The Business Partner Balancing Act: An Analysis of Alternative Employee Advocacy Practices in the Modern HR Function

Matt Olson
Cornell University, mpo37@cornell.edu

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The Business Partner Balancing Act: An Analysis of Alternative Employee Advocacy Practices in the Modern HR Function

Abstract
Excerpt] Over the past 15 years, human resource (HR) organizations shifted to “business-based HR” or “business partnering,” as firms adopted a three-legged HR functional design comprising shared services, centers of expertise and HR business partner roles. This new structure offers a firm additional HR value by freeing the business partner of administrative work and leveraging technology to automate and centralize human resource processes.

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The Rise of the Business Partner

Over the past 15 years, human resource (HR) organizations shifted to “business-based HR” or “business partnering,” as firms adopted a three-legged HR functional design comprising shared services, centers of expertise and HR business partner roles. This new structure offers a firm additional HR value by freeing the business partner of administrative work and leveraging technology to automate and centralize human resource processes.

While organizations reap many benefits from the business partner role, HR and the businesses they work for are gambling that the benefits outweigh the consequences of this functional change. One of the central roles of the business partner is to add value to strategic business discussions by providing a “unique and powerful perspective in which they see the business environment that goes beyond what other disciplines see.”

Ironically, the business partner role causes HR to lose this perspective as new job designs and performance objectives require a greater percentage of practitioners' work to be focused on projects that limit employee face time. This leads to less personal interaction with employees, a loss of visibility on workforce issues, and a feeling of alienation among the workforce.

Alternative Options of Employee Advocacy

The risks associated with the business partner role call for HR to implement alternative employee advocacy methods under the three-legged HR model. Current literature outlines four possible methods to consider. The first is HR's role in coaching, training and motivating line managers to take on employee advocacy responsibilities. Second, HR can play an active role in designing and establishing self-managed teams with the capabilities needed to conduct employee advocacy work. Third, HR should carefully manage the shifting of employee advocacy to employee relations shared services. Finally, HR can personally reengage and rebuild trust with line employees through individual employee outreach. Each of these approaches should be implemented differently across industries, organizational structures, cultures and geographies to balance the respective benefits and risks.
Shifting Responsibility to Managers

Shifting employee advocacy responsibilities to local line managers is increasingly an option for business partners as their new roles call for increased exposure and coaching of key leaders. Access to one-on-one time, coupled with line managers’ growing respect of the business partner, affords practitioners the opportunity to candidly coach managers on necessary employee advocacy skills. The critical success factor in this option is to establish proper selection and skill transfer techniques to ensure managers are capable and motivated to carry out this new work. This includes critiquing traditional performance objectives so that manager goals are aligned with employee championing conduct. Managers can be measured on performance goals qualitatively or through a mixture of quantitative scores such as direct report engagement, turnover or satisfaction scores.

Of course, there are many challenges to overcome under the manager option. Hope-Hailey, et al. may have articulated it best in a study stating that “the assumption that line management ‘could and would’ fulfill the employee champion role is shown to be ‘flawed.’ Managers were ‘neither capable nor motivated’ to take on people management responsibilities.”

The author’s critical view stresses the importance of selecting and training capable managers. Additionally, HR needs to be cognizant of manager overload by adding new responsibilities that will compete for manager attention. Other hurdles to consider are a managers’ ability to overcome communication and relational boundaries. Employees must feel comfortable or in a “safe zone” to freely express his or her thoughts and feelings. This has traditionally been held for HR managers, who have always been perceived as a neutral-third party. Presumably, employees may not feel as comfortable bringing certain topics to their managers for fear of retaliation or resistance.

Designing and Coaching Self-Managed Teams

Similar to relying on managers, the business partner can shift employee advocacy to entire work groups by playing an active role in designing self-managed teams with employee champion capabilities. HR’s role in this option is to ensure that the self-managed teams are empowered with employee resource skills like “selecting, training, compensating and counseling” employees.

HR should also consider structural changes to the rewards and recognition systems to support this option. This is accomplished by providing the teams with flexible reward options such as spot bonuses and team member nominated recognition systems. Allowing teams to reward employees on demand enables them to quickly respond to employee needs without dealing with traditional bureaucratic policies.
Shifting Responsibility to Shared Services

For many organizations, the rise of the business partner has led employers to shift employee relations and the employee experience to outsourced or internally housed shared-service centers. This is an attractive model as technology allows firms to generate cost savings through centralization and standardization of HR systems, policies and procedures. These reorganizations offer tremendous up sides such as enabling human resource managers to focus on more “strategic” work, providing aggregated employee data (giving rise to analytical decision making), and providing savings on the profit & loss statement. However, this shift has serious negative implications on the employee experience. Perhaps the most impactful way to articulate this risk is to quote Harry Donaldson, the Secretary of the General Municipal Boilermakers Union:

If business partnering becomes too much driven by team leaders and line managers, and the only place that you can contact HR is to actually go through a PC, or ‘phone a call centre, then employees will question whether their employer really cares about them and is serious about the maxim that they are the company's most valued assets. It seems to me that the role of employee champion will become the sole preserve of the trade union.\textsuperscript{12}

This perspective has ramifications on the role that human resource management plays as a union avoidance strategy\textsuperscript{13} as well as negative financial implications on the firm. As employees feel alienated by the absence of HR, firms can expect to see decreases in engagement and productivity and increases in turnover, all leading to lower revenues and higher labor costs. For this reason, firms that adopt this method of advocacy should do everything in their power to make the shared-service interaction as personal as possible. One option is to provide shared service interaction in tandem with manager or team-focused options. It is also advisable to only shift to shared service advocacy among employee populations that have traditionally required low-touch with HR. These employee groups include remote workers and low-skill, high turnover populations where employee championing efforts offer less value to the firm.

HR Reengagement with Employees

Perhaps the best solution for the business partner is to tread a fine line between employee advocate and business partner. This is what Francis and Keegan call the “thinking performer.”\textsuperscript{14} The nature of 21st century business partner is to consistently balance business decisions and the employee perspective by acting as a conduit between management and the workforce. It is a demanding task, but one that can be accomplished by approaching every decision or interaction with a critical, strategic, professional and reflective lens. This means establishing consistent employee-face time and thinking critically about managerial decisions and the impact they will have on the workforce. This also calls for the business partner to work up professional courage to defend the employee position in key interactions with business leaders.\textsuperscript{15}
For reengagement to be successful, business partner performance objectives will need to be aligned with employee advocacy goals. As Francis and Keegan have noted, the business partner is the career path of the future for HR career development and therefore will be increasingly measured on direct, bottom-line contributions to the firm. This can lead many practitioners to become hyper-focused on direct cost or efficiency, and lose sight of hidden cost savings by improving productivity or lowering turnover. Much of these gains come from simply listening, and when the situation requires, becoming an employee champion.

Conclusion

As human resource functions continue to transform across the globe, practitioners must find ways to maintain the employee perspective. Human resource managers should rethink advocacy and engagement strategies so the workforce can safely, freely and honesty voice its opinion on managerial decisions. For some firms this will take place behind closed doors, aggregated in call center data, or perhaps exclude HR altogether. One way or another, it is in the firm's best interest to design some form of employee advocacy process to attract, retain and motivate its top performers.

Matt Olson is completing his second year of a Master in Industrial and Labor Relations at Cornell University. While at Cornell, Matthew serves as a Research Assistant for Cornell’s Center for Advanced Human Resource Studies (CAHRS) and is the President of Cornell’s Human Capital Association (HCA). Before graduate school, Matthew worked in corporate human resources for Tyco, General Electric and Sonepar in a number roles in talent management, organizational development and talent acquisition. Matthew is originally from West Windsor, New Jersey and holds a Bachelor of Arts from Purdue University.

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11 D. Kasiarz, personal communication, April 14, 2014


15 K. Cox, personal communication, September 13, 2013