

Best Practices Part II

THE HEAVY LIFTING ISN'T OVER YET. THE PROCESSES YOUR ORGANIZATION MUST PERFECT FOR A GOLD-MEDAL HRM DELIVERY SYSTEM. BY NAOMI BLOOM

Last month, I tackled the mistaken notion that HRM outsourcing software and providers deliver not only best practices in the HRM delivery system (HRMDS), but also best practices in HR management itself. We explored the first of three types of best practices—business rules—and why no software or outsourcing platform can deliver best practices in business rules until they are well defined. This month we'll explore the other two types of best practices—"big P" and "little p" processes—in search of what vendors do and don't provide.

"BIG P" PROCESSES

"Big P" processes are an organization's fundamental HRM business designs. How competency centric are your HRM processes? How do they address compensation, leadership development, and motivation? How do they balance business objectives? These are just some of the questions that shape an organization's approach to its HRM processes (and where true competitive advantage can be found when such processes are effective.) But no software or outsourcing provider can answer these questions for you. At best, they can give you a delivery system that is robust enough to support the "big P" processes you design. "Big P" processes transcend the automated components of the HRMDS to include the strategies, policies, organization, and business outcomes that are essential to the HRM business and, therefore, shape all HRM processes ("big P" and "little p") and business rules.

While HRM software, whether licensed or provided via outsourcing, does speak of "processes" such as career management or staffing, they do so from a marketing and data structure perspective ("little p" or work flow) rather than from a "big P" process design perspective. In fact, they offer very little guidance (although implementation consultants may) and few constraints on how an organization assigns ownership, measures business outcomes, and assigns roles to HRM processes, let alone the intent of the business practices around which these processes are designed. The software and the surrounding delivery system is an important enabler, but the design of the "big P"

processes and their execution remains the responsibility of the client's HR organization.

"LITTLE P" PROCESSES

"Little p" processes are the actual work flows (manual and automated) triggered by specific HRM personal life events (employee has a baby), work life events (manager conducts performance review), organizational life events (manager establishes new work team), and external events (IRS issues new tax tables.) These are the events for which HRM software and service providers supply the data structures needed to capture, validate, respond to, and store the data. This role is important, because today's HRMDS presume a high degree of self service, thus forcing the redesign of nearly every business event-initiated "little p" process. Here outsourcing providers and good HRM software can do a great deal to help. The best provide both single-event processing and multi-step work flows. Seeing how outsourcing providers' HRMDS execute a prescribed scenario is a key part in evaluating their services. Increasingly, outsourcing providers' "little p" processes (service delivery model) will not be subject to change as the provider works hard to reduce the complexity and cost of their HRMDS.

Are there best practices in HRM and in the HRMDS? Absolutely! It's reasonable to expect that a reputable company will offer best practices in whatever elements of your HRMDS they are providing. By offering HRMDS best practices, such as well defined "little p" processes, along with excellent migration tools that enable their offering to support your business rules and "big P" processes, an HRM provider can greatly improve your HRMDS. But without the right process this could spell disaster—if you don't know what competencies matter in job candidates, a best-practice HRMDS could enable the rapid hiring of the wrong staff; if you don't have a motivational compensation package for your sales force, then an HRMDS with self-service access to sales commissions could reinforce staff displeasure. To achieve best practices in HRM, your HR community must do the heavy lifting of "big P" process and business rule design and implementation—as other heavy lifters often say, "No pain, no gain." **HRD**



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