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7 Pivotal HR Competencies for Global Business in 2017

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How companies need to make human resources a true competitive advantage

"Why did we fall behind when the world around us evolved?" That's the question that Nokia CEO Stephen Elop asked in his now famous brutally honest email to Nokia staff in 2011, before announcing major cuts the next day.

In the same memo Elop said, "I believe we have lacked accountability and leadership to align and direct the company through these disruptive times. We had a series of misses. We haven't been delivering innovation fast enough. We're not collaborating internally."

For every international business, the stakes are high. Today, many global companies are embarking on their own new journey, coming out of recession and setting sails for growth once again. However, management and HR leaders know that the game has changed and, if anything, there is even more uncertainty to manage.

More and more today, business leaders are concluding that competency in human resources is a core requirement for success. Are your human resources ready and able to answer key questions like the following?

- Do you need radical change or will you move forward with incremental adjustments?
- Will you rock the boat today and add more uncertainty to your strategy, or should you wait until things are more settled?
- Is it less risky to mitigate the uncertainty of large and complex organizational changes, or the potential downside of the status quo?
- Does your future business need new skills and competences, or are you comfortable with the talent that you have today?

Businesses need to answer these questions and increasingly, Human Resources play a key role in doing this. Suddenly, Human Resource performance is positioned to influence the overall business performance of a company. HR leaders find themselves under heavy pressure, which calls for new skills, competencies and profiles across the practice. There is also a special focus on HR Senior Management in charge of driving organizational changes medium and long term.

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What human resources abilities and competencies need to be in place within your company and what should HR leaders be doing to support those competencies?

Here's a list of competencies developed by Stanton Chase based on research and client interviews around the world.

7 Critical HR competencies for businesses in 2017[*]:

1.

Strong leadership, able to sell a vision and drive change
What distinguishes top-performing business leaders today is not their individual abilities or actions but rather their unique ability to effectively work with their peers—capturing ideas, information and resources from their network and using it to help reset strategic goals and objectives. Management skills are a given, leadership is now the crucial talent.

HR leaders must maintain close relationships with other C-suite executives to ensure alignment as companies grow and mature into the global market. Frequent communication within the C-suite is critical in this process.

2.

Ability to redesign organizations
Organizational structure and practices need to be driven by business strategy and future market needs. Key work is increasingly executed by teams working on projects instead of individuals with daily, static roles.

For HR leaders, the future is about business alignment and transparency. Organizations need a modern, forward-looking HR team to achieve strategic alignment within the company. HR must be fully integrated with all organizational practices.

3.

A resilient and engaged company culture
Companies today must be able to deal with change. Expectations should be set so that "change is the new normal". This means that employees should be given a stronger voice and communication during transitions should be constant.

HR leaders need to work with management to foster an environment where change is expected and valued. This approach is about defining reality and then inspiring engagement and participation.

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4.

Employee contribution and commitment
Employees want to feel that they are actively contributing to the growth of an organization.
The rise of social media and greater global connectivity has meant that employees can contribute
to their company's success far beyond their formal scope of work.

HR leaders need to support employee engagement processes not only because it leads to employee
satisfaction, but it also results in better organizational performance.

5.

A learning environment, able to adapt to new competence requirements
Change drives the need for individuals and teams to learn and adapt to new competencies.
Creating a learning environment in the workplace supports new competency development,
but is also directly linked with higher employee engagement. This is becoming a differentiating
quality of successful companies, regardless of size.

HR leaders need to proactively support this by working with management to ensure learning
needs are being identified and addressed. Sometimes it is as simple as establishing a mentor
program for junior and senior employees. Sometimes it means developing and investing
in training and development.

6.

Strategic people analytics and workforce-planning abilities
Setting new organizational direction for people requires evidence-based planning just like any
other project. Today, leading consulting organizations such as Deloitte are confirming that people
analytics are becoming an essential feature of human resources management to predict workforce
trends and target top talent. This includes leveraging external data—such as data from social
networking platforms, employment brand data, data on hiring patterns, and external turnover
and demographic data. Workforce planning is informed by these data sources.

HR leaders need to use these tools to support management decision making. The winning
combination for a successful strategic evaluation and restructuring of the company's human
resources involves both people and technology.

7.

**Ability to re-think HR systems, tools and methods using appropriate technology**
Technology has touched every facet of HR's traditional roles; social media platforms have quickly
increased the speed and focus of recruitment, and videoconferencing has transformed the interview
process. Advanced software offers improved big data analytics. Generational differences in the
workplace have also added a new layer of complexity.

HR leaders need to adapt HR processes in a way that effectively supports the implementation
of the organization's strategy. Many businesses have been recognized for their innovative
approaches to transforming HR functions both with, and sometimes without, technology.

Adapting Successfully to Change is Vital

According to a recent CEB survey, 91% of organizations experienced significant change in 2015.

Percentage of Organizations
Experiencing Significant Change
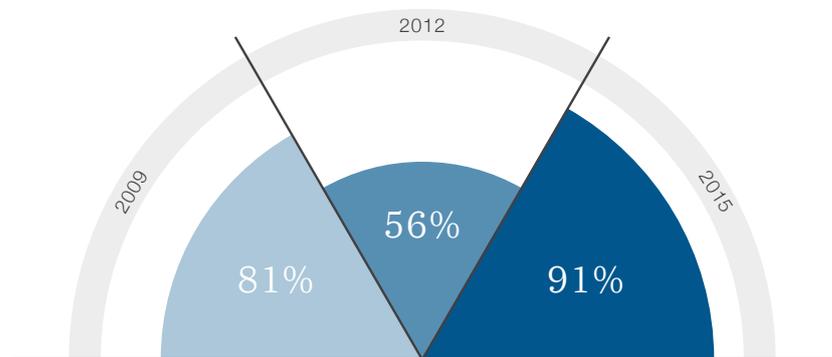
Source: CEB analysis.
Note: Major organizational change is defined as M&A,
organizational redesign, or senior leader transition.

Change continued in 2016 and there will be more in 2017. It is important to understand how these changes are putting HR at the forefront of organizational strategy. Internal, structural changes are influencing the search for and recruitment of new skills, competences and profiles.

At Stanton Chase we are witnessing an unprecedented transformation within management and especially within HR - across all industries around the globe. We face a new trend for skills, competencies and profiles in the search for candidates able to address and handle the growth scenario following a long period of downsizing, streamlining and organizational re-adjustment.

HR plays a key role in securing an organization's sustainability in the increasingly global era. In order to stay at the forefront of these demands, C-suite leaders need to review and modify the role of the entire HR organization. Businesses cannot survive if HR remains reactive and static. The modern-day HR team is responsible for managing and developing the organization and people in a way that corresponds with the company's overall business strategy.

To learn more about these issues and find out what they may mean to you and your company, contact Stanton Chase Human Resources practice group or your local Stanton Chase office.

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