

Qualification: CIPD Diploma in Applied Human Resources

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- **Signed:** *S Measday*
- **Date:**

The Function of HR?

- What is HR?
- How is HR evolving?
- Transactional v's Transformational
- How are HR objectives delivered?
- The case for an Ethical Approach
- How can HR be evaluated



Today, we will be looking to answer some of the following questions.

What is HR?

What the role of HR is in our Cotemporary Organisations.

How has HR evolved and still evolving?

Is HR a Transactional Job or a Transformational one?

How do we deliver HR?

Can we deliver Ethically?

And how can HR be evaluated?

CIPD New Profession Map (2018)



The CIPD (**Chartered Institute of Personnel and Development**) is a Professional Body for Human Resource Practitioner's.

They have produced what they call The Profession Map (CIPD 2018).

At the very core of the HR profession is Purpose.

Here we have the 2018 version but also the smaller picture gives the 2015 version. Both are based on the same principles.

New Profession Map (2018) fundamental purposes of the people profession

- Champion better work and working lives
- Create roles, opportunities, organisations and working environments that help get the best out of people
- Deliver great organisational outcomes, in turn driving our economics and making good, fair and inclusive work, a societal outcome.

The CIPD New Professional Map (2018) outlines these three purpose's:-

Note :- Read through slide points 1-3

Purpose 1 - Champion better work and working lives

Purpose 2 - Create roles, opportunities, organisations and working environments that help get the best out of people

Purpose 3 - Deliver great organisational outcomes, in turn driving our economics, and making good, fair and inclusive work a societal outcome

What is HR? Purpose?

The purpose of the HR Function is to support the delivery of the organisation's strategy and objectives through the effective management of people and performance.

As such an organisation's HR Strategy and all activities should be clearly aligned with the strategy and objectives of the business (Wilkinson and Taylor, 2016)

A general definition of the HR Function has been defined by Wilkinson and Taylor, 2016 in Chapter 2 of the Studying Human Resource Management book.

The purpose of the HR Function is to support the delivery of the organisation's strategy and objectives through the effective management of people and performance.

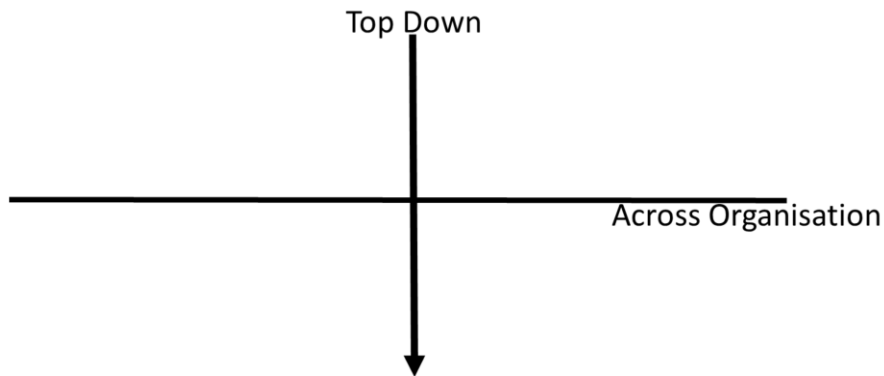
As such an organisation's HR Strategy and all activities should be clearly aligned with the strategy and objectives of the business (Wilkinson and Taylor, 2016)

So, HR Support's organisation strategy and objectives

Effectively helps to manage people and changes within the organisation

In alignment with the Business Strategy.

Horizontal & Vertical Integration of business strategy across organisation



How do we integrate HR strategy?? Into our orgaistaion

The main characteristics of any organisations HR strategy needs to be aligned with the organisation's Business Strategy from the top down to the bottom of the organisation.

Strategy also needs to be horizontally aligned across the organisation, with HR practices supporting each other

The greater the degree of vertical and horizontal integration within an organisation, the more effective HR strategy will be

How is HR evolving?

Human Resources? People Management?
Company / Organisation Strategy? Managing Resources?
Performance? Aligned to the Strategy of the Business?



HR stands for Human Resources and exists to support the people management of our organisations and businesses.

It dates back to the Industrial Revolution where it would have been called **Personnel Management** and would have been mainly devoted to the processing of Wages and Welfare Rights management. But would also have included recruitment, record keeping and dealing with Trade Unions.

This moved on in the twentieth century to **Human Resource Management (HRM)**. Under this title the role of HR changed to focus more on Recruitment and Development directed towards commitment and loyalty with Rewards packages, providing challenging work environments, benefits, behaviour driven training and development, performance appraisal and an emphasis on Leadership. Employee's were now seen as a valuable resource to the Business.

This has now moved on to **Strategic Human Resource Management (SHRM)**. Employees are now seen as a valuable asset to the business and an integral part to the company's success story. Employee's have become key to the success and alignment of the business, individual goals and the future shape of the organisation.

Typical activities of a Strategic Human Resource Manager's Department

- Integrating HR strategy to organisational strategy Linking with Senior Management
- Training and Development linked to Innovation
- Talent Development Planning and Management
- Employee Engagement
- Enrichment of the work place
- Adding Value
- Working with Stakeholders

Typical activities of today's Strategic Human Resource Manager's are as follows :-

Integrating HR strategy to organisational strategy Linking with Senior Management

Training and Development - linked to Innovation

Talent Development Planning and Management

Employee Engagement

Enrichment of the work place

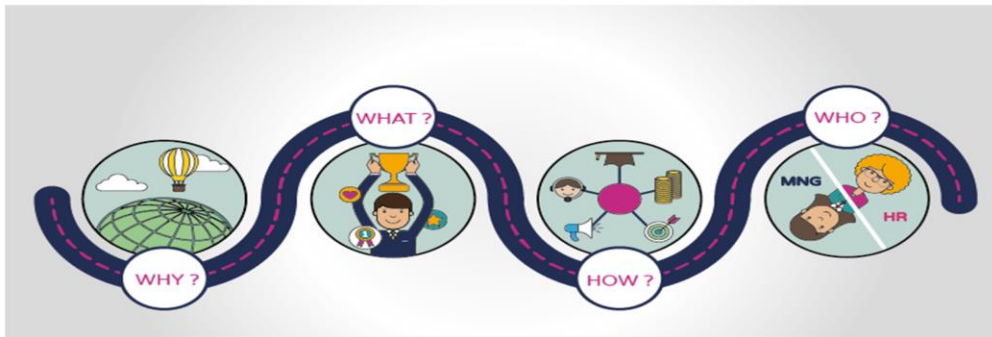
Adding Value to the Business

Working with stakeholders

There are many other areas that SHRM's would cover and of course the amount each does depends on the size of the Business or Organisation.

Transactional V Transformational

Transactional = Administration
Transformational = Change



HR is evolving constantly and as previously said can be different depending on your organisation.

Public Sector, Private Sector, Charitable or Voluntary Organisation's, Small and Large Business would all more than likely have different set ups in the HRM and HR Strategy.

Whilst we once were a solely Transactional department dealing with the administration of the organisation. Many of these functions are being outsourced and also becoming more automated.

Our HR department's are now more Transformational, change management orientated and looking at continuous improvement for our organisations.

How do we Manage Change ?



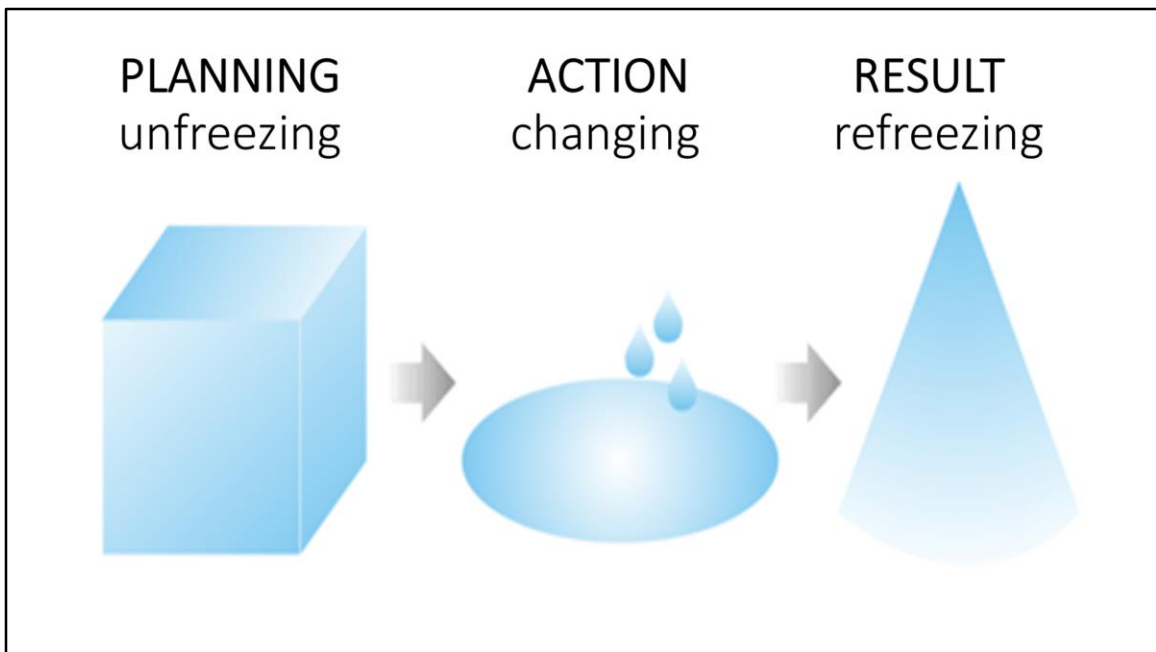
How does HR effectively manage changes?

Organisations undergo changes almost constantly in a minor way but usually every 3 years you would find a major change within most organisations.

What do we need to consider when the organisation is undergoing change? :-

How is the culture changing? – we shouldn't just concern ourselves with how the Controllable Business Processes etc are changing but how our Culture is Changing too!

We also need to consider the people involved – How do they or will they respond to change? What about the Unions? What is Good practice? etc.



Theory 1 - Lewin (1950s) – Psychologist Professor

Lewin Talks of 3 stages in Change management

Unfreezing---Changing---Refreezing

Unfreezing – Pose the question as to why Change needs to happen and why the organisation can't continue as it is. Get people thinking about why change is needed. Creating a motivation for Change

Changing – Uncertainty is raised in the Unfreeze stage but the next step is where people tend to resolve any uncertainty they may have and begin to look for new ways to do things. People start to believe in the new direction and support it thinking of ways to move forward. This can be a slow process as people often need time to embrace change. Time and **Communication** will be key here in managing change.

Refreezing – The organisation will then refreeze once changes have been made – In this phase changes will be reinforced, making sure they are used in everyday life and the success of the change should be supported. Failure here will end up in resistance to Future Change.

How do we deliver our HR Objectives?

- HR Generalist
- HR Specialist
- Line Managers
- Shared Services

Given the nature of our HR Function and the strategies and objectives that exist in our organisations! How do we deliver these objectives??

Organisations can have a number of delivery methods and this will generally depend on the size of the organisation.

HR Generalist – knowledge of and involvement in all areas of the HR Function, responsible for the day-to-day management of the HR Function – smaller business or sole traders tend to have this type of HR function as they will be required to deal with every aspect of the HR on their own.

HR Specialist Areas

- Recruitment, Resourcing and Talent Planning
- Learning and Talent Development
- Organisation Development
- Employee Engagement
- Performance and Reward

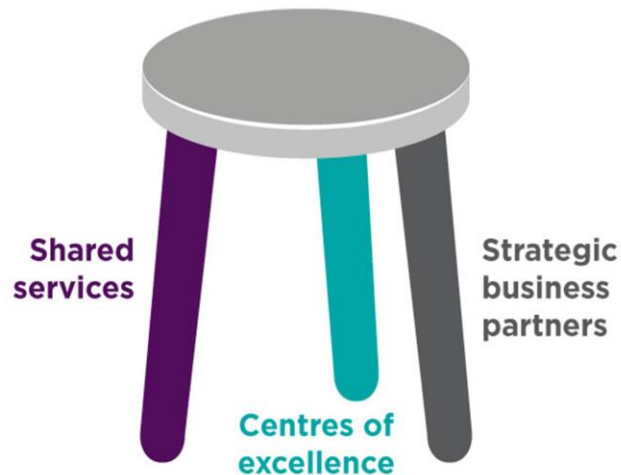
Whilst the individual may be specialist they should have a good sound Generalist knowledge

Larger businesses may have a combination of Generalist and Specialist Team member's

Line Managers – we must recognise that Line Manager's and Supervisors etc are the first point of contact for our employees. As HR manager's we must therefore work closely with our Line Manager's. We must inform them of strategies, policies and information and give regular training on implementation of these. Many aspects of HR can be devolved to Line Manager's making them "mini" HR Managers, this frees up valuable time to work on strategic policies. Many line manager's will be dealing with Absence Management, Appraisals, Recruitment, Grievances etc...
(particularly in Larger organisations)

Shared Services – outsourced services. They offer shared services such as Finance, IT and HR administrative Support. There are 2 distinctive Features 1. Provide routine HR administrative function and sometimes more complex HR activities. And 2. Service Focused – seeing all employees as customers.

Ulrich's 3 Legged Stool approach to HR delivery



US Business academic David Ulrich has developed what he calls the “three-legged stool” model of HR delivery.

This is based on three different types of HR professional's working together within the organisation. Each working in a distinct way.

- HR Business Partner – usually a senior professional who work's closely with Leaders and Line manager's within the organisation. They would be responsible for influencing and steering strategy and seeing this right through to it's implementation.
- Centres of Excellence – usually made up of HR Specialist teams delivering on HR innovative solutions in areas such as reward management, talent management and engagement.
- Shared Service Centres – A unit handling routine “transactional” services largely related to the implementation of the employee lifecycle.

There has been a lot of interest around this model but in reality it is primarily larger organisations that are developing this style of delivery. I currently work in Swansea Council and I would say that we certainly work along these lines . I myself work within

the Service Centre delivery on the HR Transactional side and sometimes on more complex issues of HR such as ER/VR work and the implementation of HR Strategy and Delegated Power Reports. We also Have a dedicated team of Business Partner's overseeing a team of HR Generalist (Advisors) – In addition we also have HR Specialists in Learning and Development and Innovation.

Business Ethics & HR

- What are Business Ethics



What are Business Ethics?

Business Ethics have been defined as the rules of conduct for the business. They will be morally appropriate to the particular profession or area of life.

Ethical Practice is the application of Ethical value in the Organisation.

There are 3 core elements to Business Ethic's and acting Ethically

1. Fairness
2. Deciding what is right and what is wrong
3. Practices and rules which underpin conduct between individuals & groups

Why are Business Ethics Important in HR?

- “doing the right thing” because it is the right thing
- open culture to improve morale
- Good Relations = Enhanced Reputation
- Ethically companies outperform their peers
- Increasing good reputation
- “Say one thing but do another”

Organisations should ‘do the right thing’ because it is the right thing to do. This demonstrates the benefits to organisations when they take their ethical values seriously:

If we have an openness about our culture it improves morale.

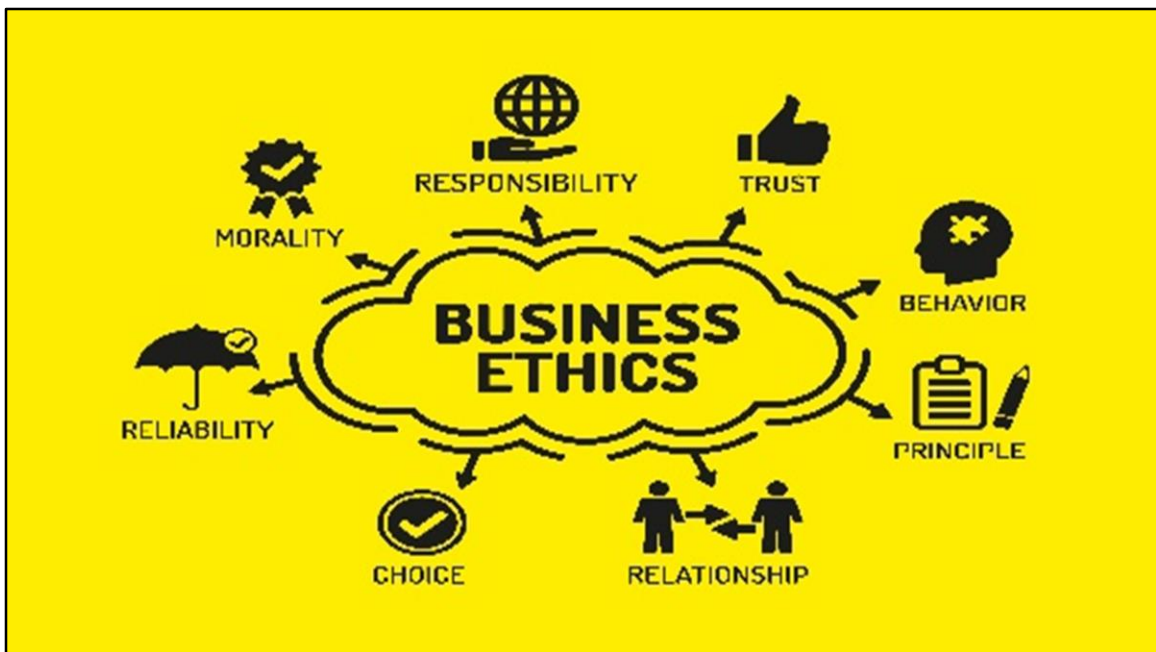
Good relations with customers lead to an enhanced reputation.

Ethical companies outperform their peers financially in the long term.

If a company is known to treat employees, stakeholders and customers well this can only increase the reputation. If the opposite then the reputation will be tarnished. Tarnished reputation will be detrimental to the survival of the business.

The ‘say/do gap’ – where leaders say one thing but do another – this is harmful to their credibility of the business. Employees and Customers will be left feeling wronged and will not engage further with that. Result = Reputational Damage.

It is for all these reasons that we need to champion Ethical Behaviour for HR.



As HR Manager's we therefore have a **responsibility** to ensure that our Businesses are run in an Ethical manner.

Trust
Behaviour
Principle
Relationship
Choice
Reliability
Morality

Code of Conduct

“All CIPD Members must commit to upholding and maintaining the standards and behaviours set out in our Code of Professional Conduct document. The standards apply equally to all CIPD Members regardless of their level of membership”

These obligations are grouped under four principles:

- **Professional Competence and Behaviour**
- **Ethical Standards and Integrity**
- **Representative of the Profession**
- **Stewardship**

CIPD (2020)

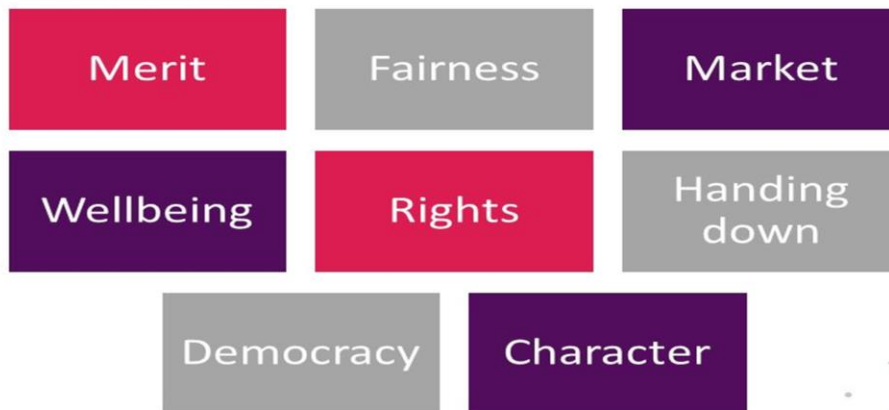
The CIPD Professional body for HR Professional's has the following Code of Conduct:-

“All CIPD Members must commit to upholding and maintaining the standards and behaviours set out in our Code of Professional Conduct document. The standards apply equally to all CIPD Members regardless of their level of membership”

These obligations are grouped under four principles:

Professional Competence and Behaviour
Ethical Standards and Integrity
Representative of the Profession
Stewardship

What are the possible 'lenses' for looking at workplace dilemmas?



The CIPD have given “Eight Ethical Lenses” by which we can navigate any workplace dilemmas on Ethical decision making.. Which choice is right for you?

Fairness – is everyone able to agree to it?

Merit – jobs & rewards should track talent & hard work

Markets - jobs & rewards should follow from voluntary market exchanges

Democracy – everyone has to have a say

Well-being – working should be good for us not bad for us

Rights & Duties – we all have rights to do or not to do things. We all have a duty not to violate other’s Rights.

Character – work to develop the best ethical character for the role you are in

Handing Down – Steward what we have well, so that we can hand it down to our future!

CIPD Research report 2015 - https://www.cipd.co.uk/Images/Ethical_decision-making_2015-eight_perspectives_on_workplace_dilemmas_tcm18-9564.pdf

How do we Evaluate HR?

- 1. Influence on Strategy
- 2. Views of Key Stakeholders
- 3. External Benchmarking
- 4. Internal SLA's



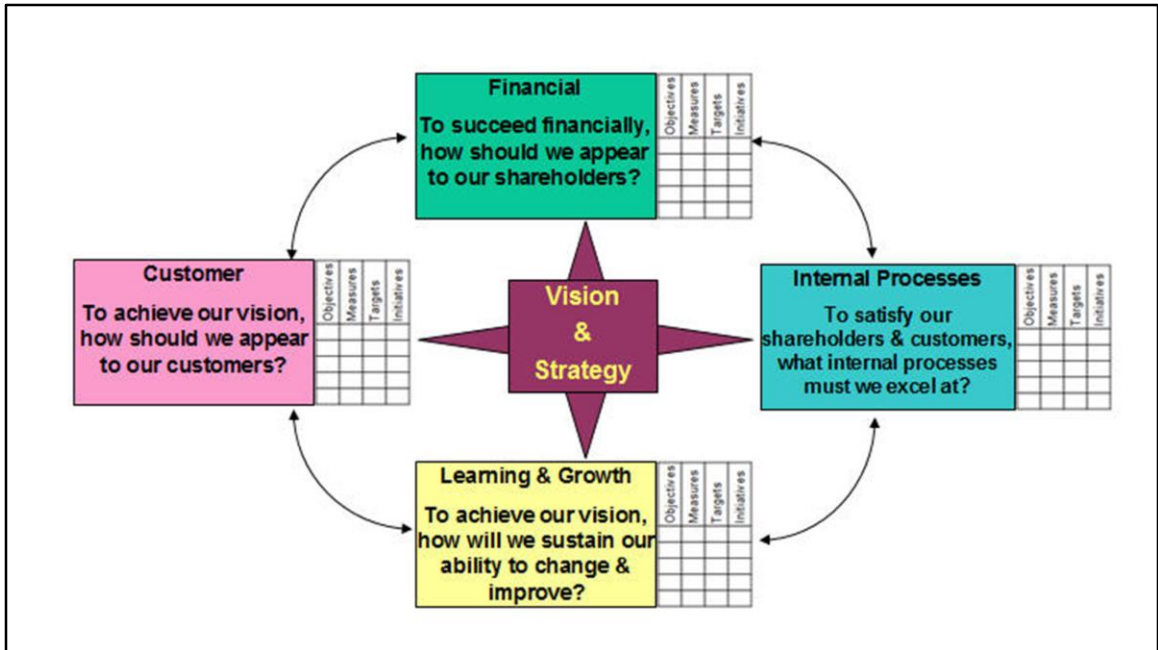
Traditionally we would have evaluated HR against Cost and Time efficiency.

But today we are more likely to look at the following 4 areas :-

- 1 Influence on Strategy
- 2 Views of Stakeholders
- 3 External Benchmarking
- 4 Internal Service Level Agreements (SLA's)

Some of the tools that we can use to Evaluate a our organisations :-

1. HR Metrics or Data Analysis – eg Number of Applications for Job's, Number of Jobs Advertised, Number of roles filled, Sickness or Absence rates.
2. KPI's (Key Performance Indicators) – This looks at the Key Target's and the Performance against those Target's
3. Balanced Scorecard (Kaplan & Norton) (next slide)

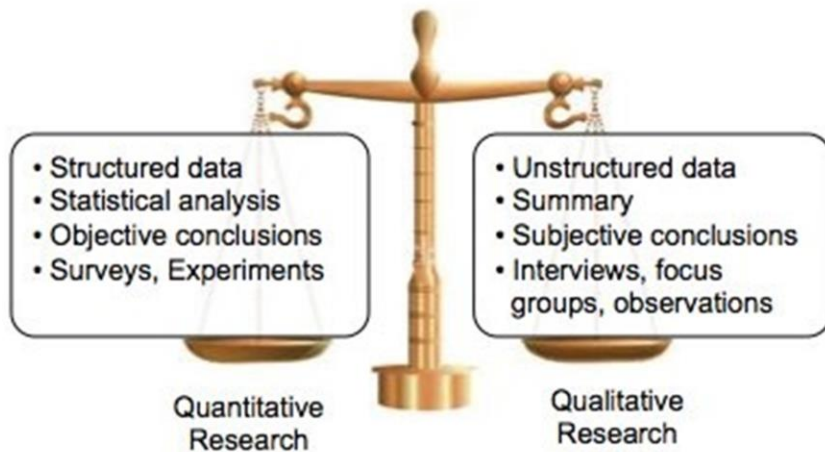


The Balanced Scorecard (Kaplan & Norton)

This allows manager's to look and evaluate for 4 perspectives :

1. Customer - How do Customer's see us?
2. Financial – How do we look to Shareholders?
3. Internal Processes – What must we excel in?
4. Learning and Growth – Can we continue to improve and grow?

Quantitative & Qualitative



Research to Evaluate our performance

Quantitative V's Qualitative

Number's V's Feedback (usually in words)

Examples of evaluated Research with a positive response

- 1. Health and Well being
- 2. Staff Retention

1. An anonymous staff survey was recently completed by staff at a local business on Health and Well being in the workplace. Many of the responders mentioned that they experienced Back problem's due to sitting at a desk all day.

How does the business and HR department respond?

If there is a Medical Team or Occupational Health department then HR can encourage people who have these problem's to access these services. Often employees will only need light advice and encouragement in self care tips such as Sitting posture, Monitor height and keyboard placement tips. For some a full ergonomic assessment may be necessary and they may need a special chair or desk. As the staff survey was anonymous then this information should be flagged up to all employees so that they are aware of the availability of such services. Also all manager's should be reminded that these opportunities are available for all staff experiencing any discomfort.

This promotes well being for every employee within the workplace.

2. A local food store had seen a high amount of employee's leave employment over the past 12 months. HR evaluated the last 20 Exit questionnaires and the most

popular reason for leaving was the hourly rate of pay and the % discount which the store gave for employees purchasing goods in the store.

Employees stated that at a rival store they were paid 25p more per hr for the same work and got 15% discount rather than the 10% they received.

After HR liaised with the Finance department they were able to agree with the help of the union that the employees would receive a 25p per hr pay rise and that the % discount would be matched.

The positive outcomes:-

staff retention -they no longer lost staff to the rival store and

Reduced cost of advertising and recruitment

Some of the staff they had previously employed returned through initial recruitment as they preferred working there and had only left due to the pay difference and the perk's being better in the rival store.

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