

Why HR?

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The audience was challenged right at the start as to why they had selected a keynote presentation entitled “Why HR?” The student audience was then asked why they had enrolled in a Human Resources Management degree program.

“You’re an ambitious young thing. You graduated with top marks in high school. You won admission to the School of Business at the University of Alberta. You had your choice of careers. Why did you select HR?”

- *“Was it the big dollars? The attraction of great power? If so, you made the wrong decision.*
- *Is it because you ‘like people’? Whatever you do in your first HR job interview, don’t tell the recruiter that you selected this profession because you ‘like people’. We’ve heard it all before (and frankly aren’t sure it’s true).”*

In discussing our profession (“dissing it” would be a better phrase), Fast Company magazine says:

- “HR people aren’t the sharpest tacks in the box”
- “(Only) 1.2% of B-school graduates went into HR”
- “The best and brightest don’t go into HR”
- “HR is a dead-end career path”¹

This is quite a disturbing assessment. So let’s take a look at the HR profession and see what we can find.

Who are We?

We’ve been asking ourselves that question for decades. Are we:

- Those warm and fuzzy, overly nice, ‘people persons’ who spread joy and happiness through the organization like the Easter Bunny?
- Mindless paper pushers?
- The police department? Those pedantic bureaucrats whose goal in life is to dogmatically enforce a myriad of arcane HR rules and regulations.

The correct answer is yes, and no. We are at the same time all of the above and none of the above.

What are we Up Against?

HR has been getting a lot of bad press lately. The article in Fast Company was just one example. There are many more. Let’s look at the following recent headlines:

- *HR Directors Not Delivering* (Management Issues)
- *HR Gets the Big Thumbs Down* (Management Issues)
- *Why HR is a Waste of Space* (The Age Blogs)
- *Why HR Directors Get Fired* (Hay Group Newsletter)

- *Why HR Can't be Left to HR* (Fast Company)
- *Why HR Gets No Respect* (Business Week)
- *HR Professionals Operate in Ignorance* (Management Issues)
- *Why Everyone Hates HR* (The Age Blogs)
- *Death of HR Talent* (eLearning!)
- *HR: Friend or Foe* (Knowledge@Wharton Network)
- *Payroll Has a Dim View of HR* (Payroll World/Snowdrop Systems)

This is all quite depressing, isn't it? Then there was an article, in the respected Globe and Mail no less, just a few months ago. "*What's gone wrong in Afghanistan? Blame the HR Department*"² We've sunk to a new low. Now they're blaming wars on us.

Why They 'Hate' HR – a look at some of our bad press

Let's look beyond the headlines, and learn more about what some of these articles are saying. The Fast Company article (to quote from an already overly-quoted article) contained the following statements:

- "Strategic HR leadership is an oxymoron."
- "HR people are neither strategic nor leaders."
- "HR is a necessary evil."
- "HR is a dark bureaucratic force that blindly enforces nonsensical rules, resists creativity, and impedes constructive change".
- "HR organizations have ghettoized themselves to the brink of obsolescence".
- "HR is uniquely unsuited... to the important role of raising the reputational and intellectual capital of the company".
- "Most HR managers aren't particularly interested in, or equipped for, doing business."
- "Business acumen is the single biggest factor that HR professionals lack today."
- "HR professionals lack even the most basic workforce information they need to do their jobs, making a mockery of their efforts to taken more seriously by senior management."³

Even if you discount the Fast Company article (which most HR professionals do), it gets worse.

The Economist magazine recently said that CEO's across the world rated HR as their worst-performing business function. "No other function, not even the notoriously unlovable IT-department, came close to being this unappreciated".⁴

Let's look at what the Globe and Mail article said, in their assessment of the war in Afghanistan:

- "War is an HR issue. It is a matter of skilled labour. Guns and planes are of secondary importance."
- "Things (in a war) go wrong due to: Hiring, labour shortages, training, specialization, flexibility, size of work force, seniority, re-training, skill set matches, fitting the right people to the right job, and getting the wrong people out of the way."
- The problem in Afghanistan is; a terrible screw up by the HR department."⁵

Yikes! Maybe it's not too late to change your major. So, why all the bad press? Maybe they have a point?

Why They Have a Point - *addressing some of our bad press*

Are there things we can do to change these perceptions? Yes.

- We need to communicate better. Why? To speak the same language as top management, to demonstrate how HR practices are linked to business strategy.
- We need to clearly demonstrate HR’s value to the organization. Why? To prove how ‘people results’ drive the business.
- We need to greatly improve our business acumen. Why? To be successful strategic partners, to integrate, to better understand the business.
- We need to increase our use of HR metrics. Why? To link HR practices to organizational performance, to report on performance, to show the contribution to the bottom line.
- We need to forge a strategic partnership with managers and employees. Why? These are the people who really make the business run.

Maybe It’s Because They Don’t Understand Us

HR is guilty, as are many other professions, of dazzling itself with its own jargon. Let’s look at some of the terms we use, and how they compare to what ‘real people’ say.

<i>Real People</i>	<i>HR Speak</i>
Getting a job	Staffing: Recruitment, selection, placement, Taken on Strength (TOS)
Being an employee	PY, one FTE
Keeping a job	Retention, job security
Getting paid	Compensation
Getting paid fairly	Internal equity, external equity, employee equity
Having a few perks	Total Rewards Strategy
“Near the top of my range”	High Compa-Ratio
“Good job, Jaime”	Performance Management
Having a nice place to work	Quality of Work Life (QWL)
“Tim and Ian just quit”	Attrition, Turnover
Getting picked on	Harassment
Getting home on time	Work Life Balance
The smart people get raises	Talent Management
Getting laid off	Work Force Adjustment (WFA), or Reduction in Force (RIF)
Quitting my job	Voluntary Termination
Getting fired	Involuntary Termination
No sex	Gender Neutral

Maybe it’s Because We Take the Wrong Courses in School?

According to the Society for Human Resource Management (SHRM), the world’s largest HR association, HR professionals’ favorite courses (and their popularity) rank as follows:

- Interpersonal communication skills (83%)
- Employment law (71%)

- Business Ethics (66%)
- Change management (35%)
- Strategic management (32%)

In contrast, Finance ranks at a mere 2%.⁶

In complaining about our lack of business acumen, Fast Company says that HR professionals should be studying:

- Strategy
- Finance
- Accounting
- Business Administration / Commerce
- Marketing⁷

What do you think? Do they have a point?

Forget the Bad Press - HR Leaders Are Needed Now

The Canadian labour market is facing “the perfect storm”. As we all know, an aging workforce plus low fertility rates is creating a sellers market for labour. One of the top HR issues in business will be skill shortages in key occupational areas.

- “In the next few years, half of our technicians and technologists will retire. No coordinated plan exists to encourage people to join this workforce. We need HR leaders who can hire the best talent.”⁸
- “The fuel shortages of the 1970’s that brought North American commerce to its knees will seem like a walk in the park compared to the talent shortages now emerging.”⁹
- “According to Towers Perrin, more than 50% of employees are (currently) looking to change companies.”¹⁰

Canadian organizations are not going to be able to deal with these issues without skilled HR professionals to guide them.

And... We Are Good At What We Do

According to Deloitte, the role of the CHRO involves the following eight functions:

1. Talent Strategist
2. Counselor and Leadership Developer
3. Change Master
4. Organizational Architect
5. Performance and Reward Architect
6. HR Service Delivery Manager
7. Regulatory and Risk Manager
8. Corporate Governance Advisor¹¹

We’re important! These roles and functions are crucial to the success of any business or organization.

Why We Love HR!



In 2005, Personnel Today addressed and responded to some of HR's bad press. They asked; "Why can't HR professionals stop their introspective navel-gazing?" And responded; "Because HR is the most complex and interesting of all managerial disciplines - that's why it goes in for bouts of introspection... There is simply a much bigger and more complicated navel to gaze at than in other comparable functions."¹²

The Human Resources profession involves:

- Interesting and challenging work
- Complex and intellectually demanding issues
- Balancing the needs of management (and shareholders) with the needs of employees
- Non-stop problem solving

We also get good press! HR has actually received some strongly positive feedback in the media:

- "HR is the prime source of sustainable competitive potential." (Harvard Business School)¹³
- "Outside of the CEO, HR is the most critical function of any company." (Harper Business)¹⁴
- "HR Manager Ranks as Fourth Best Job in America" (Money Magazine)¹⁵

Fourth best job! That's "Why HR"!

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¹ "Why We Hate HR" (Fast Company, 2006)

² The Toronto Globe and Mail (October 28, 2006)

³ "Why We Hate HR" (Fast Company, 2006)

⁴ The Economist, Intelligence Unit, 2006 CEO survey

⁵ The Toronto Globe and Mail (October 28, 2006)

⁶ Society for HR Management (Alexandria, Virginia, 2006)

⁷ "Why We Hate HR" (Fast Company, 2006)

⁸ Canadian Technology Human Resources Board (2004)

⁹ Peter Weddles (Weddles.com, 2006)

¹⁰ Peter Weddles (CareerJournal.com, 2006)

¹¹ *The Evolving Role of the Chief Human Resources Officer (Deloitte and Touche LLP, 2005)*

¹² "Why HR is Right on the Button" (Personnel Today, September 2005)

¹³ The HR Scorecard (Harvard Business School Press, Boston, 2001)

¹⁴ Jack Welch, "Winning" (Harper Business, New York, 2005)

¹⁵ Money Magazine (April 2006)