



Human Resource Competencies for the New Century

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The Imperative for Change

Environmental changes are transforming the way organizations create value and conduct business. In particular, enterprises of all sizes are increasingly focused on both the issues and opportunities related to their human assets. This overall trend represents an ongoing challenge, compelling human resource departments to accelerate their capacity for change. But, what major changes should HR make and how? And what new capabilities and competencies will professionals need to succeed? This article offers practical answers to these questions by advocating for a specific functional direction, a particular set of roles, and a range of competencies that HR should master to meet ongoing challenges.

All professionals know their departments are in a difficult position. On the one hand, HR serves as an employee advocate, making sure individual concerns have a voice. On the other hand, it needs to be a vital participant in formulating strategy and achieving the goals necessary to push the whole organization forward. It is a difficult, but requisite challenge to balance these two potentially conflicting positions skillfully.

An even more fundamental problem is that changing business demands have created major new priorities related to the way HR professionals work. Based on a study completed a few years ago¹, we stated that, "the next few years represent a critical period for the human resource community as new roles and responsibilities in organizations are being re-negotiated". That was true then, and is even truer now. Many of the competencies developed as part of that study remain important for the coming years, but the continuing evolution of business settings has created the need for updated, and even completely new, competencies.

Despite strong evidence that many professionals have responded to new requirements with significantly new skills, most departments are still not keeping pace with the needed level of change. When we talk to our clients, we consistently hear that the HR function needs to become better at being both a more active contributor to the business team and a more innovative protector and developer of employees. This dual mandate requires activities ranging from business strategy development to



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process re-engineering, from generating new staffing models to developing more sophisticated reward and recognition strategies, from capturing and distributing expert knowledge to applying technology to leverage human assets.

Most HR professionals recognize many of the changes that need to be made, but do not have clear standards or a clear path for instituting them.

The HR Function of the Future

Fortunately, many HR professionals have started making the necessary changes required for success. However, HR departments still need to support these changes energetically by:

- developing a compelling vision and value proposition for their whole organization;
- aligning the focus of their efforts on more strategic outcomes;
- re-negotiating their roles and relationships with operational leaders within organizations; and
- committing to major, immediate competency development.^{1,2,3,4}

These functional transformations often entail significant realignment of attitude toward a much more strategic, action-orientated stance and significant structure, process, activity and behavior changes.

In practice, different organizations design various structures and roles to meet their diverse needs. However, as HR departments start their change process, professionals should focus initially on guiding principles rather than key activities or roles. These guidelines can then be applied as organizational design requirements (see Figure 1 for the most important guidelines indicated by our data).



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Figure 1: Functional Guiding Principles

- Maintain focus on adding value for business partners.
- Develop a value proposition for the business worth of all key HR activities.
- Eliminate or outsource any non-value added or highly specialized expertise.
- Develop a product and service quality attitude that encompasses best practices for product/service development, communication, and support.
- Automate products and services whenever possible to increase distribution, speed of delivery, and quality.
- Develop organizational capabilities for identifying and implementing critical change initiatives.
- Create new HR products and services that create more impact for the organization.

To fulfill these principles, what should the HR function focus on most? Our most recent research indicates that the most critical activities now include:

- developing, clarifying, and communicating an organization culture, vision and values;
- developing methods for producing alignment between employee goals and behaviors and organization strategy;
- defining, communicating, and leveraging the organization's key capabilities;
- capturing and distributing the organization's intellectual capital and expert knowledge;
- developing teams and networks that can share and leverage expertise;
- creating, distributing, and supporting HR products and services that support both employees and the business as a whole;
- creating performance development systems that maximize productivity and growth opportunities for each employee; and
- generating and tracking of clear measures related to employees, core processes, and the enterprise as a whole.

While three basic roles still predominate¹(see Figure 2), each now has significantly expanded requirements. HR technical specialties have grown in complexity and scope, and new roles have emerged. Both trends have outpaced the opportunity available of most HR professionals to master them.



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Figure 2: Key Human Resource Roles

- The **HR Product/Service Specialist** focuses on product and service development and support, including selecting and managing outsourced vendors and developing and applying key technologies.
- The **HR Generalist** focuses on internal customer assessment and management, installation and customization of HR products and services, and consulting interventions to maximize team effectiveness.
- The **HR Strategist** focuses on business team partnership and consultation, human resource strategy development, and alignment of human resource consulting, products and services with the organization's strategy.

And no matter how an HR department structures its work, professionals in all roles will require a more diverse range of competencies to meet current and emerging organization challenges.⁵

Future Success Factors:

The Human Resource Competencies That Matter Most

Developing a functional vision and strategies and defining critical structures and roles represent key success factors for excellence in all functions. Ultimately, however, transformation for HR must result in significant, consistent behavior change in the collective population of its professionals.^{6,7,8,9,10,11}

Competencies are a set of context-specific behaviors that define what success looks like in action in a particular setting. The action statements that comprise competencies – typically referred to as “behavioral indicators” – are grouped according to a central theme, which is captured as a competency title and overall definition (see Figure 3).



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Figure 3: Customer Focus

Responds to customer's needs in a manner that provides added value and generates significant customer satisfaction.

- Maintains focus on customer's key needs.
- Closely monitors customer satisfaction and changing needs, and updates approaches based on feedback.
- Looks for ways to add value for the customer by improving his/her own processes.
- Helps customers determine how to access and interpret meaningful information for decision-making.

The research-based HR competency framework presented in this article is structured into the following building blocks:

- Personal Attributes;
- Leadership and Management Competencies;
- HR Core Competencies; and
- Role-Specific HR Competencies

Each of the four building blocks represents success factors that are responses to different sets of environmental requirements for HR professionals (see Figure 4).

This framework is modular in design so that it can serve as a flexible "engine" to drive excellent performance. The competencies are arranged in building blocks or clusters that can be grouped into profiles necessary for a specific individual's current position, as well as future positions in an individual's potential career path.



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Each person can select competencies according to individual, functional, and organizational needs. This approach enables individuals and organizations to create a variety of robust models quickly.

Figure 4: HR Competency Framework



In the next section of this article, we will clarify the separate drivers for the competencies comprising each building block.



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Some Things Stay the Same: Personal Attributes

Each “building block” of competencies represents behavioral success factors corresponding to different kinds of environmental drivers of organizational life. Over many years, we have observed a consistent set of challenges individuals in all organizations face. Every contemporary organization, more than ever, needs honest, committed employees who can continuously learn and adapt to change. These basic, but critical, requirements translate into a set of **Personal Attributes** encompassing four competency areas (see Figure 5).

These represent stable characteristics common to employees across all career levels, functional groups, industries, and global regions over time.

Figure 5: Personal Attributes	
<ul style="list-style-type: none"> • Producing a valuable product and/or service 	<ul style="list-style-type: none"> • Results Orientation: Maintains focus on those activities that have the greatest impact on meeting work commitments.
<ul style="list-style-type: none"> • Energetically supporting the organization’s vision and strategy 	<ul style="list-style-type: none"> • Commitment: Demonstrates initiative and personal accountability to meet work demands according to the highest standards.
<ul style="list-style-type: none"> • Taking personal responsibility to grow and change 	<ul style="list-style-type: none"> • Continuous Learning: Proactively seeks performance feedback and identifies approaches to improve own and others’ performance and learning.
<ul style="list-style-type: none"> • Exhibiting highest day-to-day work standards 	<ul style="list-style-type: none"> • Honesty and Integrity: Demonstrates the highest level of business ethics and consistently adheres to and promotes key values and principles in all business and personal transactions.



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Situational Demands Drive Leadership and Management Requirements

Personal characteristics are critical, relatively abiding, factors for success in all work roles. However, another set of challenges, stemming from constantly changing leadership and management requirements are equally important.

Our research indicates that leadership and management excellence depends on adaptive behavioral responses to the shifting focus, scope, scale and complexity of organizational demands. Excellent performers apply competencies according to various dimensions, such as:

- strategic vs. tactical needs
- person vs. task demands
- demands related to opening vs. closing system boundaries
- efforts related to initiating vs. completing processes.

Developing individuals who can both master individual competencies and apply them situationally are critical success factors.

The diverse needs of organizations can be encompassed in eight universal processes, defining key types of interventions that occur at different levels. Half of these processes focus primarily on motivating, energizing and “leading” people; half focus on “managing” operational or “task” issues. In addition, some of these universal processes are more strategic in nature and are more predominant requirements for mid-level managers and executives. Others are more tactical in nature and are more often the primary responsibility of front-line supervisors, team leaders and individual contributors. To articulate how excellent performers behave situationally to support these processes and various leadership dimensions, we have translated them into eight **Leadership and Management Competencies** (see Figure 6).



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Figure 6: Leadership and Management Competencies				
Organization Level	Strategic vs. Tactical Dimension	Behavioral Focus	Leadership and Management Processes	Leadership and Management Competencies & Definitions
Whole Organization		Person	Creating a Compelling Vision for Change	Visioning and Alignment: Creates and communicates a vision of the organization that inspires and aligns the workforce.
		Task	Developing a Competitive Strategy	Strategic Thinking: Actively pursues strategies and high potential opportunities for the benefit of the organization.
Operations		Person	Generating an Integrated Network	Networking: Creates and leverages a diverse range of key relationships to improve access to resources and expertise.
		Task	Mobilizing and Leveraging Resources	Resource Management: Identifies, mobilizes and tracks resources to fulfill key objectives and plans.
Group		Person	Building Motivated Teams	Teamwork: Develops collaborative work groups that maintain focus on a common purpose and leverage the unique talents of its members.
		Task	Defining and Implementing Core Processes	Process Excellence: Continuously improves processes and work products.
Individual		Person	Maximizing Individual Performance	Performance Development: Consistently coaches and develops team members by articulating key expectations, identifying strengths and development needs and providing ongoing support to maximize performance.
		Task	Reaching Critical Goals	Goal Setting: Develops and tracks challenging goals aligned with organization strategies.



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A Rapidly Changing Environment Requires Changing Behavior: Core HR Competencies

While the **Personal Attributes** and **Leadership and Management Competencies** presented in the previous section apply equally for all functions, a distinct set of emerging challenges driving the current business climate represent factors that require each function to contribute uniquely to an organization’s success.¹²

For the HR function, this means mastering an array of new capabilities, each requiring many new behavioral requirements (see Figure 7 for key challenges, HR impact and related Core HR Competencies).

Figure 7: Current Organizational Challenges and Core HR Competencies		
Challenges	HR Impact	Core HR Competencies and Definitions
Ethical Practices	<ul style="list-style-type: none"> • Facilitating the design of ethical practices and policies • Providing guidance to business leaders about what is “right” for the business, employees, and the “community” 	<p>Stewardship: Provides advice and support for values, practices and policies that sustain ethical and legal business practices.</p> <p>Compliance: Applies an understanding of key legal precedents, policies, and practices to protect the interests of the organization and individual employees.</p>
Demanding Customers	<ul style="list-style-type: none"> • Increased focus on customer responsiveness • Taking the lead in organizational quality/process customer interventions that produce customer value 	<p>Customer Focus: Responds to customer’s needs in a manner that provides added value and generates significant customer satisfaction</p>
Focus on Core Capabilities	<ul style="list-style-type: none"> • More focus on strategy, structure, and alignment • More emphasis on process capabilities • Greater emphasis on best practices and benchmarking. 	<p>Coaching and Consulting: Provides appropriate advice, feedback and development resources to improve the effectiveness of individuals and teams.</p> <p style="text-align: right;">continued...</p>



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Challenges	HR Impact	Core HR Competencies and Definitions
Leveraging Talent	<ul style="list-style-type: none"> • Increased focus on employee value proposition • Greater emphasis on maximizing the impact of human assets 	<p>Talent Management: Generates consistent approaches across the enterprise for hiring, selecting, retaining, valuing and leveraging key talent.</p>
Streamlining and Automating Key Activities	<ul style="list-style-type: none"> • Re-engineering processes • Work re-design • Shift to HR self-service models • Making appropriate "make vs. buy" decisions 	<p>Technology Expertise: Helps to identify technology needs and mobilize technologies that provide easy access to HR services and methods for enhancing learning and personal productivity.</p> <p>Vendor Management: Selects and manages vendors in a manner that maximizes benefit to the organization</p>
Access to Information and Expertise	<ul style="list-style-type: none"> • Identification and leveraging of "soft" assets • Developing and leveraging expert networks • Providing online access of key information to everyone 	<p>Knowledge Management: Demonstrates a conceptual and practical understanding of approaches and tools to help organization groups, units (team, functions, divisions, regions, subsidiaries) capture, share and exploit knowledge to support achieving objectives).</p>
The Virtual Workplace	<ul style="list-style-type: none"> • Move toward more global organizations • More cross-team collaboration • Better use of networks • Creation of "communities of practice" 	<p>Virtual Teamwork: Develops and implements strategies for maximizing the collaboration of non co-located work groups.</p>
Focus on Metrics	<ul style="list-style-type: none"> • Focus on streamlining processes • More focus on measuring the business impact of people interventions 	<p>Assessment and Measurement Skills: Demonstrates the ability to determine key needs, diagnose and address problems, identify key metrics, and accurately monitor progress of important initiatives and activities.</p>
Making People Feel Safe and Empowered	<ul style="list-style-type: none"> • More focus on leveraging diversity • Improved HR services • More emphasis on creating a supportive organization culture and practice 	<p>Employee Advocacy: Maintains focus on supporting a fair and empowering work environment for all employees.</p>



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Responsiveness to the above challenges represents the most important effort HR can make to ensure organizational success. In the following section of this article, we outline the primary aspects of each challenge HR must address to make a significant contribution.

Ethical Practices

The “brands” and reputation of all organizations rests on the actual manner in which its leadership and employees treat their customers, their employees, and shareholders. While this has always been an abiding principle of all successful enterprises, recent events (e.g., accounting fraud, product and service problems, inconsistent compliance with business policies and practices, liabilities, etc.) have made best-in-class practices a critical premium. While HR has traditionally been the guardian of compliance and employee support requirements, it has increasingly become involved in crafting and enforcing organization-wide ethics and legal standards. This means that HR professionals at all levels will need greater skills in interpreting, monitoring, providing advice and counsel around risk related to established principles.

Demanding Customers

A customer can be defined as anyone who receives a work output from another person or team “downstream” in a process. As a result, everyone in organizations usually has multiple customers - some internal, others external. As processes and operations have become more streamlined and focused on quality, internal customers are demanding increasing levels of responsiveness. Servicing external customers has become more challenging too. As competition increases, access to information and best practices make them more exacting in their requirements. HR’s role with its internal customers is increasingly focused on providing product and service excellence for both business partners and individual employees. And HR is more frequently enlisted to help the organization establish and sustain specific methods for identifying external customer needs and delivering excellent products and services to them.



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Focus on Core Capabilities

In the past, HR often focused primarily on needs directly related to individual employees. But as organizations have changed in response to competitive pressures, professionals are increasingly focusing on the core capabilities that drive success. Best-in-class organizations not only attain distinctive operational excellence, but also align their human assets with strategies and goals. This places a premium on the HR function's ability to develop capabilities that support strategies and deliver methods for creating a clear "line of sight" between individual behavior and key strategies and goals. The implications for the competencies required of HR professionals are significant. They must be experts not only in various strategic frameworks and techniques, such as Balanced Scorecard and quality methods such as 6-Sigma, but also in competency management and performance systems development.

At the executive level, HR Strategists must serve as coaches to develop key leaders, help executives define the organization's core capabilities, and facilitate the creation of the structures and best practices to execute a vision and strategy. They must also lead the development of more distributed forms of education and resources to enable other managers to do the same for their team members.

Leveraging Talent

In concert with defining and maintaining focus on core capabilities, top performing organizations develop and sustain consistent approaches that maximize talent.¹³ The most successful companies consistently apply selected strategies such as:

- motivating and aligning existing employees around critical goals and standards (e.g., through performance management best practices);
- hiring and selecting the right people for the right roles;
- retaining key talent;
- building a leadership pipeline; and
- providing enriched opportunities for continuous learning and growth.



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HR professionals need in-depth skills to drive these key talent management strategies. Identifying, developing and retaining high potential individuals and preparing them for their next set of challenges and responsibilities is an essential part of maximizing organizational performance.¹³

All excellent organizations provide value to employees. The best organizations articulate, develop and leverage a unique value proposition to their employees that produces a distinct advantage for recruiting and retaining talent. HR professionals should take the lead in helping top management define and implement the organization's unique value proposition.

Streamlining and Automating Key Activities

No organizational function has escaped the challenge of greater work demands with fewer resources. This is particularly true in "support" functions such as Information Technology, Finance and Human Resources. Lean organizations are a competitive necessity in today's work environment. All indications are that this trend will continue as organizations seek efficiencies through streamlining and automating processes, and simplifying the design and delivery of products and services. Human resource professionals should take a leading role in applying re-engineering and process design skills. Consultative in nature, this role, ranges from facilitating process redesign and workflow definition efforts to designing programs and training others in these critical skills. In parallel with re-engineering initiatives, organizations are simplifying and improving processes through technology too, from HRIS for self-service benefits programs, to systems focused on human assets management, is becoming more and more vital to organizational productivity. HR must gain significant skills in both technology enabling transactions (e.g., benefits, etc.) and those focused on leveraging human assets and improving productivity (e.g., learning management and performance management systems).

Future uses of technology will push HR professionals even further as organizations demand improved performance with fewer resources. For example, performance management systems focused on improving productivity are just starting to mature. Broad-based performance management technologies, including an entire range of related activities such as goal-setting, assessment,



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development planning, and appraisal, are starting to emerge. HR will be asked to define the business rules and workflow for these systems and manage their implementation and continuous improvement in concert with the information technology function.

Whether supporting internal technology systems, or dealing with technology providers who provide the service externally, excelling in technology applications is emerging as a vital competency area for HR professionals.

As a result, HR professionals will have to assess customer needs and be able to determine what can, or has to be, improved applying technology. And for those technological solutions that are outsourced, vendor management will be vital to ensure seamless delivery of excellent service. It will not be enough to rely on the IT group for support; the design and operation of automated HR solutions will rapidly become a core competency of the HR community.¹⁴

Access to Information and Expertise

In contemporary organizations, information overload is a universal problem. As information becomes more plentiful and accessible, collecting, evaluating, and codifying it becomes more complex and more critical. The design and use of learning management systems, performance management systems, and knowledge management systems are rapidly becoming critical activities for HR professionals. In the past, HR responded to relatively "unfiltered" training requests from the "field". In the future, HR must proactively identify the expertise necessary to fulfill the organization's strategy, and lead the development and implementation of systems that collect and consistently disseminate key information and "just-in-time" learning opportunities and identify and provide "just-in-time" learning solutions for key performers.

The ability to identify and communicate best practices to the workforce will have a noticeable impact on business success. The collection, storage, and utilization of expertise in knowledge management systems will help entire organizations move more toward data- and fact-based management.



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The Virtual Workplace

While identifying best practices and leveraging available intellectual capital are critical for success of future organizations, HR needs to take the lead in identifying and building effective organization networks to access “informal” resources and expertise. It is now common for team members to be from different functions, different locations, and even different organizations.

Several factors are driving this trend toward a virtual workplace. This offers a significant challenge, but also a significant opportunity to access new and innovative ideas. Contemporary ways of working often separate individuals (e.g., flex time, job sharing, home offices, and office “hoteling”). Furthermore, economic cycles and reactions to September 11 and other world events have combined to reduce travel, while web meetings and document sharing technologies are finally making video and teleconferencing a practical and reliable method of collaboration. But, virtual teamwork also does more than replicate traditional collaboration with distributed team members; it allows an organization to bring specialists, subject matter experts, and high-performing team members together in ways not previously possible. HR again should provide the expertise about how people can work together virtually and be able to facilitate more effective ways to identify and leverage networks such as “communities of practice.”¹⁵

Focus on Metrics

While functions such as finance, manufacturing, customer service and marketing have long used quantitative metrics, HR departments have often applied more informal or subjective forms of measurement. As businesses look for additional ways to improve profitability, HR is increasingly asked to provide hard data about what they can produce and change and by how much.

HR professionals need to develop measures that are accurate, realistic, and reflective of dimensions that have real business impact.



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Examples of measures that work well include:

- Behavioral metrics, such as competency criteria, key actions, or role responsibilities, tracked using 6-Sigma or total quality principles to define, measure, analyze, improve, and control them.
- “Targeted” program outcomes, such as mastery of a key knowledge area, improvement of coaching capabilities, hiring of better candidates or retention of targeted individuals.
- Process measures, such as the proficiency levels at various stages or steps in a core process.
- HR metrics, such as retention, employee satisfaction, meeting diversity targets, etc.
- Business metrics, such as meeting Balanced Scorecard targets.

Designing and implementing appropriate organizational measures is a complicated matter. In almost all instances, it is important to apply metrics that

- fit specific organizational needs,
- use multiple measures to gain a clearer picture about the level at which an intervention is having an impact (e.g., personal/behavioral, process/best practice, program/goal achievement, business outcome), and
- use data in a rigorous manner over time for continuous improvement.

Most HR departments have limited experience with and few defined best practices for developing and implementing these initiatives.

Making People Feel Safe and Empowered

As already emphasized, businesses are more competitive, customers are more demanding, and workers must accomplish more with fewer resources.

HR is increasingly asked to master and balance several significant demands on the workforce. Front-line workers and line managers frequently take the brunt of this trend, with organizational



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changes wittingly or unwittingly “borrowing human capital” in the form of more demands and less flexibility about deliverables and deadlines from their workforce to get things done. This often leads to burnout, high turnover, a demotivated and stressed workforce, and ultimately decreased business success. HR, the traditional advocate of the workforce, still has a significant “push back role”, ensuring the creation and sustainability of a reasonably safe environment for all employees. In today’s work environment, teams include people from many backgrounds and perspectives. By advocating diversity as a key driver, HR professionals actively support a positive work setting for all constituents.

In addition, the delayering of organizations can be difficult for workers who previously received more direction. HR professionals need to lead flatter organizations by encouraging individuals to exercise more initiative, autonomy, and accountability by providing tools and techniques that improve their effectiveness and by enabling the acquisition of critical competencies through continuous learning opportunities.

Finally, there is ample evidence that an empowered workforce is more motivated and productive. The essential qualities that support empowerment are safety, choice, impact, connectedness, and trust. HR professionals have a primary role in creating an environment that supports these critical cultural attributes.

HR Role-Specific Competencies

As new challenges drive existing HR sub-specialties to adapt and new HR specialties to emerge, HR departments have responded in various ways to meet new behavioral demands. For smaller organizations, strategist, generalist, and specialist roles are often collapsed. Even in larger organizations, there is no universal agreement about the best way to organize work into specific sub-functions. For example, some businesses combine compensation and benefit activities into one group, while others keep these activities distinctly separate. In many organizations, HR Generalists are the primary driver of organization design and effectiveness initiatives, while in



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others these efforts are organized into specialized consulting groups. In some enterprises, talent management is defined as a distinct overarching set of activities encompassed in a single sub-function, while in others; separate groups may be responsible for recruitment, staffing, career planning, and succession planning. For the most part, HR Generalists still provide coaching, consulting, as well as access to HR products and services to business partners. However, they are also increasingly asked to lead special projects related to strategy, structure, process, and workforce change initiatives.

HR Strategists are challenged with new requirements too. In particular, business leaders are demanding more rigor from HR in the form of human assets management strategies encompassed through:

- improved ROI of HR interventions and programs,
- improved methods for leveraging people, resources, and
- better metrics to measure, track, and continuously improve the use of human resources.

To capture what makes the HR professionals who interface most directly with different organization clients successful in their specialized roles, we have outlined distinguishing competencies for the HR Strategist, HR Generalist, and HR Specialist roles. The key HR Strategist and HR Generalist competencies stemming from our research are outlined in Figure 8.

Figure 8: HR Strategist and HR Generalist Competencies	
Distinguishing HR Strategist Competencies and Definitions	Distinguishing HR Generalist Competencies and Definitions
Business Acumen: Focuses activities and decisions on opportunities that produce significant, strategic business impact.	Organization Design, Development and Effectiveness: Performs work and process redesign to improve individual, team and organizational effectiveness.
Strategic Influence: Collaborates with others to build buy-in and support for critical initiatives.	Relationship Management: Develops positive relationships by demonstrating respect for others’ perspectives and attention to their needs
Change Management: Consistently applies change best practices to ensure impact of key programs	Project and Product Management: Plans and implements projects, programs, and product development efforts.



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Based on our analysis of top performing organizations, behaviors for all HR Specialist roles can be encompassed in a common set of competencies related to a 4-step process for developing and implementing excellent sub-functional products and services (see Figure 9).

Figure 9: Distinguishing HR Specialist Competencies and Definitions

- **Step 1: Strategy Development:** Develops and leverages perspectives and insights into HR product and service principles and strategies aligned with business strategies.
- **Step 2: Situation Analysis:** Accurately assesses key customer needs related to product/service area.
- **Step 3: Program Design:** Translates data and insights into practical, high-impact program elements, goals, and tasks.
- **Step 4: Product and Service Delivery:** Develops and delivers products and services related to specialty area that produce maximal customer impact and satisfaction.

The competency differences for potential HR specialties are related to the specific behavioral requirements needed for success in each area. Figure 10 outlines a sample set of key activities for these HR sub-functions.

Figure 10: HR Specialty Roles or Sub-Functions

- **Learning and Development:** Focuses on enhancing individual and team performance through the design and implementation of learning solutions.
- **Compensation:** Focuses on applying the technical knowledge and analytical thinking necessary to design and implement compensation programs that support business strategies.
- **Benefits:** Focuses on applying technical knowledge and analytical thinking necessary to develop, design, procure, implement and support benefit programs that support business strategies and manage costs.
- **Recruitment and Staffing:** Focuses on establishing and implementing creative sourcing strategies and assessment tools to facilitate filling positions with qualified internal and external candidates.
- **HRIS:** Focuses on identifying and providing the technical support and technologies to support HR self-service and performance enhancement capabilities.



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For example, training groups, which traditionally offer face-to-face courses, have expanded their focus to include diverse learning and development opportunities, ranging from techniques to support experiential learning on-the-job and asynchronous training to a focus on knowledge management and access to information and resources via the web.

Contemporary compensation groups increasingly deal not only with compensation plan design, but also more intangible forms of reward and recognition. Benefits planning and administration has become more complex too. Issues such as increasingly complicated legal issues and spiraling health care costs have pressured HR professionals to master new technical skills themselves and become much more proficient at understanding/analyzing financial information and managing consultants and vendors of outsourced HR services.

Most recruitment and staffing groups have expanded their mission to include activities such as talent management, specific assimilation and retention strategies, and creation of employee value propositions.

Finally, HRIS groups are increasingly asked to master new applications ranging from learning portals and learning management systems to self-service websites.

The critical trends common to all these changes are that each specialty area is asked to be more strategic, more efficient, more responsive, and more best-practice driven in a setting of shrinking resources and increasingly complex demands.

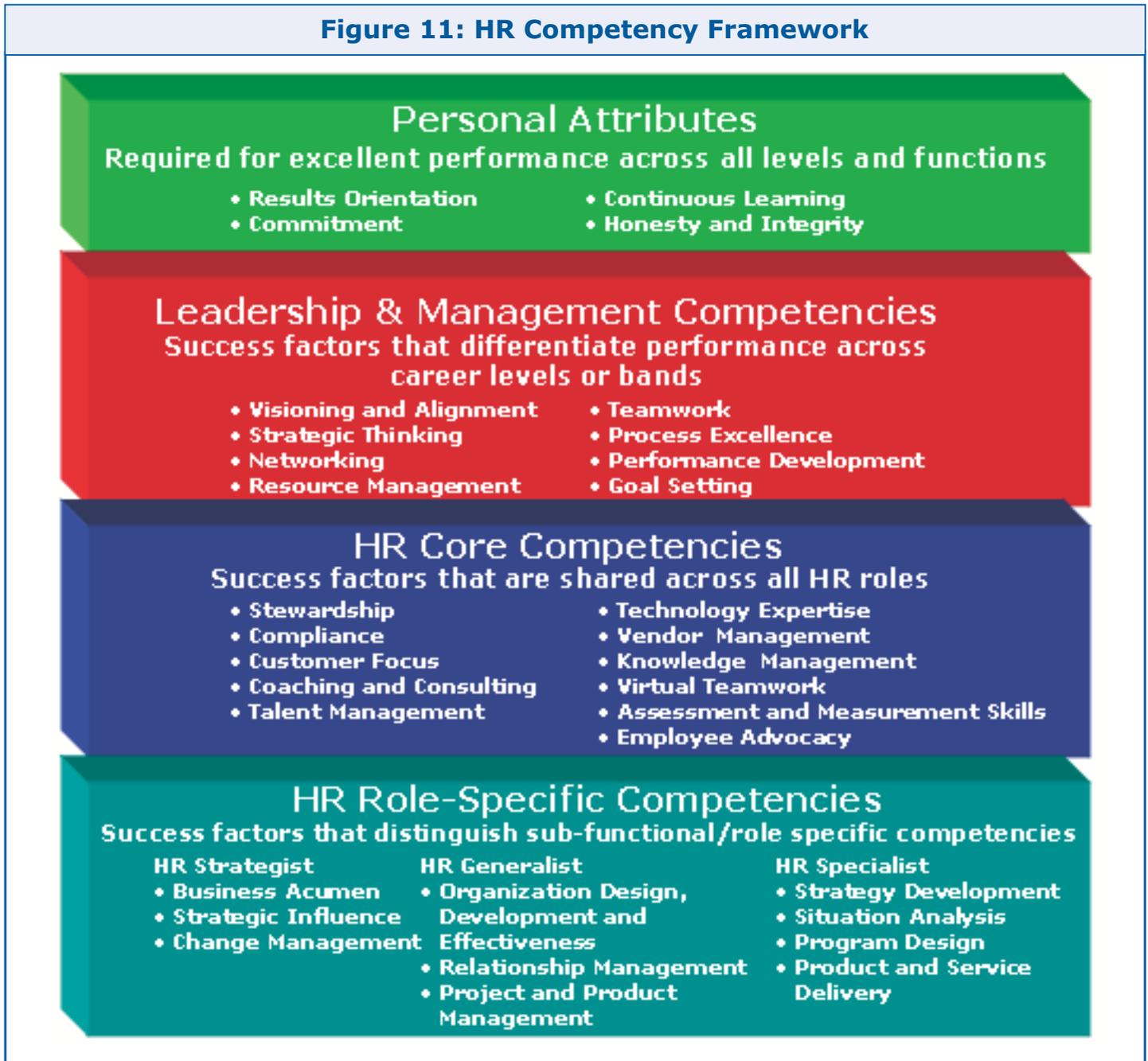
Starting and Sustaining HR Transformation

Human resource functions must change in response to emerging environmental requirements. This means that departments will be structured differently and that HR professionals will be asked to perform new roles requiring a significantly expanded set of functional competencies (see Figure 11).



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Figure 11: HR Competency Framework



The competency framework presented in Figure 11 represents the “total team” requirements needed for success in contemporary HR organizations. No one person can or is required to master all attributes. The most successful organizations distribute, and frequently customize competencies to fit local needs and apply these standards broadly to motivate, hire, select, assess, develop, manage, and retain their HR talent pool.¹⁶



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This article has focused primarily on critical HR competencies required in today’s organizational settings. However, our experience and research strongly indicate that organizations most successful at implementing competencies devote the majority of their resources toward aligning competency standards with strategy and integrating them into day-to-day practices.¹⁸ The key mistake many HR departments make is to focus too much effort on perfecting rather than institutionalizing the standards. In contrast, best performing HR groups employ change management best practices to ensure new behavioral requirements are accepted and leveraged over time to benefit each professional and the function as a whole.¹⁸ (see Figure 12 for sample change practices to support competency implementation).¹⁶

Figure 12: Competency Implementation Best Practices
<p style="text-align: center;">Model Building</p> <ul style="list-style-type: none">• Ensure linkage between competencies and organization strategies• Keep models simple at launch, and leverage tools and databases to “jump start” model building• Review models frequently to ensure relevancy, add dimensional criteria and keep the momentum
<p style="text-align: center;">Applications</p> <ul style="list-style-type: none">• Focus on assessment and development applications first, then evaluation and pay applications• Focus on integration of the competencies with all HR processes• Improve consistency of applications rather than allowing too many variations• Automate the processes and tools to minimize paperwork and enable end-users to have ongoing access
<p style="text-align: center;">Change Management</p> <ul style="list-style-type: none">• Clarify and communicate specific objectives of your applications up front• Ensure top management and line management buy-in and ongoing support• Involve managers and employees more deeply in competency development early in the process• Be focused in implementation (i.e., one function, one pilot group first)• Provide training and communication more consistently and carefully (building in training at all stages of implementation)• Develop and consistently apply a measurement system used to evaluate the effectiveness of implementation over time



Human Resource Competencies for the New Century

26.

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While many approaches for producing strategic and behavioral change can work if consistently applied, the mandate is clear. HR needs to change and, in fact, lead change initiatives to transform other functions. If new requirements are ignored, the HR function will be marginalized to a supporting role. If HR transformation is implemented skillfully, professionals will become a much more vital contributor to organizational success through business partnership and workforce leadership.



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Human Resource Competencies for the New Century: Consulting Services and Product Suite

HR Strategy Consulting

Mobilizing and managing human assets has become one of the most critical factors for organizational success. Our experience and research indicates clearly that maximizing the contribution of all team members requires a systemic approach that relies on three characteristics:

- Alignment of individual and team behavior and goals with organization values and strategies
- Integration of human asset applications into a common set of processes based on common success criteria
- Distribution of accountability and learning using enabling tools and technology.

Schoonover Associates helps organizations both refine and augment selective parts of their HR systems and design and implement comprehensive people strategies. A typical strategic consulting engagement include activities such as:

- Creating a vision, values and supporting competencies
- Creating talent identification and pipelining processes
- Producing a human assets management approach (i.e., ensuring availability, mobilization and development of the right people for the right projects and/or positions)
- Developing processes, tools and support materials for performance development systems
- Integrating core human asset management applications (e.g., hiring/selection, assessment, development, learning and performance management) into a common process

HR Workshops

We offer customized and generic workshops that support implementation and roll-out of the HR Framework and accompanying tools. Typical workshop objectives include:

- Providing an update about current trends affecting human resource functions.
- Learning how to take steps for creating more realistic HR roles.
- Providing an overview of the competencies required for success of human resource departments in the future.
- Identifying current performance gaps and potential development opportunities for session participants.
- Generating practical actions for self-development related to HR success factor gaps.

HR Performance Development Toolkit

An essential guide that leads you through the process of assessing, developing and leveraging HR competencies. The following tools are included:

- **HR Competency Framework**
HR competencies are the behavioral success factors that distinguish excellent performance as an HR professional and form the basis for generating tools that HR professionals can use for self- and team-directed learning.
- **Learning and Development Checklist**
An aid for formulating and implementing a personalized approach to learning and development that incorporates a set of simple steps to guide you through the process of developing a plan and pursuing and measuring your achievement of goals.
- **Coaching/Self-Assessment Tool**
The Coaching/Self-Assessment tool, incorporating the HR competencies, can be used in a variety of assessment, coaching, and feedback situations.
- **Development Planning Tool**
Comprised of worksheets, specific steps, and tips for planning, this tool takes individuals through each phase of development planning, from determining development targets and clarifying goals, to detailing actions/resources/timelines and auditing progress.
- **Development Activities Guide**
The Development Activities Guide is a targeted source of developmental suggestions, advice, and resources linked to the HR competencies.



Human Resource Competencies for the New Century: Consulting Services and Product Suite

Voyager™ - An On-Line, Automated Performance Management System

Voyager™ is an automated, comprehensive performance management system delivered through a suite of integrated, web-based modules that include:

- **Assessment**
- **Development and Planning**
- **Performance Management**

Voyager™ provides tasks and results for each manager and employee through a unique home page environment. Your custom rules and workflow are completely automated using e-mail with links to the application to move participants through each step in the process.

The Assessment Module enables organizations to access a current library of competency-based profiles to use as is or modify. Profiles can then be used to assess the competencies a person must possess to be successful in an identified position using self, self-manager, or 360° feedback.

The Development Planning Module enables the individual to create a personalized development plan based on the needs identified in an assessment. Voyager's built-in workflow allows individuals to choose the development activities that are best suited for their learning needs, drag and drop those activities into their personal plan, and submit activities for approval. Development planning, using the most appropriate activities tied to the most significant competency gaps, guides individuals to become more successful contributors.

The Performance Management Module provides organizations with a software tool to create, assign, and evaluate individual goals, aligning individual action with corporate strategy. Managers can create and pass down goals, and individuals can suggest and request approval for goals. By the end of the cycle of assigning and approving, individuals have a clear set of goals that guide their activities and form the basis for periodic reviews.

The three modules can operate separately or as a totally integrated performance management system. Each module alone addresses a key problem facing organizations seeking to leverage their human assets. Together, the three span the entire range of performance management needs and can be used together to conduct a comprehensive review that not only captures past performance, but also directs future activities.

If you are interested in any of the above consulting services and products, please contact:

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