

The Effective HR Business Partner

“There’s not much difference between an HR BP and an HR generalist. The title isn’t important. What matters is their attitude and interest in the business – and being able to use HR expertise to shape advice for that business.”

Celia Baxter, Group HR Director, Bunzl.



Executive Summary

Business partnering involves many challenges, issues and debates - from the model itself to titles, performance, relationships and the tensions that seem to go with the role.

1. Many organisations are struggling to make business partnering work effectively – be that in applying the Ulrich model itself or how they interpret its roles, structure and outputs. Difficulties include uncertainty over the approach, inadequate preparation and weak implementation. Integrating its component parts is crucial.
2. Four drivers requiring change are contributing to this struggle – understanding what partnering is and can deliver, the impacts of a changing business context, ongoing cost/business pressures on HR, and the need for different HR capabilities in performance, talent and change.
3. Particular challenges about business partnering are evident. The need to clarify HR BPs' customer focus, tackling manager concerns/scepticism, and not recognising fully the underlying causes of why the model doesn't work well, are three. Also, HR has become too introspective about business partner terminology – new titles don't mean better practices.
4. Business partner role and structure issues are common. They include defining what HR BPs should contribute, how they are organised vis a vis the business and centres for shared service or Centres of Excellence (CoEs), and difficulties with reporting lines.
5. Technology, including outsourcing, has become a significant enabler of some aspects of HR effectiveness. Lower costs, reduced ratios and better service delivery can be achieved. However, outsourcing is not always successful – some organisations bring back the services in-house.
6. Most organisations are developing their HR BP capabilities in knowledge, experience and personal characteristics. The right calibre of HR BP has as much to do with personality and orientation as business and professional skills. Good judgement of people and situations is essential.
7. Getting relationships right is as important as the structural aspects of partnering – working with line 'customers', managing specialists and external providers, and collaborating with both shared services and CoEs. Those who work with HR BPs have their part to play in making a relationship successful. It isn't easy to get line managers to do self-service work – even though they are the fourth leg of the model.
8. HR leaders confirm that sourcing high-calibre HR BPs and attracting potential HR talent is as much a business as HR challenge. There are two issues – a dearth of good people in markets and fierce competition to get what there is. An implication is for organisations to retain good HR BP capability at all costs.
9. A firm grasp of measurement and evaluation is essential for business partnering – using business success, not HR, metrics. Crucially, HR must also be able to measure HR BP performance and contributions. Expertise in reviews and surveying – employee engagement, for instance – is a skill in demand.
10. We are struck by the range of tensions that HR BPs experience. They occur in 'customer' relations, internal reporting, power struggles, resources, and role clarification, to name but five areas.

It's essential to get the basics right. If HR services don't satisfy users, the HR BP's credibility will suffer.

11. Debates are ongoing in most organisations. For example, should HR BPs be mainly specialist, mainly generalist or just a good broker of services? Should they be mainly strategic, or mainly operational? An HR BP able to operate at a strategic level is more important than getting hung up on strategy per se.
12. We conclude that improving the effectiveness of HR business partners is a significant HR challenge, and change project. What HR BPs do will benefit from fresh thinking in their purpose, capability and deliverables. Their focus should be on the HR-led differentiators of today – talent, performance and change. Guidance on practical actions is provided.
13. Despite this challenging agenda for HR, we stress that much has been achieved by proactive functions in recent years. For example, reduced costs, improved ratios, downsizing, legislative change and better transactional services have been well implemented. Also, in uncertain times, HR often has risen to the challenges demanded by the business context and organisations themselves.

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