

The Strategic HR Road Block

Welcome to the two great neighboring cities of Human Resourceville and Upper Management.

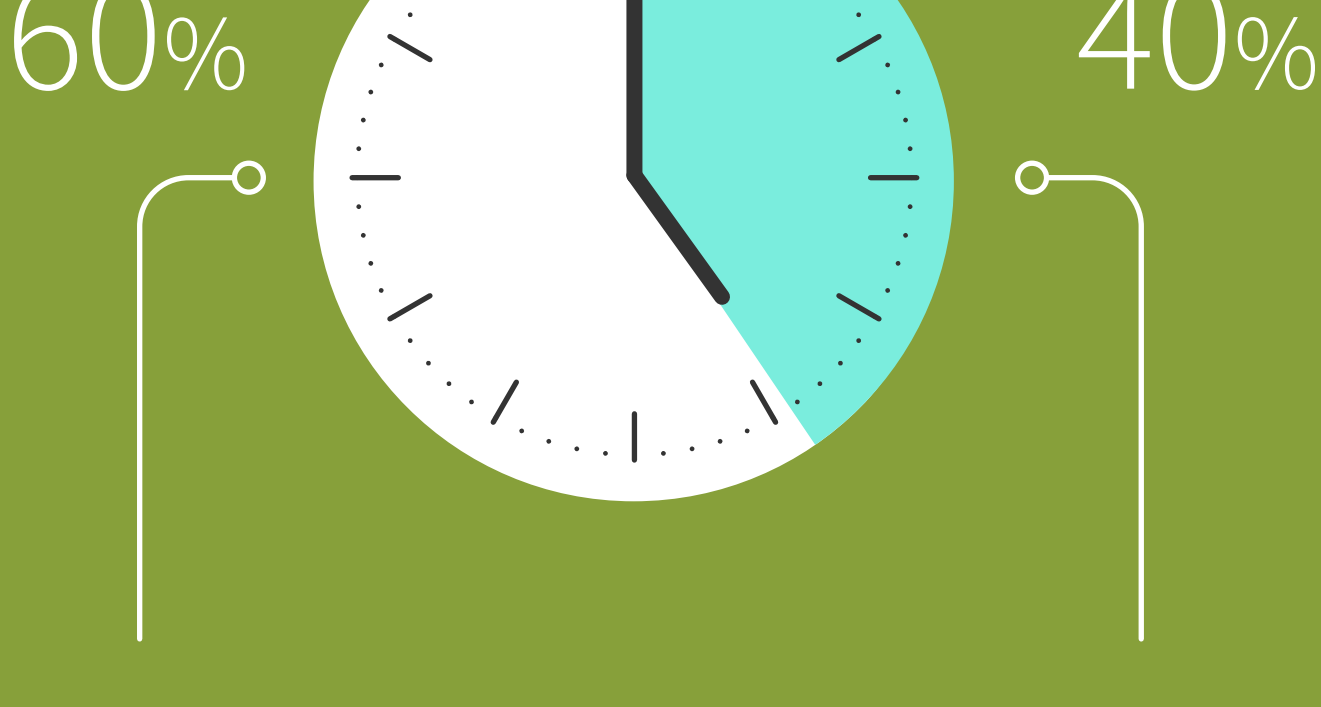
Strategic HR means managing HR in a way that supports the company's long-term business goals and outcomes. And while HR professionals recognize the importance of strategic HR, there is currently a gap—or road block—between its perceived value and how prevalent it is today.

Human Resourceville

Upper Management

More than two out of three HR professionals revise their HR strategy reactively instead of proactively.

How do HR professionals spend their time?



This indicates a lack of strategic HR efforts.

The gap between HR and non-HR management can be partially explained by their very different ideas on how HR contributes strategically. For example, consider which HR activities HR and non-HR management rank as the most important contributions to the organization's strategic business initiatives and how little they match each other.

Is Strategic HR valuable?

85 percent of HR professionals say yes
67 percent of non-HR management say yes

27%

Only 27 percent of HR professionals (even after controlling for size) work with the corporate board on business strategy.

Is HR implementing best practices?

70 percent of HR professionals say yes
50 percent of non-HR management say yes

HR professionals and non-HR management are clearly not on the same page, making the strategic HR gap even wider. HR isn't being as strategic as it could be and management isn't as supportive as it could be.

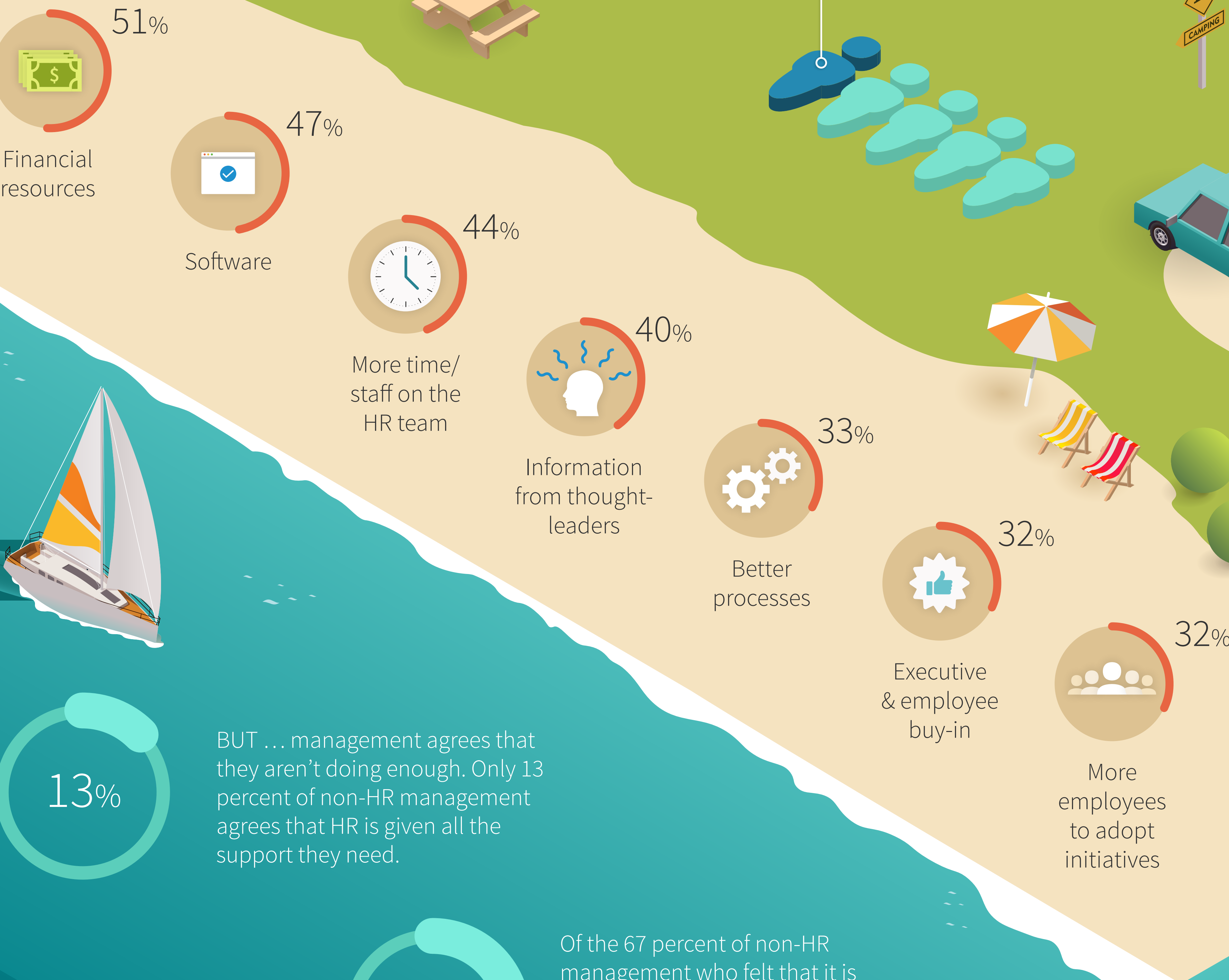
Prioritization of strategic activities

	HR Professional	Non-HR Management
Help plan the implementation of strategic business decisions	1 st	4 th
Identify strategic business options (e.g. cost and types of benefits, benchmarking of culture market, etc.)	2 nd	5 th
Assess the organization's readiness to implement strategic options	3 rd	3 rd
Design strategic options (e.g. benefits package plan)	4 th	1 st
Obtain buy-in for the strategic business options	5 th	2 nd

Not getting on the same page likely affects how willing management is to give the support and resources HR needs.

HR professionals feel they need more:

Only 1 in 5 HR professionals say the executives in their organizations provide them with the complete support they need to effectively practice strategic HR.



BUT ...management agrees that they aren't doing enough. Only 13 percent of non-HR management agrees that HR is given all the support they need.

46%

Of the 67 percent of non-HR management who felt that it is important to practice strategic HR, only 46 percent say their HR team is involved in the strategic business planning of the company.

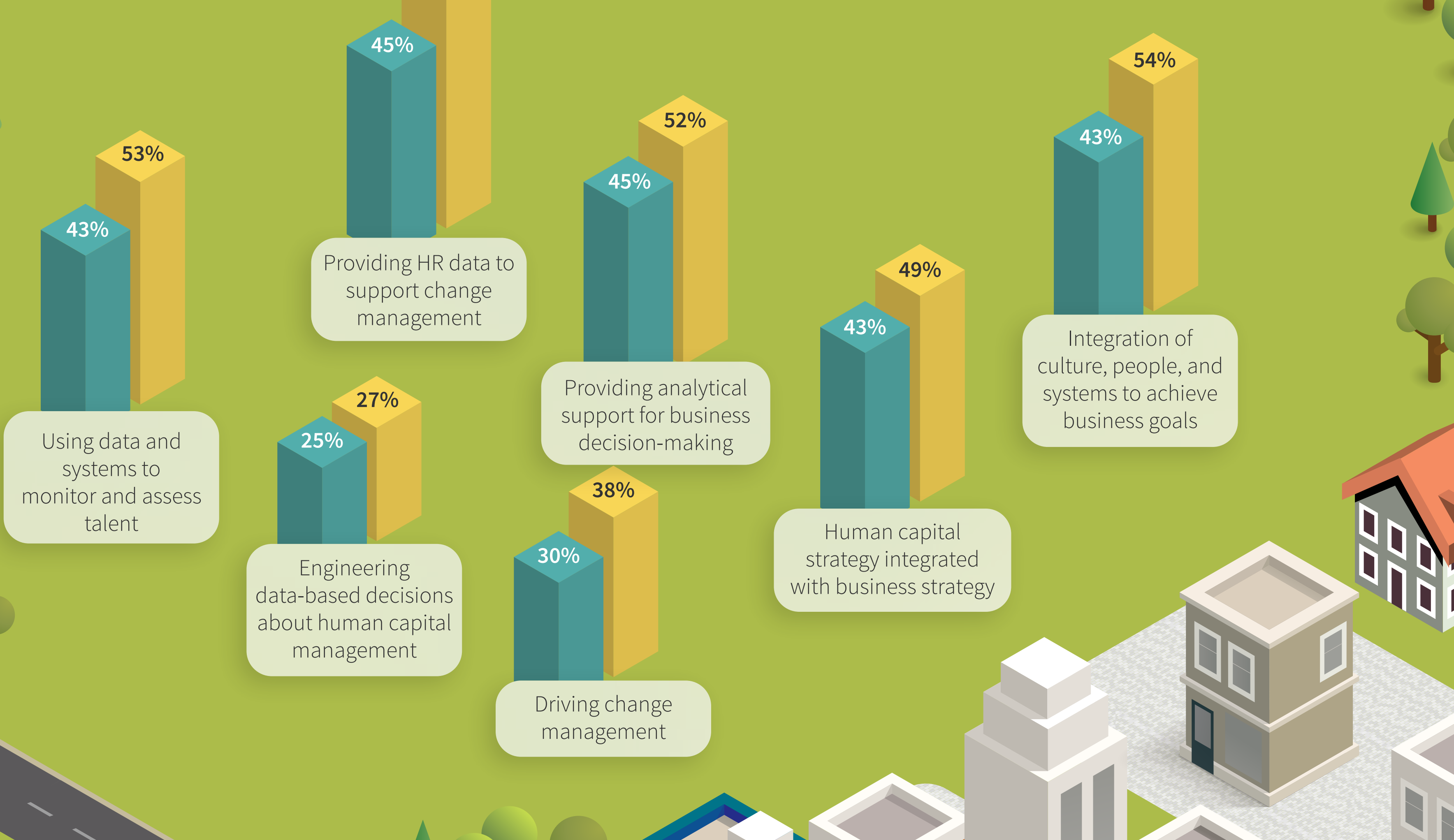
Small businesses fall far behind medium or large businesses in adopting strategic HR practices.

Surprisingly, 25 percent of those who say it is important to practice strategic HR say that they are not implementing best practices in their organizations.

25%

Small Businesses

Medium and Large Businesses



There is clearly a road block in strategic HR—especially among small businesses—and no easy way of fixing it. But it can be done, and the future looks bright!

HR can begin by maximizing the value of their available resources and getting on the same page with non-HR management. This will not only free up more time to focus on strategy, but will also justify an increase in the amount of resources given to HR. Before you know it, the road block will be fixed, paving the way for company success.

RESOURCES

TIME

SAME PAGE