

THE HR PULSE: 2011 and beyond

By Aparna Sharma

Much has been said about the evolving role of HR in the last twenty years. On a lighter note, it has left HR personnel wondering if they will ever witness an HR evolution in their careers, or just hear about it in seminars and training sessions! Changes in the global marketplace have brought about the much awaited change. No longer passive, HR is now being thrust into the forefront as a business partner.

Changing face of HR

“Business will flow through HR”, declares Kanchan Khatana, Associate Vice President - HR, John Keells BPO. Commenting on the change in perception she says, “The presence of HR today, is seen as a value add, not a mere intervention.”

Increasingly, HR now comes to the table before a deal is closed. Clients are demanding more transparency in the internal processes that will affect their business. Everything from talent acquisition to training, and further, to retention is being studied. Business pressures are pulling HR out of isolation and transforming it into a robust partner in business.

If on one end of the spectrum is business, the other end then, is the internal customer of the HR function- the employee; who is evolving too.

Changing expectations from employees

'Human Capital Trends 2011', a study by Deloitte Consulting talks about the forces responsible for the revolution and resulting evolution of the HR function. Highlighting the fact, that today's diverse workforce has redefined the very measures of career success, as well as the talent management processes that support it; the study explains the shift in career growth - from moving up the ladder to moving across a lattice. (Lattice being the multitude of ways that careers are built, and how talent is developed in the corporate world.) The study states, 'The shift from ladder to lattice reflects fundamental changes in the mindset and motivators in today's workforce.'

This is precisely the focus for HR managers today - managing the changing expectations of employees in the work environment, that they value.

Which way are companies looking?

Last year, Pitney Bowes Software India Pvt. Ltd. was rated amongst the top fifty companies to work for in India: this is within three years of having entered the Indian market. Dr. Manan Chaturvedi, HR Business Partner in the company says, “We are constantly challenging ourselves to improve further.” The war for talent is driving companies to constantly raise the bar for themselves.

One cannot miss the sense of enthusiasm as HR functions set out to make their companies competitive, by creating the ‘best of best’ in class talent engagement practices.

“Every Employee Feels Valued & Adds Value”, is the motto for Bhavesh Chandaria, Head HR and General Manager, C2C business unit at Suzlon. Chandaria who holds the GPHR (Global Professional in Human Resources) certification awarded by the Human Resource Certification Institute, is of the firm belief that an empathetic view towards capturing the voice of the employee is the key to staying ahead in the game. Through a series of surveys- process improvement and continuous employee connect has resulted in directly making the employee feel valued, while being rewarded with a side benefit of fostering an open and transparent working environment.

Continuing in the same spirit, Khatana says, “The top focus this year, is to create a participatory culture.” John Keells BPO, headquartered in Gurgaon, is starting out on its own after a four year golden handshake with Quattro. They are in a high growth phase and at this stage, communication throughout the company is of paramount importance. “We want the first and the last employee of the company to have the same picture of the organization”, says Kanchan. Top focus areas for her department this year are: creating a competency based culture where each employee participates in work groups that are empowered to take decisions that affect their work.

Mandate for HR managers

The most critical people issues this year for HR managers are to maintain a constancy of purpose for their department, change skill sets, attrition, quality of talent pools that clients demand, compensation and training and development.

Innovating to overcoming challenges

Taking a cue from the Deloitte study on Human Capital Trends which says, 'Innovation is the key to building capabilities and solving business problems, employers are continuously innovating in order to attract and keep the best caliber employees. Competitive compensation, and training and development are the starting points. Communication and leg room for employees to make their own career progressions, follow close behind.

Building the brand

Every act of HR in employee engagement, builds the brand for talent pools, both existing and potential. Social media is effectively being used to favorably brand the company to the potential workforce, and meet them where they 'hang out'. Companies are increasingly using social enterprise software like Yammer and Jive to keep the conversation going. At HCL, a mix of social media and email is being used to attract, retain, recruit and improve employer branding. Around 50 per cent of HCL's 77,000 employees are on MEME, its internal social networking site launched recently.

Employee Engagement

Technology is making it easier to drive initiative into hard core HR functions. In mid June, Infosys launched an enhanced Employee Engagement platform. As part of the Infosys iEngage™, modules such as Policy Manager, Ideation Manager and Knowledge Manager were included, which help foster innovation and increase workforce productivity. Built on top of the industry-leading social business software - Jive, it creates the social map of an employee across

six different dimensions. Its accessibility through smart phones ensures that an employee can communicate at anytime from anywhere. Availability of such products in the market is providing newer and novel options to companies to personalize their employee engagement on a digital platform.

Wellness paradigm

Organizations are leading the way into looking at the larger environment an individual is a part of. From free lunches and child care facilities at work, they are now looking at new-age solutions. Companies like Suzlon have a viewpoint for 'creating wealth' for the employee. Pitney Bowes is leading the path in offering professional psychological help to their employees to discuss issues ranging from drug abuse to personal issues, sending a message loud and clear, that they are there to guide employees through anything that comes in their way of work. Though some of these initiatives are still 'culturally sensitive'- at least in India, companies are innovating to reach out to their workforces with deeper impact: viewing them in the total sum of their environment and life experiences.

Diversity inclusion

Diversity Inclusion, is also showing up on the agenda of companies keen to be seen as socially responsible. Late last year TCS commissioned a survey on 'Benchmarking Gender Inclusion in Corporate India'. The study investigates the various barriers women face in being fairly represented in the corporate world.

Redressing HR: Case in point

Let's take a look at one industry where market changes are significantly challenging the traditional HR function. The BPO industry is both interesting and relevant for discussion at this point because of the unique challenges it throws at HR personnel.

Here is how HR is becoming a business partner in the BPO industry.

	HR CHALLENGES	HR MOVING FROM TRADITIONAL TO STRATEGIC
1	<p>High Attrition Rate-</p> <p>Industry average for 2011 is 55% (Source: ASSOCHAM-Associated Chamber of Commerce and Industry of India)</p>	<ul style="list-style-type: none"> • Innovating on talent acquisition and development strategies. For eg, re-branding, for employees to change their perception of a BPO company - from a call center to a service provider. • Instilling a sense of pride in doing their work. E.g. an employee at junior level getting immense exposure handling a prestigious account (for instance an investment bank where she/he interacts directly with the senior management of the client).
2	<p>Ever Evolving Skill Set-</p> <p>Industry moving up the value chain from back end processing to high end knowledge based domains.</p> <p>Indian BPO industry estimated to grow at 23% in 2011. (Source: Gartner study - 'Market Overview: BPO Service Providers in Country Marketplaces in Asia-Pacific and Japan, 2010-2011')</p>	<ul style="list-style-type: none"> • Breaking down the various knowledge skills and clustering them meaningfully. E.g. A home lien title research and management skill can be used in projects on default payment tracking.
3	<p>High People Cost-</p> <p>Roughly 40 to 45% of total operating cost</p>	<ul style="list-style-type: none"> • HR advises if costs can be lowered by getting work done out of 2, 3 or 4 tier cities or maybe outside the country.
4	<p>Talent Engagement-</p> <p>Unique, as the workforce is predominantly young (average age is 26 years).</p>	<ul style="list-style-type: none"> • Tailored events: There is a clear mandate for managers to hold fun events for a youthful workforce. Such strategies are seen as boosting performance and are a direct criterion of measurement for managers.

Over the last ten years, the BPO industry has grown at an average rate of 20% per year which has left HR playing a game of 'catch up'. Working constraints like ensuring a safe work environment for its employees, information security clauses by clients, compliance to the Data Protection Act, have created an environment in which innovation has been achieved by way of hit and trial. Some measures have worked superbly and have become industry standards (E.g background reference checks).

There is a continuous sifting of value add process. Initiatives which show favorable impact profitability stay in, while the others flow out. To summarize- owing to cost pressures, HR is becoming a business partner by default.

The new face of HR

In a larger perspective, India is riding on a massive growth wave and the HR function is performing a lot of underwater flapping, to keep its workforce balanced, and protect it from tilting over, while simultaneously transforming itself.

From Godrej pledging to reduce its carbon footprint by fifty percent in the next 10 years to Wipro being listed on the Nasdaq-100 Global Sustainability Index for taking a leadership role, in disclosing their carbon footprint, energy usage and water consumption and hazardous waste; Indian companies are seeing heightened action on the corporate sustainability front in 2011. (The Nasdaq-100 Global Sustainability Index comprises of companies that have taken a leadership role in disclosing their carbon footprint, energy usage, water consumption, hazardous and non-hazardous waste, employee safety, workforce diversity, management composition and community investing).

HR is instrumental in creating a culture to realise such accomplishments across large organizations. More than ever now, HR is seen as adding value to the strategic goals of a corporation.

The motherhood HR term as we know it, is being dismantled. It is now seen in specific task forces, such as a talent acquisition team, employee development team, employee communication team, compensation and benefits team etc. In addition, it is also being outsourced to vendors specializing in a given vertical e.g. payroll etc. With this re-branding of the function, HR chiefs are becoming business partners. Data-savvy managers from different backgrounds, armed with acute business acumen are forming new cadres of HR executives.

By the end of the decade, HR will not be the function as we know it. Dr. Chaturvedi feels, “In the next few years, the HR fraternity, as we know it, will be non existent.” It will be a virtual entity in the organization that can work both as a management partner as well as an employee partner, while being integral for the value it brings to the business.

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