

**HUMAN RESOURCES –
A *STRATEGIC* BUSINESS
PARTNER**

Rev Zain D Reddiar (AIPSC)

HR = HUMAN RESOURCES?

Is it all in the NAME?

- **HR** = **H**uman **R**emains

versus

- **HR** = **H**igher **R**esilience
- **HR** = Using **H**umans to obtain a **R**eturn on Investment

Human capital drivers – CEO Survey:

57% of CEOs do not believe that their HR organisation is equipped to deal with change required to compete for talent.

93% of CEOs believe that investing in training and development is the best way of addressing skills shortages

Source: 11th Annual Global CEO Survey

PricewaterhouseCoopers

62% think their organisation needs to change the way it recruits, motivates and develops employees

Source: 11th Annual Global CEO Survey

PricewaterhouseCoopers

89% of CEOs say the people agenda is one of their top priorities

Source: 11th Annual Global CEO Survey

PricewaterhouseCoopers

The top skills that CEOs find difficult to recruit:

- Combined business and technical expertise (67%)
- Global experience (65%)
- Ability to lead (63%)
- Creativity and innovation (63%),
- Managing risk (59%)
- The courage to challenge (56%)

Source: 11th Annual Global CEO Survey

PricewaterhouseCoopers

DEFINING THE ROLE OF HR

- **What is the role?**
- **How is it perceived?**
- **How credible?**
- **What Value?**
- **Whose job is it really?**
- **The HR Unit...**

THE RIGHTFUL PLACE OF HR

- *Soul*
- *Counselor*
- *Guide*
- *Mediator - Neutrality*
- *Director*
- *Support*

**Becoming more than a cost centre,
become an investment!!**

HR or Human Capital focus?

1.3%

Typical HR function costs

2-5%

Human Capital cost

- Often the single largest expense
- A primary lever to bottom-line performance
- A dynamic appreciating asset

The impact and effectiveness of both must be measured !

HR in the REAL World

- *Low credibility*
- *Not how the text book defined it*
- *A difficult balancing act*
- *An emotive response*
- *A thankless job...only as good as your last success*

A GOOD APPROACH

- *Confidence and Resilience*
- *Be on top of your game – ALWAYS!!*
- *See failure as stepping stone to success*
- *Empowerment*
- *Knowledge Share*
- *Believe that the IMPOSSIBLE is often the UNTRIED*
- *Connect with your Customer – Hot Buttons*
- *Recruitment Process & Induction - Lifeline*

Specific Issues

↓ Generic Measures

- Wealth Created per FTE
- Profit per FTE
- Revenue per FTE
- Cost per FTE
- Human Capital ROI
- Remuneration/Revenue
- Remuneration/Cost
- Total Absence Rate
- Resignation Rate
- Acceptance Rate
- Cost per Hire
- Training Hours per FTE

Generic ↓ ata Points / Ingredients

- Shareholder equity FTE
- Revenue
- Headcount / FTE's
- Operating costs
- Total remuneration
- Work days
- Absence days
- No. of joiners / leavers
- No. of offers made / No. of offers accepted
- Recruitment costs
- Training hours

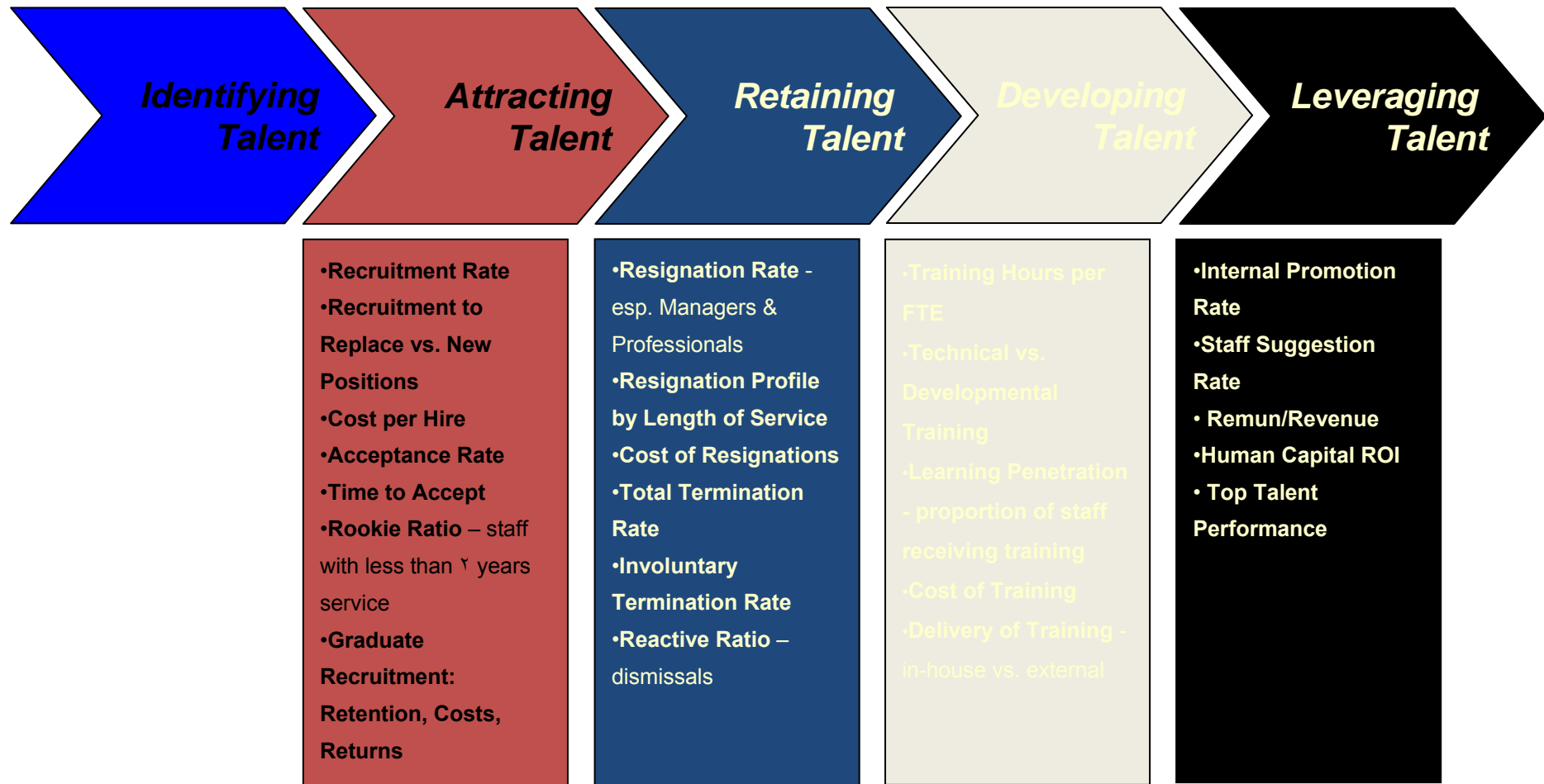


- Leadership
- Talent
- Engagement

HR must be literate in these metrics - they are People-driven business measures, not Finance measures

Talent Management – Level \

Metrics



THE BASICS

- *Organizational Design and Development*
- *Operations*
- *Remuneration*
- *Training*
- *PPP's*
- *HRIS*

Clear Cut – Well Defined; Totally Customer Centric

WIIFM

***Benefits
are
ENDLESS!!!***

AN AFRICAN TALE

Every day in Africa a LION wake up. It knows that it must run faster than the fastest GAZELLE or it will STARVE to death.

Every day in Africa a GAZELLE wakes up. It knows that it must outrun the fastest LION or it will be KILLED.

The moral of the story:

IT DOES NOT MATTER WHEATHER YOU ARE A LION OR A GAZELLE, WHEN THE SUN COMES UP, YOU BETTER BE RUNNING

Thank You

This publication has been prepared for general guidance on matters of interest only, and does not constitute professional advice. You should not act upon the information contained in this publication without obtaining specific professional advice. No representation or warranty (express or implied) is given as to the accuracy or completeness of the information contained in this publication, and, to the extent permitted by law, Rev ZD Reddiar, does not accept or assume any liability, responsibility or duty of care for any consequences of you or anyone else acting, or refraining to act, in reliance on the information contained in this publication or for any decision based on it.