

Reimagining HR Business Partnering

HR BUSINESS PARTNERING is evolving.

The role of the HRBP is becoming broader, more demanding and more complex. As the organisational context becomes more challenging, the need for HR to effectively partner the business also increases.

HRBPs and HR leaders need to act now to ensure HRBPs have the capabilities required to be effective in the future. However, our research indicates HRBPs are not currently well-prepared for the future requirements of their role.

How ready is your organisation?





"The role of an HR Business Partner is becoming significantly more challenging but also significantly more interesting as it requires even greater business understanding and ability to work with and influence stakeholders to support navigation of a complex and rapidly evolving business context".



KEY TAKEAWAYS





KEY TAKEAWAYS





It will become more complex and demanding; every capability we identified is *increasing in importance*.

HRBPs will need to play a leading role in preparing the organisation for technology-driven transformation and will increasingly work as talent partners.



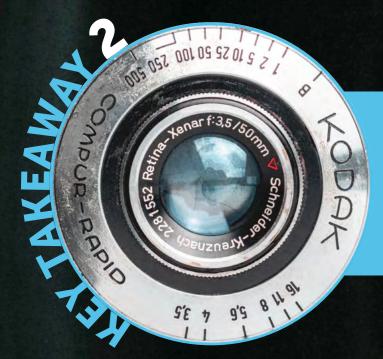
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more complex. The role is also a

of survey respondents still use the 'HRBP role'.

The HRBP role will increase in importance as the operating environment becomes fundamental part of the HR function.





The HRBP role will increase in importance.

Above all else, effective future HRBPs will need to be:

1. strategic

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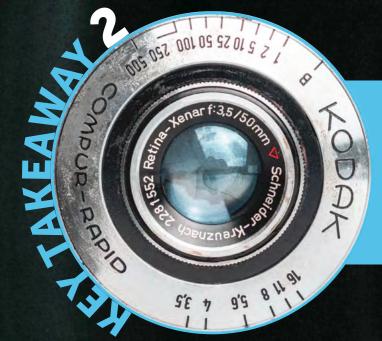
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- 2. skilled at change management
- 3. data-oriented.

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HRBPs and senior HR leaders are aligned





The HRBP role will increase in importance.



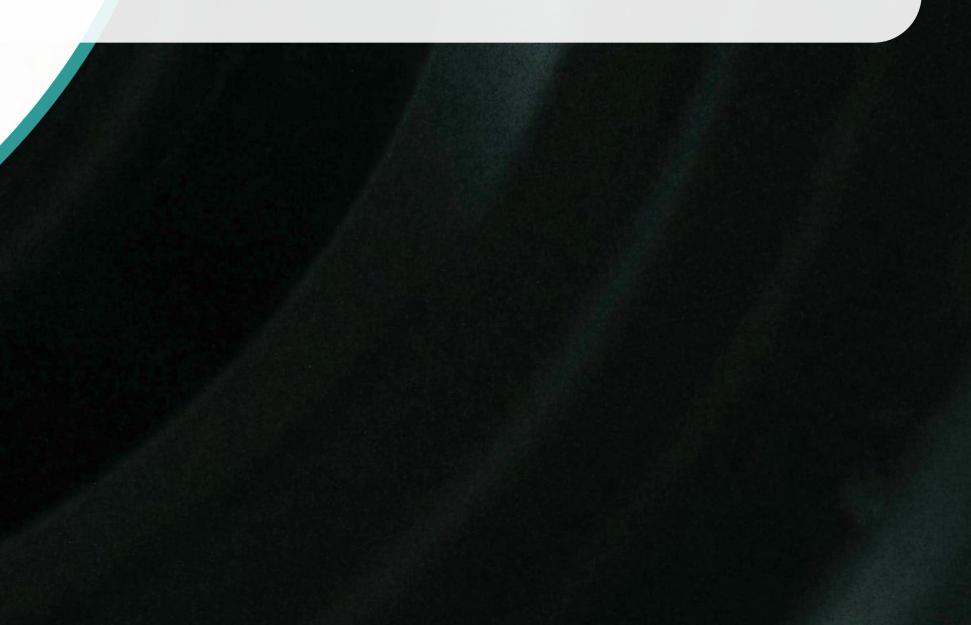
HRBPs need to be: 1.strategic 2.change agents 3.data-oriented

HRBPs underestimate their own development needs.

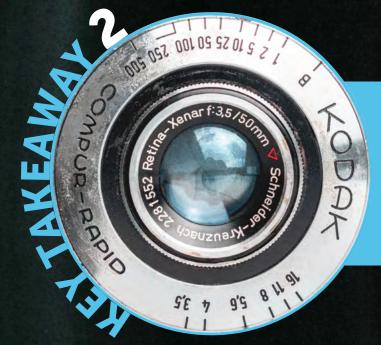
HRBPs consistently rated their development need lower than their senior HR leaders did.

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The **HRBP** role will increase in importance.



HRBPs need to be: 1.strategic 2.change agents 3.data-oriented



HRBPs underestimate their own development needs.

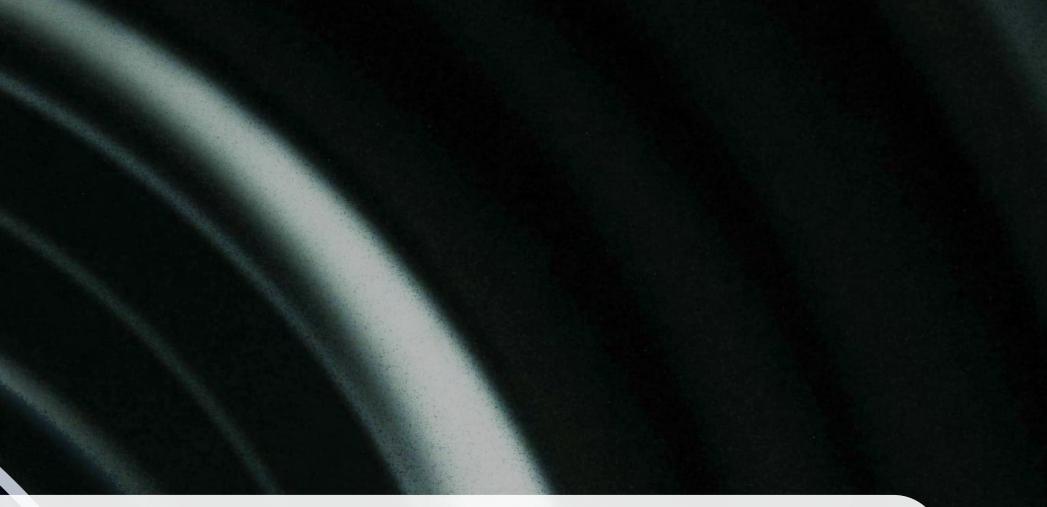
SOLIGOR

HRBPs are 'not well-prepared' for the future requirements for their role according to

of senior HR leaders we surveyed.

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What are you doing to PREPAR yourself for the future?

To ensure HR professionals optimise their business impact, CRF has worked closely with over 100 organisations in co-creating and delivering impactful, bespoke, learning solutions. Recognising the context of every organisation is different, CRF applies our proprietary research and experienced faculty of HR leaders, to deliver tailored programmes ensuring sustainable business benefit.

> To discuss your requirements and CRF's approach, please contact Rosanna Neary at rosanna@crforum.co.uk

"We were delighted to co-create a programme with CRF that would build the capability of our global HR team, specifically around business consulting skills. We were presented with practical models and insights which were tailored to our business needs. Thanks to the CRF team for designing and delivering this exceptional programme".

BESPOKE Learning





What TRENDS will most impact HR Business Partnering?

HRBPs will need to effectively partner and support the business through an ever-changing external context, playing a leading role in the organisation's preparation for a wide range of changes.
Our survey of over 200 HR practitioners showed that the below five trends will be particularly impactful on the HRBP role. Please refer to the <u>Research Method</u> for further details on our research methodology.

"The need to partner the business increases because the business becomes a tougher place. We have to be able to step up to the mark".



Director – People Projects BRITISH SUGAR

0 /0 WHO THINK THE TREND WILL HAVE A SIGNIFICANT **IMPACT ON HRBP ROLE**

PREPARING THE ORGANISATION FOR TECHNOLOGY-DRIVEN TRANSFORMATION

HR will need to design jobs and organisations differently in response to AI and automation. This will include strategic workforce planning, upskilling and reskilling of the workforce.

HR services will increasingly be automated or AI enabled, with lower demand for administrative roles and a shift towards technology, data and commercially savvy HR people.

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%

INCREASING DIGITALISATION, **AUTOMATION AND AI ENABLEMENT OF HR**

69%

IDENTIFYING AND DEVELOPING TALENT AS **TALENT PARTNERS**

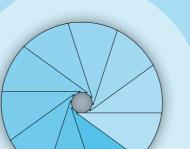
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HRBPs will need to become increasingly specialised in talent identification, development and learning (including succession management, increasing the flow and deployment of people internally and using flexible employment models) and will be measured on talent-related metrics.

RESPONDING TO THE CHANGING



HRBPs will need to respond proactively and appropriately to the drive for social inclusivity, employee activism and a deeper consideration of diversity in all forms.







HRBPs will need to tailor HR products and services to the needs of different employee segments and create personalised HR services.



NDY MACLEAN

Global Head, Organisation & People Capability and Head HR Functions **STANDARD CHARTERED**

"The HRBP as a talent advisor will be a massive trend; shifting from advising on talent through the prism of role-based succession planning, to incorporating a more fluid model of matching high-value skills to critical tasks. The challenge is how to serve the needs of the many as they think about their own role-based career paths and help those with high-value skills to find the right opportunities to deepen their expertise".

The Six Critical Capabilities For Effective Future HR Business Partnering

Informed by a survey of over 200 HR practitioners and interviews with senior HR leaders, our research identified **six capabilities** that will be **critical for HRBPs to be effective in the future**.

Across every capability, HRBPs rated their own competency '*higher*' than their senior HR leaders did. The following graph shows this significant disconnect between **HRBP** and **senior HR leader** perceptions of HRBP development needs.



1. STRATEGIC

Nearly 90% of our survey respondents thought that 'being' *strategic'* will become *even more* important over the next few years. HRBPs will need to shape business and people strategy in light of a constantly changing world, and know what 'being strategic' actually looks like in their organisation.

42% of HRBPs think they are *highly-competent* compared to **12%** of senior HR leaders think their HRBPs are **highly-competent**



"Over the next two to three years, the profile of the HRBP community will change significantly due to Generative AI, and will become more senior and more strategic".







LOOKING FOR **STRATEGIC** DEVELOPMENT?



Further Reading

- » The Changing Role of the HR Leader
- » Driving Organisational Performance: HR's Critical Role
- » <u>HR's Agenda in the Organisation of the Future</u>







2. CHANGE AGENT

The current economic and competitive market is increasing the need for **HR** to support business transformation and drive change. HRBPs will need to think more about **jobs and work design and manage change** in a way that maintains the employee brand and experience.

This includes integrating technological transformation as a change management process. In the words of Pat Wright, Professor of Management at the University of South Carolina, "Technology is going to be a change process and [HRBPs] are going to have to play a heavy role in managing that".

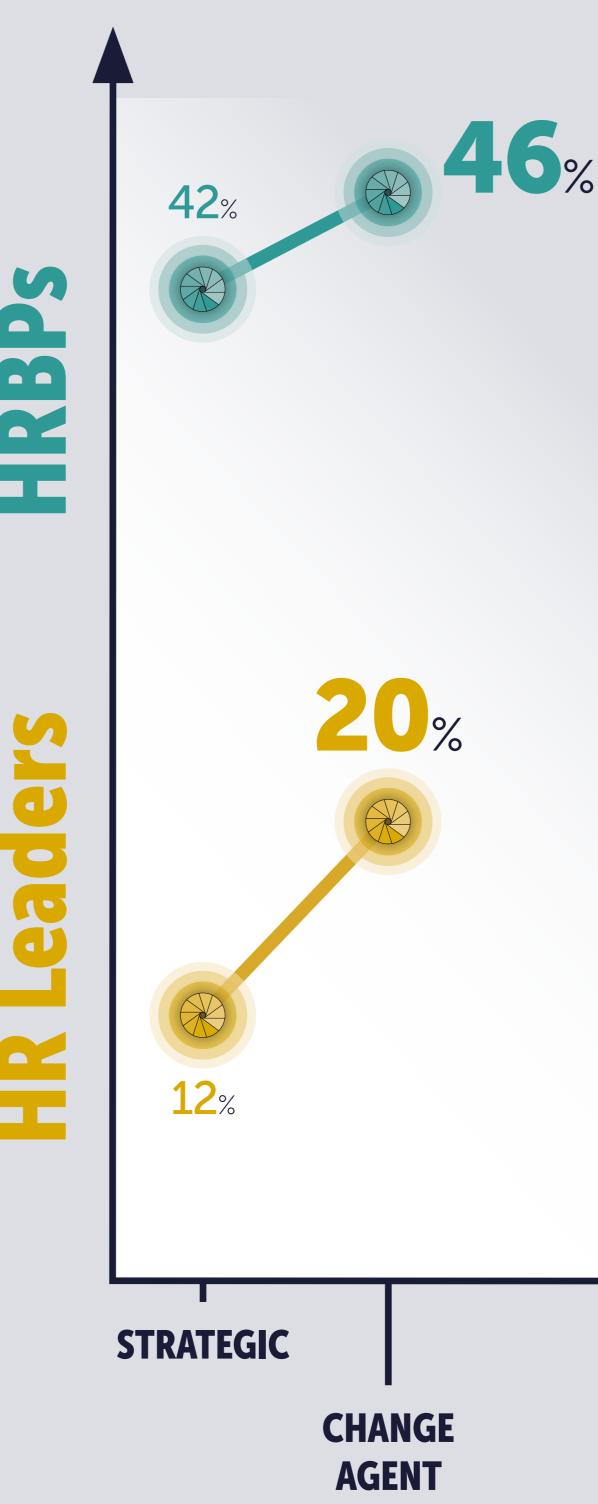
46% of HRBPs think they are **highly-competent**

compared to

20% of senior HR leaders think their HRBPs are *highly-competent*



"What are [HRBPs] bringing to the table? Are they great change managers? In the modern world, we all need to be great change managers. Often I don't see enough of 'have you really thought through how we're going to do that?' ... so I do feel they could do more with that change management expertise".



LOOKING FOR CHANGE AGENT DEVELOPMENT?





STRATEGIC

CHANGE AGENT



3. DATA-ORIENTED

Being data-oriented is rapidly increasing in importance for HRBPs – over 90% of survey respondents thought that this capability will be more important for HRBPs in the near future. Rather than just reporting on data, HRBPs will need to add value through generating insights, bringing-in predictive trends and making judgments. HRBPs will need to use business data from across the whole organisation (not just HR) and request for more if data is not easily available.

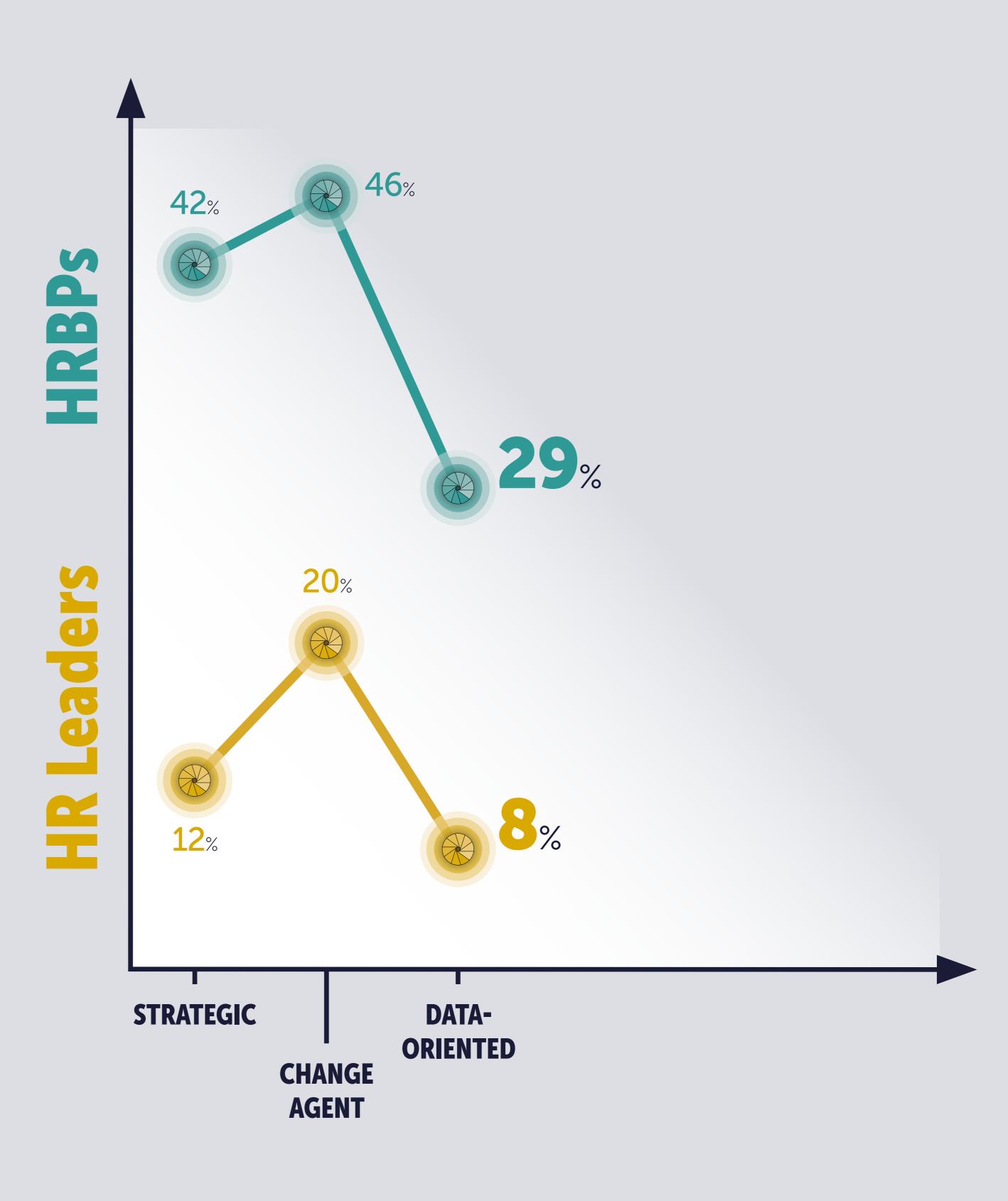
29% of HRBPs think they are **highly-competent** compared to

8% of senior HR leaders think their HRBPs are *highly-competent*



THINK COACHING LTD

"HRBPs just knowing their data isn't going to be good enough... the data [needs to be turned] into the 'so what?'; So what does that mean for our strategy? What does that mean for our people? What do we need to think about and do differently and prepare for?"



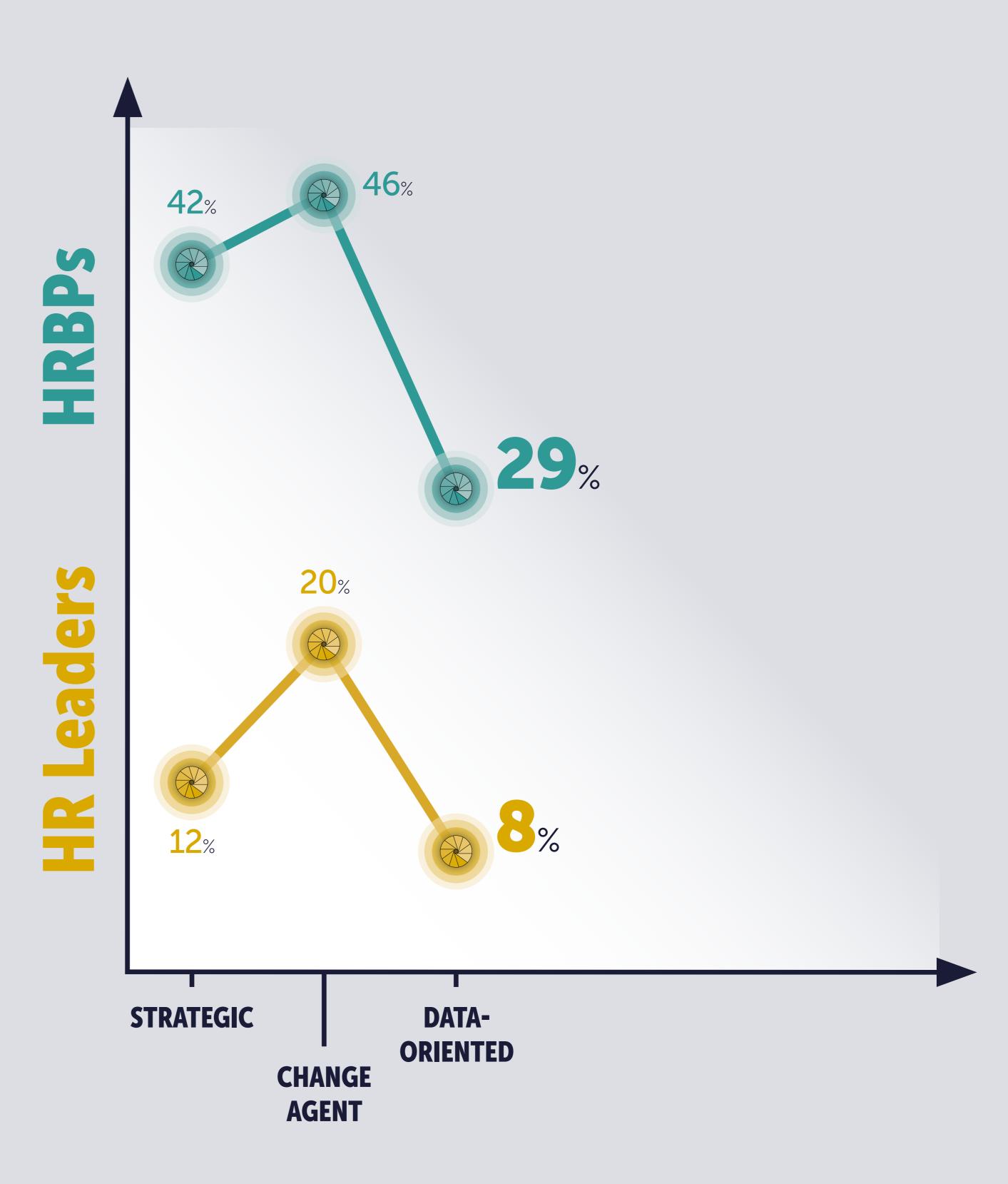
LOOKING FOR **DATA-ORIENTED** DEVELOPMENT?



Further Reading

- » Evidence-Based HR: A New Paradigm
- » Persuasive Analytics: Influencing with Data





AGILE

The dynamic and ever-evolving global context is increasing the need for HRBPs to work with **agility**. For some organisations, this will mean HRBPs applying **agile** methodologies, though for most it will be more about being agile in their overall approaches. In the words of Lesley Wilkinson, Chief Talent Officer at Experian, being agile "is about constantly unlearning and being curious, and questioning the status quo."

HRBPs will need to support a flexible user experience, customising it to different internal populations. In many organisations, HRBPs will move away from a dedicated business area and towards being allocated to projects according to business need.

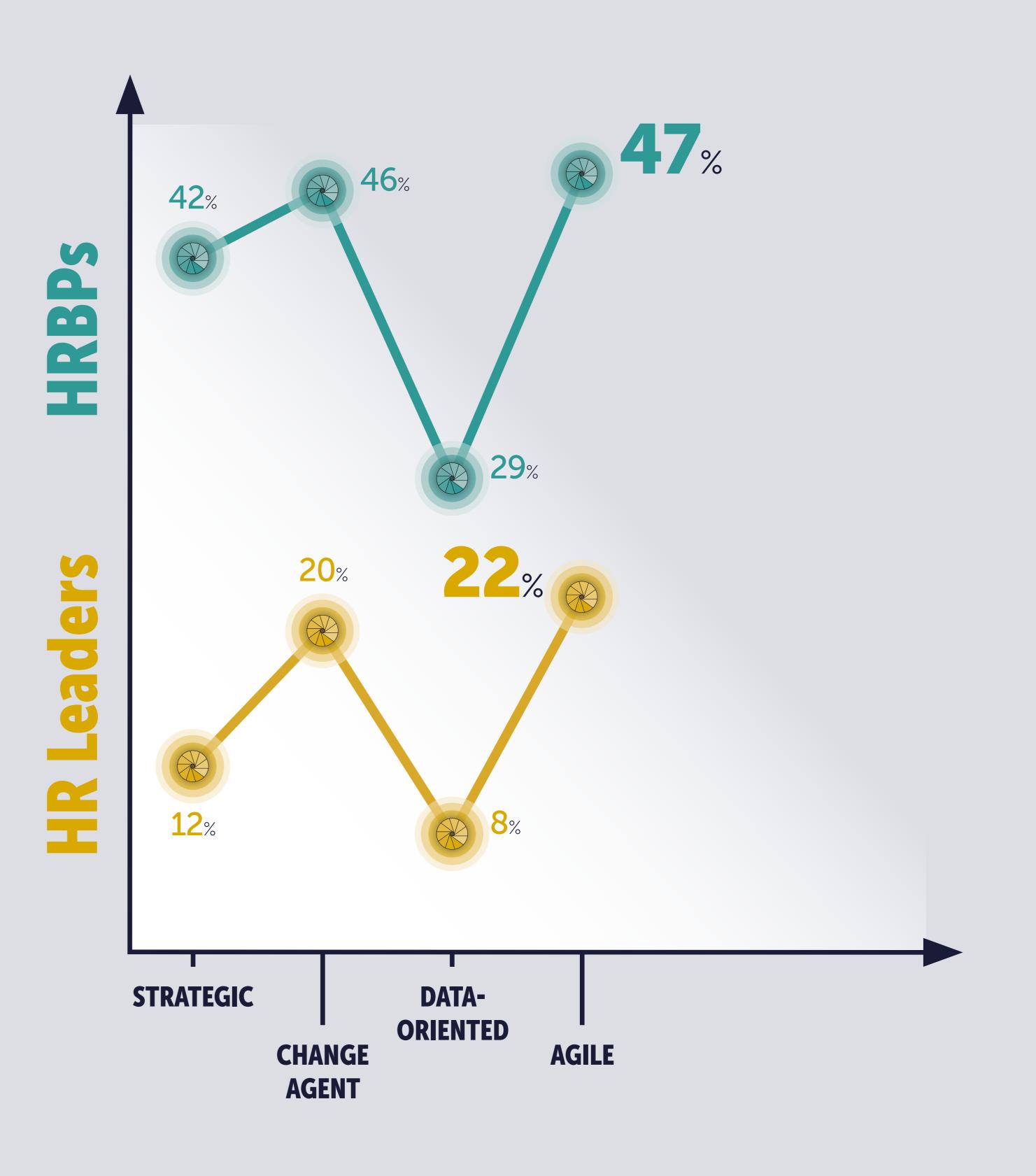
47% of HRBPs think they are *highly-competent*

compared to

22% of senior HR leaders think their HRBPs are *highly-competent*



"HR has got a lot of work to do using technology, all available data and listening to really understand how to create more agile, adaptable policies and practices... understanding the voice of the colleague in a granular way, listening and then translating into policy change is where the business partners are a key conduit".



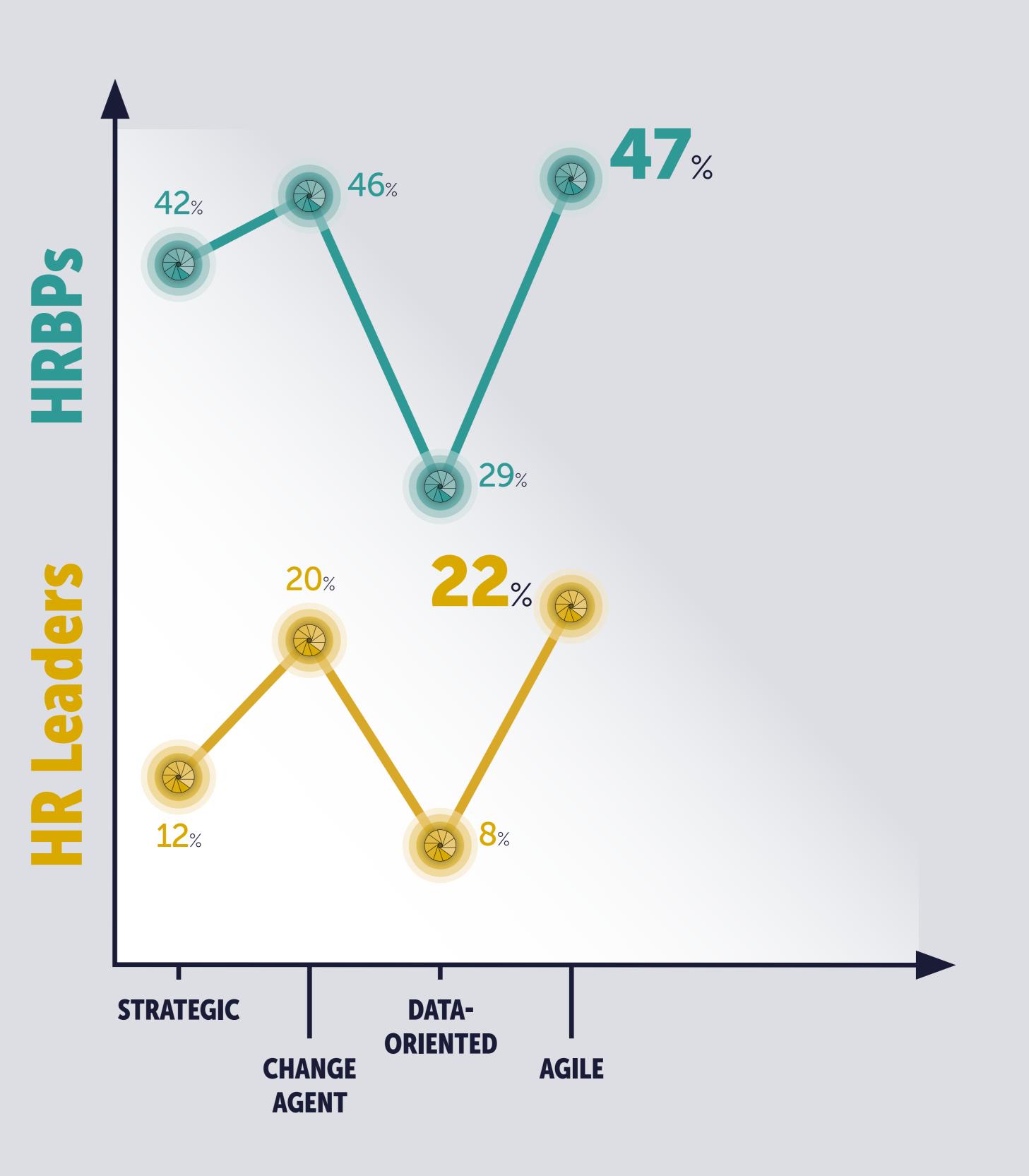
LOOKING FOR AGILE DEVELOPMENT?



Further Reading

- » <u>Conference Retrospective: Agility 2.0:</u> <u>Building Adaptable Organisations</u>
- » Leading Human-Centred Organisational Change
- » <u>A Systems Thinking Approach to Organisational Change</u>
- » Innovation: Growth from Uncertainty

<u>nange</u> Ional Change



5. COMMERCIALLY ASTUTE

This goes beyond interpreting financial statements to understanding what HR does that drives value. It will be important for HRBPs to act as an employee advocate when needed, shaped and supported by an understanding of how employees create value. Great commercial awareness skills will also provide HRBPs with the credibility to adopt a stance and thoughtfully challenge when needed.

38% of HRBPs think they are *highly-competent*

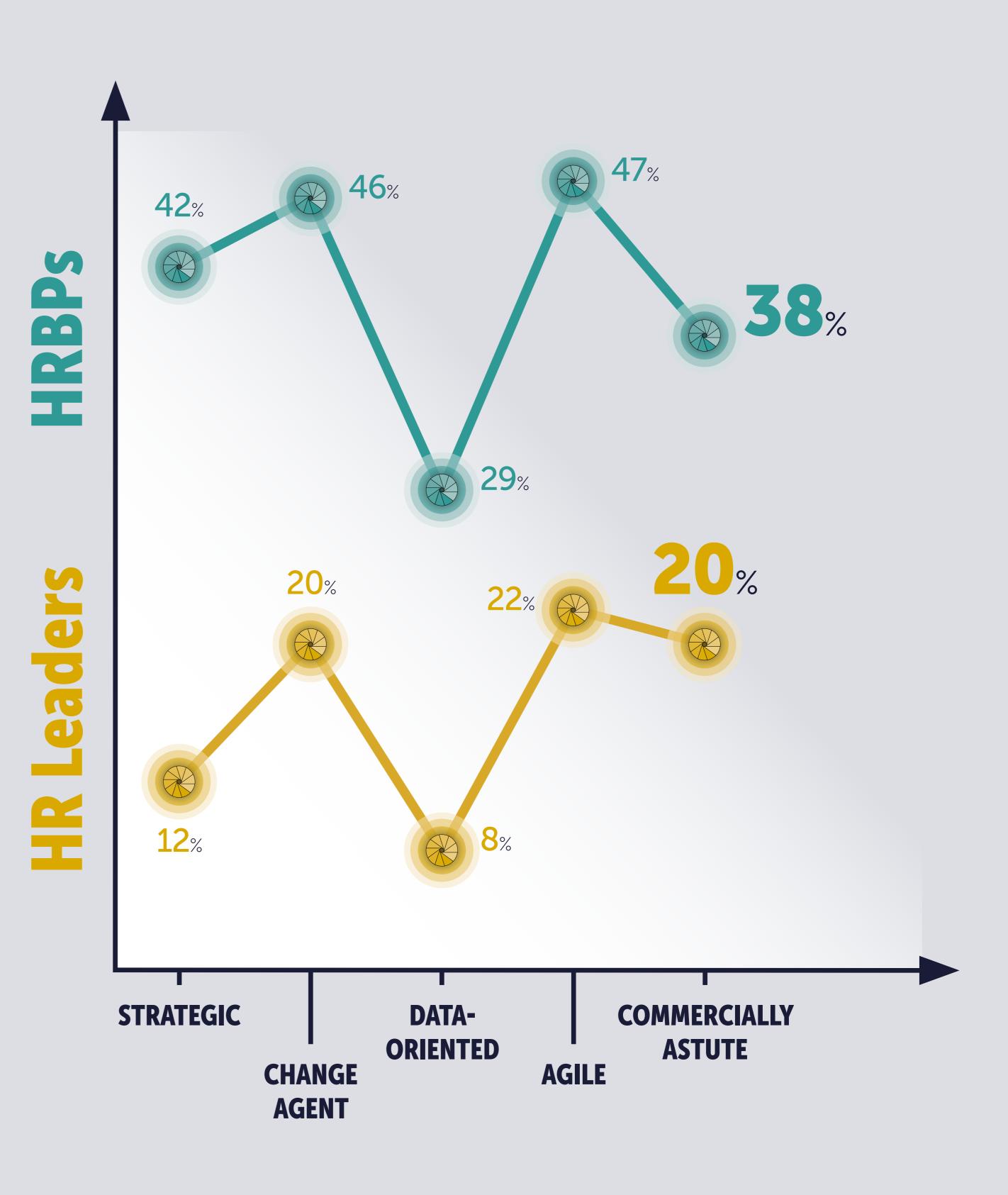
compared to

20% of senior HR leaders think their HRBPs are *highly-competent*



MORGAN ADVANCED MATERIALS

"The most important competence for an HR Business" Partner is commercial acumen... Without understanding the business, you have no credibility to do anything else".



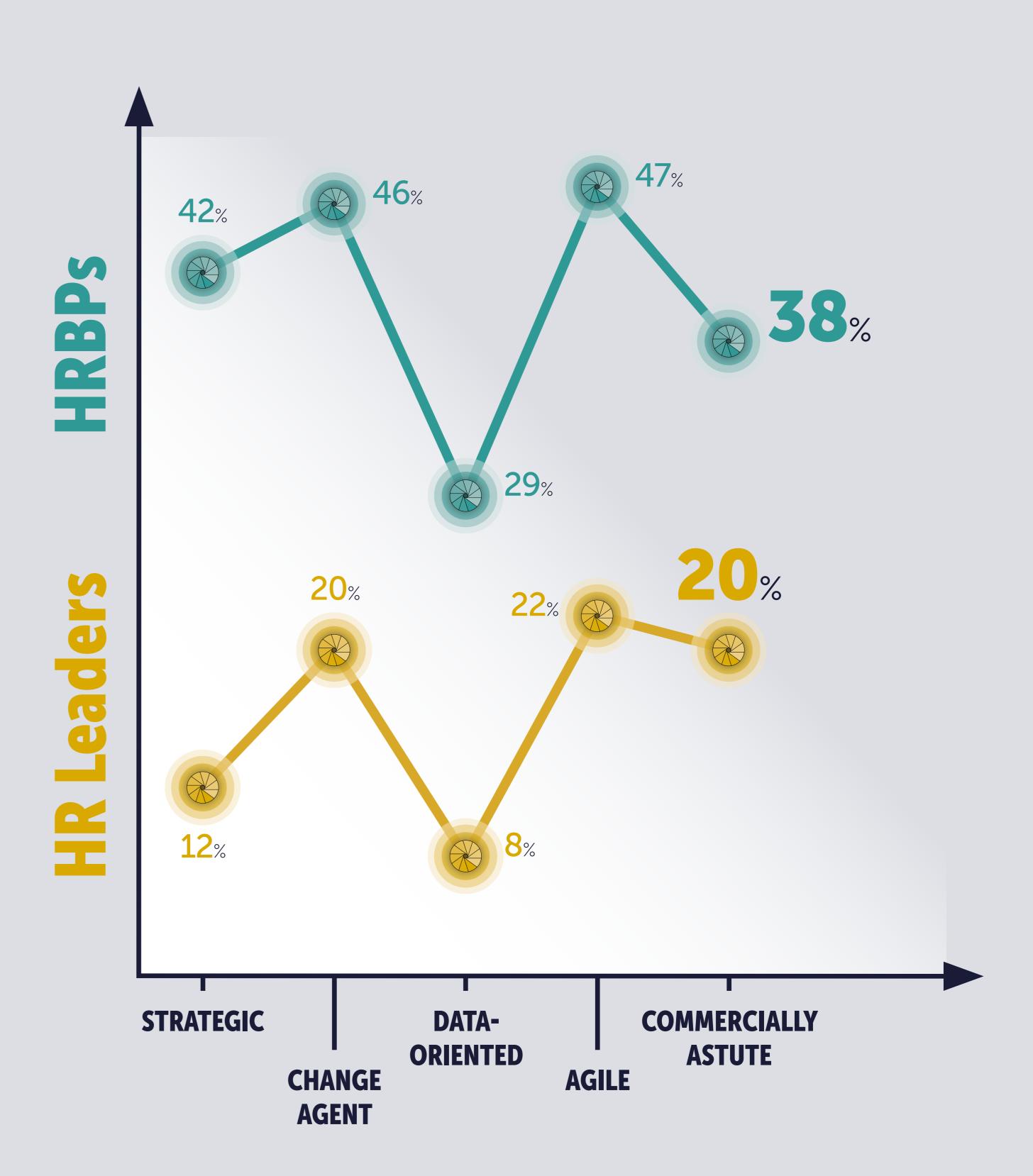
LOOKING FOR **COMMERCIALLY ASTUTE** DEVELOPMENT?



Further Reading

- » Driving Organisational Performance: HR's Critical Role
- » <u>Developing Commercial Acumen for the HR Function</u>
- » <u>High Impact HR Creating a More Business-Relevant</u> <u>Function</u>

<u>Critical Role</u> <u>R Function</u> <u>s-Relevant</u>



DIGITALLY ENABLED

HRBPs will need to have their finger on the pulse of **emerging** technologies, understand the risks and opportunities, and be aware of ethical and privacy considerations. HRBPs will need to balance technology with the 'human touch,' taking account of how different workplace populations (e.g. digital natives) might define this.

22% of HRBPs think they are **highly-competent**

compared to

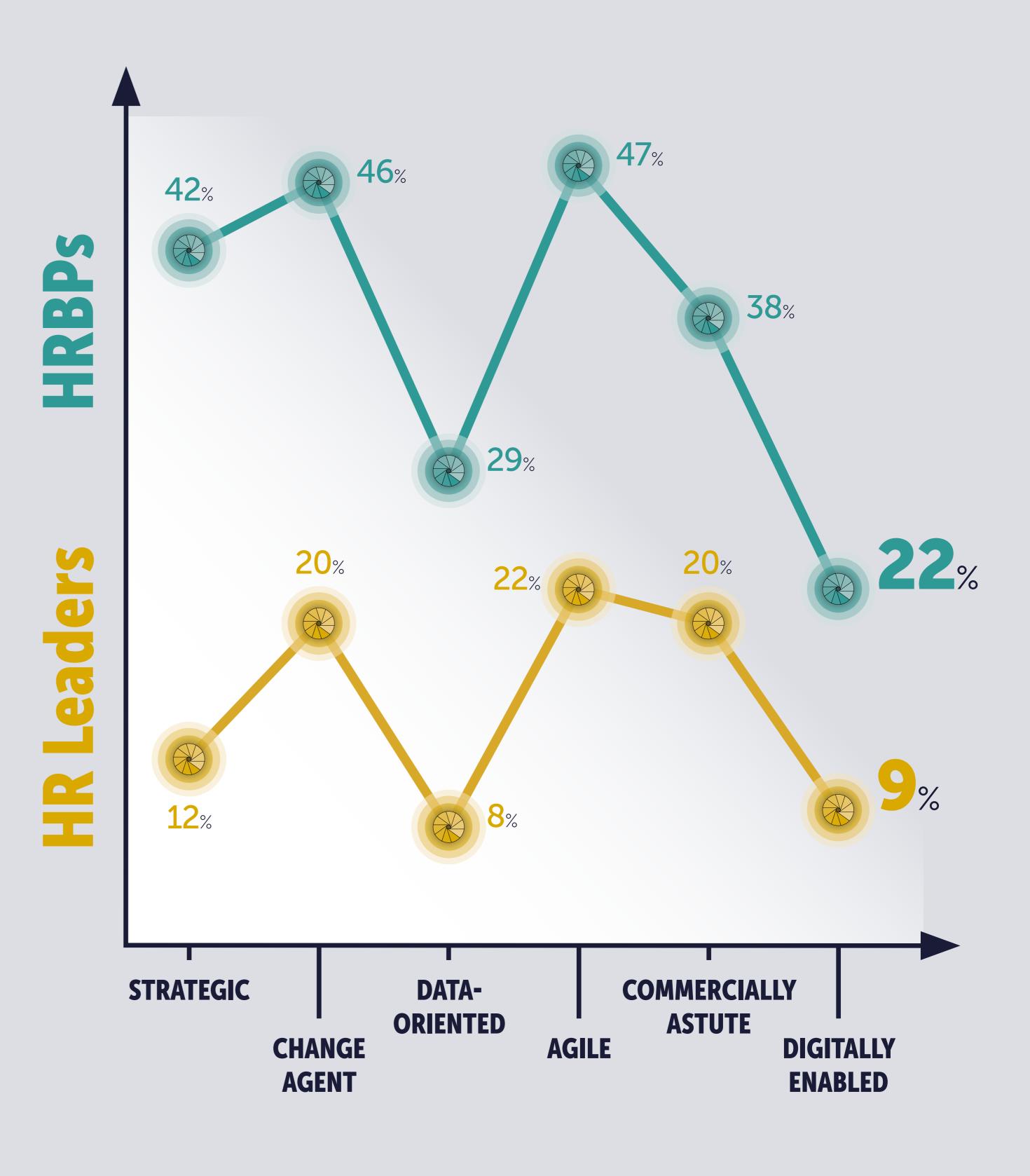
9% of senior HR leaders think their HRBPs are *highly-competent*



TALENT & LEADERSHIP SOLUTIONS AG

"The [HRBP] model has its strengths and its weaknesses, but I believe it's the best option currently around; it is unlikely the business partner will be replaced by artificial intelligence anytime soon".



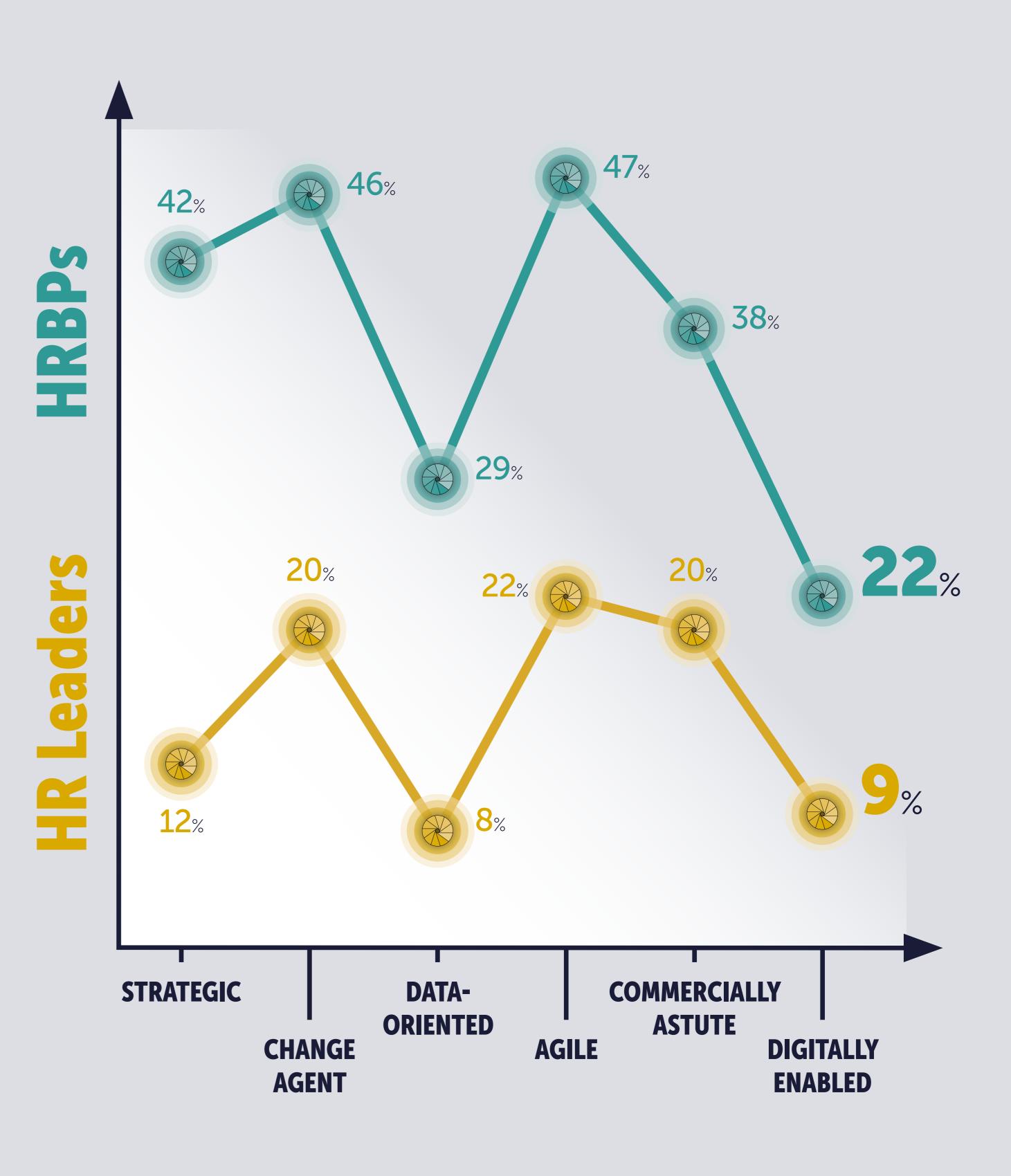


LOOKING FOR DIGITALLY ENABLED DEVELOPMENT?



Further Reading

- » <u>Harnessing HR Technology to Drive Organisational Productivity</u>
- » <u>Conference Retrospective: Applications and Implications of</u> Emerging Technologies
- » Digital Disruption Exploring the Implications for Leaders and Leadership Development





"HRBPs need to understand the technological landscape... and they have to be able to think through where and how does technology change the business – for example, what's its impact on organisation design, capability and change management and what level of technology awareness does there need to be at different layers in the organisation and how do you train that in? Good working relationships with Finance Directors have always been critical – increasingly it is the same with Chief Technology Officers".

The six critical capabilities identified above are part of our broader framework of ten complementary HRBP capabilities, which we introduce here.

Personal qualities, such as curiosity, empathy, emotional intelligence and bringing the 'human touch' will remain an essential part of being an effective HRBP, though were not the focus of our research. Instead, our research centred on the most important capabilities that HRBPs will need to master in the next few years.

CRF's Effective HR Business Partnering Framework



Digitally Enabled

Change Agent

Agile

Focused Project Manager

Data-Oriented

Strategic

PABILITIES **U**A

Externally-Oriented

Commercially Astute

Consultant Mindset

Effective Communicator

Competent working with data and evidence, can identify relevant business issues from data and act based on data analysis and judgement.

Digitally Enabled

Effectively use and apply technology, and understand its implications for the people strategy and business.

Skilled in designing and leading change initiatives, displaying courage and ability to influence stakeholders.

Change Agent

Work iteratively, experiment, take a user/customer centred approach, comfortable in situations of ambiguity.

Delivery oriented, focused on action, execution and prioritisation according to the organisation's biggest commercial challenges.

Focused Project Manager

Agile

Data-Oriented

Strategic

Think holistically about the business, understand how HR can support the organisation's strategic direction, future-focused.

CAPABILITIES

Externally-Oriented

Commercially Astute

Adept at understanding the business needs of the organisation and aware of the organisation's value model.

Consultant Mindset

Diagnose problems, create solutions, and tailor to business needs.

Effective Communicator Listen, engage, influence, and build relationships with stakeholders inside and outside HR.

Looks beyond HR to the business and external context, including working with external stakeholders.

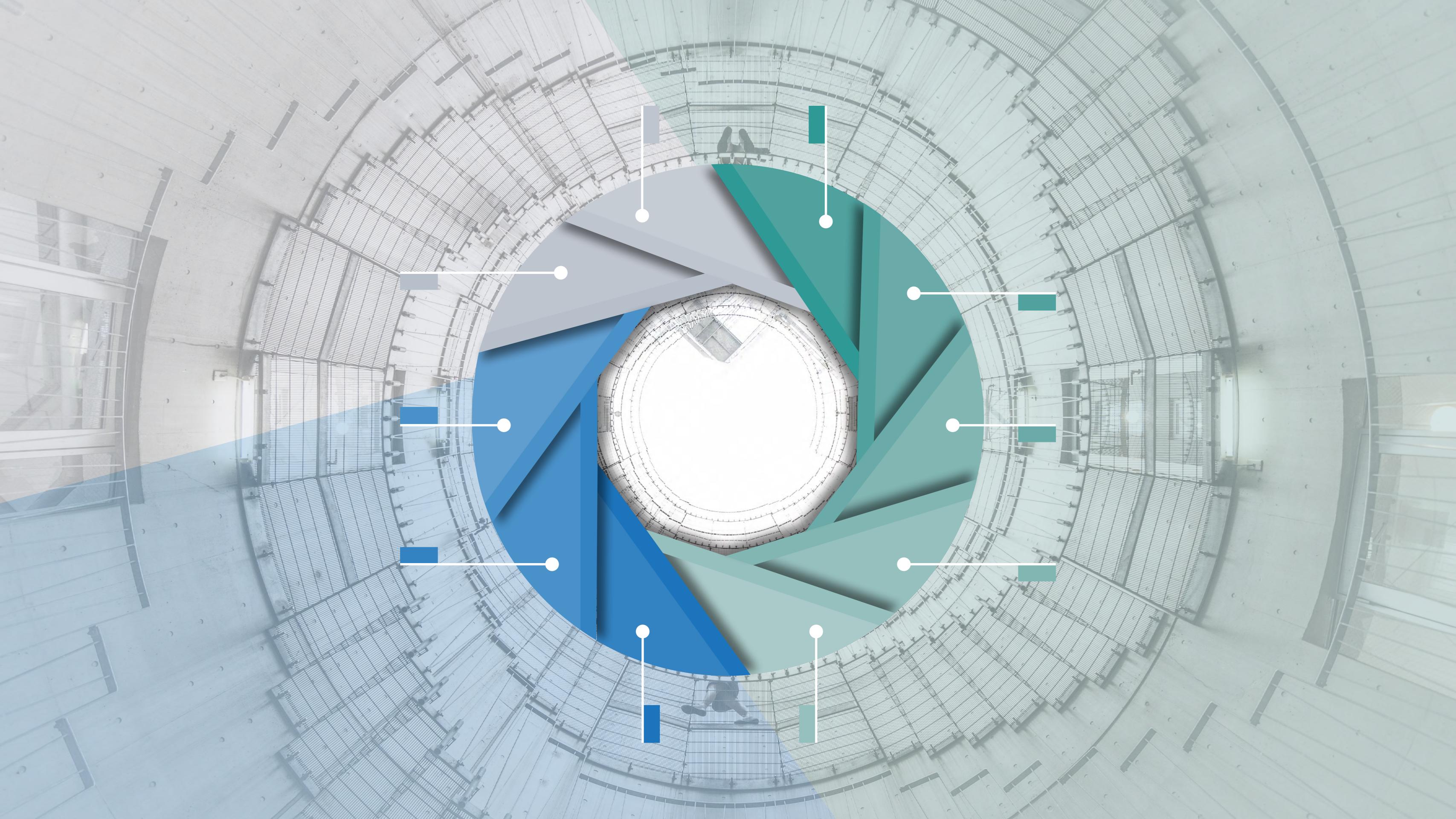




Additional Courses









Our research has shown that effective future HRBPs will need to be strategic, change agents, data-oriented, agile, commercially astute and digitally enabled. Building HR Business Partnering capability in these six critical areas will be an essential *part* of delivering the people strategy to drive superior organisational performance.

However, our research also shows there is a perception gap between where HRBPs are and where senior HR leaders think they need to be in order to deliver significant value to the organisation.

With this in mind, what will you do to ensure that HRBPs in your organisation are prepared for the future?

Whether you require large scale self-paced learning, interactive cohort-based courses or co-designed, tailored programmes, CRF has a suite of courses and resources to prepare HRBPs for the future.

Please contact <u>Rosanna Neary</u> to discuss your requirements in detail.

Preparing for the FUTURE



In order to investigate the changing role of the HRBP and what capabilities they will need to prepare for the future, we interviewed 12 senior HR professionals. We also ran an online survey of CRF members and HR practitioners, completed by over 200 respondents. 47% of survey respondents were HRBPs or equivalent, and 53% were Senior HR Leaders. Respondents covered a wide range of industry sectors, including technology, media & telecoms (12.7%), professional services (12.7%), manufacturing (11%) and retail and consumer business (10%). 38% worked for organisations with 10,000 employees or more. 79% were UK based, with the majority of the remainder coming from Western Europe and the US.

Our questions covered topics such as:

- External trends that will change the roles of HRBPs in the next 1-3 years
- Preparation levels of HRBPs to meet the changing requirements of their role
- Characteristics of an effective HRBP in the next few years
- Changing importance of different capabilities for HRBPs over the next few years
- Competence of HRBPs in a range of future-focused capabilities.

RESEARCH Method

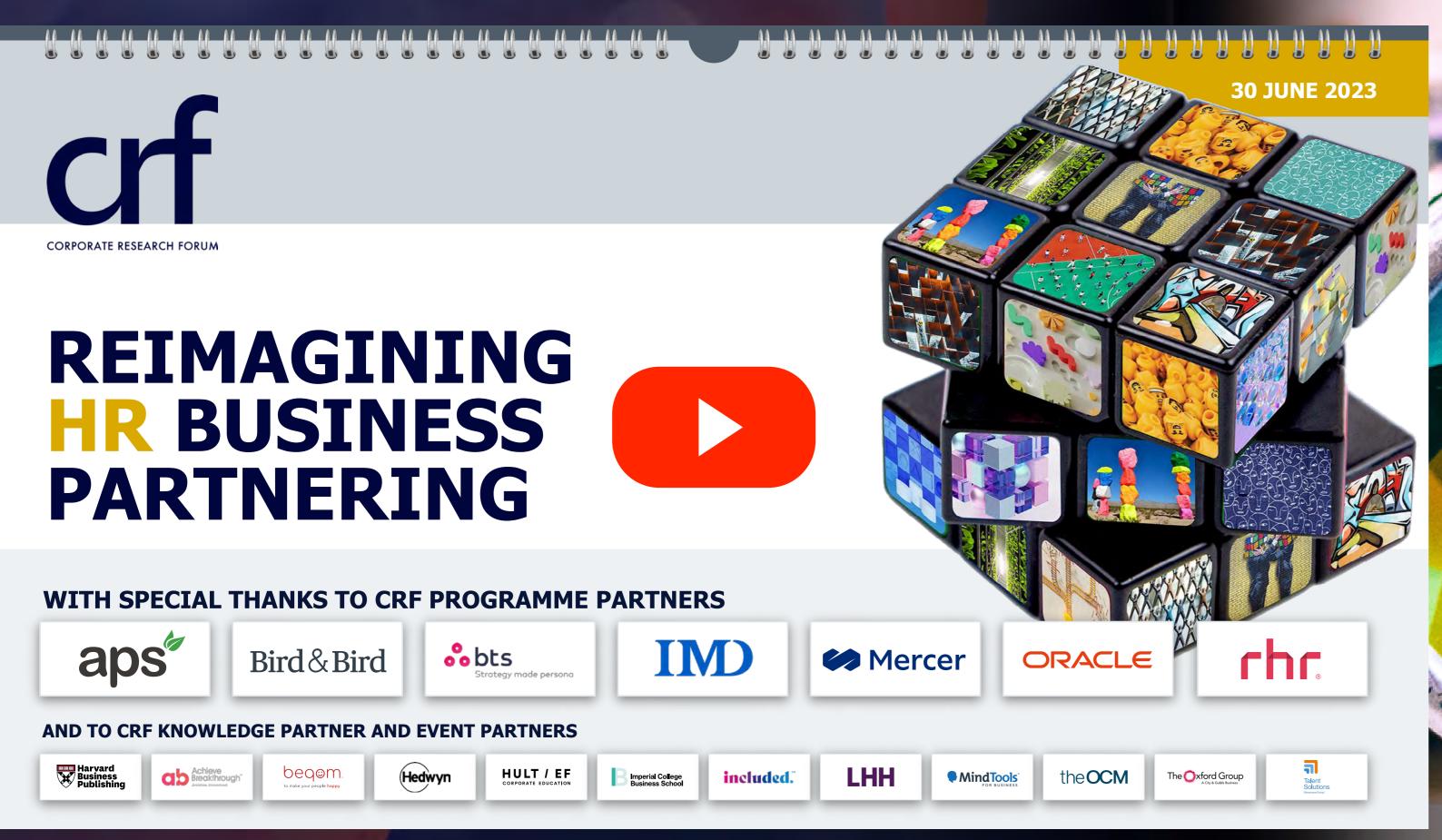
Authored by: Jo Nayler, Senior Research Executive, CRF

sharing their time and expertise: Diana Breeze, Group Human Resources, Bunzl **Caroline Fanning**, Chief People Officer, Avanade **Kevin Green**, Chief People Officer, First Bus **Emma Lucas**, Founder, Think Coaching Ltd **Lesley Wilkinson**, Chief Talent Officer, Experian



- We'd like to extend our thanks to the following interviewees who supported this research through kindly
- Maria Antoniou, Group HR Director, Morgan Advanced Materials
- **Sarah Hamilton-Hanna**, Chief People Officer, TT Electronics
- **Siegfried Hoenle**, Founder, Talent & Leadership Solutions AG
- Andy MacLean, Global Head, Organisation & People Capability and Head HR Functions, Standard Chartered
- **<u>Catherine Taylor</u>**, Director People Projects, British Sugar
- **Sue Whalley**, Chief People & Performance Officer, Associated British Foods PLC
- **Patrick Wright**, Professor of Management, University of South Carolina

RESEARCH BRIEFING WEBINAR Reimagining HR **Business Partnering**



SLIDES AVAILABLE HERE



Digitally Enabled

Project Manager

Agile

Data-Oriented

Strategic

CAPABILITIES



Externally-Oriented

Commercially Astute

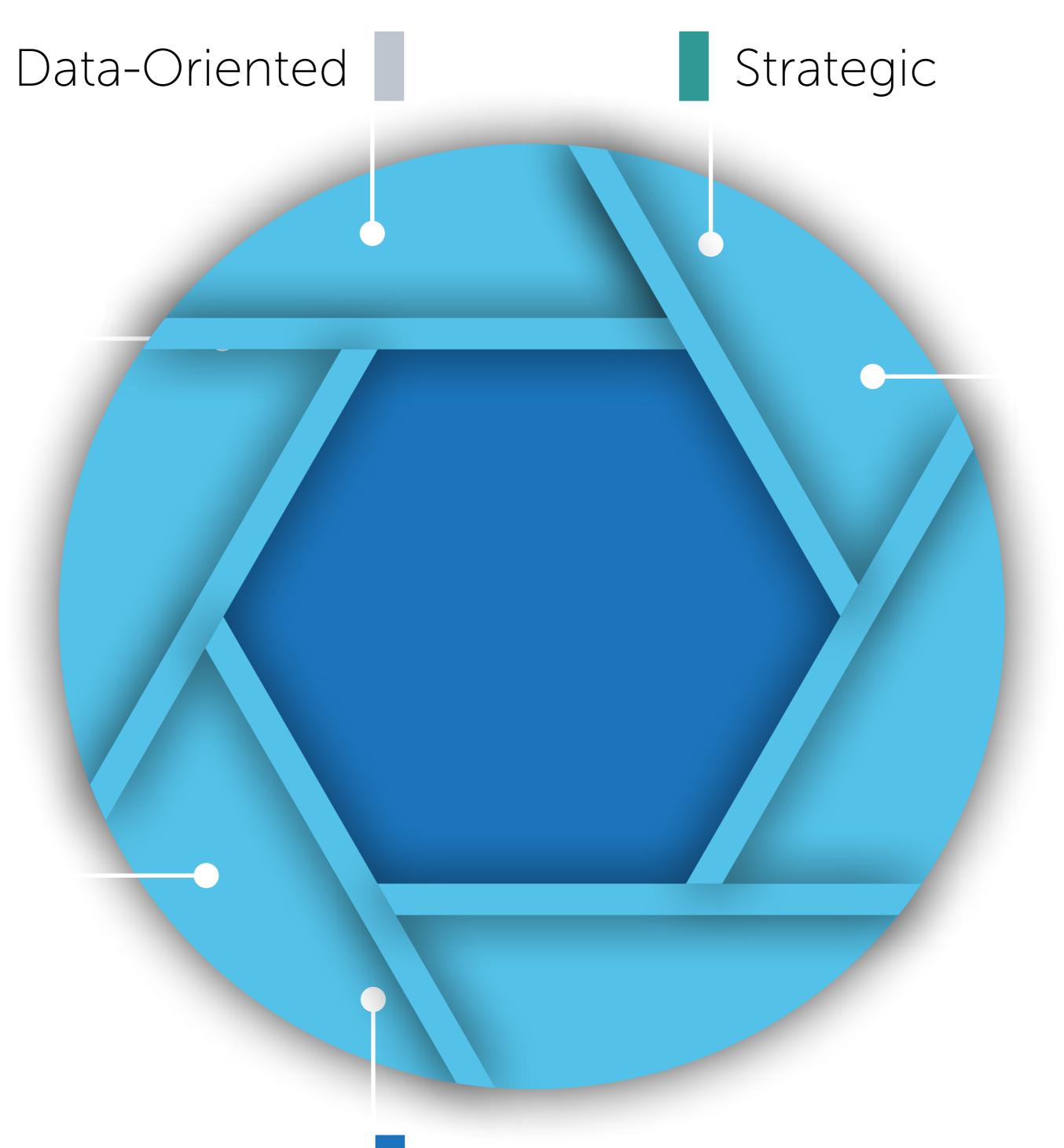
Consultant Mindset

Effective Communicator

Digitally Enabled



Change Agent



Commercially Astute