

Chapter 9: Diversity and people management

OB in focus

Raising the profile of the HR agenda

HR professionals need to be more questioning of the function's fundamental values if they are to raise the profile of the HR agenda with top management. Before engaging in any kind of family debate, my father used to say: 'State your terms'. So here they are: I'm an ex-HR director from the SME [small and medium enterprise] sector who cares deeply about people strategy, and I want to get critical about the HR function. In my role I routinely ask managers: 'Who believes that their HR function adds strategic value?' On average, only 15 per cent stand up for their hard-working HR colleagues, and that figure hasn't changed in eight years. So the good news is that there are effective strategic HR leaders among us – but what about the other 85 per cent? Research by Guest and King, published last year, highlights what little progress has been made over a 25-year period in raising the priority of the HR agenda with top management, and in the business generally. This kind of assessment should be of great concern to the profession and suggests that it needs to be more questioning of the fundamental values behind the HR mission.

The HR function needs to address three crucial issues urgently. The first is the profession's relentless drive for consistency and alignment. The business context is now too messy and individualized for corporate neatness. Second, allied to the drive for consistency is the mantra of best practice. Research at Cranfield reveals a wide disjuncture between HR best-practice priorities and the real needs of the business. Best practice provides safety and reassurance for HR, but can't really enable an organization to gain strategic advantage. Third, much research about HR raises concerns about the business acumen of HR professionals. This is not about professional qualifications but about the willingness of HR staff to develop themselves beyond an HR mindset.

To redress this, HR specialists need to consider whether the starting point for HR is their own values and practices or those of the business. Managing is full of ambiguity, so HR needs to embrace rather than reduce the complexity of the role. This means devolving power to line managers. Construct your people strategy from a mindset that seeks to create the least number of uniform policies, rather than pursue a level of consistency usually unwanted by your internal customers. Be critical about your department: where does it really add value? Finally, acknowledge that businesses will always be a sea of competing interests. Embrace these different agendas in order to build processes relevant to your stakeholders. Let go of the illusion of alignment. In other words, get critical before HR 'goes critical.'

Martin Clarke, Director of the Cranfield General Management Programme (source: *People Management*, September 1, 2005).