your actions have any value?

To effectively measure ROI/ROE, all internal departments need to ask the following questions on at least a quarterly basis:

- Are we doing the right thing for our people, customers and business?
- How are we contributing to the top and bottom line?
- How are we measuring our organizational effectiveness and impact?
- Is the information from these measurements helping guide the success of our organization?

Being able to report 100% completion of performance reviews is great, but if no effectiveness measures (i.e., year-on-year rating improvement tied to completed development opportunities, coaching and mentoring, internal/external customer feedback, promotions, merit increases, etc.) are used then the metric is useless. Just as measuring the number of leaders attending development programs is pointless when employee engagement remains low, resulting in poor business results. Learning and development opportunities must provide a return by effectively creating the measured changes your organization needs, otherwise they are a waste of money and time. Finally, measuring the speed of filling open jobs means nothing if your candidate quality is low and your turnover is high.

By tying everything you and your employees do to a definitive organizational result, while measuring and tracking your progress, you will know exactly where your organization is at all times. You may also determine what you need to do next to improve results.

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It is time for H.R. to take a giant leap forward in its evolution in order to better serve the successful organizations of the future. Those adopting this new agenda will attract the best talent and prosper. Those that don't will put their whole organization in jeopardy of becoming extinct.

Please check out my new *book How to Find a Job, Career and Life You Love* (Second Edition) at LouisEfron.com



Louis Efron is an award-winning, Fortune 300 human resources executive (11 years at Stryker), entrepreneur, thought leader, writer, speaker, consultant and charity leader. With more than two decades of global and diverse experience, he has lived and worked throughout the US, Europe, Africa, and Asia in industries ranging from entertainment and medical device to software.

He is a contributing writer for Forbes and Huffington Post on the topics of leadership, advanced human resources and building purpose based cultures. His work has been seen by millions around the world and his articles on Forbes.com have hit #1 on Forbes, Twitter, and LinkedIn.

He is the author of the soon to be released book, *How to Find a Job, Career and Life You Love*. In addition, Louis is the founder of Louis Efron, LLC - The Voice of Purpose - assisting individuals and organizations in discovering and living their purpose, achieving fulfillment and success. He recently pioneered a corporate/employee purpose alignment model to accelerate business results in use today at a global software company.

Louis studied Labor Relations at Cornell University, New York State School of Industrial and Labor Relations and Advanced Leadership at Harvard Business School. He holds a BA from California State University, Fullerton, plus a BS and JD from Saratoga University School of Law. He is also a certified StrengthsFinder® coach.

Louis currently resides in England with his wife and two daughters.

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