



HUMAN RESOURCES into 2010 Predictions and Challenges

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INTRODUCTION

One of the ways in which we can learn about the future, is to appreciate the journey and lessons of the past. Tracking the evolution of Human Resources through the Industrial Revolution and Scientific Management, Great Depression and the birth of the Human Relations movement, Social Ethic, Human Potential and Competitive Paradigm to the Information and Knowledge Revolution, it is clear that great events have shaped thoughts and paradigms in management theory and practice. It seems like every paradigm has created the solution for the previous one, as well as shaped the problems that the next paradigm has to solve. We have just been through possibly one of those 'Great Events' again, and the questions can be posed "what are the new solutions?" and "what are the new problems that we are creating?". The following article explores these questions from an HR point of view and explores the implications for the HR environment.



SKILLS SHORTAGES

As a result of the Information and Knowledge Revolution, we are now faced with a scenario where information and theories learned in your first year of university, might be outdated by your fourth year of studies. New entrants into the workplace might have more updated information than those that have worked in organisations for years. They are also used to having access to information and know how to navigate their way through the maze of data available. One of the main implications of this paradigm created is the huge skill shortage. Many countries face severe, potentially incapacitating skills challenge as it attempts to build sustainably higher levels of economic growth with benefits that are widely shared.

What are the HR implications of these developments? Approaches to recruitment and talent management must change; companies should stop only looking for people when there is a vacancy to be filled. This, in part, explains why they battle to find them even when they're in abundant supply. Many expatriates, who did not necessarily need to emigrate, work in other countries. Talent is very mobile, and with international demand and price for this talent, people will clearly go where the demand and the price is. Discrimination against previously disadvantaged professionals must be combated to ensure that countries have access to their full talent pool. A credible multi-stakeholder forum for better enforcement and monitoring must be empowered within the organization. HR and executives have a key role to play to shift our organisational paradigm from compliance to commitment. HR can achieve targets but if we are not changing the culture they won't achieve

external competitiveness. Organisations cannot readily compete in the market place if they do not have cooperation and development in the workplace.

THINKING AND ACTING STRATEGICALLY

It can be argued that focus in the past has been more on industrial relations and fair labour practices than on competitiveness through human capital in many countries. Understandably, most have had historical context from which the field of HR and IR emerged - these have been at the forefront of workplace change. Industrial relations were paramount in achieving human rights at work. The next phase was the institutionalisation of these rights and practices in law and in public policy. Now we have to be more strategic in linking strategic HR initiatives and business strategy. A key facet of strategic HR is differentiation in terms of a unique HR value proposition and employer brand which makes it both different and more competitive than other firms in its industry.

Implications of this in the Human Resources environment are that HR needs to work more closely and align strategically with other specialist, for example Marketing and Sales. People working in the HR environment need to develop more creativity in attracting and developing talent. Establishing a culture of high performance and high engagement is fundamentally based on the translation of strategic HR initiatives into workable plans.

Traditionally one thinks of employment relations largely as a two way relationship between management and employees. A more strategic view is to start with the external market and align whatever is done on the inside to what is done on the outside. There is an overemphasis on 'proceduralising' our management employee relationship and the need is arising to develop true, congruent and authentic relationships based on appreciative conversations in the work environment. A procedure or marketing brand can never replace an authentic relationship.

HR PROFESSIONAL DEVELOPMENT

HR as a profession needs to address these challenges more insightfully. Professional bodies have established a code of professional ethics, a knowledge base and a set of competencies. However having all the right academic qualifications does not guarantee HR leadership. There are many HR practitioners (even an oversupply at entry level) but not enough HR leaders who've established credibility at Professional Board level. The profession needs people in it who are passionate – not just visionaries but missionaries! It is the missionaries who make things happen. This implies a need for HR practitioners having a fundamental knowledge of business including financial, strategic and technological acumen - moving being change management to change leadership. HR people must develop a unique value proposition, just as companies have a product brand. The real strategic challenge is to create an employer brand where the labour market will perceive the organisation as an employer of choice that is seen to be offering something different that can't easily be replicated by competitors. More and more companies are becoming multinational and expanding into the global economy. HR is becoming critical in managing and deploying talent in this international space and thus research and development in this area is of critical importance. Our ability to scientifically apply processes and practices requires a specific HR skill set. HR needs to have an in depth understanding of international laws and cultures and how these are shaping the movement of people.

CONCLUSION

Despite all of this, why is HR is sometimes considered less important than other organisational functions?

1. HR practitioners need to ask themselves the fundamental question about their contribution. HR is not just about implementing systems but about contributing – it has to be about strategic capability and creating value through mobilising people for high performance and service excellence.
2. Understand your business – something not always evident in the priorities and language of HR practitioners.
3. HR practitioners need to be business people with HR expertise. HR must develop a unique value proposition for their organisations before line executives will take notice.

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