I. History and Evolution of HR
History and Evolution of HR

- Ancient China
- Armies
- Great Britain
- Industrial Revolution
- United States
- World War I
- Personnel Management

NFP
History and Evolution of HR

United States

World War II & Trade Unions

1970’s

HR Management

1990’s

HR Business Partner

United States

United States

Personnel Management
History and Revolution of HR

But why aren’t we talking about THIS?
II. What’s the Trouble with HR?
What’s the Trouble?

“HR is widely thought of as a dark bureaucratic force that blindly follows nonsensical rules, resists creativity, and impedes constructive change.”

“It’s time (for HR) to get out of the box of developing compliance programs and into the world of making work better.”

“They (HR) pursue standardization and uniformity in the face of a workforce that is heterogeneous and complex.”
What’s the Trouble?

“HR pursues efficiency in lieu of value.”

“Most of them (HR) are process-oriented generalists who have expertise in...internal matters. What they can’t do very well is relate HR to real-world business needs.”

“Few HR departments...have felt compelled to make the case that any of their practices could drive profits. Many don’t calculate ROI, even though other functions have been expected to do so for at least a generation.”
What’s the Trouble?

• Seminal Moment: August 2005
  • “Why I Hate HR” *(Fast Company)*

  • “It’s Time for Companies to Fire their Human Resources Departments” *(Forbes, April 4, 2013)*
  • “Companies Say No to Having an HR Department” *(Wall Street Journal, April 9, 2014)*
  • “It’s Time to Split HR” *(Harvard Business Review, July-August 2014)*
What’s the Trouble?

Strategic Perspective

- Lack of business acumen and mindset
- No linkage between HC analytics & business results
- Focus on efficiency vs. value
- Impediment to business needs
- Measure activities vs. outcomes
- No customized, innovative approaches

Perceptions & Observations
What’s the Trouble?

Perceptions & Observations

- Wasteful, duplicative, clunky processes
- Experts at "adminis-trivia" & programs with no impact
- Reactive approach to business needs
- Role Confusion: "Helpers" & "Enforcers"
- Lack of urgency & enablement of business
- Time-consuming, meaningless Performance Management

Operational / Tactical Perspective
What’s the Trouble?

HR Perspective

Perceptions & Observations

- Under-resourced
- Buried in administrative and clerical work
- Juggling employee calls, emails, stop-in’s
- Insufficient technology
- Regulatory Compliance Burdens
- Lack of front-line manager accountability

Ambiguous Authority
III. Evolve or Perish?
Why Evolve – Radically?

Outsourcing

“Seat at the Table”

Elevate Profession

Impact
Why Evolve – Radically?

- Because we must
  - Value-based economy
  - Traditional forms of competitiveness can be duplicated (cost, service, technology, distribution, manufacturing).
  - Shorter strategy life cycles
  - Continuously changing business climate
  - Rapidly evolving technology

“Innovation is the only sustainable competitive advantage.”
- Rowan Gibson
Why Evolve – Radically?

Because We MUST...

“Life is change. Growth is optional. Choose wisely.”
- K.K. Clark

“Remember my mantra: Distinct or extinct.”
- Tom Peters
IV. Transforming HR: the Need for Radical Change
Transforming HR – Radically

Strategic Perspective

- Lack of business acumen and mindset
- No linkage between HC & business results
- Focus on efficiency vs. value
- Impediment to business needs
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Perceptions & Observations
Transforming HR – Radically

Be business people *first*.

- Attract business & finance
- Business person 1st
- Business of the business
- Common language
- Financials
- Lack of business acumen and mindset

Transforming
Link human capital results to business results.
Focus on programs that deliver value to the business.
Banish the rest.
Transforming HR – Radically

Enable the business, work environment, and talent to innovate, change, and grow.

- Business drives the processes
- Sensible, simple processes
- Transforming
- Enable creativity
- Get to the “Yes”
- Technology-enabled workflows

Impediment to business needs
Measure what HR delivers, not what it does.
Transforming HR – Radically

No creative, innovative approaches

Create. Innovate. Experiment.

Transforming

Throw out the playbook

Customize practices

Be nimble & proactive

Innovate; take some risks

Experiment; improve; try again
Transforming HR – Radically

**Discussion:**

Operational / Tactical Perspective

- Wasteful, duplicative, clunky processes
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Perceptions & Observations
“Discretionary effort – by employees who are engaged and willing to give their best – is at the heart of organizational success, and managing and developing people is the way to drive and sustain that effort.

So the time is ripe for reimagining human capital much more broadly.

Business leaders will see that, if HR makes a compelling, evidence-based case for what matters, and jettisons what doesn’t.”

- Peter Capelli
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