

## How can the Human Resources team be the catalyst for *real* business growth?

### Summary

*For most organisations, at some point, people can become the bottleneck to growth. Whatever the strategy, there comes a point when a better understanding of individuals' strengths and motivations can help to clarify the issues and remove the bottleneck. APPLIED HR® helps the in-house Human Resources team identify the issues and offer solutions that align with key business goals.*

### Overview

The accepted role for the Human Resources (HR) team in most businesses is around compliance – whether it is about contracts of employment, reasonable adjustments to the workplace or remuneration packages that are fair. There is another often untapped side to HR that this paper seeks to explore.

People lie at the heart of all businesses. Their impact is immense regardless of the size of the organisation. Consider Barings Bank: an established business, considered a 'safe pair of hands' for investors, brought to its knees by one employee, despite its huge resources. . At the other end of the scale lies the small business, whose success is inextricably linked to their ability to secure work and deliver well. For every ambitious Small to Medium Enterprise (SME) the people dimension determines the ultimate success or otherwise of the business.

Understanding the business you are in **should** be the key starting point for any HR team. This is not about **what** is going on in the business: it is about **why**. Being clear about the strategic objectives enables good planning and requires a realistic assessment of the resources required to deliver the plan and therefore achieve the strategic objectives. This insight is essential as it will inform the activities of the HR team.

One of the main challenges for HR staff is to show the added value the team can bring to the business if the conversation begins at the first opportunity. The business may have decided to work collaboratively with another organisation or to recruit a new team member. HR can add real value in both cases and the sooner the better.

### Collaborating with others

Businesses collaborate for all sorts of reasons including reaching new (larger) clients, spreading the risk to deliver an innovative/new product or service, create a bigger market presence and for research and development purposes are some obvious examples. HR can play a key role in supporting this venture only if there is real understanding of the reasons behind the decision. This requires real business insight: the **why** rather than the **what** as mentioned above coupled with a predisposition as to **how** HR can help.

Effective collaboration has several complementary elements including:

- ✓ A shared definition of effective collaboration. This ties in with the strategic objective: why are you working in this way?
- ✓ An agreed collaboration plan. Allocating roles and responsibilities and agreeing expectations (outputs and outcomes) is vital otherwise the strategy will not be achieved.
- ✓ An agreed monitoring mechanism. Ensuring that the collaboration is working is an obvious requirement however it requires commitment, time and resources otherwise it simply won't happen.

## Building the team

Having the capacity and capability to deliver is important for all businesses. Appreciating the fact that no one person can do it all, leads to the natural conclusion that recruiting an additional team member makes sense. Selecting the best candidate(s) requires clarity of roles and responsibilities, key personality traits as well as defined skills, knowledge and experiences need to successfully deliver the role. By understanding the business objectives the HR team is able to maximise the likelihood of recruiting the ideal candidate in the truest sense of the word.

**Applied HR© provides an objective approach to both scenarios.** In terms of business collaboration HR is ideally placed to help the management team explore the likely operational impact on existing staff as well as reviewing the motivation and morale affects which may suggest some longer term challenges if the workforce do not perceive the collaboration to be a 'good thing'. The last thing the organisation will want is for staff to be looking elsewhere for jobs. The decision to collaborate is predicated on it being a good thing for the company's sustainability and growth.

The recruitment scenario is a much more familiar one to the HR team however a greater insight into the business drivers is likely to lead to innovative recruitment proposals which can add real value in the longer term.

## Applied HR© overview



### Applied HR© and the business growth agenda

Understanding the client's business is our starting point: strategy before planning! This allows us to critique the strategy and ensure that the business plan will deliver the anticipated outputs and outcomes.

We blend this with an established personal assessment tool, Strengths Deployment Inventory (SDI®) which explores the personal motivators and how they will play out when things are going well and when the environment is challenging (i.e. things are not going so well!).

People are at the heart of any business whether as collaborators or team members and for individuals to gain an insight into their personal motivators as well as those of their colleagues is invaluable. Understanding motivation helps the organisation/team to identify strengths and (potential) weaknesses and to plan accordingly.

### Applied HR© and the leadership agenda

As the business grows there is a greater emphasis on personal leadership skills. The CEO, Managing Director and Senior Directors are often (at least) one step away from the day-to-day operational aspects of the business. Yet their decisions can have a huge impact and they benefit from being aware of their leadership style and how it cascades down the organisational structure.

Successful leaders know their strengths and weaknesses in terms of how they lead. At the most basic level people follow leaders they trust to have their (i.e. the business's) interest at heart. It is human

nature to want to be associated with success however leaders need to work hard to secure a loyal following. The flipside is the need to ensure continuity of the right sort of leadership.

Promotion is the most common way of rewarding excellent performance however care must be taken to ensure that the required leadership skills (or their potential) exist within the promotion candidate. Objectivity is vital here to ensure that the skills will support the organisation's strategy and plan.

In this scenario we blend the Myers-Briggs Type Indicator® (MBTI) explores personality types and its impact on others. MBTI helps people easily understand why differences arise at home and in the workplace. It is a framework which helps to build relationships and teams. Providing self-awareness is the starting point for exploring how and why others respond to us in the way they do – in short 'how they tick' – which enables the leader to bring out the best in each member of the team for the benefit of the organisation.

### **Applied HR© and the in-house HR team**

Our approach coaches the in-house HR team to add real value over and above the compliance role. It is only by asking the right questions that the team will enhance its credibility as a business partner. The flip side of this, of course, is having solutions to support continuing and sustainable growth. It is essential that the HR team talks and understand the language of the business and this is less about reading the latest business guru's book and more about really understanding the key business drivers and being able to articulate the *people* implications.

### **Conclusion**

The debate about the role of HR is as old as the profession itself. Whilst there are indeed many successful stories of HR leading innovation and business growth the reality (in the UK at least) is that most businesses are SMEs employing much fewer than 249 staff see HR in a compliance (keep us out of jail) role rather than as a real business partner. Job titles are meaningless if the outcomes and outputs do not support the top and bottom line of business. Applied HR© is about developing business credibility leading to managers knocking on your door when they have an idea or plan rather than only when it has been agreed by the management team and your role is to implement the HR elements. The real power HR should be seeking is **INFLUENCE**. Applied HR© is an important tool to achieving this.

To discuss this further, get in touch with Hilda and let's start re-positioning the HR team as catalyst for real business growth!

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