



HR Priorities for the Future, Part I

This is a 2-part series on hot topics human resources professionals should consider when taking action on the people challenges of their company.

Please contact Debbie Williams, 843-266-8800, to request Part II.

Do you currently have the technology and strategies to support these initiatives for HR in 2010 and beyond?

If not, or you need additional assistance, or more information concerning Human Resources management tools, outplacement services, and career development skills, please contact:

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What challenges are facing HR professionals? How are recent economic events impacting HR priorities? What concrete steps can you take in response to the challenges?

The world continues to shrink as technology creates invisible bridges connecting people around the globe. In the center of the global melting pot is HR; Several universal HR priorities or challenges are rising.

CHALLENGE 1: Tackling Talent Shortages

Even as companies shed employees due to unprecedented economic conditions (Insala's article "Outplacement Industry Forecast 2009") – the top-ranked worry for employers is tackling talent shortages – beating out the rising costs of total rewards (Top Five Total Rewards Priorities Survey, Deloitte 2008).

According to Manpower Inc.'s Annual 10 Hardest Jobs to Fill survey, the biggest challenges are: Engineers, Machinists/machine operators, Skilled trades, Technicians, Sales representatives, Accounting and finance staff, Mechanics, Laborers, IT staff, and Production operators.

Other facts included:

- Smaller companies (under \$100 million in revenue) are more concerned than medium/larger companies;
- Employers in technology and healthcare are more concerned than other industries.
- It is getting easier to find qualified candidates for most positions. Recruiting difficulty eased to 4 year lows as HR professionals reported having more success finding top talent. Likely this easement was in the easier-to-fill positions.

CHALLENGE 2: Managing Talent and Improving Leadership Development

One of the most comprehensive surveys, Creating People Advantage—How to Address HR Challenges Worldwide Through 2015, reports data from 4,700 HR professionals in 83 countries.

Their key universal finding was that managing talent and improving leadership development are critical to organizational success.

The survey identified eight critical challenges which fall into three strategic categories:

Category 1: Developing/Retaining the Best Employees

- Manage Talent
- Improve Leadership Development
- Manage Work/Life Balance

Category 2: Anticipating Change

- Manage Demographics, & an Aging Workforce
- Manage Change and Cultural Transformation
- Manage Globalization

Category 3: Enabling the Organization

- Become a Learning Organization
- Transform HR into a Strategic Partner

A study of Business and Workforce Challenges by Towers Perrin reports the emphasis is on retention and staff development, not on large layoffs.

The Adecco Institute study of over 5,000 HR professionals found the top three challenges facing corporations today are:

1. Globalization was cited by several studies as one of the most critical challenges for HR. One such study identified the key drivers of this globalization challenge as:
 - Rapid employee growth in emerging markets (many companies reported having more than 50% of their workforce located outside of their corporate home country or region);
 - An increase in global workforce mobility;
 - More stringent governance

and compliance requirements that vary dramatically by region;

- Pressure for overall cost savings through process and policy standardization.
- The study also reported that increasingly HR executives are being promoted to carry out global responsibilities.

Of the survey respondents:

- 45% have taken on global roles within the last two to three years
 - 40% have assumed such responsibilities within the last 12 months alone
2. Demographic change
 3. Technical progress (skills shortages)

CHALLENGE 3: Mastering the Fundamentals of HR

The Creating People Advantage study reported that during these difficult times HR must focus on excelling at the fundamentals of the HR function:

- Restructuring the organization
- Delivering on recruiting/t staffing
- Mastering HR processes

Clearly mastering these fundamentals is critical to successfully meeting the talent management priorities listed.

CHALLENGE 4: Sustainability/Corporate Social Responsibility

Building a sustainable business in a socially responsible way has crept onto the HR agenda. Key themes from a recent Executive Roundtable Symposium held by the Society for Human Resource Management are summarized below:

- Sustainability is not getting the leadership it needs in many organizations.
- Many HR professionals are not yet ready to lead on sustainability.
- SHRM has a key role equipping HR professionals to lead in sustainability.

Ask for HR Priorities, Part II