

It's Not Just about Technology

Consider staff qualification and experience when weighing effectiveness and capabilities of HRM BPO providers. Part 2 of 5. **By Naomi Bloom**



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Last month, we began a new series examining the non-technology aspects of an HRM BPO provider that, if handled well, would bring that provider success and, by extension, would allow for its clients to be well served. If you haven't had time to read last month's column, you may want to do that before continuing with more of my provider competitiveness questions. For those already caught up, here are some more questions to consider:

■ **What's the presumed capability of the HRM BPO leadership team?** What is the genealogy of this management team? What education and experience prior to, and in their current positions, have prepared them to deliver HRM BPO success? Is there reason to believe that these folks, even if given sufficient authority and resources by their organizations, have the intellectual horsepower, experience, knowledge, discipline, etc. to deliver excellent results? Have they ever done so before? Not done so? Have they been anywhere long enough for their good or bad decisions to have come home to roost? And what about their real commitment to this business? Have they ever had to deal with the vagaries of HRM regulations, delivery of employee satisfaction and engagement, avoidance of compliance headaches and litigation, or the long-term consequences of poor HRM practices? Do they have any real commitment to do so for longer than it takes to get their resumes in order for the next opportunity?

There is any number of examples within our industry of founding management teams that have brought considerable, verifiable, successful experience to their current HRM BPO businesses. But there are even more

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examples of former IT services executives, former actuaries and insurance brokers, and former HR consultancy leaders who discovered the business promise of HRM BPO and have become household names within the industry without ever having mastered either the sub-

ject matter of HRM or the very real business and delivery system issues associated with it.

Ask to see the long-form bios of the executives who are leading the firms with which you're going to place millions of dollars, and insist that your sourcing advisors provide deep background on these executives. Your success is going to depend on their specific capabilities even more than if you were hiring them to lead an internal HRM transformation and shared-services initiative. Perform thorough vetting of their capabilities.

■ **What's the presumed capability of the provider's HRMDS staff?** Although the capabilities of the leadership are important, so are the capabilities of the folks whose day-to-day activities and decisions directly affect your service levels and business outcomes. What are the credentials/certifications/education/experience of the leaders of each relevant HRMDS component? What are they for the average staff member in each relevant HRMDS component? How well does this provider perform the HRM business for its own staff? Is it a well-respected place to work? Are they able to routinely attract and then retain—without exorbitant costs—the best and brightest in each needed competency group? Is staff morale high and staff productivity admired rather than disparaged as the result of sweatshop conditions? Is cohesiveness a source of not only productivity but also quality outcomes? Where heavy use is being made of offshore staff—and that can be a big plus when it's done well—do the U.S.-based team members welcome or resent their offshore colleagues?

In its heyday, PeopleSoft was one of the most admired software vendors in terms of corporate culture, and position seekers were lined up like rush-hour flights at Atlanta's airport. Hewitt and Convergys have both won admired company and/or best-place-to-work awards. Does your HRM BPO provider have a similar reputation? Is it routinely cited for innovation and effectiveness in its HRM policies and practices? Are its offshore groups well-connected with the U.S.-based staff? Do on- and offshore teams work together well? Would you want to work there, which may occur if your firm moves to comprehensive HRM BPO?

Having considered the organizational "power" as well as the capabilities of an HRM BPO provider's leadership team and broader workforce, we'll next look into its other assets. **HRD**