MHR’s
Top 10 Hot Topics for Success
Once upon a time, the phrase multicultural was an abstract idea applied to small groups of people hoping to broaden the horizons of others. Back then, if you were exposed to a new culture quite possibly it was at a staged function where like-minded people dressed in garb from foreign countries, cooked an “exotic” dish and shared facts about that far-away place. “Once upon a time” is right! Technology now says, “I can run a company in Japan from the comforts of my loft in Soho, New York.”

In an interview on Forbes.com, business leader Neal Jenson says, “The speed of economic and technological changes means that the right path yesterday may not work today and could be a disaster by tomorrow. Solving these dynamic problems is what separates those who excel from the companies who are closing the doors.” HR professionals have a great opportunity to provide critical strategic solutions steering businesses to continued competitiveness and sustainability on a global platform. We must be ready to meet this challenge!

International business borders are blurring quickly as cultural lines seem to darken and contrast. With each blink, the world is shrinking, becoming more a global neighborhood than massive continents separated by bodies of water and groups of people separated by distinct traditions.

Talented people from all over the world are graduating from top US schools and staying here to live, work and raise families. Simultaneously, growing companies continue to expand globally, taking with them their best and brightest leaders to incorporate their visions in new locations. Suddenly, a professor of business from New Jersey is leading graduate-level programs at one of the top business schools in Paris! With the snap of a finger, a director from Nashville is providing HR leadership to 28 European countries. A Korean tire company builds a manufacturing plant in the heart of Middle Tennessee.

HR leaders are tasked to recruit and develop and retain the best talent in a global market with the best set of skills to make the greatest impact on their companies’ success. Right people for the right position at the right time. Sounds so simple. But, it takes a very keen set of skills to execute successfully the identification of cultural differences and leverage them for the good of the business. HR thought leader Wayne Brockbank said in Global HR Competencies, “HR should see itself as a fundamental source of competitive advantage – and create practices that support that view.”

Does your company compete on a global level? Is it thriving or merely surviving? Do YOU know why? Are you prepared to lead the human capital strategy on a global platform? Get ready! se préparer! 准备! fertig machen! 준비하다!
In *Beyond HR*, John Boudreau and Peter Ramstad suggest that most HR organizations have strategies that look pretty much like every other HR organization’s strategy. Common strategies are to “build the leadership pipeline...deal with the brain drain of an aging workforce...increase the available candidates in technical positions...and reduce health care costs.” Most of these strategies, while good practices, are not truly distinctive. Additionally, they don’t create a competitive advantage through human capital.

Boudreau and Ramstad also suggest a series of questions that truly connect talent decisions to business strategy:

- Where does our strategy require that our talent and organization be better than our competitors’ to work?
- Where do our talent and organization systems need to be different from competitors’ and why?
- Where should we pay more than the fiftieth percentile of the salary survey for pivotal talent pools?
- Where should we spend more on pivotal talent programs and practices than our competitors, and why?
- If we shifted our strategic goals, which of our employees or organizational structures would have to change the most?

The essence of good HR strategy is to develop a new mindset—one where decisions about talent and its organization make the biggest strategic, competitive difference in the organization.
Just as an individual with a strong value system and sense of self is better able to establish priorities and set and achieve goals in life, an organization with a culture and core beliefs that are understood by its employees and govern the way they think and act, has a strong foundation for long-term success. A key to relevancy as an HR team member involves understanding and promoting a company's culture. In my role as HR training and corporate risk manager, an opportunity of this nature recently presented itself.

Several months ago, I was meeting with our CEO to request approval to engage an employment law attorney to conduct a management training session. This attorney has proven expertise in both litigating and educating employment matters. We agreed that using such an expert would promote one of our core beliefs that “We build people and these people build our companies.”

When working with this attorney to develop the agenda, I sent her a list of organizational philosophies, which she was effectively able to incorporate into each topic. In particular, discussions involving a manager’s responsibility in areas such as creating a harassment-free work environment, and progressive discipline to reduce legal risk were tied to the core value that “leadership is action, not position.” The importance of this statement was emphasized and illustrated throughout the teaching session.

Post-training reaction questionnaires were universally positive. The training session achieved the goal of blending employee development with advancing understanding of corporate culture. This culture is of course made up of nuances and behaviors beyond stated corporate philosophies. A key to personal and organizational success involves an understanding of the layers of a particular organization’s culture and ensuring that its beliefs and values align with this culture.
#4 Managing a Multi-Generational Workforce

By Allison Duke
Associate Professor, College of Business

Workplaces in the U.S. are currently operating with employees from four different generations. The Greatest Generation/Traditionalists were born between 1900-1945, Baby Boomers between 1946-1964, Gen X between 1965-1980 and Millennials between 1981-2000. We have all read about the differences between generational groups, but please remember that these differences are generalizations and definitely do not apply to everyone in a particular generation. Individual personality, cultural differences and motivational factors play a significant role in work behavior as well.

That being said, two-thirds of HR professionals report some conflict between generations in their workplace (SHRM, 2011). To minimize this conflict, organizations can look to the commonalities across the generations rather than the differences. According to Deloitte (2012), all four generations want the same thing from their workplace: “an opportunity to serve the public interest in an engaging way, good work-life balance and opportunities to develop professionally.” To retain the best employees then, Gallup (2013) recommends “giving employees opportunities to do what they do best,” “helping them connect to the mission and purpose of their company” and creating more opportunities to learn and grow.

In addition to fostering similar goals across the generations, organizations should strive to create more flexible, collaborative workplaces and provide the technology to make that collaboration easier. Finally, organizations can establish development programs that create effective knowledge transfer. Through this, younger employees can be developed and institutional knowledge preserved (Deloitte, 2012).
HR analytics. Today, it is a term that we, as HR professionals, hear often. However, when I began my career in human resources, I had never heard the term HR analytics. Perhaps it was the company I was working for, a recruiting firm at that time, or perhaps it was simply that the HR world was just beginning to truly grasp the importance of HR data analysis. I can tell you that back then, knowing more about HR analytics would have been very useful. Often recruiting is seen as a numbers game. Contact enough people and it is statistically probable that you will eventually find the right candidate for your role. But what if I had applied even some rudimentary HR analytics tools to my searches? How much more efficient would my candidate searches have been if I had been able to use statistically significant data to find higher quality candidates in a shorter period of time?

Flash forward ten years. HR analytics is now at the forefront of strategic progression for HR professionals. HR professionals worldwide are using HR analytics to align talent management with company strategy. An HR Professional who can effectively gather, analyze and interpret all of the HR data that is readily available will be able to strategically align themselves with their executive teams. More importantly, they will set themselves apart as someone who not only understands business strategy, but backs it up with statistically significant data. Top corporate executives live by the data and numbers and use them to drive key business decisions. In order for HR to be seen as equal partners in designing and implementing executive strategy, they must be able to justify their talent management with hard data and analysis. That is why HR analytics is so relevant in today’s business environment.

Successful HR executives know the importance of gaining a strong understanding of HR analytics and using it as a driver in human resources’ programs, policies and, above all, talent management and development. Ann Hatcher, a vice president of human resources at HCA in Nashville, Tenn., is a strong advocate for HR analytics as an intentional tool in driving effective human resources strategy.

Here at HCA, we’ve used HR metrics and analysis to drive many new HR processes and programs in recent years. This type of analysis has allowed us to pinpoint many areas that we can increase our human capital. Specifically, we’ve been able to use this data to implement high-potential leadership and staff-to-manager development programs. We also use data to drive attention to completion of HR processes, such as performance management and employee development. Gaining and applying the knowledge and tools in the field of HR analytics has been key to HR’s success as a strategic partner at HCA.

More will be asked of HR professionals, now and in the future, and we can no longer be content with sitting on the sidelines of our organizations. Now is the time to step up and demand that we be partners in designing and implementing organizational strategy. To be successful and grow your career as an HR Professional in this new age of human resources, HR analytics must be a tool that you understand and use strategically going forward.
I have the pleasure of working alongside an extremely talented group of individuals who are passionate about the culinary world. I find it refreshing to hear about food amidst the “HR talk” every once in a while. One of my colleagues is a British chef who always keeps me on my toes. His humor and anecdotes always seem to make my day at the office that much more enjoyable. Although the two of us are similar, I have noticed many cultural differences that bring an interesting dynamic to the workplace. I have learned the value of respecting those differences, while finding common ground.

People are the forces that drive success and sustainability in our organizations. As HR professionals, we must be strategic and intentional in how we take care of our people. We must be aware of their unique values and desires. Using that insight, we have to figure out how to meet those needs, while keeping the business a priority. Due to an imminently diverse workforce, this competency proves to be challenging. However, with an open, forward-thinking outlook and an understanding of what it means to do business globally, we can get there.

Diversity can take on a few different meanings when we are talking about human capital in the workplace. From an expansive point of view, it is apparent that organizations have begun to operate on a global level. Global penetration is a competitive strategy that increases brand awareness and revenue, and access to modern resources is making it more and more possible for organizations of all industries and sizes. Procter & Gamble (P&G), the U.S. company behind household products like Crest toothpaste and Bounty paper towels, now receives half its business from outside North America. While P&G has been successful in capturing foreign markets, it had to radically refine its structure before operating across geographies. Furthermore, the organization continues to mold and shape its global strategies to fit the needs of its various customers (Ulrich, Brockbank, Younger, & Ulrich, 2013). As part of this worldwide initiative, P&G has operations in more than 80 countries.

The diversity found in global organizations only scratches the surface of what it means to have a diverse workforce. An organization that operates only domestically is still very likely to be rich in diversity. Our country’s demographics are wide-ranging and constantly evolving. As a result, our workplaces are filled with people from all sorts of locales and backgrounds. Those of us in the HR profession see this played out from the moment job-seekers apply and interview for a position and throughout their entire tenure. It is important that we fully embrace this diversity and use it to our organization’s advantage. When our talent pool is diverse in culture, beliefs and experiences, we have struck gold. A diverse workforce brings a fresh outlook and innovative ideas to the table, which exposes its organization to limitless possibilities.
When a company moves to a talent acquisition (TA) model, having buy-in from the business and HR staff is critical. This type of transition requires having a solid relationship with the business and understanding the best way to effectively manage and support it. From a TA standpoint you want to put your “A” players in “A” positions, and recruiters and talent management professionals must have a firm understanding of which positions create the most strategic value for the organization and how to effectively acquire and retain the talent for those positions.

One challenge I have heard is that HR professionals need to communicate more effectively with their finance counterparts. By doing so, resources can be allocated where the biggest impact will be and more creative incentive packages can be developed to help recruit and retain top-tier talent in those areas.

Unfortunately, many HR professionals do not have a strong financial background, and many don’t really want to learn that skill set. Just this past week, I was meeting with an HR director about how I could help his overall EBITDA (earnings before interest, taxes, depreciation and amortization), which would enhance the unique relationship he has with his CFO. He responded with, “I’ve never even heard of EBITDA, and HR’s place is to focus on people, not math.”

If a talent acquisition model is going to be truly effective, HR professionals must learn at least the basics of financial language so the divide between HR and finance can be reduced. Understanding these basics can put HR professionals at the table so they can be part of the strategic decision-making process and ensure that talent acquisition efforts are positioned to create a competitive advantage.
In an organization, the term “silo” is a metaphor depicting the similarity between grain silos that separate different types of grain to the segregation of organizational departments (Rosen, 2010). Although there are several definitions of systems thinking, a simple explanation is “understanding systems as wholes rather than as collections of parts” (Waters Foundation).

According to Next Generation HR Research Report by the Hay Group, HR needs to move away “from traditional processes and inefficient silos and move toward an integrated approach that links work and people to business results.” Here is an example of a disconnected HR system. A manager requests the addition of a new role in his/her department. The manager is approached first by a compensation specialist who wants to understand the job for pay purposes, followed by a training and development specialist who wants to identify training needs. Next, a recruiting specialist has questions about the job in order to develop a recruiting and selection plan. In this case, the manager spends excessive time answering questions from three different HR representatives rather than having a single meeting that addresses the job holistically followed by HR specialists working collaboratively to deliver a more effective plan to recruit, train and pay for this new role.

Although that example is quite simplistic, it demonstrates the process of moving from silo thinking to systems thinking. HR systems such as recruiting, selection, training, and development, provide a mechanism through which employees’ knowledge, skills and abilities influence organizational effectiveness. HR systems such as compensation and benefits, work-life initiatives and employee involvement programs, affect employees’ motivations to perform and shape perspectives on what behaviors are expected and rewarded (Lepak, Liao, Chung, & Harden, 2006). To be truly strategic, HR has to develop new, integrated processes that span all of these functional areas to give organizations the ability to capitalize on human capital, which should be the biggest competitive advantage.
When I started my career in the United States more than 25 years ago (most of it international trade) the business world was quite different in both human resources (HR) and international trade. Only a minority of businesses understood how to conduct business effectively outside their own country and the term globalization was seldom used. As a result, most businesses hired people from their own culture with little understanding of how business was conducted outside their own national borders. This meant many costly mistakes and blunders when international ventures were attempted. HR was not seen as an important partner in the total international business process and it showed. The term globalization did not exist as we define it today. Logistics and letters-of-credit was the focus of most businesses and staff depended on outsiders such as freight forwarders and international departments of banks to do much of their business transitions.

However, as technology and logistics have evolved so has the meaning and understanding of globalization. Never before has so much been manufactured or services offered on an international scale. Today, there are thousands of U.S. companies with a presence in other countries and businesses from other nations with a presence in the U.S. What this means is a continuing integration of economies and societies worldwide. Every facet of our lives is touched by globalization.

With this continuing evolution, progressive management must understand the need to incorporate HR into their strategic paradigm to keep up with or ahead of the competition. Hence, the right human assets in the right jobs with the right training are now a necessity to keep up with the complex and ever-changing markets and trends in an expanding global marketplace.

HR must be in the forefront of this continuing integration that will include companies producing and selling in more markets than ever before. One of the most important issues will be talent management. This will require a coordinated effort between HR and multiple levels of management to locate the right talent, train, integrate, retain and make sure the talent is in the correct position within the strategic workforce program. Cross culture training should not be overlooked as part of the process. Managers, in particular, should receive the proper training that cultures are different and actions may be perceived quite differently in different societies. What may work well in one society may be a disaster in another.

HR needs to take advantage of the new technology and information that can be used to improve productivity and bottom-line results. Particularly, data analytics can be used beneficially by HR and other departments to make better decisions and to pick up trends that might otherwise be overlooked. Of course, there are other factors that HR must be ready to deal with, such as global economic forces, political conditions, costs and ever-changing technology that will demand the necessary human capital.

What all of this means is that achieving success in the global marketplace requires that management, working with HR, must be able to understand global corporate cultural differences, gather and use information effectively, and invest intelligently in the most advantageous human capital.
#10 Pivotal Positions

By Rachel Howard
MHR Graduate, 2013

Knowing your key competitors and what differentiates your company in your industry is important to the success of your organization. But do you truly know which positions within your organization contribute the most to that competitive advantage? According to John W. Boudreau, author of Beyond HR, many organizations fail to ask the question, “Where would improving employee performance have the greatest impact?” Having a firm understanding of the pivotal positions within your organization that ultimately drive the organization’s success is critical for every human resource professional. Furthermore, having the tools to attract and retain this top talent becomes even more critical for human resource professionals today.

When faced with the challenge of identifying the pivotal positions within an organization, many people typically cast their sight to the top of the organizational chart. The writings of Boudreau and class discussions in our MHR program stress the importance of looking deeper to understand where the greatest impact to the customer experience exists. For example, when evaluating the employees (cast members) in the positions at Walt Disney World theme park, many would immediately view the characters such as Mickey Mouse and Minnie Mouse as pivotal positions to ensure the customer experience is great, but Boudreau challenges this thought process by identifying the street sweepers as the roles most critical to the guest experience. When evaluated further, while the street sweepers’ basic role ensures the park is clean and presentable to guests, they are also the cast members most readily available to guests to give directions and answer questions. They have the firsthand knowledge of the best seat in the park for the nightly parade and when the line for Space Mountain is the shortest. They ultimately ensure that the guest experience is complete and the vision of the company, “to make people happy,” is achieved by providing guests with the best service — regardless of whether this is their primary responsibility.

Human resource leaders today are tasked with the challenge of understanding the strategic position of the organization and how the organization maintains that strategic advantage from a talent acquisition and talent management perspective. Having a firm understanding of your company’s mission, vision, and values, and how the strategic plan of your human resource function is aligned with the organization’s overall strategic plan will help garner executive buy-in and ensure goal attainment. The Master of Human Resources program will provide you with the tools to not only identify the pivotal positions within the organization and how shortcomings in performance within these positions can have catastrophic effects on customer satisfaction and retention, but you will also be provided with the guidance to directly apply these tools to your daily work.