

The evolving role of HR as a strategic partner

By <u>Sandra Crous</u> 8 Jan 2020

The role of HR within the business has come a long way. For many years the HR person within a company was tasked with managing salary cost, ensuring the right talent was attracted and managing performance. This would include making sure that salaries align with turnover, and that employees are paid according to their job grades, and the role they play within the business.



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Because data was so static, HR found it difficult to really gain insights and effectively use data intelligently. Today, the role of HR when it comes to planning and driving strategic business growth has become crucial to business success. We have seen HR undergo a dynamic shift in its role, its functions, as well as its impact on the business.

These days, when we talk to new customers about their requirements for HR and payroll systems, we need to consider how we can use data insights to help them take their businesses to the next level. No longer are we simply looking at solutions to manage salaries accurately, we are looking for ways to identify emerging trends from the payroll and HR data.

To pinpoint these trends effectively requires using data intelligently with the right technology. More businesses realise that by looking at the full lifecycle of each employee, from inception to exit interview, they can get to insights about the real reasons talent is difficult to retain, and how it impacts on the business.

Becoming more agile

There is tremendous pressure on businesses to become far more agile, and this is particularly true of HR. On the one hand, this is a difficult concept to grasp, because what does 'agile' really mean for HR? It covers more than just salaries and benefits within an agile organisation, it needs to look at future-proofing the organisation by looking beyond today's roles, to the roles of the future. It involves figuring out how to ensure the business builds new skills, and those skills that will be needed in the future. It is also about moving away from siloes, to cross-functional teams.

A major challenge for all HR managers is to become more agile in their approach. This includes thinking differently about talent acquisition and looking not only at candidates' experience but their ability to support the strategic growth of the business. Today, values, culture, and diversity of the business, all need to be taken into account when hiring.

Then there's the question of the role HR plays when it comes to uplifting their workforce to become more skilled in what they do. At one time, we might have suggested courses to grow their skills within their current role, but now we need to worry about the skills they might need in a year or two. We need to be more agile by looking into the future and shifting our focus to new skills and capabilities.

Strategic role of HR

The role of the HR manager is becoming increasingly more strategic, to a level where it is key to helping the organisation stay relevant. We realise that it's hard to get the right talent and hold on to it, and what we are seeing is a lot more focus on putting the meaning of work back into work, by answering questions such as how do we improve the employee experience and address the 'human experience' within the business?

Reinventing the employee experience is a great way to attract the best talent, particularly within a highly competitive market. Companies are doing different things to get that right. Some give their employees the option to work remotely or offer them the chance to experience cross-functional teamwork, to expand their roles and skills within the business. This challenges employees and helps them to embrace new skills.

Shift from tradition

All these trends point to the fact that jobs are becoming less traditional, and at the same time, companies are generating masses of data they need to marry with the business and challenges they face. Technology plays a large role too, with game-changers such as artificial intelligence, which poses questions such as how do these technologies influence the role of employees and the organisation as a whole. Moreover, the pace of change when it comes to technology is unprecedented and moving faster than we can hope to keep up with, which is also putting pressure on businesses and staff alike to embrace technology.

If we look at how payroll and HR has developed in South Africa, while technology has made it possible to do almost anything. However, through technology, which has simplified HR management, reporting and analytics, we have seen improved accuracy and greater efficiencies within payroll and HR departments, which have enhanced their strategic capabilities. And as technology continues to evolve, HR's role as a key, strategic partner of the business, will evolve too.

ABOUT THE AUTHOR

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