

NO THANKS FOR HR

The Human Resources Director of one of Australia's leading professional services firms recently quipped: "if you want to be thanked for what you do at work, don't go into HR!" She went on to say that people need to "build a bridge and get over it, if they think that they are going to be thrown bouquets for their work in HR." Why is this the case? This is the focus of this month's Instep column.

Why no thanks?

HR leaders often echo the sentiment that their efforts frequently go unnoticed unless something goes wrong. HR is not alone in this regard. This is the reality for most supporting professional areas such as IT and Finance.

No doubt IT professionals bemoan the fact that the business doesn't think about them until the IT system crashes. There are many elements of HR that are only noticed if they go pear-shaped – that's the reality!

While appreciation for work done in HR may be hoped for, the view of many HR directors is that it shouldn't be expected. Having said this, many big picture and smaller scale achievements have been realised through HR. With an economic downturn, many commentators said that HR would need to step up – and it did, for the whole economy.

HR delivered for the economy

It is well known that Australia is emerging from the GFC in better shape than most other countries – particularly developed nations.

As has been documented, there are a range of reasons for this. Depending on your political persuasion and general beliefs, various factors have more or less weight. The stimulus package, the resources boom, the strength of our banking system and our superannuation regime are all no doubt significant contributors to Australia being in relatively good shape.

Two of the other contributors to our relatively good economic status are: our comparatively low unemployment rate, and our high levels of consumer confidence leading to better than expected lower-end residential property and retail sales. These indicators of economic health have outstripped expectations. This is where HR comes into it.

Simple logic would suggest that consumers who spend money on houses and in shops are confident. Consumers are confident when they know they (or the family bread winner) isn't going to lose their job. Why aren't people losing their jobs? The answer is that the majority of companies have designed ways to cut costs without cutting heads – and HR has driven this effort.

Throughout the end of 2008 and the beginning of 2009, HR professionals convinced business leaders not to 'knee jerk' and make reactionary and short-term jobs cuts. This significantly reinforced consumer confidence. You think that's a stretch? Well that may be the case, but the reality is that HR professionals in most businesses over the past 18 months have been:

- **counselling companies to adopt a long-term view**
- **reminding companies that talent has been hard to find in the past and will be just as hard to find in the future**
- **educating that short-term decisions have significantly negative impacts on the company's employment brand, as well as its overall brand in the market**

With these conversations and practices in place, many businesses have shown a longer-term focus to their employees, which will hopefully be recognised with increased employee loyalty and engagement.

Companies that disregarded good HR practice will also undoubtedly reap what they have sown.

HR people aren't self promoters

There are many HR professionals who disdain the notion of self promotion. The reality is that all support services and professionals need to be on the front foot and saying: "Look what we have done for your business. You now have a commercial competitive advantage because of the clever stuff we have done" ...or words to that effect.

The big picture

We aren't saying that sound HR thinking and practices are the only reason that Australia is in good shape, but the knee jerk reactions of past downturns haven't been as prevalent at a time when legislative changes affecting employment should have spooked employers to 'cut hard and cut early'. This has helped the economy – there is no doubt about that. The question is: does anyone outside HR make the connection?

Craig Mason is a Director with
The Next Step, a specialist consulting practice
in the human resources market.
For information call (02) 8256 2500
or email cmason@thenextstep.com.au
website: www.thenextstep.com.au

the
next
Step