

Accelerating Business-Centric HR Capability

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Southwest Airlines – An Example to Follow

- ◆ What do you think makes them so good?
- ◆ Southwest is a Customer Service Company that Happens to Fly Airplanes¹
- ◆ What do they have in common with strategic, business-focused HR?
 - Nothing!
 - A singular focus on their role to drive business success

“We are business people who happen to do HR.”

¹ – Source: Southwest Airlines website

Two Big Ideas For Today

◆ Great Customer Relationships

- Alignment between HR and the business to drive the right focus.

◆ Maximize Capability and Process

- Optimize HR - both in talent and process
- Invest in tools and technology that handle transactions but can also transform

Note – Talent Management is also important but better discussed as separate topic.

The Present and the Future have changed HR

◆ Business realities HR must adapt to

- We're expected to know the business
- We're expected to understand the formal and informal relationships in our companies
- We're expected to connect the dots

◆ Ask yourself these questions of yourselves and your HR team

- Do we understand the business?
- Do we understand the gaps between what our customers need vs. what we offer?
- Do we have a plan to address those gaps?
- Do we have the right people on the bus to serve our customers?

◆ Recommendation

- If you answer “No” or “Not Sure” to any of these questions, read David Ulrich's book HR from the Outside In

Highly Effective HR

- ◆ **Have strategic guidance ready for your customers.**
- ◆ **Focus on business issues, not tactical administration.**
- ◆ **Establish solid talent pools backed by data.**
- ◆ **Position your company to handle growth and manage change.**
- ◆ **Build for the future.**

Great Customer Relationships – What?

- ◆ **Ensure alignment between the business and HR to drive in the right direction**
 - What's important to the business should be important to HR
- ◆ **Alignment should be “top down” and “outside in”**
- ◆ **Everything HR does, uses resources for or invests in must answer one key question**
 - “If we do it, what business goal does it help achieve or support?”

Great Customer Relationships – How?

- ◆ **Creating alignment between business and HR priorities is necessary but not enough**
 - Understanding how to align also means knowing your customers
- ◆ **Start with understanding your customers**
 - Allows you to understand better their needs and priorities
- ◆ **Focus on maintaining great relationships with your customers**
 - Be “in the know” sooner.
- ◆ **What are you doing to build great relationships with your customers every day?**
 - Important to recognize the value of your daily interactions with your customers

Maximize Capability and Process

◆ Question #1

- **Do you have the right players in the right seats under the right structure?**
 - Practice what you preach on talent management.
 - Don't be afraid to make hard decisions.

◆ Question #2

- **Do you understand your gaps but know how to play to your strengths?**
 - Use the same tools your Business Development or Marketing people use!
 - Address your people, process or knowledge gaps, but leverage the heck out of your strengths.

◆ Question #3

- **What do you and your team do better than anyone else and does it help the business?**
 - If you don't do it better, or it's not a best use of your resources, consider alternative solution.
 - Don't just outsource to outsource.
 - Use technology to your advantage.

Maximizing capability of HR Team

- ◆ **Examples of where we've outsourced for strategic reasons**
 - Leading Edge Consulting – Use external on demand advisors
 - Learning Administration – Learning Management System (work in process)
 - Staffing – Applicant Tracking System

- ◆ **Example of where we haven't outsourced for strategic reasons**
 - Benefits

- ◆ **In deciding whether to outsource – make sure it answers this question...**
 - What do you and your team do better than anyone else and does it help the business?

You're a Business Person First

Back to where we started:

- ◆ **What we need to know, to guide what we do...is the business**
- ◆ **What we do as HR, has to help the business...not HR**

Questions?