

The HR Role in a Drastically Changing Business World

By Brenda Perkins, Co-founder of HRBrainBank.com

In the new strategic alignment paradigm, the HR function becomes a dynamic force for driving solutions to problems that directly impact an organization's ROI.

Strategic alignment. New buzzwords? Not necessarily. The terms strategy and strategic thinking have always been part of the business vocabulary, but the linking of the HR function with strategic thinking and strategic alignment is new.

The reasons for the emergence of this linkage are presented in a podcast interview with Lori Tritz, SPHR, Senior Vice President with FBD Consulting. The podcast is titled "Strategic HR Alignment: Aligning HR to the Organization's Business Strategy." In the interview, Lori explains how this shift in thinking affects HR professionals and what they can do increase the value of the HR function through significant contributions to an organization's ROI (return on investment).

The driving force for innovation in the business world is, obviously, the fact that the rules of the game are changing, and no one is assured survival by doing the same old thing in the same old way. With fewer resources available, businesses must reinvent themselves, and every part of every business must reinvent itself as well.

Traditionally, the HR function has been reactive and focused on transactional operations in areas like payroll, benefits and insurance. When an individual leaves a company, for example, the HR job has been to make sure that the person leaving gets his or her last paycheck and understands the benefits that will be received after termination.

In the new paradigm, where HR is in strategic alignment with the organization, HR professionals consider themselves to be, in essence, Chief Financial Officers and they keep an eye on the bottom line of the company. An HR professional operating in this mode will want to know why a person is leaving the company, and will step back and start analyzing turnover and its causes, and offer initiatives to address the problems.

This idea of strategic alignment is actually an exciting and invigorating concept. The strategic HR professional begins to ask questions of every function it oversees: "Why is this activity being done?" "Why is it done when it is done?" "Why is it done where it is done?" "Why is it done the way it is done?" and "Who does it, and why?"

The strategic HR professional begins gathering statistics and metrics on all aspects of the organization's business so that he or she can create and offer strategic initiatives to senior management in terms that make them credible and enticing, and that, in fact, will improve the company's performance.

Value added. That's the shift HR professionals make when they realize that the traditional view of HR as an overhead function makes them vulnerable in today's business world, and they become proactive for the sake of their company, their department and their careers.

For now, at least, there will be a place for traditional HR professionals and traditional HR departments, but if you want to understand the major shift that is going on, and want to be a part of it, be sure to listen to this business strategic planning podcast.

About the Author:

Brenda Perkins, CEBS is Co-founder of HRBrainBank.com, a Web site devoted to human resource policies and best practices. Brenda's expertise comes from creating and building three unique businesses, all of which serve the human resources profession. The unique blend of her experiences and talents allows her to see problems and solutions that are often not clear to the individuals she works with. Brenda has co-authored four books: Employee Communications 101; How to Produce Benefit Statements (such as benefits communications); Outsource Guide (to help you select the best vendor for employee benefits communications); and 9 Critical Elements to Guarantee Your Boss' Approval. She has also co-produced several healthcare education videos with an emphasis on consumer directed healthcare.