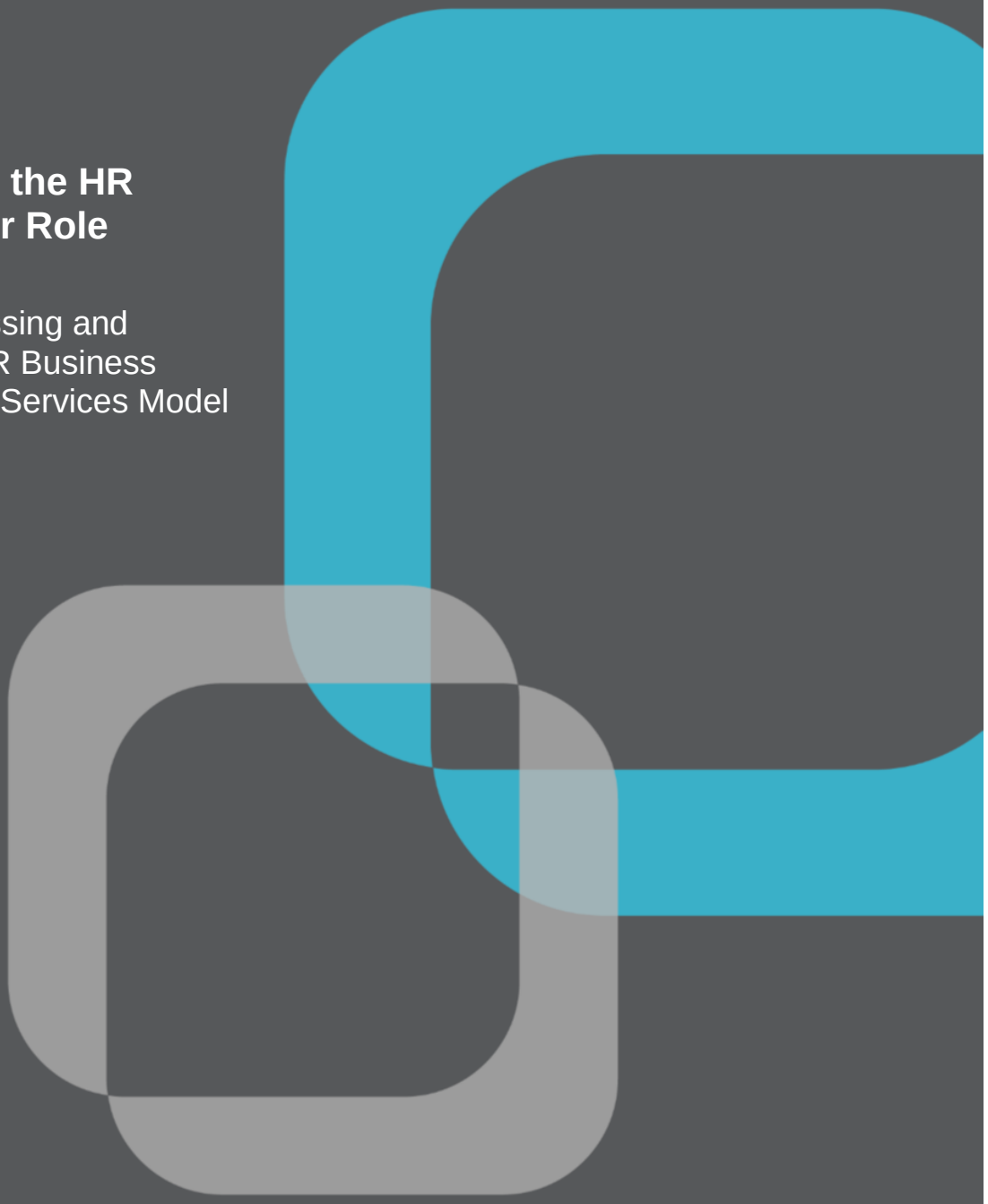
The Evolution of the HR Business Partner Role

A Process for Assessing and Transforming the HR Business Partner in a Shared Services Model



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Introduction

This white paper published by ScottMadden, Inc., explains the importance of assessing and transforming the role of the HR business partner when implementing a shared services delivery model.

The HR business partner is the most critical, yet frequently ignored role in the move to HR shared services. Much attention is given to new roles created by a shared services model while little attention is given to how the business partner role must change with the new model. In this white paper, we discuss the important evolution of the business partner role and the skills and competencies needed to effectively support the business.

The HR Business Partner Role

Companies typically begin to explore moving to an HR shared services model when HR is trying to improve quality of service, reduce the cost of delivering service, leverage technology more effectively, while improving overall employee lifecycle process efficiency.

The leading practice service delivery model for HR (shown in Figure 1 below) has three components. The first component, centers of expertise, are leveraged for program design and governance. The second component is an HR service center, which typically processes transactions and handles employee and manager inquiries. The third component is the HR business partner, who focuses on providing HR support to the day-to-day business operations. This role remains embedded within the business, handling employee relations issues, and delivering programmatic content, therefore becoming more in-tune with operations' workforce needs. The migration of the typical HR generalist role to an HR business partner role results in the HR business partner employing a more consultative approach, focusing on coaching leaders on a variety of HR programs, such as succession planning and leadership and career development, as well as being the HR liaison to the business and the employee when employee relations or union relations situations arise.

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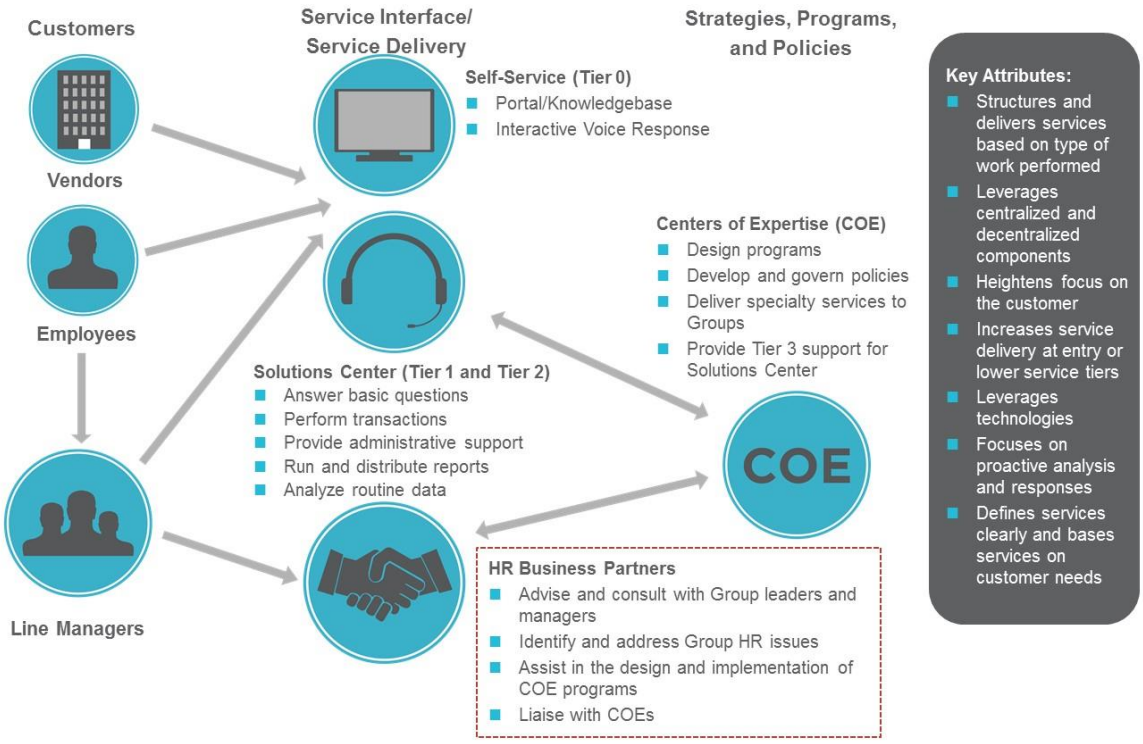
Figure 1: Leading Practice HR Shared Services Delivery Model



This shift to a leading practice HR service delivery model requires a structured approach to implementing the design, including the overhaul and elevation of the business partner role. Unfortunately, most companies tend to focus the transformation on the design, build, and launch of the employee service center or portal, and fail to support the changes made to the business partner role. Because business partners are typically assumed to have the skills and competencies required to perform in their new roles, they are often not trained appropriately.

At the same time, communications about the delivery model changes are often targeted at the recipients of HR services and tend to be written at too high of a level to fundamentally explain the changing role of the HR business partner to the HR community. In some cases, the entire HR business partner community may be somewhat forgotten in the transition, with the assumption that they are hearing about the project and its impacts from their HR leadership, who may or may not be involved directly with the implementation.

Without training and fundamentally understanding the change to their role, the HR business partner is being set up to fail. This is regrettable as the transformation of the HR business partner is one of the key components to the success of the delivery model and for improving the quality of service.

Recognizing the Change

With the migration to the new HR delivery model, the HR business partner's related responsibilities will change with a reduction in the amount of time spent dealing with administrative or transactional activities. The majority of the administrative burden shifts to the HR service center in the leading practice delivery model, leaving the HR business partner with more time to manage talent in the organization, develop

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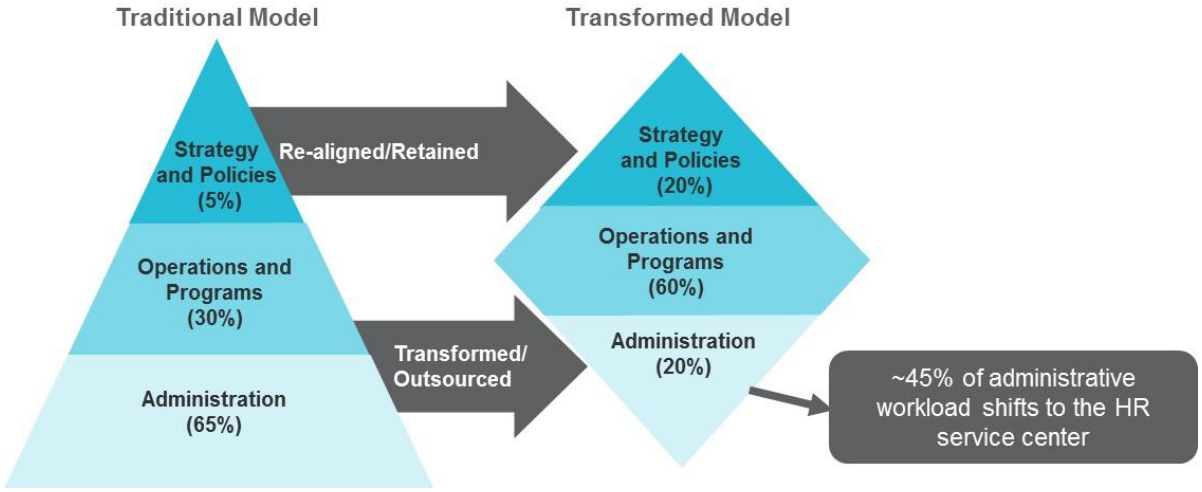
business leadership, and help the business in achieving the desired level of human capital performance, while optimizing employee time at work.

As illustrated in Figure 2 below, 80 percent of the business partner's time in the transformed model should be spent aligning HR strategies with business initiatives, delivering programmatic content, and supporting operations as opposed to the traditional model where only 35 percent of the business partner's time is spent on strategic and programmatic content delivery. Yet how do we ensure the HR business partner is widely recognized as an integral player in the future organization's success?

Figure 2: Traditional Model vs. Transformed Model



Unfortunately, embedded or field HR is often looked at as an administrative support function, a keeper of forms and HR information, or the person responsible for managing people movement into or out of a business. To help gauge the level of change required for an organization, it is often helpful to measure and understand the type of work the HR business partner is currently doing in the business—is it primarily programmatic implementation? Do they spend significant time coaching managers or supervisors? Or, is their role primarily transactional in nature—supporting HRIS changes or other administrative work? After understanding the HR business partner's current activities and how they are viewed in the business, we can identify the skills and competencies each HR business partner may need to attain to ensure a successful transition to the new role.

We believe that there are 10 competencies that are critical for a succesful strategic business partner. These competencies will allow HR business partners to support complex and unbounded business situations and readily formulate effective responses that managers understand, support, and value. These competencies should augment a broad knowledge of HR, which is also essential for an HR business partner to be successful.

The 10 competencies required for a successful strategic partner are:

1. Knowledge of the Business – Does the HR business partner demonstrate they have a deep understanding of the business and its operations so they can translate HR concepts and actions to fit the business and its operations?
2. Analytical – Can the HR business partner organize, interpret, and present complex sets of data in a simplified manner or can they easily draw conclusions from large amounts of data?

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3. Problem Solving – Does the HR business partner review problems using critical thinking skills, methodically breaking down the problems into components to discover root causes, and then develop data-supported conclusions and a definitive action plan?
4. Communication – Can the HR business partner summarize important points or messages from documentation, framing the message to the audience, using terms and examples that are meaningful?
5. Systemic Thinking – Is the HR business partner able to understand the impacts of one change in the organization on other parts of the organization?
6. Ambiguity – Can the HR business partner work independently and successfully without having all the desirable information, direction, or instructions; are they able to move the project forward?
7. Adaptability – Does the HR business partner easily adjust or change their working style, or course of action, when circumstances require it?
8. Organization – Can the HR business partner handle multiple responsibilities at the same time?
9. Teamwork – Does the HR business partner develop and use collaborative and cooperative relationships to facilitate the accomplishment of work?
10. Insight – Is the HR business partner able to think ahead and anticipate potential implications of what is going on in the business?

Transforming the HR Business Partner

Transformation of the HR business partner can occur at any point in time. It would be ideal to examine and develop the business partner prior to the new model rollout, but it can also be done as a secondary phase of the implementation. Either way, the HR business partner transformation should be viewed as a significant implementation activity, with a detailed plan and approach.

It is important to help the HR business partner transition to a new mindset. Ensuring that the business partner understands their new role, as well as has the skills to perform their new role, will help reduce the HR business partner's desire to remain involved in all administrative details, It will also help to reduce the tendency to want to "help out the employee this one time" behavior, which often leads to failure of the new service delivery model, as employees learn that they can still go to the business partner for administrative requests.

Integrating the HR business partner transformation activities with the overall implementation plan will ensure that the population is not ignored or forgotten, both for training and communication. HR business partner transformation also qualifies as a change management activity, because it makes HR employees feel valued as they will recognize the investment your company is making to ensure success of the model.

Lastly, integrating this evaluation and transformation of the business partner community with the organization's performance management cycle will ensure that identified gaps in skills and competencies will be closed as part of a formalized performance plan.

There are three main phases in transforming the role of the HR business partner: define, assess, and develop.

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Define Phase

To be able to transform the business partner into a successful strategic partner, it is important to understand what "success" means. In the *define* phase, you will identify the skills and competencies that are desired for a successful HR business partner in your organization. It is during this step that you will need to determine if additional competencies are required outside of your company's existing competency model and how you would go about defining and getting approval for new competencies, if needed.

It is also important to ensure the competencies outlined above are well-defined and easily understood so that when you review the competencies with the business partner community, an HR business partner can clearly articulate what each competency means and relate it to their future roles and responsibilities. Likewise, it will be imperative to define what "good performance" means.

At this point you should also determine whether or not you would like to include customers in the discussion of what constitutes a successful HR business partner and if so, how you will include them in the process. It may be helpful to hold focus groups with key stakeholders so that you can understand their HR needs first hand and identify areas where customers see a critical need for support from their HR business partner. We believe customer input is invaluable to this process not only to help define what the business needs from the future HR business partner role, but to help the customer begin to move along the change management journey.

Assess Phase

During the *assess* phase, you should focus on defining the approach, timing, and logistics for conducting the assessment. Determining the methodology to be used as well as the timing required for the assessment sounds straightforward, but there are several decisions to be made. You will decide whether to use surveys, interviews, or some other method to collect the data, whether to allow for only one rating or multiple ratings, whether or not to include customers as raters, and whether or not to include a self-assessment.

Timing is also a key decision. Ideally, the assessment process ties into the performance management process, but you want to avoid having it coincide with the performance review period since HR has additional responsibilities during this time. With these considerations, it is preferable to schedule the assessment so it does not impact your resources who may be busy with other business-as-usual activities.

Once the assessment methodology and timing have been determined, you will need to identify the resources that will review individual ratings. Consistency of scoring will be important, so you should determine how to ensure rating consistency across the community. The use of review panels and weighted scoring are two approaches that are often used.

Lastly, communications to the HR business partner community will be vital. Your goal should be to have the HR business partner community support the assessment and not feel threatened. As a first step, it will be necessary to explain why the assessment is being conducted. By keeping the HR business partner community apprised of the process, what has been accomplished, and what is upcoming, they will not be surprised by goals and ratings related to the assessment in their upcoming performance review. These communications also sends a message to the business partner community that their involvement in the process is essential.

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Develop Phase

The third phase, *develop*, focuses on analyzing the results of the assessment and determining how the skill and competency gaps will be closed for each individual business partner. Group training classes should be designed and scheduled to address common needs identified from the assessment and individual development plans should be created for each HR business partner in need of training.
You may also determine that for some business partners, the perceived gap is too extreme to be able to effectively develop the individual into a successful strategic partner. In this case, you should consider transitioning these individuals to roles elsewhere in the HR organization that may better fit their skill set. Another option for addressing gaps is to pair a low-performing business partner with a coach that excels in the business partner's areas of deficiency, and set specific goals for the business partner to achieve within the year. It should not surprise you if there are some business partners without deficiencies. If this is the case, you should consider offering supplemental training to strengthen the skill sets they already have.

Finally, in order to maintain a successful transformation, the necessary support tools need to be created, and policy and process changes resulting from the transformation must be continually communicated to support the HR business partner on an ongoing basis. Mechanisms must be established across HR to share key learnings and leading practices established within the business. Ongoing maintenance responsibilities of the HR business partner's methodologies and toolkits should also be defined and communicated.

Potential Issues

There could be some aspects of the new model that may inhibit the transformation of the HR business partner. First, as the transactional processes are being redesigned, if the HR business partner's role is not removed from the process, it will be very difficult for the business partner to become more strategic, as they are still responsible for significant administrative activity. By working with the HR community to alleviate some of the approvals typically required by HR, this administrative responsibility can be drastically reduced.

A second potential issue could result from HR's reporting structure—do your HR business partners report to the business or into HR? If they report into the business, the business's priorities may differ from the HR organization's priorities resulting in a disconnect. With strong change management and an aligned HR vision between the HR organization and the HR business partners, we believe this second issue can be diminished.

Lastly, as mentioned earlier, the business's inability to appreciate HR's strategic value, which may be colored by the HR generalist's current administrative role, can hinder immediate acceptance of the HR business partner acting as a strategic partner. There are multiple ways to address this issue. Some clients have found that reassigning HR business partners to different locations have allowed HR business partners a fresh start. We believe combining this type of approach with focused change management for the business on how to use the new HR strategic partner, can help alleviate this issue.

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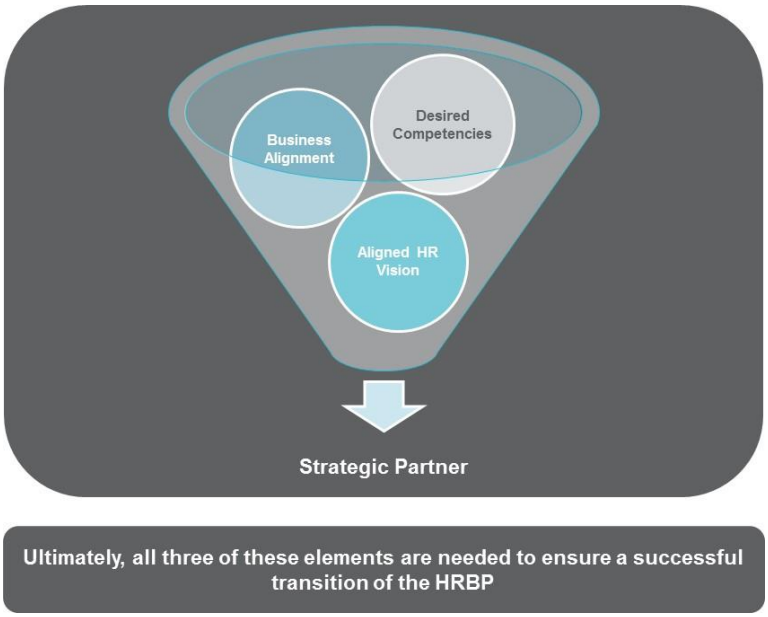
Summary

The HR business partner role is one of great value to the organization and should be supported during the overall transformation of HR. Ensuring that your HR business partner community has the desired competencies, has an aligned HR vision with all parts of HR, and is able to align HR strategies with business initiatives and desired outcomes, will result in a successful implementation of the new HR service delivery model.



MORE INFORMATION

For more information or to provide comments on this article, please email Karen Hilton (karenhilton@scottmadden.com).

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