

From the Editor

By Karen V. Beaman



In this issue we touch on several topics of importance to HR professionals: the hidden challenges of HRO implementation, the complexities of HRO pricing, the new multi-dimensional talent force, next generation approaches to performance management systems, and implementing a centralized delivery model for the employee relations function.

We begin with an article by Jason Geller, Ian W. Otten, Erica Volini, and Jacqueline Ling titled, “The Hidden Challenges of Human Resources Outsourcing Implementation.” The authors tell us that many buyers of HRO services believe the biggest hurdle is over once they hammer out a deal, and that the outsourcer is responsible for doing whatever is needed to get the job done. In their experience, high value results are achieved when the buyer and outsourcer each fully define and accept their responsibilities, have realistic expectations, and work side by side to make the transition a success. In their article, the authors provide some pointers to help buyers facilitate the success of the transition and get more value from their HRO experience.

Mark Hodges’ article “The Complexities of HRO Pricing” describes the many important components to the HRO pricing equation. Getting the best HRO price is not merely a negotiation. It is *not* treating your HRO provider like a commodity supplier. Achieving the best pricing for your HRO transaction depends on numerous inter-related factors. Clients must understand their internal cost of HR service, comprehend the cost drivers for service providers, explore the financial and service delivery impacts of available pricing models, and examine their own behavioral and organizational weaknesses in order to derive the best HRO price the market can provide. In this article, the author tackles six areas that are poorly understood by prospective HRO buyers: 1) HRO providers; 2) the HRO marketplace; 3) Pricing Models and Cost Components; 4) Negotiation; 5) HR Technology; and 6) Buyer management policies and practices.

Next, Karen Beaman’s article, “The New Multi-Dimensional Talent Force: Multi-Generational Differences” discusses each of the five areas of the multi-dimensional talent force (*multi-generational, multi-cultural, multi-contractual, multi-organizational and multi-environmental*) in more detail and explores the lead that HR can take in developing targeted services and creating developmental opportunities for each of the different dimensions in the work force, enabling us to more effectively leverage the various aspects of the work force that are now common in today’s modern organizations. Beaman says that generational conflict has always

been – and probably always will be – a major source of conflict in both our personal and professional lives. The key is to understand the differences, to appreciate the value each segment of the work force brings, to learn how to work together, and to embrace global diversity as a way of life.

In his article, “Next Generation Approaches to Performance Management Systems,” Dave Arella of 4 Spires points out that performance management is the very last HR domain yet to be conquered by progressive organizations. He writes that performance management, which is arguably the factor that contributes most to an organization’s success, is still mostly viewed as a once-a-year review and goal planning session between employees and their boss. Arella asks, “Does anyone really think that this meeting, which is then captured in several vendor-driven software applications, drives performance improvement?” This article offers some insights and suggestions for teasing out a specific set of practices, behaviors, and tools aimed at what’s missing in managing individual performance.

Our last feature article is “Instituting a Centralized Service Delivery Model to Improve the Employee Relations Function” by Nancy Emerson and Elizabeth Marshall. The authors define the “employee relations function” as *the act of receiving, recording, investigating and resolving employee complaints or issues, e.g., sexual harassment, theft, data privacy breach, etc., according to legal or company policy guidelines*. Employee relations investigations are sensitive and do require the attention and respect of your organization; however, you can structure your organization to provide excellent service while still achieving the benefits of a centralized model. Employee relations functions are extremely time-consuming and should be handled consistently across your organization by reliable professionals. Staffing a central group to handle these issues allows your organization to ensure adherence to policies and procedures while gaining insight into areas of concern. Staffing your ER function appropriately also frees up your HR business partners to assist with strategic problems and issues.

We hope you enjoy this issue and would love to hear what specific topics of interest you would like covered in *IHRIM Journal*.

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