

HR Tribune

Trends in the HR Function*

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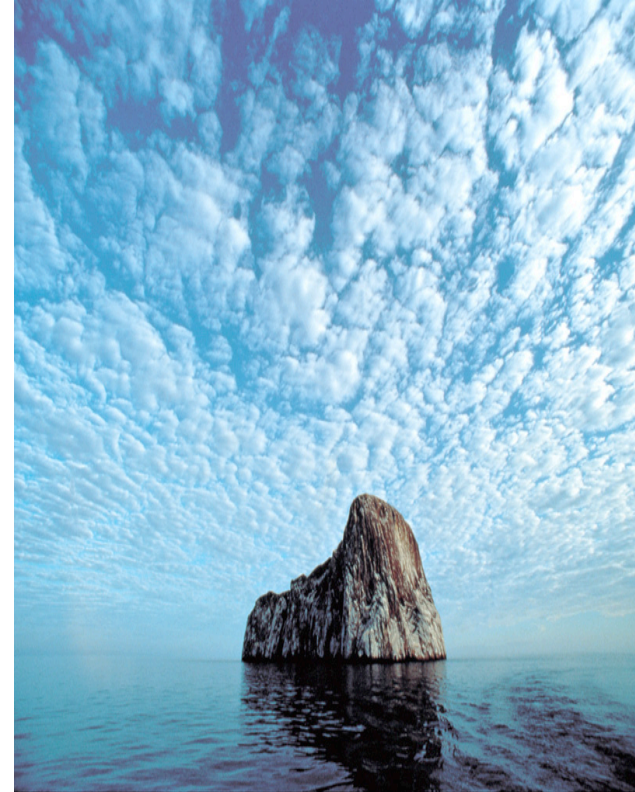
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HR function in a changing environment

- New competitive landscape.
- Importance of off-shoring and outsourcing.
- Corporate transparency demands have increased.
- Innovation and talent development are crucial to business success.



HR Roles



According to D. Ulrich there are four HR Roles:

- Strategic Partner;
- Change Agent;
- Employee Champion; and
- Administrative Function.



HR Roles need to change in order to keep up with organisational changes. A fifth role is added:

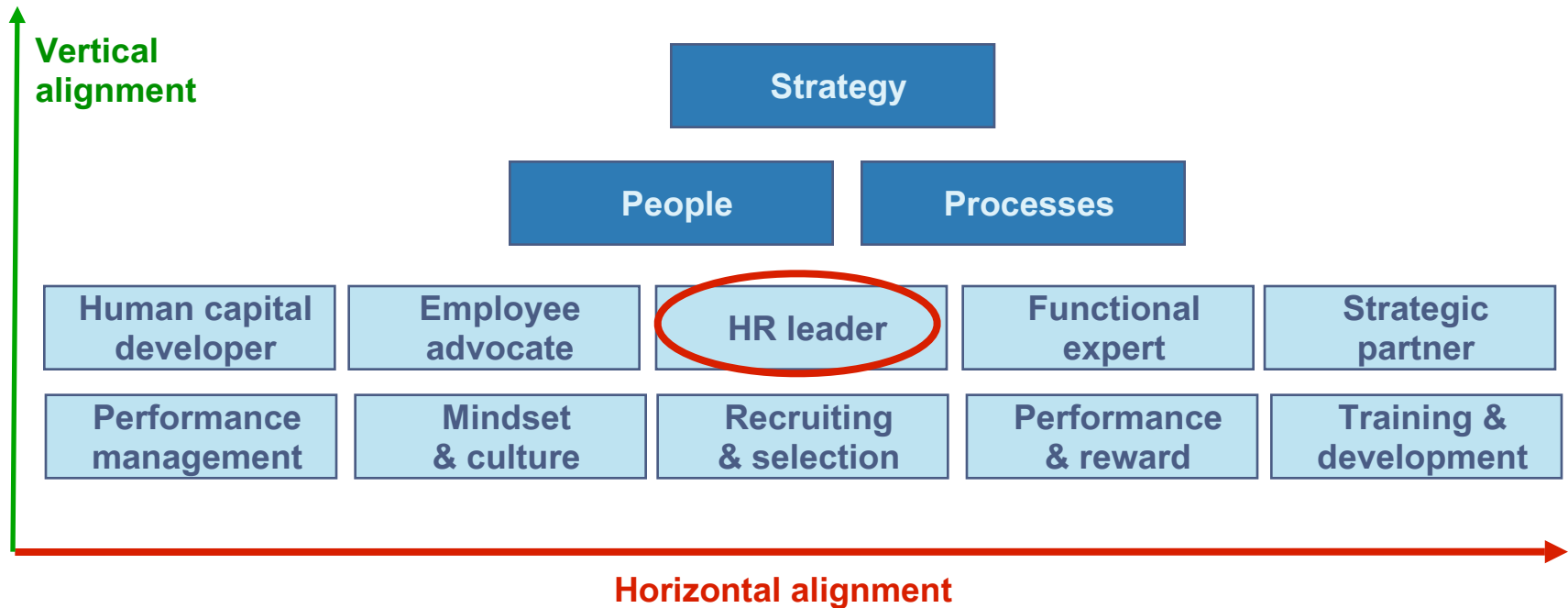
- *Leadership and Value Creation.*

Ulrich's new model- Transformation from 4 to 5 roles for the HR professional

Ulrich (1997)	Ulrich & Brockbank (2005) HRCS	Evolution of thinking
<p>1. Strategic partner</p> <p>2. Change agent</p>	<p>1. Strategic partner</p>	<ul style="list-style-type: none"> • Multiple dimension: Business expert, change agent, knowledge manager, consultant,.. • Change agent represents part of strategic partner role
<p>3. Administrative expert</p>	<p>2. Functional expert</p>	<ul style="list-style-type: none"> • HR practices are central to HR value: Administrative efficiency, policies, interventions, expanding functional expert role
<p>4. Employee Champion</p>	<p>3. Employee Advocate (EA)</p> <p>4. Human capital Developer (HCD)</p>	<ul style="list-style-type: none"> • Employees are increasingly critical to the success of the organisation: <ul style="list-style-type: none"> -EA focuses on today's employee -HCD focuses on how to prepare employees for the future (strategic)
	<p>5. Leader</p>	<ul style="list-style-type: none"> • The <u>sum</u> of the first 4 roles equals leadership. • Also has implications for leading the HR function, collaborating with other function, ensuring corporate governance and monitoring the HR community

Horizontal & vertical integration of HR Roles and Functions

The challenge for HR is to achieve both horizontal integration of its roles and functions, as well as vertical integration with the strategic direction.



HR Function- Key trends based on Saratoga data

- There is a decrease in both the size and cost of HR functions across Europe & US.
- There is little evidence to show that the influence of HR has increased in the Boardroom – there has been limited strategic penetration, CEOs have a low opinion upon its contribution and the number of HRDs on the main board of the FTSE 100 in the UK has further decreased to five.
- The role of the HR business partner is not rated highly by executives.
- HR services are increasingly provided by a range of disciplines external to the HR function.
- There is proof of a continuing professionalization of the HR function; the number of HR managers and professionals has increased over the years.

Managing tomorrow's people: the future of work to 2020



- At the beginning of 2007, a team of PwC gathered to explore the future of people management
- Our thinking was sparked by the rising profile of people issues on the business agenda:
 - The talent crisis.
 - An ageing workforce in the western world.
 - The increase in global worker mobility.
 - Organisational and cultural issues emerging from the dramatic pace of business change in the past decade.

The role of HR will undergo fundamental change

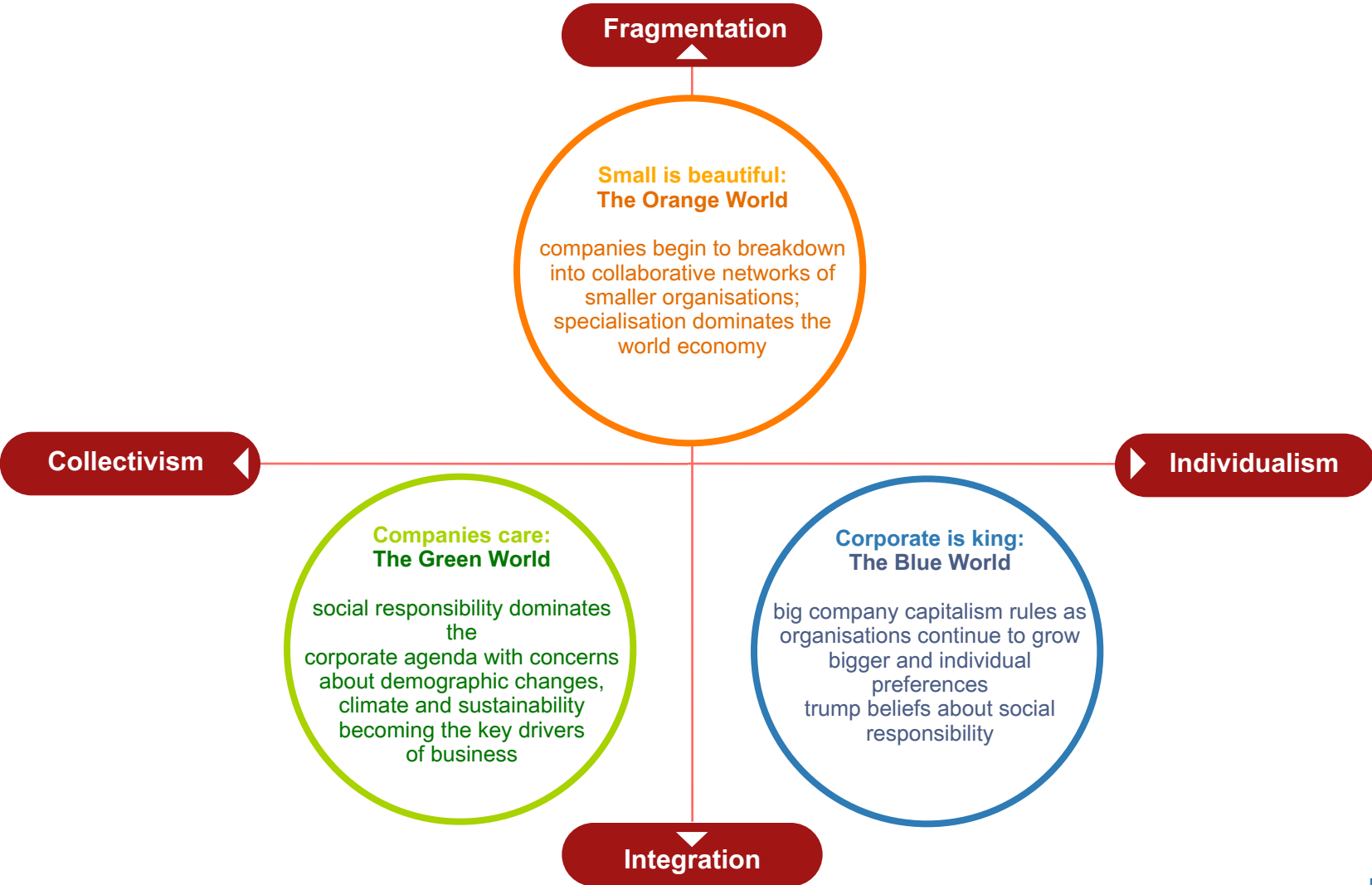
We revealed a number of global forces that will have an important influence, and identified the below as the most significant:

- individualism versus collectivism*
- corporate integration versus fragmentation*



Our team has identified three possible 'worlds - plausible futures to provide a context in which to examine the way organisations might operate in the future.

2020: Where three worlds might co-exist



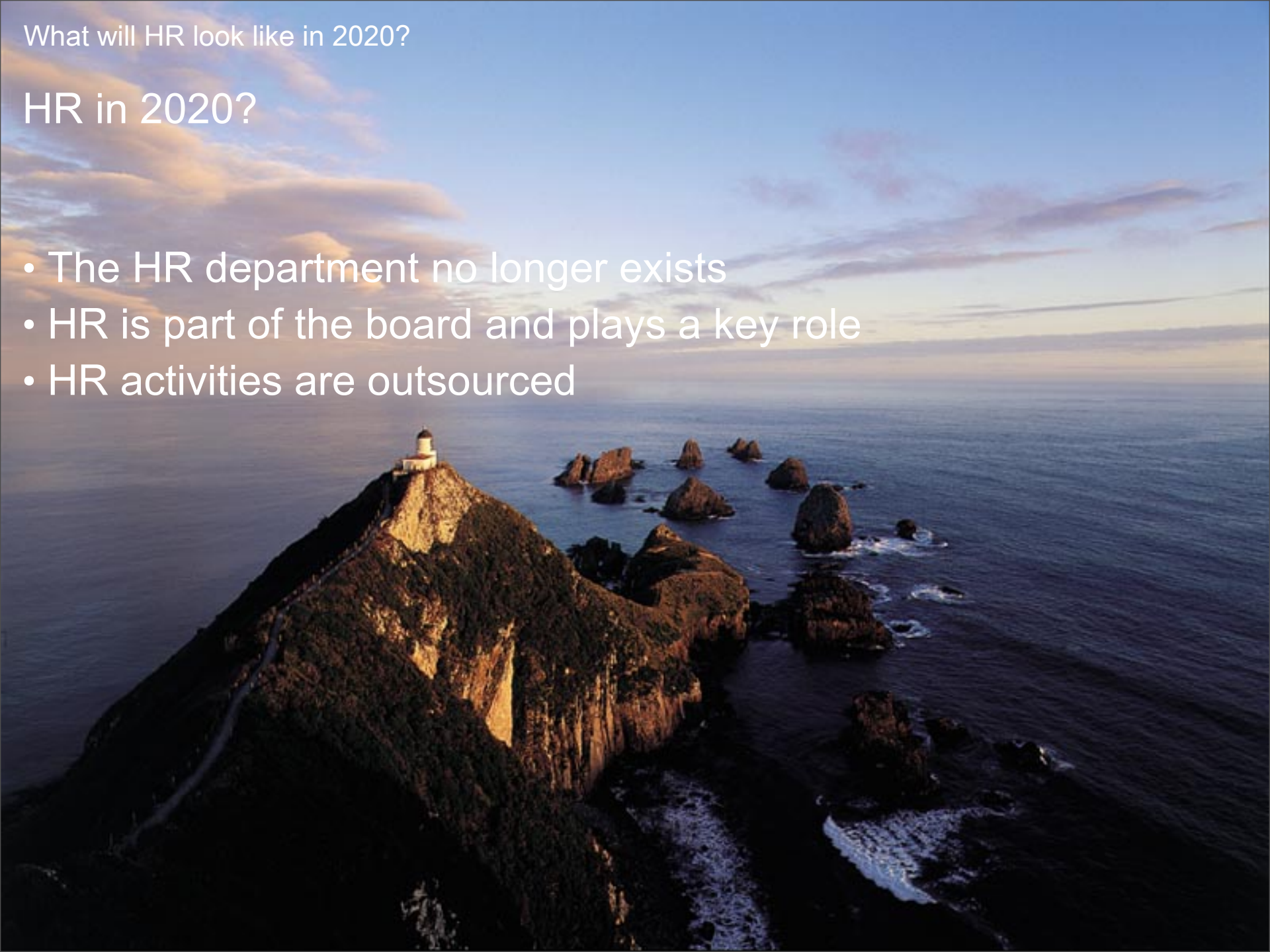
Summary of people management characteristics in 2020

	Blue World	Green World	Orange World
Resourcing and Succession	Long careers and career planning. Succession plans for key performers.	Holistic whole company approach to manpower planning.	Short-term careers. Lots of contracting. HR strongly focused on filling fixed-term vacancies.
Talent Management	Strong performance focus across all levels. Top talent have personal agents.	Broad definition of talent. Competencies focus.	Minimal- key players in the central 'core' only, but liaison with external agents crucial.
Employee Engagement	Engagement around performance and performance metrics. Heavy promotion of corporate culture attributes and behaviours.	Engagement around work-life balance and social responsibility.	Short-term engagement around projects.
Reward and Performance	Strongly performance-related. Pay for performance. Highly structured according to role segmentation.	Focus on total reward over career life-time.	Contract based-pay for projects. Individual stake in projects as incentive for contractors.
Learning and Development	Begins at school. Focus on skills for the job- metrics driven.	Holistic approach to learning- much provided in-house. But secondments and paid sabbaticals for worthy causes are common.	Minimal provision in house. Skills training via new crafts guilds.

What will HR look like in 2020?

HR in 2020?

- The HR department no longer exists
- HR is part of the board and plays a key role
- HR activities are outsourced



Thank you!

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