



Sitting at the Grown-Up Table?

Becoming True HR Business Partners: The Keys to Success.

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What does it really take to transform HR into business partners? Or in one of our client's words; "How can we get HR to move from the kid's table to the grown-up table." Over the past six months we have been asked that same question numerous times. We decided to interview a number of clients who were in the midst of this transformation to hear what they had to say.

Not surprisingly we found that every organization we spoke with said there is no "magic bullet." This transformation is a continuous journey that can take years not months to complete. Not only does HR have to change to become successful partners and consultants, but managers of all levels within the business also have to change how they work with HR.

The clients we interviewed unanimously started with the vision that Dave Ulrich provided in his book, *HR Champions*. In his famous four-box quadrant he states that HR needs to take a strategic focus to managing HR transformation and change, as well as an operational focus to include HR services and employee contribution.

Putting this model into action is another story. This article provides some insights into best practices and key learnings from HR organizations that are making the journey to work as HR business partners. Specifically, we found 5 distinct factors that increase the chances of making the transition smooth and quick.

The five distinct factors that increase the chances of an entire organization making the transition smooth and quick are:

- **Compelling motivation**
- **Assessment done well**
- **Streamlined operations in place**
- **Strong leadership**
- **Ongoing development**

Compelling Motivation to Change

Each organization that we spoke with described a dramatic change in their companies business or culture that created a compelling motivation for their transformation. For example, a merger with another company, the economic downturn, a financial crisis, competition, or some other great challenge that pushed HR into launching the journey. Simultaneously it opened the way for the business partners to accept the shift and the new HR role.

Without a motivating factor, the change is tediously slow and adoption of the required new behaviors is difficult. With an external motivating factor, a sense of urgency occurs in which there is an organizational openness to the change. For example, at Wells Fargo Bank, the merger with Norwest created a cultural shift. Team members, management and

customers were treated differently and treated each other in customer centric ways. The adoption of the Norwest culture as an employee and customer focused company triggered and pushed Wells Fargo HR to assess themselves and how they were adding value to the business and the key strategic goals.

Objective and Accurate Assessment Upfront

Taking a good hard objective look at the team, individuals, their skills, and competencies is critical. Similarly, assessing attitudes, career goals and abilities to effectively work as business partners are key to putting the right people in the right jobs.

From the top down, every organization we talked with discussed and confirmed the need for open and honest assessment. In addition, HR executives had upfront and frank conversations with the business leaders about the new organizational structure and the new role of HR. These conversations laid a solid foundation for the transformation.

For some HR professionals, these joint role-clarifying discussions allowed them to decide what they really wanted to do by choosing operational or centers of excellence roles versus the HR business partner roles. Some looked at and selected other opportunities within the company and some chose to leave the organization. For others, they recognized this new HR business partner role was what they had always wished for. Through honest and direct assessment, people were put in roles in which they truly added value to the business in ways never done before. One HR consultant summed it up by saying “I feel that I am finally eating at the big table with the adults. I am no longer stuck at the kiddie table!”

Through our interviews, we discerned that there are a number of personal attributes that are needed to make the transition to successful HR business partner. The top three were, curiosity, accountability, and intelligence (not just knowing facts and data or having business savvy but all kinds of organizational and emotional intelligence and knowledge). HR Consultants lacking in these attributes were more likely to give up, fail or leave the organization according to some clients.

From our discussions, we learned that between 30-45% of the original group of HR professionals would make it through the journey to become HR Business Partners. Some leave immediately and some select out over time. Knowing and recognizing this early on allows for a smooth transition for both the organization and the HR Professionals choosing to leave. Doing the upfront assessment and directly communicating individual fit with changed business needs went a long way to smooth the change and transition.

Operational Processes Must Be Streamlined and Working Well

In order for HR consultants to function as business partners, they need to be freed up from routine daily tasks that are not value added. Streamlining of operational HR processes is often obtained through technology and centralized operations groups. Turning over routine tasks such as processing new hire paperwork, salary increases, and benefit changes to either self-service processes or centralized operations groups freed up the HR consultant’s time by over 50%. Without streamlined processes in place, reaching the goal of being a value-added business partner is impossible. During the transition period, this is also where the rubber hits the road. Internal clients get upset if their

operational needs are not met and if they are not seeing value added from the new HR business partners. For many individuals who opt not to take the route of becoming a HR business partner, applying their expertise in operational areas or centers of excellence is a great career alternative and is a critical role within the company.

Leadership, Leadership, Leadership

In any change effort we know how key great leadership is in championing the shift. Keeping people motivated, communicating successes, influencing the businesses and sponsoring programs that develop the skills and abilities of the HR consultants are essential.

The HR executive team, having good relationships with the businesses, must provide introductions, opportunities, and mentoring to the HR consultants. One of the major contributions company leadership can make is to consistently influence the business leaders to work with HR in new ways. This is often done through pilot programs that provide excellent results. These pilot programs are the quickest way to gain credibility with the business, provided of course, the results are achieved. Consistent and focused HR executive leadership is critical to implement the new HR role quickly. This includes both a focus on coaching HR business partners and leading the change with the business partners each and every day.

Throughout the transformation, constant communication between HR and the business is key. Sharing information on the transformation as well as creating quick wins are the focus. In one company, a strategic objective of reducing turnover was set. HR focused on this goal looking to create a win-win for everyone. They developed a simple but predictable communication plan, including a weekly e-mail message to all managers about the initiatives, their role and related measures of employee turnover. The HR business partners led the initiatives working with senior management to ensure their targets were met. Initiatives were shared across business units in terms of their progress toward the target. In addition, a monthly conference call among the HR business partners was held with an opportunity for questions, answers, and coaching. Occasionally these conference calls included opportunities for development and coaching. Focusing everyone on a key overall business strategy to reduce turnover created a win-win for HR and their business partners.

Ongoing Development and Learning

For every client interviewed, HR business partners were provided training in a variety of areas. Consulting skills and business acumen were top priorities along with continuous learning in HR and organization development, organization effectiveness, strategy development, talent management, compensation and performance management. In total, the response was that clients expect HR business partners to be broad subject matter experts and that the bar had been raised. The ongoing learning through workshops, coaching, action learning projects, feedback and self-reflection are a continuing development process throughout the journey and beyond.

Many clients also recognized that the skills of consulting and business acumen were as critically important for the professionals who were not involved in the centers of

excellence. The more everyone spoke a common language and were comfortable consulting with the business on specific projects, the better the results.

HR business partners need to be more prepared for everything and anything in a fast changing business world. One executive described the training in consulting skills and business partnering as a way of improving personal credibility with the client, a key factor to success. Some who felt the journey was an uphill struggle described it as an inability to build credibility and relationships with the business partners.

From our discussions we heard the process of moving to the HR business partner role can be a long journey if not approached in the right way from the beginning. It requires objective assessment and a realization that not everyone in HR will do well in the new role of HR Business Partner. It takes a specific type of person with strong skills, competencies and broad HR and business subject matter expertise to be successful.

It is also important to recognize that the HR role change is against the backdrop of a major culture shift that requires excellent change management, streamlined operational processes, solid leadership, collaboration without boundaries and motivated people who want to make it happen. The clients who were successful emphasized taking the time upfront for thorough assessment and careful selection of HR Consultants who can function effectively as business partners. Continuing their development in order to grow in their new roles is critical for success.

The five distinct factors mentioned that increase the chances of an entire organization making the transition smoother and faster are:

- **Compelling motivation**
- **Assessment done well**
- **Streamlined operations in place**
- **Strong leadership**
- **Ongoing development**

To eat at the big table requires execution of these five factors and then ongoing coaching to get to taste dessert.

For more information about this article or how Advance Consulting, Inc. can assist you in developing your people as consultants and business partners, contact us at advanceinfo@advanceconsulting.com or 415.927.5401.