



## STRATEGIC HR MANAGEMENT: A POWERFUL BUSINESS PARTNER RATHER THAN A TRADITIONAL SUPPORT FUNCTION

Talent and leadership are becoming scarce resources. Increasingly, people are the most important asset at many companies, and the fortunes of businesses are closely tied to their leadership and the talent they employ.

In this environment, HR professionals are called upon to adapt their organization's people management practices to new realities while maintaining and improving upon current levels of organizational performance. By optimizing company structures, developing and flexibly deploying company resources, and thus ensuring that the company has the right human capital in place, HR can help meet business objectives and improve both financial and operational performance. To get there, HR functions will need to adopt more efficient, forward-looking ways of working and take on a far more active role to support the business.

### Changing demographic patterns present sizable risks to companies

Companies also need to introduce talent management initiatives to cope with the coming scarcity in qualified labor. To avoid sizeable risks, organizations can run simulations allowing future gaps for each job function or job family to be readily identified. It is critical for companies to take a strategic approach to talent planning and management - rigorously evaluating their talent management strategy and making the investment necessary to find and keep the best people. Appropriate measures can include targeted recruiting, internal transfers, training initiatives, and outsourcing programs.

### Employer Branding: Attract the best talent

The ability to attract and retain the best talent in the market is key for any organization, but never more so than in highly competitive sectors where niche skill sets are in high demand. Older workforces and scarcer labor will lead to two principal challenges: maintaining high productivity and ensuring sufficient labor availability. Tapping the full potential of older workers will become increasingly critical. Companies must find ways to make the workplace "age friendly" and maintain motivation as people advance in their careers. An effective employer brand presents your organization as a good employer and a great place to work and can, as a result, help with recruitment, retention and generally affect market perception of your company.

### Building a learning organization

New mindsets, skills and execution capabilities are important if employees and managers are to bring about successful change within their organizations. E.g., employees who have cross-border responsibilities and/or cross-cultural relationships need to be prepared to effectively handle the inevitable intercultural tasks and challenges involved.

Continuous improvement requires a commitment to learning. Ongoing employee training and development is now essential to core business strategy. A learning organization is an organization skilled at creating, acquiring, and transferring knowledge, and at modifying its behavior to reflect new knowledge and insights. In the absence of learning, companies simply repeat old practices. Change remains cosmetic, and improvements are either fortuitous or short-lived.

Success in the workplace takes a lot more than book knowledge or even hands-on experience. The gifted manager needs a high rate of emotional intelligence. This is a critical skill for leaders, who work closely to inspire and motivate a team. If the leader is unable to empathize with his employees, he will surely find it difficult to obtain respect or loyalty.

### Conclusion

#### HR has to be seen as a powerful business partner rather than a traditional support function.

HR capabilities correlate with economic performance. Companies that have strong capabilities in HR strategy, planning, and analytics, show significantly better financial performance than companies that are weaker in those areas.

The HR experts of MFB Resultants can help you create HR structures that are aligned to your corporate goals and that effectively support the implementation of your corporate strategy. We partner with your senior management team and HR Manager to build a systemic people management process that underpins the delivery of your business objectives.

**MFB Resultants – We deliver results.**