The “Problem” With Human Resources

Is Human Resources REALLY Necessary?

“The next ten years will be the HR decade.”

~~Dr. David Ulrich, “Human Resource Champions”

“I am describing your human resources department, and have a modest proposal: Why not blow it up?”

~~Thomas A. Stewart, “Fortune” Magazine

In 2002, Fortune Magazine named The Container Store the best company in America to work for. IT HAS NO HUMAN RESOURCE DEPARTMENT.

Outsourcing the HR function has become a MULTI-BILLION dollar industry. Such organizations as The Container Store, Best Buy and the State of Florida have all OUTSOURCED their Human Resource Departments.

ARE HUMAN RESOURCE PROFESSIONALS SEEN AS STRATEGIC PARTNERS?

In an attempt to gain a better understanding of what upper management thinks of human resources, Edward F. Lawler III and Susan Albers Mohrman conducted a survey of CEOs and other executives and discovered the following opinions:

1. Most executives view human resources as being useful for traditional HR activities --- such as hiring, benefits, handbook design, etc.

2. CEO’s do not believe HR people have the proper skill sets to move into the executive ranks. (i.e., Business Saavy, Communication Skills, Financial Knowledge, Industry Knowledge, etc.)

3. Consequently, 30% of the HR executives in the study came from the traditional business side of the organization…NOT from human resources.

In other words, HUMAN RESOURCES IS FAR TOO IMPORTANT TO LEAVE IN THE HANDS OF HUMAN RESOURCE PEOPLE.
WHAT DO CEOs WANT FROM HUMAN RESOURCES?

The Society for Human Resource Management (“SHRM”) conducted a survey in which it asked various CEOs across the country to examine the following list of five basic competencies that are necessary to be a “Human Resource Professional.”

What Is Most Important?

- Business Knowledge
- Human Resource Technical Skill/Knowledge
- Strategic Contribution
- Personal Credibility
- Human Resource Delivery

These CEOs were then asked to assign percentages to each competency to reflect how much the CEO valued each of these various abilities in a human resource person. For instance, if a CEO thought each of these competencies were equal in value, each of these five competencies would receive a score of 20%. If the CEO thought that “Personal Credibility” was more important than the other, he/she might assign a score of 51% to this competency, and so on. In the end, the tally of all of these competencies combined would equal 100%.

These CEOs responded as valuing these five competencies as having the following value to their organizations:

- Strategic Contribution 43%
- Personal Credibility 23%
- Human Resource Delivery 18%
- Business Knowledge 10%-15%
- Human Resource Technical Skill/Knowledge 5%-10%

Human resource people should examine this list and focus on what their clients (the CEO and managers) want. Unfortunately…this has not been the case…which is what led to “Fast Company” magazine’s opinion of human resources.
CONVERSATIONS WITH PRESIDENTS/CEOS:

“Human Resources (‘HR’) is nothing but a ROAD BLOCK”

If I have seen it once, I have seen it a dozen times. There is a downturn in business and the layoffs begin. Everyone is so sorry about having to terminate their good employees, but it just cannot be avoided. Unfortunately, one of the casualties OFTEN includes the human resource director.

When I went in to talk with these outgoing human resource directors, I heard a very common yet disturbing tale from every one of them:

“I cannot believe they did not appreciate all I did for them,” the HR person would lament. “I wrote their handbook, I formalized their hiring process, I gave them all kinds of protections, I put them into HIPAA compliance and probably saved them from being sued at least half a dozen times when these managers just wanted to fire some employee on the spot. I don’t know who they think is going to complete the benefit enrollments next month.”

However, a little while later, I would typically be sitting in the president’s office listening to the other side of the story. It would usually go something like this:

“I hated to do it, but I asked him (the former human resource director) to help my managers manage, to do things for the employees to help keep morale high and, most importantly, to deal with some of these ‘trouble’ makers we have around here…and all I ever got was paper! Paper this and paper that! I got a handbook that is so thick I’d get a hernia carrying it around. This was not what I wanted…but this was what I got! I hated to do it, but I had to get rid of him. Heck, I could get a consultant to do all that paperwork crap. Then, to make matters worse, anytime we want to do ANYTHING…he was a road block. I wish I had a dime for every time I heard, ‘Oh, you can’t do that…you can’t do that…Oh! You really can’t do that.’ We were all sick of it! Things are so much better now that he is gone.”

The “disconnect” between what the human resource director thought was important and what executive management valued was about 180 degrees apart. Unfortunately, this story has become all too common in recent years.
If the human resource community cannot recognize the problems in this scenario and correct them, we very well might be witnessing the extinction of the human resource field as a profession. Continuing to follow such a course will surely result in human resources reverting back to a purely administrative function…if not becoming an outsourced function entirely. As global markets open up and more foreign competition enters the field, human resources had better be viewed as an actual asset giving their companies a competitive edge…or that will be the end of it all.

Why would any organization pay for what it does not feel it really needs … not mention paying for a human obstacle?

**KISSES OF DEATH**

**WHAT IS THE PROBLEM WITH HUMAN RESOURCES?**

Clearly, human resources is viewed by most organizations as being a “Road Block” and a hindrance rather than being an asset to their business. The HR community has to ask itself a serious question at this point:

“How this problem can be corrected?”

Well, the first step is to diagnose the problem…SPECIFICALLY! Far too many “experts” tell human resource professionals that they are not being “strategic” in their jobs…but they never tell HR in a clear, concise manner exactly what they are doing wrong. We continually talk about becoming more and more strategic while using such terminology as “synergizing talent,” “leveraging our resources” and about a dozen other nice catchy phrases that make HR “sound” as though it knows what it is doing. Just as Mr. Hammonds from “Fast Company” magazine concluded, HR has not been given a clear definition of what being a “Strategic Partner” means.

Quite frankly, using more syllables does not fool anyone into thinking you know what you’re talking about. All that does is make you sound like you are living in an “ivory tower” and do not really connect with those who live in the real world. In other words, you sound like a pompous ass.

Still, we perpetuate a bunch of rhetoric rather than proving that we are contributing to the organization by delivering results. In short, no one believes what you say. They believe what you show them. **Results are all that matter.**

Unfortunately, most HR Associations and “experts,” those people who are supposed to be developing and educating our human resource professionals, actually encourage us to continue making the same mistakes we have been making for years. In the end, the human resource person gets fired, or, more than likely, “laid off” when there is a downturn in the business.
So…what are these critical errors made by most human resource people? They are the four “Kisses of Death.” In short, human resource professionals typically make four basic mistakes when they establish themselves as the:

- MORAL COMPASS OF THE ORGANIZATION,
- VOICE OF THE EMPLOYEES,
- ENFORCERS and
- PAPER LIONS.

We will dispel these common myths for you now…so they should never be a problem again…RIGHT?

**KISS OF DEATH #1:**

“Human Resources Is The Moral Compass Of The Organization”

Too many times, human resources is put into the role, or it assumes the role, of the “Moral Compass” of the organization. Why does human resources have to be the Moral Compass? Is everyone else’s broken?

Placing any single person or department into such a role is the kiss of death for the poor “schmo” who has to play “Mother Theresa” for everyone. Who wants that? Such an attitude tends to relieve others of the responsibility of acting in an ethical manner. Delegating this responsibility to just one department can be viewed as tacitly giving everyone else in the organization “permission” to feel they are not accountable for the unethical conduct that might occur within the organization. Why? “Because that’s HR’s job.”

Consequently, employees are no longer on guard for such issues when they arise, but even worse, many actually feel justified when they violate these standards. Assigning the role of “Moral Compass” to human resources creates an “us and them” type of mentality. Therefore, if I violate the organization’s “Code of Conduct and Ethics” policy, I really didn’t do anything wrong unless the HR person catches me. That is one reason why we had such scandals as Enron, WorldCom, Adelphia, etc. in the first place:

**Acting in an ethical manner was not everyone’s job.**
If it is not ingrained in the company’s culture to conduct itself in an ethical manner, then giving this role to one department, such as human resources, will not prevent such behavior from occurring. It will only drive it “underground” and put HR in the role of being the “bad guy.” Other departments will then start to avoid human resources. Believe me, when people “hush up” or “duck and hide” when they see you coming, your chances of becoming a “Strategic Partner” are zero!

Human resources must never be placed into such a puritanical role.

Instead, it should be everyone’s responsibility throughout the entire organization to be watchful and aware of ethical issues. Granted, it will probably fall on human resources’ shoulders to draft the “Standards of Conduct and Ethics Policy,” but adopting and supporting such a culture should be everyone’s job, not just human resources.

Along this same line of reasoning, it is absolutely vital that the human resource person choose an employer whose ethics and morals correlate. If not, one day you might be asked to do something that is not illegal, but it violates your own personal moral code. It goes against your own personal ethics. So … do you do what your employer is asking you to do?

In short, if the company asks you to do something that is legal, yet it goes against your own personal morals, then you either have to do it … or resign. It is not the HR person’s job to “pass judgment” on its employer. Your employer pays you to help it accomplish its goals. If you are not going to do that, then you cannot accept a paycheck from them.

For instance, a friend of mine, Marvin, was hired to run a local nursing home. Marvin was not employed by the nursing home, however. Instead, he was employed by a nursing home management company that placed Marvin at this facility to oversee its operations.

After a few months of familiarizing himself with the facility’s operations, Marvin discovered that the facility was overpaying its food supply company, possibly by as much as $30,000 each year. Acting in what he thought was the best interest of the nursing home, Marvin decided that he would place this food supply contract out for bid and try to secure a better deal for the nursing home.

However, as he mentioned his plan to the dietary manager, Marvin was told that the company that sold this food to the nursing home was owned by the same company that employed him … the nursing home management company. The dietary manager warned Marvin that putting this contract out for bid might not make his supervisors too happy.

The dietary manager explained to Marvin that everyone knew the relationship that existed between the nursing home management company and the food supplier. Like wise, everyone knew about the cost of the food and that the nursing home could probably get it cheaper elsewhere. However, no one seemed to mind.
Still, Marvin minded. In spite of this warning from the dietary manager, he put the food contract out for bid. After a few weeks of collecting bids for supplying the food supplies to the nursing home, just as Marvin suspected, he received a bid from another food supply company that was much lower. Marvin awarded the food contract to another company.

Marvin was fired by his employer that next week. Of course, Marvin then called me.

“But they can’t do that! It is illegal. It is a self-dealing issue. They are overcharging the nursing home by $30,000! That is illegal,” Marvin complained.

I told Marvin there was nothing illegal about anything I was hearing. The nursing home was well aware of the relationship that existed between the management company and the food supplier, so there was no illegal self-dealing issue.

Further, the nursing home was well aware of the fact that they were being overcharged for their food … and they did not seem to mind. Maybe there was a special deal that existed between the management company and the nursing home that took the cost of the food into account. Marvin would never know because he did not ask.

What Marvin should have done was go to his employer, explained what he had discovered, and then asked why it was this was happening. Even if Marvin disagreed with the final decision, as long as the employer’s actions were not illegal, which in this case, they were not, he was bound to honor the duty of loyalty he owed to his employer. If he disagreed with the employer’s decision, he should quit and go to work for someone whose values matched his. In short, it is unethical to accept a paycheck from an organization and refuse to perform the services they want you to perform … as long as they are legal. That is why it is so important to choose a company whose values match your own.

Still, human resource people pass judgment on their employers all the time and refuse to do what is asked of them, even though the request is legal. If the HR person is asked to do something that violates the human resource person’s morals, then it is time to look for another job.

In other words, if Donald Trump asked his human resource person to do something that violated this person’s morals, yet the request was not illegal, and the person refused …

“What Would Donald Do?” (“WWDD”)

WWDD? YOU’RE FIRED!

That is what happened to Marvin.
KISS OF DEATH #2:
“Human Resources Is The Voice For The Employee”

This is really dumb.

Human resources is paid by the organization to help run the organization. Whatever is best for the organization should also be good for the employees. To manage people properly is profitable, since the cost of labor is the biggest part of most any organization’s budget. As you will see later in this book, the key for human resources to becoming a “Strategic Partner” lies in developing and mentoring managers so they will be better prepared to supervise their people.

However, being cast into the role of “Employee Spokesperson” is suicide for human resources. Why do sides have to be drawn? That is a pure authoritarian view of management and places human resources in a “no-win” situation.

When human resources places itself between managers and their employees, HR is viewed as an “interloper.” This approach then “pits” the managers against human resources. Human resources is then seen as being “on their side,” (the employees) which is exactly the type of division American business does not need. (So much for “teamwork.”)

Instead, HR’s proper place is standing behind the managers whispering in their ears. HR should be advising managers on how to handle difficult situations with “problem” employees, as well as how to develop their good employees in order to increase productivity. HR should be training and advising managers so they can improve their supervisory and managerial skills.

The bottom-line is that HR earns its way “to the table” by giving managers what they need most:

The ability and confidence to manage their people …
the organization’s single most expensive resource.

If you think about it, everything human resources does can be outsourced … except one thing. Payroll can be outsourced. Benefits administration can be outsourced. Recruiting can be outsourced. Training can be outsourced. However, that daily coaching human resources is supposed to be doing with its managers … building relationships and trust CANNOT be outsourced. Most organizations could never afford to pay a consultant to spend all of the time it takes to build these relationships and conduct this on-going coaching on a daily basis. This is where human resources really earns its keep.
Being viewed as the “Spokesperson for Employees” also tends to reinforce the mistaken belief that dealing with “employee issues” is “HR’s job.” That cannot happen. It is impossible for HR to assume the role of “disciplinarian” for every employee in the company. From a pure numbers perspective, HR personnel will simply become overwhelmed and will one day die at their desk.

“The difficult part of human resources is that it must be done through others.”

**KISS OF DEATH #3:**

“Human Resources Is The ‘Enforcer’ Of The Law”

This may be the worst myth yet.

Human resources is not Dirty Harry the “Enforcer.” Human resources is part of management … but it is not line management. It is staff. Therefore, human resources has no real authority to “order” anyone to do anything. Even if it did have that authority, the art of management is to get people to willingly do what you want them to do. “Barking out orders” at others only alienates them.

Too many times, human resources mounts a white horse and uses the law like a threat or a “weapon” against the managers in order to keep the organization from “getting into trouble.” In human resource’s mind, they are saving the managers from themselves…and they are making themselves indispensable to the company by enforcing “so-called” legal restrictions. (In reality, such restrictions are mostly imaginary…which will be addressed later in this book.)

However, managers do not see it that way. They are not at all grateful to human resources for saving them from themselves. Instead, managers start to say to each other…

“Human Resources Always Tells Me ‘No’!”

Human Resource professionals must not assume the role of “Enforcer.” Human resources should never tell managers they “can’t do something.” Actually, telling someone they can’t do something is pretty stupid. Of course they can. People can do whatever they want…and they do it all the time. Just watch the evening news.

The key question to ask is “should” they do it? People can do whatever they want…but most people certainly are not going to like the consequences if they get caught.
Human resources should instead assume the role of an “Internal Consultant.” Managers are clients…not royal subjects.

It is human resources’ job to “get it done” … and as long as it is not illegal and not against the company’s culture, it is human resources’ job to assist managers in doing whatever they need to do in order for the organization to meet its goals. Human resources should never respond to managers by saying:

“No! You can’t do that!”

Could you imagine working for Donald Trump and telling him that he cannot do something? Clearly, the next words you would hear would be, “You’re fired.”

Instead, the answer from human resources should be:

“Tell me what you want to do…and I will tell you how to do it!”

Understanding the law and human resource principles allows the HR person to show managers how to get where they want to go without breaking the law. Successful consultants never tell their clients they cannot do something. It is their job to find solutions … legal solutions. (Remember: Enron was a “bad thing.”)

Instead, if a manager wants to do something illegal, or contrary to the culture of the organization, the HR person should use his/her “powers of persuasion.” Explaining to a manager the possible outcomes of engaging in illegal behavior, such as firing a pregnant woman because “she’s too fat to work here anymore” can be very convincing. What could be the legal ramifications? Public relations? Client relations? Employee relations? (See “Brainwashed” chapter for a review of proper risk assessment when dealing with these types of situations.)

Human resources’ role is to “persuade” managers into making the best decisions they can make. HR should help these managers assess the various risks they are assuming and the various outcomes that could result from their actions … both the pros and cons of each choice. Rather than acting like a human “road block” and ticking off the managers, the human resource person should remind managers that even though the decision is theirs to make, human resources is there to advise them. HR’s job is to help the managers reach their goals. However, managers must also understand that they will be held accountable for their actions if they make the “wrong” decision or an “illegal” one. Human resources should offer its opinion as to what it would do, but the final call rests with the manager/client.
The bottom-line is clear:

**IF THE MANAGER WANTS TO BREAK THE LAW OR ACT CONTRARY TO THE COMPANY’S CULTURE, IT IS THE MANAGER WHO WILL ASSUME THAT LIABILITY. IT WILL BE THE MANAGER’S CAREER ON THE LINE!**

In reality, too many times managers want to break the law or violate the company’s culture, but they want HR to assume this responsibility. However, managers must be held accountable for their decisions, and they usually back down when they understand the liability lies with them…not with HR. When human resources explains all of the various risks the manager will be assuming in making his decision, these managers often become much more reasonable.

For instance, if a manager wants to fire a pregnant employee because she hid her pregnancy from the company in the interview process, the HR person should not say, “NO! You can’t do that!” Instead, the human resource person should explain to the manager all of the risks involved with his very poor decision, which would include:

- Does this decision increase the chance of **workplace violence**?
- Does this harm the **morale** and thus the **productivity** of the employees?
- Would this decision make for bad **public relations** if it made the newspaper?
- What are the **legal risks**?

It is easy to make a bad decision when someone else, such as human resources, is going to take the fall. If the manager is still convinced he/she is right after HR has “assessed” and explained the various risks with the manager, then the manager is making an informed decision and will suffer the appropriate consequences if he/she is wrong.

Of course, it is entirely possible that the manager might actually be right in his/her assessment of the risks and it is the **human resource person** who is wrong. HR people should bear that fact in mind. In other words, HR people should always ask themselves:

Are you **THAT** sure you are right?

Of course, if the manager’s decision is potentially harmful to the organization, such as in this example of firing a pregnant worker solely because she hid her pregnancy from her employer, can human resources be the Enforcer then?

**NO…NO…NO…NO…NO…∞**

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Bifocals for Human Resources

THE “PROBLEM” WITH HUMAN RESOURCES

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Instead, HR should involve someone in a position of higher authority. Human Resources should **never** let the organization become endangered in such a way. Managers should not be permitted to act “in a vacuum” and endanger the organization.

No one likes a “bully,” and that is how human resources will be viewed if it tries to “strong arm” their managers. Again, human resources is a staff function … an advisory function … a consultant. Human resources often does not have the power to tell anyone they “cannot” do something.

Using this methodology, human resources is not telling the manager “no.” Instead, in most instances, the manager will not want to assume such extensive liability, so the manager reaches this conclusion on his own. HR is therefore not the “road block.” Instead, the HR person is becoming a partner with the manager as they try to assess risks and choose a solution.

When managers see human resources as an unnecessary road block, managers start to circumvent HR. They no longer go to HR with issues. Instead, they start to “hide” issues from the “Human Resource Enforcer God.”

These managers then start to “bad mouth” human resources to executive management. Soon, everyone starts seeing human resources as a “hindrance to business” and a “human obstacle” that keeps business from reaching their goals.

Eventually, the human resource people start to have extra time on their hands…which leads to having a **lot** of extra time on their hands when the HR person gets outsourced, downsized, right-sized or whatever terminology you would like to use. (You are **supposed** to feel better about losing your job when these terms are used … rather than telling you that you are fired … but the pay is the same.)

So…where does this “Enforcer” mentality come from? The answer is simple:

**Employment Attorneys**

Typical “employment attorneys,” and attorneys in general for that matter, are famous for telling their clients: **“Oh, no! You can’t do that.”**

Why? Because lawyers cannot get sued for malpractice if they tell you **NOT** to do something. When I was with my previous law firm, which I joined right after law school, I was required to go to training sessions conducted by our malpractice insurance carrier. In this session, we were told time and time again by the insurance company trainer:

**“When in doubt, tell your client, ‘No, you can’t do that.”**
Now you know “the rest of the story,” so to speak. The true concern for far too many attorneys in many instances is for their own butts…not for their clients.

Of course, not all attorneys tell their clients, “Oh, no, you can’t do that” because they are afraid of malpractice claims. A significant number of attorneys tell their clients that can’t do something because they honestly believe that is the case. Very few lawyers have any real background in business. In law school, they study the law…and that is it. They do not study business or employee relations, so they are woefully unprepared to advise their clients on these matters when they graduate.

Then, upon graduation from law school, most young lawyers go to work in various law firms across the country…which further deprives them of real world business and human resource experience. Still, everyday, thousands of times a day, HR people turn to their attorneys for business and employee relations advice.

This tremendous void in the young attorney’s business and employee relations knowledge is currently being addressed by many law schools. If you look at the types of degrees that are being offered by many law schools these days, you will see that combination Law/MBA degrees are available to these young students for one additional year of study. Why? Because the legal profession has known for years that a legal education provides just that…a legal education. As a result, today’s lawyers cannot adequately advise their business clients on such vital matters relating to their employees, which comprises the biggest part of most companies’ budgets, based upon what they pull out of their ear or what they see on “Dateline.” Clients expect more when they spend $500 per hour in legal fees.

In the end, most lawyers are “programmed” to protect their clients from the immediate threat of a lawsuit. Very few lawyers engage in a thorough “risk assessment” by balancing of risks between such critical factors as lowering morale/productivity, public relations and safety issues along with the risk of a becoming engaged in a lawsuit. Far too many attorneys advise their clients with the sole purpose in mind of avoiding an immediate lawsuit…most often at the expense of all other risks. (Again, “The Lost Art of Risk Assessment” is discussed in more detail in the “Brainwashed” chapter.)

Sadly, too many human resource professionals actually think their lawyer knows something about employee relations. The truth of the matter is simple: They usually don’t. Unless a person has actually run a human resource department, they could not possibly know the “ins and outs” of balancing employee relations with the law. Most lawyers have never had this experience … yet far too many human resource people continue to blindly follow their lawyer’s advice on how to run their businesses and manage their employees. Sad to say, far too many human resource professionals “sell out” their own profession by deferring their judgment to their lawyers.
This is treason to the human resource profession.

This treason is then perpetuated by many “Human Resource Professional Associations” across the country...including many to which I belong. These organizations sponsor “Employment Law Updates” for their members to come and learn about the law. That is a good idea. A human resource professional cannot function without knowledge of employment and labor law.

However...

What is a terrible idea is that these human resource associations bring in lawyers to speak that have no background in Human Resource Management or Employee Relations at all. Again, lawyers are taught to enforce the law and say, “No, you can’t do that!” So...that is what these employment attorneys teach the HR professionals who attend these sessions. As a result, the membership is trained by its own HR association to go back to work and tell their managers:

“No! You can’t do that!”

These human resource people then think they have done a good job that day by “saving the organization from itself” because that is what they were taught to do by their own human resource association! These human resource people take this new-found knowledge and turn it into their new found “power.” They enthusiastically return to the ranch and start setting themselves up as Enforcers by “telling” their managers what they can and cannot do. In the human resource person’s mind, he/she is a hero.

Later, the managers start avoiding the human resource person, so the HR person gets upset and starts to interject him/herself into the manager’s affairs. Eventually, in a worst-case scenario, there is a “downturn” in business and unfortunately, the company decides to outsource or eliminate its HR function. The HR person is crushed because he/she “has done such a good job in keeping the company safe from itself and its ignorant managers.”

Behind closed doors, the managers have a party. They can now get to work without having “Perry Mason” getting in their way. Even in a best-case scenario, the human resource person is ostracized and is never “invited to the table” as a real “Strategic Partner.” In short, the human resource person’s career hits a dead end.

Every time a local HR association has a legal update were I have clients who attend, I get to spend several hours on them phone with them straightening them back out again. I will inevitably hear from them, “But this lawyer said we couldn’t do that!” I will then take the next half-hour explaining everything I have just described in this book. Of course, if they did not call me to address this advice they had just received, then they would have most likely followed the advice given by the “Employment Law Update” attorney and transformed themselves into an “Enforcer” to one degree or another.
Human resource people need to understand that the practice of law is very different from running a human resource department. Lawyers are expected to identify legal hazards for their clients. Human resources, on the other hand, is not only expected to identify these “road blocks,” but HR is also expected to find solutions and help managers reach their goals.

Managers need answers, which means human resources HAS TO FIND SOLUTIONS FOR THEIR CLIENTS, who happen to be the managers of the organization.

FAILURE IS NOT AN OPTION.

Compare employee relations to benefit administration. Both employee relations and benefit administration are vital roles filled by human resources. However, the mindset is very different between the two. Even if the same person is serving as both the benefits administrator and the employee relations representative, the type of service they provide to their clientele is usually very different.

When an employee goes to a benefit administrator with a health care claim issue, for instance, the employee expects the benefit administrator to say, “Sure, we can get that taken care of for you.”

What is the difference?

Benefits administration and benefit design originated from the insurance industry ... and what is the perspective of the insurance industry? It is SERVICE ORIENTED. That is why employees expect to hear from a benefit administrator:

“Sure, we can get that done for you!”

However … again …

Employee relations originated from the legal profession … and lawyers are programmed to say, “Oh, no! You can’t do that.”

(Remember the general rule for most attorneys: “When in doubt…say, ‘No, you can’t do that!’”)

Human resource professionals have to bear in mind that every aspect of human resources has been borrowed from some other profession. HR is a bastard profession with many fathers. Human resources has taken employee motivation from the psychologists, training and development from education, benefits from the insurance industry, and, of course, employee relations from the law. True human resource management is less than a generation old. It is a compilation of many different occupations, so the cultures of those occupations have bled into the HR profession.
The problem for human resources today is that it has outgrown many of these other “cultures.” Business is more competitive now than ever before in history. Today, competition in business is clearly global…not just local, statewide or national. Organizations will not tolerate employees who do not have a positive impact on the organization … and that includes human resources.

If human resources continues to “sell out” their own expertise by blindly following their lawyer’s advice and continues to tell their managers “no,” it is the HR person who will get outsourced … not the lawyer.

**For The Love Of POLICY!**

**HR People Are Too “PROCESS-ORIENTED”**

Another type of Enforcer role that is seen in human resources is the love affair HR has with its policies. (This is also a type of “Paper Lion” issue, which will be addressed in the next section.) Far too many human resource people are simply in LOVE with their policies and rules…which drives CEOs nuts!

CEOs want results. It is that simple. A human resource person is supposed to help the company reach its goals. HR should support the organization; it should not make the organization become a slave to the policies it writes. This is why HR people are viewed as being far too “Process-Oriented.”

However, we love our policies and processes…and as a result we fail to find ways to meet the CEO’s needs. Instead, we rigidly follow the policy we wrote and implemented ourselves … and often refuse to take the necessary steps to solve problems unless we first have a “policy or process” in place! We are slaves to our policies and procedures…and we make everyone else slaves to them as well.

For instance, I spoke to one president of a company who wanted to grant Bereavement Leave to a long-term employee whose dog had recently died. The bereaved employee was a top-notch employee who had been with the company for over 20 years. Her dog was the only remaining companion she had at home, so the loss was devastating to her.

When the HR person refused to grant Bereavement Leave for a dead dog…and then laughed at the idea, the CEO became enraged. He fired the HR person on the spot. This CEO has never hired another human resource person. Still today, over ten years later, he still refers to human resource people as being, “Worse than worthless! At least if you’re worthless, you don’t get in the way!”

Such a story is typical. Far too many human resource people hide behind “policy” because they don’t have the guts to make a decision. As Henry David Thoreau put it:

> “Any Fool Can Make A Rule…And Any Fool Will Follow It!”

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Bifocals for Human Resources

THE “PROBLEM” WITH HUMAN RESOURCES

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The human resource person in this instance had several options available to her, which did not include laughing at the CEO … her client … if she had just thought for just a minute beyond the policy.

First, the HR person could have given a bonus to the person in her next performance review. Additional days off could have been awarded to the person as an added bonus for exceptional performance. Since the CEO thought so highly of this person, who was his personal assistant, surely a good review was coming her way. If her review was not due for a few months, I would have simply moved the review up sooner…or given her an additional mid-year review due to her “most recent” outstanding work.

The HR person could have also recommended giving the employee a bonus for some recently completed project that the CEO felt was exceptional. This bonus could have been time off.

The HR person could have also asked the CEO if he would be willing to give such a leave of absence to any one of his personal assistants if they were in a similar situation. If he said yes, then another option could have been to grant Bereavement Leave to this woman as an added benefit of being the CEO’s personal assistant. The human resource person would have been setting a precedent, but it would have been limited to the assistants of the CEO.

One common misconception of for human resource people is that they think if they make an exception for one person that they have to do it for everyone. That is not true … either from an employee relations perspective or from a legal one. Instead of being required to treat everyone in an organization the same, organizations are required to treat “similarly situated” individuals the same. In other words, the courts understand that organizations might very well need to treat a first line clerk different from the vice president of marketing. The positions are quite different, so different rules might apply.

Unfortunately, far too many HR people have interpreted this legal principle of treating “similarly situated” employees the same as being “treat EVERYONE the same.” That is a mistake.

Of course, in order to preserve our good employee relations, human resources should have a good reason for treating people differently. Employees should understand why certain exceptions apply so when they hear the reasoning behind the exception they say, “Oh, yeah. That makes sense.”

With this logic in mind, the HR person could also have limited this practice of granting Bereavement Leave to assistants to the CEO who have been with the company for at least 10 years…or she could have limited this benefit to anyone who had been with the company for
at least 10 years, had an overall score of “above average” on their last performance appraisal and could show ownership of the dog or cat for the last ten years.

In short, there were several options available to this HR person that should have been presented to the CEO, along with a risk assessment and the pros and cons of each potential solution. Unfortunately, she did not have enough “vision” to see past the end of her nose and did not present one single option for the CEO to consider. Granted, not all of these stated options would have been viable, but certainly one of them would have protected the company from any unreasonable future precedents while also satisfying the company CEO ... the HR person’s client.

Now, not only does this CEO hate the human resource professional with a passion, but he shares this story with his friends, who are also leaders in their companies, who then share even more horrifying stories about the terrible HR people they have encountered in their careers. These discussions turn into “HR Hate Fests.”

Since I work primarily with human resource people, I am constantly stressing how important it is not fall victim to one of these four HR “Kisses of Death.” However, it is becoming increasingly easier and easier for me to see what these presidents and CEOs are talking about and why they have become so frustrated. Far too many human resource people continue to do nothing but prove “Fast Company” magazine correct in its opinion of us.

For example, I recently got a call from a social service organization in Columbus, Ohio that wanted to present me with an award. They were giving me this award based on the time I spent volunteering and conducting various seminars for them free of charge. When this organization asked me where I would like to receive this award, I thought of my local HR association. Since human resource people had gotten such a bad rap in the last few years as being “Corporate Enforcers,” not being “strategic,” and for being “more concerned with policy than building relationships,” I thought this would be a perfect opportunity for everyone involved. I thought we could do a little “HR relationship building” with the central Ohio community.

I was wrong.

A few days later, I got a call back from this organization telling me that my local HR association refused to allow them to present this award to me at one of its luncheon meetings. My own HR association, the one that I had belonged to for over 20 years, the same organization where I had served as president and spent five years on the board of directors, told this social service agency that if it allowed me to receive this award at one of its luncheons, then it would have to allow every member of the organization who was receiving such an award to use its luncheons for that purpose.
I was flabbergasted. How could this type of situation become a “problem”? Actually, I would hope that this type of situation would become a problem for the HR community. Oh, my! What a tragedy it would be if the local business and public service community wanted to honor so many of our human resource people that we would have a hard time scheduling them all! What a disaster! How would the human resource profession survive if we were cursed with such positive recognition? Heresy!

When would we have time to complete our forms!
(Much sarcasm goes here…in case you didn’t pick up on that.)

Of course, just as with the HR person who laughed at her CEO, many options were available to this HR association’s board of directors. First, they could have limited the presentation of awards to only those based upon public service. Secondly, being a former president of this association, they could have limited the presenting of public service awards to former presidents … or only to former board members for that matter. They could have also limited the presentation of public service awards to members who had been in the association for 20 years or more.

In short, there were many options available to the HR association’s board. However, rather than build relationships with the outside community that would have a positive reflection on the HR profession, this HR association did nothing but insult this public service organization. This short-sighted HR association took a wonderful opportunity to build relationships and they “spit” on it.

But then … we are still being strategic … right? Building relationships doesn’t have anything to do with becoming a “Strategic Partner” … right? Was “Fast Company” magazine right? Do we REALLY love our rules and policies more than building relationships? This was a perfect example of “Process-Oriented” HR … what Mr. Hammonds was talking about at its worst … and it all happened in my own backyard.

What impression do you think this public service organization has of the human resource profession now? As for the impression left with the board members, do you think they are going to be supportive of this human resource association into the future? What will they say about us now? Will these board members be more or less likely to allow their own human resource people to join or even support this association?

Are we trying to kill off the human resource profession?
Human resources is traditionally viewed as being good at drafting handbooks (that tie the company’s hands, by the way), setting up benefit plans, helping employees with benefit claims, screening applicants, drafting employment applications, etc.

Are these “traditional skills” important?

Yes…but even though putting these items into place will indeed lay a “tactical” foundation for the organization, which is an important function, it is not strategic. It does not add value to the organization. Instead, it protects the organization.

For instance, I once had a conversation with an officer from a local human resource association over this issue. He was upset because I dared to criticize him for not being a strategic human resource person.

In defending himself, he told me, “But I am a strategic thinker. I am strategic in my own organization. For instance, I just put into place a new ‘Substance Abuse Testing Program.’ Now, whenever my company wants to test someone, we have retained the right to do just that. See, I am being strategic.”

It took me about 30 seconds to break out of the blank stare I was giving him. I could not believe what I was hearing. This person was leading one of the largest human resource associations in the country … and he was professing that implementing a new policy was being “strategic”? I could not believe what I was hearing.

The truth of the matter is that this HR person was confused. Apparently, he was not able to distinguish between being “tactical” and “strategic.” The bigger problem was that this HR person was misleading hundreds of human resource people in Ohio into thinking that drafting policies made them strategic partners … which would probably lead to their termination if they followed his advice.

Building A Tactical Foundation
For The Purpose Of Being STRATEGIC LATER…

Being “tactical” means that the HR person “lays the foundation” for human resources to become more strategic in the organization at some later time. Drafting a handbook or policy is not becoming a “Strategic Partner.” Instead, it allows HR the ability to become “strategic” later when the situation arises.
Drafting proper policies is being “Tactical” … NOT “Strategic.”

For instance, when this HR person I just described drafted his “Substance Abuse” policy, he was being tactical … not strategic. Being “strategic” would occur later when he has a manager who comes to him and says he wants to test a certain employee. With the tactical foundation in place (the policy), that HR person could look at the manager and say…

“Tell me what you want to do… and I will tell you how to do it…”

**THAT** is being strategic. Being strategic means you are helping managers, and thus the organization, to get where they want to go. You are helping them reach their goals, which means you are an asset … not an obstacle. When managers need help, human resource people should be ready to say …

“Tell me what you want to do… and I will tell you how to do it…”

Human resources should be putting tactical pieces in place that later allow them to get their managers where they want to go. Unfortunately, HR people often drop the ball not only in the strategic aspect of their jobs … but they fail to lay a good tactical foundation in their policies and documentation that later “unties their hands” and allows them to do what they want to do.

For example, far too many human resource people do not understand what an Employee Handbook is meant to do. Most HR people think the handbook is meant to explain to employees what their rights are when they work for their employer.

**NO…NO…NO…NO!**

A tactical handbook is **NOT** a reservation of rights for employees. A properly written tactical handbook puts employees on notice regarding what rights the **employer** is reserving for **itself**. A handbook is therefore a tool for management to use in running its operations as it sees fit that puts employees on notice as to what rights the employer is reserving for itself. Therefore, a properly written handbook should “untie” an employer’s hands. It should not tie them!

Granted, a handbook should also be used as a “selling” tool for the employees joining the organization. When employees read the handbook, they should be impressed with the company’s benefits, leave policies, etc. However, there is a very big difference between
“showcasing” one’s benefits package and “perks” for the employees and “tying” the organization’s hands.

Poorly written handbooks that reserve various “rights” for the employees “ties” an employer’s hands. This is why you hear so many CEOs say that they do not want a handbook because “all a handbook does is tie their hands.” If a handbook ever ties a company’s hands, it was written incorrectly. It was probably written to reserve rights for the employees.

Employees do not need to have their rights reserved for them in a handbook. They have Congress doing that for them already. (Insert more sarcasm here.)

Companies should think of drafting their employee handbooks as the same as picking out what food they want from a big buffet. They can go to the buffet and get whatever “legal” food they want. If they want steak, they can get steak. If they want dessert, they can get dessert. However, if they do not get a certain item from the buffet table…then they may not have it to use later.

How it runs its business is an employer’s choice. As long as the employer does not illegally discriminate against employees, then the employer has every legal right to conduct itself however it chooses.

Far too many misconceptions surround employee handbooks. For instance, when I start to write a handbook for a client, I often get the question,

“Will this handbook be legally defensible?”

I am not sure what that means. There are only a few policies employers are required by law to have in place, such as a sexual and illegal harassment/discrimination policy and maybe a Family Medical Leave Act (“FMLA”) policy. Other than that, anything employers decide to have in their policy manuals is pretty much their choice. As long as the policies are “legal,” which basically means the handbook does not distinguish between employees based upon their protected classes (i.e., Age, Race, Sex, Pregnancy, etc.), then the only real question left to ask is:

“How does the company want to run its business?”

In the world of employment law, there is a big difference between “illegal” discrimination and “legal” discrimination. People discriminate everyday in the various choices they make. They choose between what they want to do and what they do not want to do. They choose between what they want to buy and what they do not want to buy. It is all discriminatory…but it is not illegal.
“Illegal discrimination” exists when an employer bases its employment decisions on someone’s protected class status, such as age, race, religion, etc.

“Legal discrimination” is everything else, such as awarding more vacation time to employees who have more seniority. That is discrimination based on tenure…but it is legal. “Tenure” is not a protected class.

The best way to think of discrimination is:

“DISCRIMINATION IS LEGAL…

… EXCEPT FOR DISCRIMINATION BASED ON SOMEONE’S PROTECTED CLASS STATUS, SUCH AS AGE, RACE, RELIGION, ETC.”

Everything else is pretty much based on how an employer decides to run its business, which is its “culture.”

For instance, if you work at Coca-Cola and go out on your own time and drink a Pepsi … and your boss sees you, you are fired! Fair or not, drinking Pepsi is not a protected class like age, race, sex, etc., so terminating employees for drinking a Pepsi is not illegal. Coca-Cola has reserved this right and has placed its employees on notice that such a rule exists. As a result, that is how things work at Coke.

At Scott’s Lawn Company, where they produce Miracle Grow lawn products, as of October 1, 2006, employees were prohibited from smoking. Not only were these employees prohibited from smoking at work, but they were not allowed to smoke on their own time…which includes smoking at home.

Can an employer really do that? The only question to ask in determining its legality is whether or not “smoking” is a protected class. In Ohio, the answer is “no,” smoking is not a protected class. Therefore, an employer can discriminate, or distinguish, between smokers and everyone else. (Interestingly, across the border in Kentucky, “smoking” is a protected class. As a result, Scott’s Lawn’s new policy would be illegal in Kentucky.)

Whether or not such a policy is “fair” is not a matter for the courts to decide. “Fairness” is an employee relations issue. I am not saying it is right or fair. What I am saying is that it is perfectly legal.

(The law refers to this principle as “The Business Judgment Rule.” How a company decides to run its operations falls within its “business judgment” as long as the employment practice is legal. An employment practice to refuse to hire people who buy a competitor’s product is legal. Refusing to hire African Americans is illegal.)
Employers need to start thinking of their Employment Applications, Employee Handbooks, their Standards of Conduct and their Substance Abuse Policies as a reservation of their rights…tools to use if and when the need arises. Putting all of these various protections in place is a tactical undertaking … not a strategic one.

It is a lot like going to the dentist. When a dentist starts to examine and work on your teeth, the dentist has the tools he/she needs within reach if they are needed. Dentists never sit down to go to work on a patient without their tools ready to go.

Why would a company ever want to try to run its business … try to manage the biggest part of its budget, labor, without the proper tools in place? It shouldn’t … but the vast majority of companies do this on a daily basis … making employment law one of the fastest growing areas of the law.

Reserving a company’s rights is where managing the biggest part of the employer’s budget begins.

A tactically designed handbook unties the organization’s hands, which allows the HR professional to later accomplish what the manager (YOUR CLIENT) wants. A good way to see if your policies have “untied” your hands as opposed to tying them is to answer these simple questions.

Do your POLICIES and STANDARDS OF CONDUCT…

- Place employees on notice that all of your policies will be subjectively interpreted as management deems appropriate?

- Require employees to stay abreast of all the various changes made to Company Policy? (Having employees sign an acknowledgement every time a change in policy occurs is ridiculous.)

- Require employees to sign all Company Documentation, such as I-9 forms, Tax Forms, WARNING FORMS, etc., upon request and failure to do so may result in the employee’s immediate termination?

- Require employees to cooperate fully in Company Investigations?

- Define insubordination according to management’s interpretation?

- Define “reasonable suspicion” substance abuse testing as being “reasonable” according to management?

- Define “workplace violence” to include verbal and nonverbal abuse…as interpreted by management?
• Require and define “HONEST/RESPECTFUL COMMUNICATION” by employees? (As opposed to allowing “Retreaters” and “Attackers,” more commonly referred to as “bullies,” to run your organization.)

Does your EMPLOYMENT APPLICATION…

• Limit your liability from an employee’s claim for “PROMISSORY ESTOPPEL” and “IMPLIED CONTRACTS”?
• Limit your exposure to EMPLOYEE LAWSUITS TO 6 MONTHS?
• Protect you in case your managers give out reference information?

Can EVERYONE be STRATEGIC?

No…since someone needs to put these tactical protections in place for the organization. Technical skills are important, but they are NOT seen as adding any value to the organization, as you saw at the beginning of this chapter. Instead, these technical abilities of the HR professional PROTECT the organization. Again, implementing protections for the organization is “tactical,” which lays the foundation for becoming “strategic” at some later time.

As a general rule of thumb, in most instances, if I hit you in the head with your handbook and it hurts, the handbook is too large. Address what is important, then move on. If a handbook is too overwhelming, no one will read it … not even the important sections.

As for those organizations that are required by either government regulations or the law to draft massive handbooks for their employees, my advice is clear:

   Draft the handbook that you are required to have, but also draft a “Summary Handbook” for your employees. This Summary Handbook should contain the most important policies that you want your employees to read. Your employees will read and understand the Summary Handbook. The five inch think regulatory handbook will make a nice doorstop.

In the end, even though this tactical foundation is important, BUILDING RELATIONSHIPS WITH MANAGERS IS VITAL! It is far too easy for HR people to lock themselves in their offices and work on handbooks, forms and other documents for weeks on end like some kind of ground mole…never seeing the light of day. The problem arises when human resources places its PRIMARY FOCUS … and sometimes its EXCLUSIVE focus on technical issues … thus neglecting relationship building and supervisory support.
However, it is difficult to put too much blame on the human resource practitioner who commits such errors on a daily basis. Why?

**BECAUSE THEY ARE TAUGHT TO BE PAPER LIONS BY OUR HUMAN RESOURCE “LEADERS.”**

One of the worst examples of human resource people’s addiction to useless paper involves the use of performance appraisals. Whenever I do sessions on how to conduct more effective performance appraisals, I will ask the people in the class how many of them are currently conducting employee performance appraisals. Almost everyone’s hand will go up.

I will then ask how many people had performance appraisal systems in place that actually work. I then get about one or two hands go up.

I am always amazed. If the performance appraisal system is not working, then why are we doing them? Why? Because it is almost heresy for a human resource person to state that its organization is not conducting employee performance appraisals.

If any human resource person ever wondered why the world thinks we are “Paper Lions,” just look to the performance appraisal system. If the vast majority of employee review systems are not working … yet we require managers to complete these forms and turn them into HR anyway, is it any wonder why we lose credibility?

In short, if you are going to do something … do it right. If a system is not working, stop doing it until it does work right. If not, disaster may easily strike.

A few years ago, I had a client who terminated an employee who was a “no-call, no-show” from work for a couple of weeks. Obviously, this employee quickly became a former-employee. It was a clear-cut call for the employer.

Of course, the employee was upset that the company had terminated him. So, the former employee retained an attorney and sued the employer for violating his rights under the Family and Medical Leave Act.

Apparently, about one year before the employee was terminated, this employee was given a new manager. However, unlike the employee’s former manager, the new manager started taking employee performance appraisals seriously. As a result, the employee’s performance appraisal scores instantly dropped since the employee’s ratings were no longer artificially inflated just to make the employee “feel good.”

Unfortunately for the company, about this same time the employee had requested and was granted “Family and Medical Leave Act” (“FMLA”) coverage for an illness. Therefore, it looked to the casual observer that the employer was retaliating against the
employee for claiming to need FMLA coverage by dropping his performance appraisal scores. This allegation seemed to have more credibility when other employees in other stores had higher performance appraisal scores yet their sales were much lower than the employee who had filed for FMLA coverage.

In the end, the employee sued the employee for FMLA relation. The employee did not win, but he cost the employer thousands of dollars in attorney’s fees.

When I asked the human resource person why he was having his managers conduct employee performance appraisals when they were so clearly flawed, his response was:

“Well, you have to do performance appraisals.”

Such responses are common, which does nothing but reinforce the “Paper Lion” stereotype.

Even professional human resource associations falls prey to “Paper Lion-Syndrome.” Recently, I encountered a serious ethical problem with another large human resource association. When one vendor inquired about purchasing advertising space on the HR association’s website, the technology director for the association refused to return the vendor’s calls. This particular vendor had donated dozens of hours to the HR association for several years. Now, the vendor simply wanted to purchase advertising space on the association’s website just like anyone else off the street.

Certainly this seems very odd to an outside observer. However, what helps to explain this situation a bit further is that in the previous year, this vendor hired a new website developer for his business. Even though the chapter’s director of technology operated a website development company of his own, the vendor chose to award the contract of maintaining his website to someone else … not to the technology director’s company. This evidently caused a “problem” with the technology director.

Since the vendor did not receive any response, the vendor left more messages for the technology director asking for a return call. After waiting for a week and a half without getting any response, the vendor contacted the association’s president and explained the situation. Later that same afternoon, the technology director contacted the vendor, telling the vendor:

“The association president directed me to give you a call.”

The technology director told the vendor that he would put together a “package” for the vendor that would include vertical and horizontal banner ads on the association’s website. However, after this conversation ended, weeks went by without the vendor hearing anything from the association’s technology director. So, the vendor left more messages for the technology director, but never received a return call. “Coincidentally,” when the vendor sent another email to the association’s president complaining about the technology
director’s unresponsiveness, the vendor finally received a call from the technology director that same afternoon. (Magical, huh?)

However, the technology director had bad news for the vendor. The technology director told the vendor that there were simply not any vertical or horizontal banner ad spaces left on the website…even thought these spaces were available the last time they spoke on the phone. Even though there were apparently spaces available one month earlier, and even though the association continued to promote the sale of website advertising space to other vendors, there were now not any vertical or horizontal spaces left.

The vendor was furious. Not only had the vendor lost over one and a half months of advertising time on the website when he could have been advertising on other websites, which meant lost opportunities for the vendor, but he had been ignored and shunned by the technology director for almost two months.

Clearly, this type of situation presents a serious conflict of interest between the technology director, the association’s website and the website’s potential vendors. The technology director was letting his personal business concerns affect the performance of his duties for the HR association. This conflict of interest was not just scandalous, but it was potentially illegal to the point of endangering the HR association’s nonprofit 501(C)3 status. It is a “self-dealing” issue. If the HR association lost its 501(C)3 status, it would cease to exist since it would have to pay taxes on all of the revenue it generates.

Do vendors have to give their web design business to the technology director in order to have their calls returned? If an attorney acted in this manner by appearing to use his/her position with a nonprofit organization for his own personal gain, that attorney could be disciplined for ethical violations.

However, the worst part of this story came when the vendor explained this conflict of interest and self-dealing issue to the president of the HR association. In typical HR fashion, the ultimate response from the president of the HR association was:

“Well, we’ll have to draft a policy about that!”

A policy? Oh…my…God!

Why do so many people in the outside world think human resources is filled with nothing but “Paper Lions”? Because so many of us are Paper Lions!

“What Would Donald (Trump) Do” (“WWDD”) if he asked his HR person to solve a problem and the human resource person replied by saying:

“Sure, Donald! I’ll write a policy on that today!”
WWDD? YOU’RE FIRED!

What about addressing the problem? What about giving the vendor some sort of closure? Why were his calls not returned? Why did it take almost two months before he received an answer to his advertising question? Why was he not told weeks before that there was not any additional vertical or horizontal advertising space left? The vendor received no such information … and the president of this association’s answer to the problem was to draft a policy.

Why do so many CEOs think human resource people are not business people? Because we say stupid things like this! Such a response only adds insult to injury.

In the end, all that happened was that the HR association alienated one of its biggest supporters because it failed to deal with the problem … and the illegal practice continued. It was tactical in its so-called solution. It wrote a policy. It was NOT strategic.

You do NOT need a “policy” to correct a situation as bad as this one…unless you are a Paper Lion.

CAN YOU FACE THE TRUTH?

If an organization can outsource everything the human resource person can do…

Then why do they need you?

Again, in reviewing all that human resources does … almost everything can in fact be outsourced, such as:

- Recruiting,
- Benefits design and administration,
- Payroll,
- Handbooks,
- HIPAA,
- Document design, such as employment applications,
- Event planning,
- Service awards,
Safety programs and
Terminating employees.

All of these functions can be outsourced to a consultant who can do it more cheaply than an internal HR person. However, there is only ONE THING human resources can do for a company that CANNOT be outsourced:

An outside consultant cannot build on-going relationships with the managers and therefore effectively coach, mentor and develop them as they direct the organization’s single most expensive commodity:

**LABOR**

If human resources continues to establish itself as the company’s Moral Compass, the Voice of the Employees, an Enforcer or as a Paper Lion, HR will soon become an extinct profession. The fact that the majority of organizations in this country already outsource some, if not all, of their human resource functions is a tell-tale sign there is a problem. This fact should be a “wake up” call to HR people to change our approach to how we service our “clients.” We must strive to show our true worth to the organization.

Instead of continuing on the same way we always have, a new paradigm is needed…a new way of looking at the value of human resources. Simply put, let’s face it:

**WHAT WE ARE DOING NOW IS NOT WORKING…**

**SO A NEW STRATEGY IS NEEDED!**

“Ignorance” is not knowing something.

“Stupidity” is doing the same thing again and again and expecting a different result.