The State of Human Resource Management: The African and Global Perspective

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This is an exciting time to be working in human resource management since organizations globally recognize the crucial role that their talent plays if they are to succeed. The human resources department is the only department in organizations with the employees as its primary mission. Therefore, those working in human resource management should be in a strategic role within their organizations and be involved in all decisions that would impact employees.

The book “Talent Wins” by Ram Charan, Dominc Barton, and Dennis Carey suggests that organizations need to shift from strategy-first to people-first. The authors’ state that “Talent, even more than strategy, is what creates value.” The authors call for a heightened role for the Chief Human Resource Officer as part of a core executive group along with the Chief Executive Officer and the Chief Financial Officer.

The positive impact that human resources can have on organizations was noted by University of Michigan Professor Dave Ulrich who stated that when HR professionals do their work well, good things happen to:

- Employees who have both higher work productivity and personal well-being,
- Organizations that deliver on goals,
- Customers who receive products or services that matter to them, and
- Communities where citizens needs are better met.

The Harvard Business Review published an article titled “Why Chief Human Resources Officers Make Great CEOs “, cited research finding that the executives whose leadership traits were most similar to those of the Chief Executive Officer was the Chief Human Resources Officer.

Despite all of the emphasis on the crucial role that talent plays within organizations, there remains a negative perception of human resource departments. Human resource departments have been seen as playing more of a transactional rather than strategic role. Also, human resource professionals were seen primarily as the enforcer of rules who told others why they could not do something rather than looking for creative solutions to workforce issues. In 2005, Fast Company magazine published an article titled “Why We Hate HR” that became very
popular. To show that human resources still retains a negative image, earlier this year, an article was published titled “Why We Still Hate HR, 12 Years Later”. In 2015, the cover of the Harvard Business Review featured a bomb with the headline, “It’s Time to Blow up HR and Build Something New”.

The table below highlights the challenges still facing those working in human resources. This table summarizes the results of a global survey from 2014 that asked those working in human resources to rate their capabilities on 27 different factors and also asked people working in other parts of organizations to rate the human resources department. On each of the factors, those working in human resources rated themselves significantly higher than did non-HR respondents. As long as this gap remains, it will be a challenge for human resources departments to demonstrate their value and to be seen as a strategic player within organizations.
In the report the “Workforce of Tomorrow” from the Center for State and Local Government Excellence, the following vision was set for the human resource management in the public sector:

Often seen as the rule police and the agency of no, the human resources department of tomorrow must be flexible, nimble, creative, can-do, strategic, and staffed by skilled employees who champion people management issues and set the workforce agenda.

Global Talent Trends

Both Mercer in its 2018 Global Talent Trends: “Unlocking Growth in the Human Age” report and Deloitte in its 2018 Global Human Capital Trends “The Rise of the Social Enterprise” have issued studies based on large global surveys of human resource and organizational leaders. While the studies have different emphases, both recognize the importance of people to the success of organizations and envision continued rapid change, automation, and the need for flexibility.

The Mercer study, which is based on more than 7,600 survey respondents, states that organizations cannot succeed without making people a priority. “Human talent rather than capital and technology, is the key factor linking innovation, competitiveness, and growth in the 21st century,” is one of the study findings. The study authors believe that employees need to be lifelong learners who embrace continuous change and build future skills. Employees want flexibility concerning when, where, and how they work and that their careers should conform to their personal lives. Organizations face challenges such as skill shortages that have led to a growing war for talent. To succeed, organizations need to focus on the well-being, growth and diverse needs of their people.

The overriding conclusion of the Deloitte study, which is based on more than 11,000 survey respondents is that it is “a wake-up call for organizations to look beyond their own four walls and reimagine their broader roles in society.” The study found that organizations are increasingly being called upon to exercise their ability to do social good, both externally for people and communities as well as internally for their employees. They believe that building a more social enterprise will require the ability of the leadership of organizations (referred to as the “C-suite”) to work together to attract the right talent. The study found that there is a long road to travel to achieve this goal, since 73% of the survey respondents say that their executives do not regularly collaborate.

In the Mercer study, human resource leaders were asked to list their top five talent management priorities for this year. Here are the top ten talent management priorities with the percentage who selected the option:

- Developing leaders for succession (41%)
- Building skills across the workforce (40%)
- Attracting top talent externally (39%)
The Deloitte study identified the following trends and the percentage of respondents who selected it as important or very important:

- **The symphonic C-suite (85%)** – The organization’s top leaders work together as a team while also leading their own functional teams, all in harmony.
- **People data (85%)** – With the increase in data availability and people analytics tools, organizations need to develop policies, security safeguards, transparency measures, and communication strategies around the use of people data. People analytics is rated important by 84% of respondents but only 10% believe they are ready to deal with this challenge.
- **From careers to experiences (84%)** – Organizations are shifting toward a model that encourages individuals to acquire valuable experiences, explore new roles, and continually reinvent themselves. There were 59% of survey respondents who rated their organizations as not effective or only somewhat effective at empowering people to manage their own careers.
- **Well-being (84%)** – With the blurring of the line between work and life, employees are requesting that organizations expand their benefits offerings to include a wide range of programs for physical, mental, financial, and spiritual health. Employers are investing in well-being programs.
- **Hyper-connected workplace (82%)** – New communications tools are rapidly entering the workforce, with growth in work-based social media and an increase in instant messaging. Organizations need to ensure that this trend results in improved organizational, team and individual performance.
- **New rewards (77%)** – Employees want more personalized rewards with a focus on fair and open pay. Only 8% report that their rewards program is very effective at creating a personalized, flexible solution.
- **Citizenship and social impact (77%)** – There is a need for organizations to engage with other stakeholders on topics such as diversity, gender pay equity, income inequality, immigration, climate change, etc.
- **Artificial intelligence, robotics, and automation (72%)** – There continues to be an increased use of artificial intelligence, robotics, and automation in the workplace. It is anticipated that there will be future demand for skills such as complex problem-solving, cognitive abilities, and social skills.
- **The longevity dividend (69%)** – Organizations are recognizing that people are living longer and societies are aging. Due to this trend, organizations are partnering with older
workers to develop new career models. Doing this requires innovative practices and policies to support extended careers.

- The workforce ecosystem (65%) – The need to actively and strategically manage relationships with different segments of the workforce. When asked to forecast the composition of their workforces in 2020, 37% expected a rise in contractors, 33% predict an increase in freelancers, and 28% expect growth in gig workers. Only 16% reported a set of policies and practices to manage the different types of workers.

HR 2020 Shifting Perspectives: A Vision for Public Sector HR

To assist HR professionals to move from being transactional to being more strategic and transformational, the International Public Management Association for Human Resources (IPMA-HR) issued a report in 2016 titled “HR 2020 Shifting Perspectives: A Vision for Public Sector HR”. The report was developed by a taskforce of IPMA-HR members and is intended to be a practical guide for public sector HR professionals. The report states that:

The HR profession exists in a rapidly evolving world; volatile economies, environmental impacts, rapid changes in technology, and the changing needs of the workforce require HR professionals to think differently about how to shape the organizations that deliver services to citizens. The unprecedented speed of change is not likely to slow, but to increase, and it is critical that future-focused strategies are developed now to meet the challenges and opportunities ahead.

The taskforce identified three critical lenses: business acumen, innovation, and strategic orientation. Viewing HR initiatives through these lenses will assist HR professionals to move services from transactional to transformational. The taskforce selected five areas of focus: leadership, culture, talent, communication, and technology.

Business Acumen

Business acumen is the ability to see the organization from an executive-level perspective. Business acumen includes “the ability to understand and clearly articulate in business terms how HR programs impact key objectives of the organization, including the ability to frame a business case, state the value proposition and demonstrate return on investment of key HR initiatives.” The business of the agency must be understood including knowledge of metrics, performance measures, finances, technology, public process, and political realities.

Innovation

We live in an age of rapid change that requires continuous improvement and innovative strategies and solutions. The report states that “HR is well positioned to be innovation leaders; HR professionals have a unique and comprehensive view of the organization and as such can assist in finding efficiencies and other opportunities to streamline operations and deliver services more effectively.” HR needs to develop innovative solutions although this will require
taking risks and failing occasionally; these experiences will provide the opportunity for learning and growth.

**Strategic Orientation**

Strategic orientation encompasses the ability to assess the environment, understand the challenges and opportunities facing the organization, and figure out a path to move the organization to where it needs to be. When applied to the HR profession, strategic orientation “includes the use of performance measures and metrics that assess the strategic impact of HR initiatives.”

**Leadership**

Leaders create a vision of an outcome, share the vision and influence others to contribute the then result. The report notes that the “indispensable HR professional positions themselves as a person who understands the pressures and challenges of the leader and is available to help create the best solutions possible.” In an IPMA-HR survey of senior HR leaders, 95% agreed that HR professionals need to be recognized as leaders within their organization. However, when asked if their HR department is consulted when the organization makes operational decisions, only 63% agreed. Additionally, only 40% indicated they have the necessary tools and resources to be viewed as a strategic partner.

Human resource professionals need to offer creative and well-crafted solutions rather than citing rules that will be perceived as administrative roadblocks. When human resource professionals offer innovative solutions that address the talent needs of the organization, they will become a trusted and valued partner and advisor. Knowing the business of the organization, the context in which it operates, and offering solutions to organizational issues will assist human resource leaders in demonstrating the value that the HR function brings to the organization.

**Culture**

The culture of an organization is its personality – how it functions and expresses itself. “Culture has a fundamental impact in that it influences the relationships employees have with leaders and co-workers, the work that is performed and the way in which it is performed, and the type and quality of connection to the organization that is experienced.” HR professionals need to understand the culture of the organization and how they can assist in implementing changes to the culture. Culture can be difficult to measure and manage and public sector culture is often seen as being bureaucratic, inflexible, rule-bound, and risk averse. An IPMA-HR survey found that only 50% of respondents stated that their organization supported innovative approaches to doing business and only 49% reported that their recruitment and selection processes directly supported the culture they are trying to create and sustain. Almost 100% reported a gap between the desired and actual behaviors of managers and employees in their organizations.
Trust and integrity and the consistent upholding of organizational values are crucial in shaping and reinforcing organizational culture. HR professionals are well-positioned to help influence leadership of their organizations by focusing efforts on such things like employee engagement and climate surveys, organizational values, ensuring that systems, policies and procedures are aligned with the values of senior leadership, and communication.

Talent

Talent management is the “heart of all HR programs and services” and focuses on recruitment, retention, and rewards as well as matching the right people in the appropriate roles to help the organization achieve its mission and implement its vision. The emphasis in talent management programs is on ensuring there is a high performing workforce in place to execute and realize desired results. “The public sector in general has realized that acquiring, developing, deploying, engaging, and rewarding employees with the right knowledge, skills, abilities, and competencies are crucial to managing talent.”

The importance of talent management to the success of government organizations was recognized in an IPMA-HR survey where 97% of respondents said that it was important or very important. However, when asked is your organization prepared to meet the challenges of recruiting, retaining, and rewarding top talent in the next five years, only 7% said they were very prepared and another 30% reported being somewhat prepared. Human resources professionals need to lead the implementation of programs that support recruiting, retaining, and rewarding talent.

Technology

Technology is critical in providing human resource services and is helping to drive the speed of change. “Technology is a key driver in creating potential opportunities and success as HR prepares organizations to deliver services and respond to the challenges of the future.” Human resource professionals need access to accurate, current workforce data. Social media also presents challenges for governments, although it can be used effectively to assist with recruiting and communications.

Part of the challenge for the public sector when it comes to technology is the cost. Additionally, the implementation of new technology often requires significant resources that are taken away from other initiatives. In an IPMA-HR survey, 94% of respondents said that technology was very important in achieving HR priorities in the next five years. Half of the respondents shared that it was difficult to budget appropriately for meeting technology needs. Data integrity issues also were cited as a concern.

Communication

Human resource professionals need to have a communication strategy included in all initiatives. There are an increasing number of communications channels requiring organizations to be
innovative in developing strategies to ensure that information reaches all employees. “HR has a leading role in ensuring employees are well informed and communication gaps are minimized throughout the organization.” Public organizations today have workforces with multiple generations requiring diverse communications strategies. Organizational leadership needs to commit to invest in communications and human resource professionals need to contribute to the development of an organizational communication strategy to drive employee engagement and connectivity.

Next Steps

IPMA-HR has established a website with additional resources designed to help human resource professionals. The website includes the HR 2020 report plus new resources for each of the focus areas. The website can be found at https://www.ipma-hr.org/stay-informed/research-and-reports/hr-2020-shifting-perspectives.

In 2018, IPMA-HR released three online assessments that are designed for human resource professionals, human resource departments, and the business partners or customers of the human resource department. The assessments are designed to help human resource professionals take a critical look at their service delivery and knowledge of human resources to identify strengths and development areas. The assessments for human resource professionals are self-scoring and provides scores based on the three lenses and five focus areas. An interpretation of the scores is provided. The human resource department assessment is designed for members of the human resource staff to rate the department overall. For organizations that complete the departmental assessment a customized report will be provided showing the results. The business partner assessment results are provided to the human resource director. The assessments are free, and a unique link can be provided by contacting Neil Reichenberg, IPMA-HR executive director at nreichenberg@ipma-hr.org.

IPMA-HR is developing a database with the results from the self-assessment. To date, close to 250 people have taken the assessments. On the focus areas, the assessments are scored from a low of 1 to a high of 5. The average scores are close to 4, which is defined as being clearly focused on creating transformational programs and services. Leadership received the highest average score while talent got the lowest average score. The scores on the lenses areas range from a low of 0 to a high of 50. The average scores range from 38 for innovation to 40 for business acumen. Strategic orientation had an average score of 39. The scores on the lenses are interpreted as: being a solid strategic contributor (strategic orientation), being comfortable with trying new programs (innovation), and mostly delivering programs and services that address the needs of business partners (business acumen). The average scores from those business partners or customers who have completed the assessments are lower in all the focus areas.
Conclusion

Organizations today face multiple challenges and opportunities. Senior leaders globally place human capital issues at the top of their agendas. How, where, and when work is performed is changing. Technology is expanding the rate of change while simultaneously eliminating some jobs and creating others. Organizations face talent shortages, especially in some occupations. This is requiring organizations to look at alternative employment relationships. Organizations need to develop creative recruitment strategies. Employees today are looking for work that has meaning and this should be a competitive advantage for governments whose actions improve the life of their citizens.

These challenges and opportunities require the active engagement of human resource professionals who have the skills and knowledge to address them. Human resource professionals need to shift from the traditional more transactional role to one that is more strategic and transformational. To do this, they need to understand the business of their organizations, create innovative solutions, think strategically, and be able to provide data showing the positive impact of human resource initiatives. The opportunity to have a positive impact on the top challenge facing organizations makes it a great time to be working in human resource management.