

10 top tips for transforming your HR services

1 Be realistic about the business case

There are all sorts of costs and benefits - tangible and intangible - to take into account in an HR transformation and they all have to be considered. On the costs side, don't be tempted to underestimate the change management challenge in moving to e-enabled HR. Managers and staff are not dinosaurs but that's how they'll seem if you under-invest in designing a better service that fits their needs and don't show them how well it will help them. On the benefits side, it's too easy to fall into silo-thinking and only count the savings in the heads involved in HR service delivery. Benefits can and will come from better performance right across the employment lifecycle as long as you manage them. The trick is to include all of them in the equation and to track them to ensure their delivery.

2 Manage the programme by thinking of the benefits

This means you should structure your programme from a customer / products / benefits perspective instead of from a supplier / tasks / resources perspective. For example, if one of your customer groups is your managers, and, if for them a benefit is greater compliance with policy, then one of the products you may need is an interface or a portal to communicate policies and processes to managers. If you have other tools to help achieve compliance then you put them together as a project or workstream in your programme. Benefits management keeps the real purpose of the programme in view.

3 Don't re-invent the wheel

HR transformation is not new so don't approach it as if it were. Rather than spend months or even years designing your own solution, and maybe, just maybe, making a bit of a hash of it, be ruthless about finding what others have done before, getting proof that it works, of course, and then applying it in your organisation. Building Ulrich-type HR solutions is no longer rocket science but that's what it will seem like if you haven't done it before. Above all don't start your project thinking you have to build something unique.

4 Be prepared to throw out the current policy and procedures manual

This may sound extreme, but makes the point that the problem with most policy and procedure manuals is that they are not written for the Google generation. Their elegant prose is not written to be read online. If you are reading information on the screen you need direct and action-oriented language; not conventional paper-delivered prose. Online-readers are in a hurry so every word must tell them something relevant and useful or they'll go away and not come back! That will be the end of your online support and result in more calls from users who got lost in the verbal undergrowth of your online manual. And that means more costs in the service centre. (Actually, you don't literally throw away your policies; you summarise them in language that is fit for on-screen consumption and keep the detailed, bullet proof, originals for reference off line.)

5 Pick a team that has done this before

This should be getting easier, as there have been a number of HR transformations, but you would be surprised how little experience some teams have of either HR or its transformation. Since the in-house team members are unlikely to have much hands-on HR transformation experience, it's particularly important that any consultants you hire have done this before – especially those working on the solution design. Consultants however move around so, when you ask about experience, ask about the individuals you are getting to do the day-to-day work. What they have done personally will count for more than the history of the firm that supplies them.

6 Spend half the programme budget on managing change

Managing change can be defined as the time you spend helping the user deliver the benefits. If managing change is an afterthought to a programme steeped in building the technology then the builders will love it and they'll be amazed when no one uses it. Why bother building if that's the result? Change management means communicating the benefits right from the start and this in turn means having an overarching vision (organisation, roles etc) and helping users understand what it will mean for them personally. (NB You can't communicate a vision if you are spending all your time re-inventing it. See 3 above.)

7 Appoint a non-HR programme supremo

You need to give control to someone who has the hard-edged analytical skills to solve the project management and optimisation problems that typify an HR transformation programme. These are different skills from the softer thinking that marks out the silky moves of the best HR practitioners. Both sets of problems are complex but, whereas there are nearly always rational / logical answers to tough project problems, the keys to solving the more entrenched HR problems often lie in the black arts of relationship-building and deal-making that are far from the rational and the logical. The greatest HR practitioners have the knack of mysteriously conjuring up answers to seemingly intractable problems but are they necessarily as gifted when it comes to purely rational situations? For the sake of the programme, don't pick one of these pre-eminently creative thinkers to head things up.

8 Fully build the HR business partner roles

The business partner role is the key to transforming HR into something more strategic but it's also the role that's the easiest to fudge. Fully developed HR business partners don't have time to get involved in either the day-to-day transactions or the big, specialised studies, except in an advisory and customer service capacity. If your HR business partners are working well, the rest of the transformed (Ulrich-based) organisation must be functioning too. It is this robust separation of roles that really enables you to drive out the benefits. However, it's tempting to blur the edges with fuzzy channels for HR services or by appointing people without the right skills and/or the right mind set to the HR business partner role. Hence, getting the HR business partners right is the cornerstone to organisational aspects of HR transformation.

9 Don't let the technology drive you

Although you'll get nowhere without the right technical solution, you can't let the programme be taken over by the technology. It's supposed to be your servant. Technology comes in two forms - at presentⁱ - best of breed and ERP. The so called "best of breed" systems look great to HR and payroll users because they have been built, over many years' experience, to suit HR's needs. Generally, best of breed systems don't need much configuration apart from setting up your organisation's jobs, people, Ts and Cs etc. The problem is they've been built primarily to suit the needs of un-transformed, silo HR so, no matter how tempting, there's not much point in picking one of these systems without giving serious thought to how it manages workflow and how it will be integrated within the technology landscape. The second form is the so called ERP (Enterprise Resource Planning). Not only do these systems have all the tools you need for HR transformation, they also include modules for all the other business functions. This means that HR will integrate better with Finance and Procurement, for example. However, ERP systems are jacks of all trades and aren't particularly good (yet) at doing HR without a lot of effort in configuring them. So while not perfect, ERP at least offers the benefit of end-to-end process management. But remember, ERP systems are mighty beasts and be ready to control yours – and its developers – or it/they will control you.

10 Don't assume anything will happen unless you make it happen

The difference between the present way of delivering HR services and the target way is that everything about the target way has to be defined. There is plenty of history, habit and experience contributing to the way things work as they do now. Most of this isn't written down, but that doesn't stop it from working. If things are going to work in future everyone has to know what they are supposed to do in an unfamiliar situation. This calls for user documentation or, in the case of the service centre, "standard operating procedures"; a term borrowed from the military. Like the military, you should be able to stake your life on your SOPs. With your SOPs to guide you - and a good strategy - you should not only survive, but win!

KoKo Union

KoKo Union specialises in advanced designs for HR and payroll processes; comprehensive documentation for HR and payroll service users; and interactive electronic staff handbook software and services. The author, Paul McLintic, is KoKo Union's director of product development.

ⁱ SaaS or Software as a Service is a third and emerging technology that some expect to obliterate both best of breed and ERP.