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Today's Business Challenges Are All About People. Is HR Ready to Lead the Dance?

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Nobody knows today whether there will be a next wave of the crisis soon and in what way it will impact our businesses. Most companies are preparing multiple scenarios for next year's budgets. Whatever the scenario will be, companies need to get higher levels of productivity and innovation, while there will not be enough experts and managers. Obviously people are top of mind for the business leaders. Hay Group's research shows that those companies that continued to grow throughout the previous crisis continued to invest in their people and manage their performance. HR was leading the dance.

To perform at a higher level, employees will need to be engaged and enabled. Meaning they will need leaders that have a clear direction, (crisis) plans and expectations, translated in effective structures and doable and exciting jobs. In return, people will ask for an interesting future (career), reasonable work life balance and competitive pay. In most companies, the natural reaction to the above-listed items would be that HR should ensure this kind of climate. The reality is that line managers are the dominant factor in organizational climate, but they will need professional support, coaching and advice.

If any role is dependent on the trust by its leadership, then it will be HR. The problem for most companies is how to create a situation where line management will trust HR to give advice and not only to react on tasks given by management. Unfortunately, trust does not come easy. It is something you need to earn and prove every day. HR will need to plant the seeds before it will be able to harvest, it can lead the dance or wait to be asked. Here are some ideas of what seeds need to be planted to build the trust, so the strategic adviser role can be harvested.

At first, HR will need to ensure that the basics are done right. HR will only be trusted if the basic processes are perfectly run. Optimize the processes and see where (e-) tools or outsourcing partners can help you to more effectively manage the processes around the employee life cycle.

Secondly, HR needs to be the craftsman, being ready to do the "detail" work when the business leaders need it. Not the nicest part, but it will need to be done for managers to feel supported.

Thirdly, HR will need to be a champion of their profession. This is a hard one, since all managers will claim they know all about management and the way to motivate their people. HR needs to understand people issues better and deeper to show the way.

Critical to becoming the adviser is not only to understand the business issues, but also to know what keeps the managers awake at night. In other words, HR needs to think business, to address business issues and take ownership of them. HR needs to have an opinion on how to increase productivity, to manage risks, to create safe and motivating work environments, to build the right structures and how to attract the right people to fill it. All of this preferably before the manager even starts asking questions.

Last but not least, HR needs to be the change agent. Manage and implementing change is all about changing the hearts and minds of the employees and needs strong orchestration throughout the whole company. By nature, this is the domain of HR.

The business environment will not be easy for the next few years, and especially not on the people side. If the crisis will not hit hard, there will be growth in a world where skilled and experienced resources are extremely scarce. HR will be accepted to lead if management trusts them as their strategic advisers. To be trusted, HR will need to perform on all five aspects at the same time.

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