

Key Challenges In HR In Europe - What Are Yours And How Do You Tackle Them?

The days when international HR professionals only focused on core HR transactions such as payroll, managing absence and organisational headcount are long gone. Today's HR professionals are often working for organisations which are going through tremendous change, technologically, culturally and politically. Segmentation, differentiation and agility matter, so a 'one size fits all' approach often fails to deliver the flexibility and speed modern business demands.

The challenges of European HR decision-makers in particular, is highlighted in the research conducted by independent HR analyst Fosway Group, in association with HRN (the organisers of HR Tech World).

HR's Focus Is Becoming More Strategic

HR has evolved beyond its historically transactional responsibilities into a potentially strategically important business function that can define and pinpoint what makes an organisation a success or a failure. HR leaders tell us their key business challenges are increasingly focused on their organisation's performance and profitability (92%), reducing costs (89%), and improving customer satisfaction (86%). The good news

is that these are measurable goals. The bigger challenge is defining what practical actions HR can take to positively impact them.

As a function, HR is increasingly taking a role in enabling business success through its people strategies, by building a passion in organisation's for attracting, keeping and optimising talent.

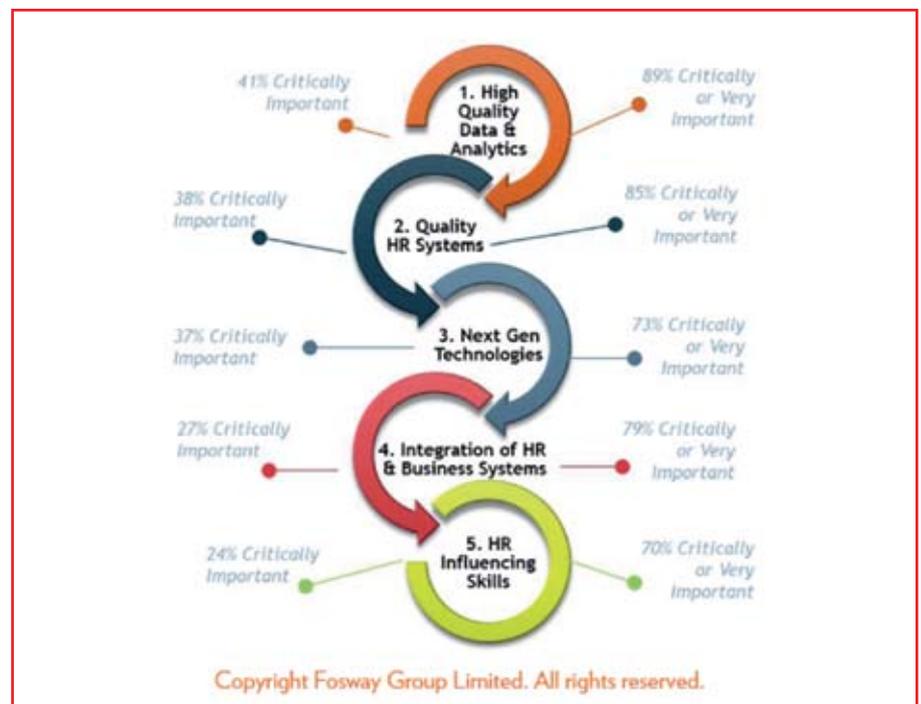
It is also focusing on energising and engaging employees, and optimising

how their talents are applied within their organisation.

This has been a fundamental shift not just for HR professionals, but also its technology and what their systems need to deliver.

HR Technology Is A Critical Enabler For Success

The top five critical enablers of HR success are seen as quality analytics, quality HR systems,



strategic influencing, next generation technology and business systems integration. It is no coincidence that with the exception of 'strategic influencing', four out of the top five are linked to technology!

Evidence from our research shows satisfaction with HR technology is low (less than one in ten is extremely satisfied). So the drivers for changing and innovating HR solutions are clear. More than 50% envisage changing their core HR, learning, succession, reward or workforce planning solutions within the next three years. And 75% expect to see increased spend on HR technology in the years ahead. Be ready for more innovation around key technology areas including user experience, employee engagement and analytics; all evolving with the aim of the supporting HR's switch away from the transactional to the strategic.

Business Agility Is One Of The Most Significant HR Challenges

One of the top challenges faced by European HR professionals as part of this overall shift, is delivering business agility (82%), a measure fundamentally different to performance, profitability and the like.



Creating an agile, entrepreneurial, digitally savvy and future facing organisation is critical to business survival in the C21st.

'It refers to distinct qualities that allow organisations to respond rapidly to changes in the internal and external environment without losing momentum or vision. Adaptability, flexibility and balance are three qualities essential to long-term business agility' (HRZone).

It is a complex concept, and one that will vary according to the circumstances of each individual organisation. But, just because it is challenging to measure, doesn't mean you can't assess the readiness of HR and your HR technology to deliver business agility; however, what you don't want is your architecture and systems to stand in the way of achieving it. Any organisation can strive to be more agile, whether large, medium or small, but HR must examine both its operations and its systems against the three key elements of customer satisfaction, organisational energy, and dynamic architecture in order to begin achieving it.

"Creating an agile, entrepreneurial, digitally savvy and future facing organisation

is critical to business survival in the C21st" said HRN's Director of Research and Development, Peter Russell. "What we are seeing is that many organisations are now realising that the challenge is more than just hiring the right talent, it's also about looking in the mirror and facing up to the reality that a deep cultural and structural change and re-invention is essential."

The desire to deliver increased performance and profitability whilst reducing costs and improving customer satisfaction and increasing business agility certainly puts a lot on the shoulders of HR professionals. But, by continuing to develop HR into a more strategic business partner, a top priority in the research for 53% of respondents, HR professionals can work to deliver these goals. One of the keys to success is access to the right data and insights, whilst ensuring HR systems are acting as an enabler, not a barrier. 80% identified a lack of data integration across HR silos as a major challenge for them. Which is potentially why more than half of the survey participants envisage changing their existing core HR, learning succession and workforce planning solutions within the next three years. This nods to the importance of getting the right HR technology in place, ensuring adoption and interpreting the organisation's data using analytics to generate valuable business insights.

Looking Beyond The Technology...

The research also demonstrates that change should not be limited just to HR technology. As the role of HR constantly evolves, so do the metrics of organisational success. Our statistics highlight that participants believe HR's future success is dependent on upskilling HR teams (72%), new or enhanced processes (69%) and re-organisation to create a better business alignment (54%).



All of the above ought to be considered together as a package: if you adopt new ways of working, you need new operating structures to bring them to life and maximise the opportunities they offer. The new insights you gain by implementing them can bring you closer to dealing with those challenges HR professionals have to successfully tackle both now and in the future.

Whilst the focus on investment may be systems and upskilling, innovation doesn't always come without some pain. And for HR the pain is likely to come from reduced headcount. 35% expect to see a reduction and that was before the turbulence and economic uncertainty caused by Brexit this summer. Overall, headcount is the biggest focus for reducing future investment in HR and very few expect to see it grow. With an HR desire to switch to being a strategic business partner, and an increase reliance on influence, analytics and systems, in our view the headcount pressure is most likely to be felt in HR teams that are more transaction focused. And we believe that technology can potentially fill in some of the gaps that reduced headcount might create.

The only way to realistically pick up the slack, is for analytics and machine intelligent systems to be implemented, along with the next wave of employee and manager self-service.

The migration of manual processes into

an HR system – which has often been at the core of HR transformations of the past – is not enough. Our research indicates that HR needs to change its DNA – and to truly transform, HR cannot just be dependent on the technology. It requires a shift in HR's fundamental vision for how it adds value to the organisation. And these fundamental questions start to raise the questions about HR's future purpose and goals, its role, its structure and its relationship with the people it serves, as well as evolving the services it provides - in an increasingly digitised and automated world.

The hard facts seem to indicate a shift is starting to happen and not just in systems. It's not just about changing HR technology – it's about changing HR.

It's not just about changing HR technology – it's about changing HR.

ABOUT FOSWAY GROUP

At Fosway Group we understand that developing and engaging people is how complex global organisations deliver performance and achieve success. Just as every employee's talent journey is unique, so is every organisation's people strategy. Fosway Group's analyst and advisory services deliver the insights your organisation needs to achieve results and eliminate risk. We know that every aspect of next generation HR and talent are more intertwined than ever. You can depend on us to tell you what you need to know to succeed.

Visit www.fosway.com

ABOUT HRN

HRN is a new breed of networkers, researchers and event managers. We produce the fastest growing HR events in the world. Our events include HR Tech World Congress & iRecruit Expo. HRN ranks as the largest Corporate HR Network focused on the Future of Work & Technology. Global research confirms that technology is the foundation for Strategic HR. We are involving leaders from over 80 countries to shape our community and harness the opportunity HR technology holds for organisations today.

Visit www.hrn.io



New Website To Support Expatriate's Moving To, Or Living In The UK

WWW.EXPATSGUIDETOTHEUK.COM

This brand new website, where you can also view *The 2016 Expatriate's Guide to Living in the UK* online, supports expatriates who have moved to the UK from anywhere in the world, by providing key information about living in the UK.

Living and working in the UK can provide a fantastic opportunity to any individual expatriate and their family. The UK offers a diverse range of cultures and if you have relocated for business, family or lifestyle reasons, this website will prove to be an invaluable resource.

The site currently contains over ten Useful Advice pages covering:

- Banking & Wealth • Expatriate Clubs • Embassies & High Commissions
- Driving & Transport • Education - Schools & Universities
- Healthcare & Hospitals • Immigration & Residency • Legal Issues
- Moving & Relocation • Residential Lettings
- Serviced Apartments • Taxation

These pages contain detailed information on these subjects, with valuable advice, information and links to our partners.

PLEASE SHARE THIS WEBSITE WITH ANY FRIENDS, FAMILY OR COLLEAGUES WHO ARE RELOCATING TO THE UK!

VISIT WWW.EXPATSGUIDETOTHEUK.COM TODAY!

