



HR functions are changing focus

- from developing concepts towards optimising results

“...During the last 17 years, through our extensive research and our work with more than 350 international companies, we have identified the Strategic Agenda and the Must-Win-Battles in people management. Out of more than 300 metrics, 4.000 activities and business cases the significant results are extracted and condensed to the decisive topics and metrics that have an impact on the results of a company. This newsflash is about **HR functions are changing ...**”

Summary: *During the last years the focus of HR functions has dramatically changed. Ten years ago most HR functions developed concepts regarding training/development, talent management, succession planning etc. HR now has a much larger stake when it comes to value creation and the pressure to show results, proving top and bottom line impact, is mounting.*

Our research shows that 8 out of 10 HR functions no longer develop concepts and have shifted their focus to their most important customer group, line management, to ensure the implementation of people management processes. Most HR functions buy in proven practice from outside and apply the solutions to their needs. The importance of measuring and tying the results to the top and bottom line is increasing – as a result, HR functions gain a better standing within the organisation and reach the goal of being a real business partner (as postulated since Dave Ulrich launched the first version of his HR business model).

HR functions are shifting their attention towards identifying and understanding the value drivers according to an organisation's life cycle. They are focusing on optimising the processes – especially where line management has to take accountability in their execution. This area is the most difficult one for HR to control and make successful – and here, hard facts, metrics and business cases give the right basis for an effective dialogue with managers on equal terms.

HR now has a key role in value creation– pressure is increasing to show top and bottom line impact.

“Only what you can measure - you can manage”

A dashboard is one of the tools helping HR to gain speed. Creating the right metrics focusing on the high value creating parts of a process is key. As a second step in defining target areas and linking possible deviations to monetary terms is equally as important.

Having that in place enables HR to drive pro-actively value creation demanding from line management to live up to their responsibilities.

After all, like in all part of business it is the final results that count!