

Following the Yellow Brick Road, Part I

If you don't know where you're going, it doesn't matter how you travel or when you leave. .

By Naomi Bloom



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One of the most frequent questions I get from end-user HR leaders—although it's never phrased this way—is how do I know what my HRM delivery system should look like? Most often, the conversation begins with a very tactical question, like when should PeopleSoft be upgraded to Release 9.x, what processes should be used to implement a new talent management suite, or how can the capabilities of the workforce be improved.

Regardless of how the conversation begins, just under the surface is the whole laundry list of HRM and HRM delivery system questions:

- What should I do in-house, with or without shared services, versus what should I outsource?
- Which talent management software vendors will be left standing?
- How do I decide when, how, and what add-ons are needed to my core ERP/HRMS to give me the best talent management approach?
- How do I payroll my 15 people in Slovenia?
- Why aren't we getting better hires, retention rates, workforce performance, or a better version of some other desired business outcome from our investments in the HRM delivery system?

Although technologies and vendors have changed, not to mention all the new options for obtaining software, many HR leaders are no further along today than they were in the early days of my career when it comes to having a rich, rigorous, robust, and repeatable approach to answering these and many related questions. For the most part, we're still playing Whack-a-Mole to find the answers. What's needed is a systematic and repeatable approach to developing a comprehensive HRM delivery systems strategy that gets us answers without spending millions in consulting fees.

I call my approach "Follow the Yellow Brick Road." It will take a very knowledgeable HRM delivery system architect, a Wizard of Oz, to sort things out, but at each step along the way, we are preparing the information that our own wizard will need to determine just what HRM delivery system design and business arrangements would work best.

Key questions to consider are:

- What is the organization's *raison d'être*?
- What is its value proposition to customers, shareholders and employees?

- What does the organization want to be?
- Why should shareholders, customers, and employees invest resources in the organization? That we will provide the best possible low-priced, inter-city bus service or the best high-priced coffee house experience? Are we determined to sell only the finest cashmere clothing via the Internet or to dominate the retail bank deposits market? For a software vendor clients, I might express its organizational business vision as "To dominate the global SME business applications software/services industry in scale and profitability."

Next stop on the Yellow Brick Road is to understand what organizational business strategies are planned/being pursued to achieve that vision.

- What must the organization do well to achieve its vision?
- By what strategies will the organization drive customer satisfaction, shareholder value, and workforce effectiveness?
- What strategies are needed to overcome specific obstacles to achieving the vision?
- What strategies are needed to address specific issues that the organization faces?
- Will we be expanding geographically? If so, where and to what degree?
- Will we be launching new products/services? If so, for what target markets?
- Are we dependent on cornering the market for scarce competencies and/or on achieving some target leadership bench strength?

For that same software vendor client, I might express its organizational business strategies to include rapidly growth via acquisition of leading distribution channels and products with implementation/support services in each geography; partner/joint venture for rapid entry into and scaling of essential but not core BPO or traditional outsourced services; converge product/service lines into a single, profitably conceived platform without cannibalizing current sales; speed time-to-market via global use of standardized development methodologies, tools, processes, technologies, and teams; and speed time-to-market via global sourcing of needed competencies and capacity.

Getting this? We'll continue our travels down the Yellow Brick Road in next month's column. **HRO**