

# Is it the beginning or end of an HR era?

KATIE JACOBS listens in on a conversation between an HR director and an academic. Here Andy Newell and Andrew Lambert lay out their blueprint for the future of the function



Photography: Brad Wakefield

Andrew Lambert (left) and Imperial Brands HRD Andy Newell believe HR needs to reconfigure itself

“We are at the cusp of something new.” That’s group HR director at Imperial Brands Andy Newell’s assessment of the future of the HR function. To thrash out ideas of what this reconfigured HR looks like, Newell has been working with Andrew Lambert, associate at the Corporate Research Forum and partner at corporate and HR governance consultancy Creelman Lambert.

The result of their conversations is the whitepaper *A Blueprint for HR: Now and in the future*, which *HR* magazine will be serialising in future issues. But before that, and as part of our special HR careers issue, Newell and Lambert sat down with *HR* magazine to discuss what this blueprint could look like and how – not to mention if – the profession can get there.

**Andy Newell:** I think we are at the cusp of something new here. It’s being enabled by technology and globalisation. Businesses are having to strip right back to the business-critical roles that really make a difference in the organisation.

**Andrew Lambert:** Business in general is being remodelled. We need to think: why are we doing it that way, given the way the world is changing? Let’s reconfigure from the customer [the employee as internal customer] backwards and start to simplify, not have a load of silos all delivering things separately.

We had the personnel era, then the HR era. Now we are in the era of reconfiguring central functions and HR is part of that, and it becomes two different things. HR administration should start to become multifunctional, and HR should focus on being much more effective on OD, performance, talent, change and so on.

**AN:** In my business I’ve reclassified HR down to three areas using the language we use about our brands: value for money, value-add and value creation. Value for

money is administration; the HR BPs should always be value-add; and value creation is about introducing something brand new for the organisation, which traditionally would sit in a centre of excellence.

Increasingly, a lot of the value for money stuff is being outsourced, and at some point that should broaden into a business support function, not just HR.

At the top end, the value creation, I question whether there’s a need to build a centre of excellence in-house, or whether you instead partner with someone external to provide that expertise.

Then in the middle, why don’t we create business partners that are somewhat holistic and can cover everything the business needs? Then it’s not just HR, but a true business partner offering a broad range of skills.

**AL:** Multifunctional service centres are the future. That means providers need to move their game forward to fulfil their part in this systemic future. But it’s the buyers, the HRDs, who have the power. One of the important skills that gets neglected is the buying and management of outsourcing. A company needs those insights.

**AN:** For me, what HR should be bringing to the table is skills in the likes of OD and change management. It should be taken as read that they know the business inside out and have that business acumen. HR leaders also need to be better at investment applications; showing the return. It’s difficult to make that link, but the HR community needs to look at it as an investment choice the business is going to make. Come up with something persuasive to say: rather than investing in a brand invest it in [people] and get a better return.

**AL:** What HR should bring to the party is OD, a hard discipline that starts with the business. OD should

be the key skill HR professionals have that distinguishes them from being a general business person. But unfortunately I think a lot of HR people don’t really get OD, which intrinsically has to be about whole systems thinking. HR has a reputation for being overly process-driven, but switch that around to understanding business processes and the human part in them and you go into a much more positive space, one that is linked to organisation design.

**AN:** In the environment business finds itself in, with the absence of those skills sitting in-house, the default is to call in a Bain or an Accenture. The business doesn’t have the time for the HR function to actually demonstrate those skills, and then you end up with frustration in the HR function. But business is so global and fast-paced now, there isn’t time to wait and catch up.

**AL:** We need to think clearly about where HR people are going in their careers. There are specialist areas and you may want to go into consultancy or join a provider. But if you are future HRD material you need to be aspiring to a much higher level. We need to be more challenging about what that career path looks like and the level of attainment you need to achieve. We have to say: this [HR] is the function where you can get your future business leaders. That’s quite a shift to make. Get some people [in HR] who started in business units. It starts to chip away at this notion of a separate profession.

**AN:** I think it’s tougher today for young practitioners to gain that breadth of experience needed when you get to the top. If the HRD truly wants to make a difference in the organisation start with the BPs, as managers expect them to be able to respond in a very broad way. If you want to cut through you need to establish yourself with the line.



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If you’re an HR director and would like to be featured in conversation with an academic email katie.jacobs@markallengroup.com to express your interest



**AL:** If you’ve been in the line you have so much more credibility.

**AN:** But it is a two-way street. I have worked with people who have been parachuted in from other functions into the top HR job. They get a bit lost and don’t know how to take the function forward. Unless you have some technical knowledge you can’t challenge; you’re just a gifted amateur. HR is pretty lousy at PR though. We fail to point out where this profession can take you.

**AL:** The HR leader of the future is a change and performance specialist who understands functions and how to design them. When a CEO realises they have to move the organisation forward faster and in a more systemic way, if they don’t see HR [as able to lead on this] they tend to create a new position like chief transformation or innovation officer. If you want to get ahead, be the person who is actually doing that.

**AN:** The whole business is more fluid and the challenges we are facing, market by market, are forcing internal business changes, which forces changes in HR. It needs to adapt. If the goal is to be a successful sustainable organisation HR needs to be able to adapt. **HR**