

HR & TALENT ADVISORY

# The Secret to Transforming HR: Focus on the HR Business Partner

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# The HR Business Partner Promise

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HR business partners, and their ability to effectively engage with the business, are absolutely essential for the successful transformation of HR. The HR operating model requires various components of the HR infrastructure to work together to support the needs of the business. The new model relies on centers of excellence that can lead strategic program design, HR operations that efficiently execute processes, and HR business partners who support workforce management-related business needs.

As the name implies, the HR business partner (HRBP) role is intended to provide strategic services to help managers and leaders achieve their business goals through proactive talent management. This requires workforce planning, succession planning, and a performance management approach that allows leaders an easy way to align people and work to achieve business outcomes. The role also requires the ability to understand the business and develop proactive solutions that solve for people-related issues such as productivity, engagement, skill development, and retention.

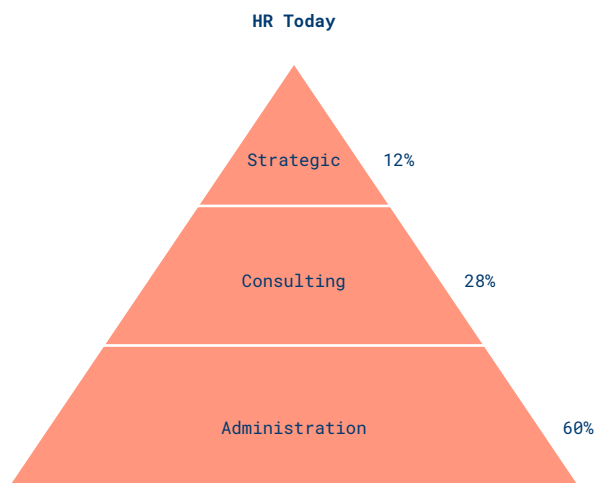
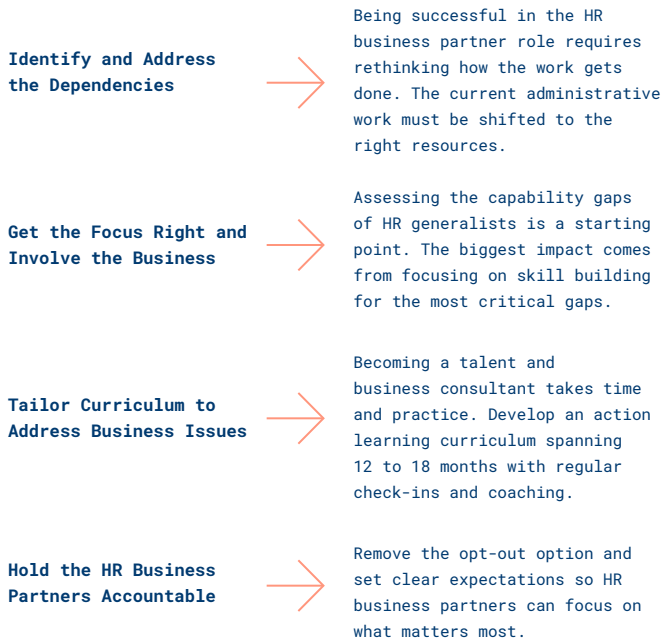
In the early stages of their transformations, most HR organizations struggle to deliver on the promise of the HR business partner role. These roles are frequently staffed by existing senior-level HR generalists. Having “grown up” as part of a generalist function, these newly minted HRBPs are often unequipped to help strategically drive the business forward. They were selected for their broad HR knowledge and ability to facilitate the administration of HR. They weren’t expected to be talent and business consultants.

The most important levers for delivering on HR transformation outcomes are getting the right HR business partners with the right capabilities engaged in the right behaviors. Successfully deploying this role and engaging with the business are the most challenging aspects of any HR transformation.

While many organizations have attempted to “up-skill” the HR generalist, the efforts tend to fall short because:

- When HR generalists take on new work, much of the current workload – including its administrative, transactional, and customer service components – must go away.
- Many organizations fail to educate business leaders on the value of HR business partners and the role they play in driving the business forward.
- Teaching concepts doesn’t equate to the development of skills.
- New HR business partners are not held accountable for delivering on the new expectations.

A successful migration into the HR business partner role requires four essential steps:



# 1 Identify and Address the Dependencies

Today, most HR generalists spend between 50% and 70%<sup>1</sup> of their time on administrative and routine activities, from entering new hires and personnel action forms to answering routine inquiries such as “How do I submit a requisition?” The most common mistake HR organizations make when introducing the HR business partner role is changing the name of the HR generalist to HR business partner and expecting them to start consulting with the business, but not taking anything off their plates. In order for an HR business partner to be successful, administration requirements must be eliminated or significantly reduced to free up time. It’s impossible to be proactive and engage with business leaders when the majority of time is spent on time-intensive manual processes. This is the first major dependency that has to shift in HR.

Of course, the administrative work and routine employee and manager services can’t just disappear. As part of a broader HR transformation effort, most organizations examine the HR service delivery model and make fundamental changes to how services are provided. HR leaders are increasingly looking to provide the most effective services using the most appropriate channels. The key is to take HR out of the middle of many processes-so it doesn’t serve as the approver and gatekeeper, but rather the advisor. In many cases, this requires:

- Redesigning HR processes to make them simpler and easier
- Eliminating paper forms
- Introducing HR support centers for transactional support and HR customer service
- Enhancing technology to facilitate online access anywhere, anytime

Once core HR processes are reengineered and the delivery is transformed to move the administration off the HR business partner’s plate, the HR business partner can focus on the new service offerings.

1. Kincentric HR Analyzer Database

The second major dependency organizations face is manager readiness and the change effort required to shift the business' perception of HR's role. When the HR organization offers new services, it must ensure the business is ready to receive them.

Some managers may never have experienced proactive talent management services from HR, and may not realize the importance of these services. Instead, they may want HR to focus on administration. To improve buy-in, it's important to identify "what's in it for me" so managers understand the value and benefits of the new service delivery model — for example:

- A clear talent development strategy
- Proactive workforce planning, including succession planning
- A ready supply of qualified talent
- Engaged employees and reduced turnover

## Take Action

To identify and address these dependencies, take the following actions:

- Identify how HR generalists (or your future HR business partners) are spending their time today and determine the extent to which HR transformation needs to occur.
- Assemble a cross-functional team and task it with redesigning HR processes, taking into account the interdependences with other areas within HR and the business.
- Conduct interviews with key business leaders to understand their most important talent management needs.
- Align the HR business partner scope of services with these critical needs.
- Roll out the HR business partner role only after the current workload is shifted off the HR generalist's plate.

## 2 Get the Focus Right and Involve the Business

Organizations often struggle to identify the right focus areas when transforming the traditional HR generalist role to the more strategic HR business partner role. A common pitfall is to try to "boil the ocean" and develop too many HR business partner competencies. A broad and expansive approach leads to a lack of focus on critical competencies (as well as frustrated HR business partners). A more successful approach is to identify three to five core HR business partner competencies that will both support the needs of the business and drive the objectives of the broader HR transformation.

Ultimately, each organization needs to identify the focus areas that will create value specifically for that organization. While those focus areas may vary by organization, there are a few key steps that can be taken to ensure both the business and HR will benefit from the new HR business partner role.

An important initial step is to seek input from the business. The business is the HRBP's key customer, so it is imperative to understand what the business needs in terms of HR support. Feedback from the business can be obtained in a variety of different ways, including interviews and surveys. However, an open-ended interview or survey approach is not likely to yield the insights needed to shape a targeted development plan. Some business leaders may find it difficult to articulate what they expect from an HR business partner, especially if they are not accustomed to working with HR in a strategic manner. Instead, begin the process by explaining the HR business partner competency model — with examples of services that can be provided — to help business leaders prioritize their needs to achieve their business goals.

Obtaining feedback directly from the business has additional positive impacts, including:

- Buy-in for the HR transformation effort by creating opportunity for the business to provide input to the new HR business partner role.

- Business leaders serving as change agents for the HR transformation by promoting the benefits of the HR transformation.
- Laying the foundation for the new relationship between the new HR business partner role and the business.

It is important to validate the feedback obtained from the business to ensure it is aligned with HR transformation goals. In some instances, the business may lack a comprehensive understanding of what good HR business partnering looks like, and could provide input that's unaligned with the model. Validating business feedback with HR leadership ensures that the feedback is appropriately used to prioritize focus areas. Examples of focus areas under the HR business partner model are provided below.

**SAMPLE HR BUSINESS PARTNER MODEL**



- **Business acumen** – Speaks the language of the business; understands its products, services, business models, market trends, financial drivers, and strategies; and knows how these create competitive advantage.
- **Change management** – Proactively anticipates, leads, champions, and sponsors significant transformational initiatives to enable and/or implement sustainable change and drive business results.

- **Strategic talent mindset** – Understands the workforce and how talent fits into the business strategy, developing collaborative plans that drive the talent agenda and have downstream impact within the organization.
- **Business coaching** – Influences and coaches business partners on key HR and business issues as well as how to attract, select, develop, manage, and retain the best talent to drive results.
- **Analytical thinking** – Applies strong analytical skills and attention to detail to understand complex problems and root causes, leveraging quantitative and qualitative data to develop insights, guide decisions, and formulate solutions.

Another way to ensure the right focus areas is through a “current state” assessment. One of the simplest ways to achieve this is with a 360-degree feedback survey. Typically, the future state HR business partner competency model is the basis for the survey items, and all current HR generalists/HR business partners complete the survey (along with their supervisors, peers, direct reports, and customers). Aggregate 360-degree survey data enables prioritization of the critical few competencies on which to focus training and development efforts.

Administering a 360-degree survey prior to the HR business partner up-skilling effort also establishes a competency baseline. This baseline can be measured against the up-skilling effort to check progress and re-prioritize development efforts. When performed after the implementation occurs, it can also be used to measure progress against objectives. It is important to clearly communicate the intent of the 360-degree survey assessment (for example, identification of gaps/developmental opportunity prioritization rather than job placement) to avoid misdirected concern. If HR employees are unclear on the objective and purpose of the assessment, participation rates could be low, creating invalid data.

## Take Action

To get the focus right and involve the business, take the following actions:

- Proactively involve the business for feedback and input in order to establish priorities for the new HR business partner role.

- Engage the business and help these individuals understand the value the new role can bring to them.
- Administer an assessment such as a 360-degree feedback survey to establish a baseline of the current HR capability level, understand gaps, set priorities, and measure future progress.

### SPOTLIGHT: ENVISION HEALTHCARE'S HR BUSINESS PARTNER COMPETENCY MODEL AND PRIORITIZATION

#### Envision Healthcare Core HR Competencies

##### HR Professional Knowledge:

- Human resource expertise
- ▶ Talent supply
- Capability growth
- Employment relationship
- People administration

##### HR Strategic Partner:

- Business acumen
- ▶ Influencing
- ▶ Active engagement
- High-performance workforce

##### Execution:

- Agility
- Continuous improvement
- Pride in work
- Accountability

##### Core Competencies:

- Integrity
- Professionalism
- Delivery excellence
- Communication
- Teamwork



#### HRBP Capability Focus Areas

##### Strategic Workforce Planning:

- Anticipates future workforce needs based on existing business strategy and retention rates
- Ensures a continuous supply of the right talent, both externally and internally

##### Succession Planning:

- Identifies key roles and succession plans for each of these roles

##### Agenda Shaping:

- Proactively shapes the ideas and agendas of stakeholders

##### Credible Activism:

- Creates opportunities to connect with business directly to learn about its needs and perspectives
- Builds personal relationships of trust and can be relied on to do what is promised

Envision Healthcare administered a 360-degree survey to all HR generalists to determine a baseline and prioritize four developmental focus areas. The aggregate survey data results identify the most important areas on which to focus the initial wave of development to transform the current state HR generalists to competent HR business partners.

### 3 Tailor Curriculum to Address Business Issues

After the focus areas have been identified, the next hurdle is to develop an impactful curriculum that will support and enable HR generalists as they transform into HR business partners. The following tips will ensure future HR business partners get the most from the development opportunities provided:

#### The Transformation Doesn't Happen Overnight

- Future HR business partners need the opportunity to learn and practice skills. A typical transformation journey occurs over 12 to 18 months and includes a variety of different developmental opportunities including classroom training, knowledge sharing, coaching, mentoring, and action learning.

#### Training Needs to Be Customized and Transferable

- The training curriculum needs to include real data, real business examples, and lots of practice to ensure participants are learning and practicing with scenarios that resonate within the organization. For example, using actual turnover, engagement, exit interview, and compensation data as input to proactively develop a retention strategy could be a highly valuable exercise for a participant to experience.
- Equip participants with the tools they need to be successful. Build training modules around real-life tools that HR business partners can use in their daily roles. For example, if one of the focus areas is workforce planning, build the training module around a workforce planning model that HR business partners can use with business leaders to proactively develop workforce plans.

#### Action Learning Teams and Knowledge Sharing Enable the Practice Network

- Assigning action learning projects to participants allows them to practice the skills they have learned and work with others who are going through the same experience.

It is important to provide a “coach” for each action learning project to ensure the project team members have the support they need and that the team stays on task.

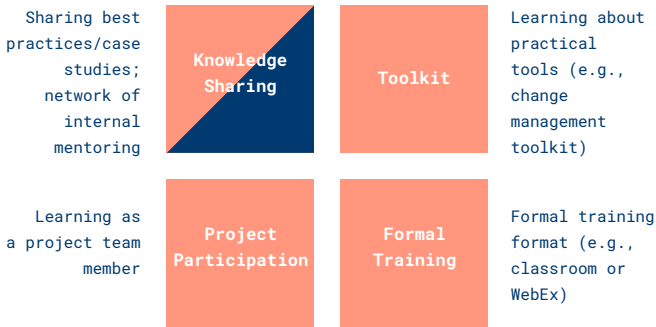
- Knowledge sharing promotes internal best practice sharing, provides a “safe zone” for participants to share their experiences (both good and bad), and provides an internal sounding board to ask questions and offer advice.
- Structured learning outside the classroom also is important to ensure participants stay engaged and focused along the transformation journey.

#### Take Action

Take the following actions to create a learning curriculum based on action learning principles:

- Engage a project team of HR professionals that includes successful HR business partners, learning and development experts, and senior HR leadership representation. This combination will ensure the project has the right focus and sponsorship.
- Apply the “70-20-10” model of development. This means that 70% of learning is through practice and on-the-job experiences, 20% is through other people via exposure to coaching, feedback, and networking, and 10% is through formal education-based learning interventions.
- Conduct a pilot training before rolling out to the broader HR community. Piloting the HR business partner development program allows time for adjustment, modification, and course correction.

**SPOTLIGHT: MERCK KGAA'S HR CAPABILITY BUILDING MODEL**



**Developmental Experiences**



Merck created a multi-dimensional capability development approach to ensure participants would have training, content, tools, and practice necessary to perform at a level that matched post-transformation expectations.

## 4 Hold the HR Business Partners Accountable

Newly appointed HR business partners face the daunting task of reinventing themselves while they work with customers who have different – and often outdated – expectations. It is up to the HR business partner to reinforce the new delivery model by referring inquiries and administrative tasks to the appropriate channel or support group, while at the same time helping leaders and managers understand the services the new model can provide. HRBPs must walk a fine line between being seen as responsive partners and reactive support staff.

Resetting expectations and establishing a partnership with the business requires strong sponsorship and support

from both the chief human resources officer and key business leaders. It is just as important to articulate how specific services will be handled in the new service delivery model. HR business partners must be clear that they are no longer the go-to person for all administrative and general policy questions—and the business needs to understand how these needs will be addressed going forward.

Even with such support, HR business partners sometimes fall back on old behaviors. They struggle with saying “no” or referring requests to alternate resources because this is against their nature or the historic expectation of HR.

To enable and encourage HR business partners, it’s important not only to define what services they will provide, but also to define what success looks like. Specifically, outline what HR business partners will be held accountable for in the first 6 to 12 months. Business-aligned goals should be established in concert with business planning activities and built into performance plans.

By defining clear goals and communicating these with their customers, HR business partners are less likely to slip back into old behaviors. These goals should be aligned to specific business priorities with measures aligning to the desired business outcomes. Examples of business outcomes and associated measures include the following:

Business Outcome	HRBP Measure
<b>Leadership bench strength</b>	<ul style="list-style-type: none"> <li>• Succession plan for top 100</li> <li>• Use of a succession plan for 70% of internal placements</li> <li>• Creation/implementation of leadership development plan</li> </ul>
<b>Engagement</b>	<ul style="list-style-type: none"> <li>• Creation of action plans to address employee dis-satisfiers</li> <li>• Improved onboarding experiences</li> </ul>
<b>Ready supply of qualified talent</b>	<ul style="list-style-type: none"> <li>• Career pathing for critical roles</li> <li>• Reduction of &lt;2-year turnover</li> </ul>
<b>Integration of newly acquired organization</b>	<ul style="list-style-type: none"> <li>• Creation of change management plan</li> <li>• Support for managers to execute plan</li> </ul>



## Conclusion

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For most HR organizations, the most valued outcome of an HR transformation is the implementation of the HR business partner role. Unfortunately, many times the true value of the HR business partner is not recognized due to ineffective training, an inability to successfully change the work, and a lack of accountability and focus. Recognizing these cornerstones of success early in the HR transformation process will facilitate achievement of the HR business partner promise and the development of the next generation of strategy for HR business partners in your organization.

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**Contact us** to talk about how we can help.

## About Kincentric

Kincentric, a Spencer Stuart company, approaches human capital differently – we help you identify what drives your people, so they can drive your business. Our decades of expertise in culture and engagement, leadership assessment and development, and HR and talent advisory services enable us to help organizations change from the inside. Our global network, proven insights and intuitive technologies give us new ways to help organizations unlock the power of people and teams. For more information, visit [kincentric.com](https://kincentric.com).

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