

## **Building HR Capability for an Outsourced World**

### **Background**

Our client was implementing one of the largest outsourcings of HR transactional services in the industry. This was being done on a global scale. The remaining HR function was going to be segmented into Services Delivery (managing the relationship with the outsourced provider), Expertise Teams (globalisation of HR professionals such as Talent, Reward, and Organisation Effectiveness/Development) and HR Business Partners (working the strategic HR agenda within the Business Units). The latter role was particularly new for our client and key to the transformation of their HR function: in the past HR leaders in the business had been used to 'running their own show', and providing service across a range of HR specialist and generalist areas. They were now needing to 'let go' of these aspects of their role, put in place service agreements to get them sourced from elsewhere, and thereby freeing them up to be a more robust and equal partner at the leadership (business) table.

### **Our role**

We were invited in to help this client understand and develop the mindset and behavioural changes required in order to successfully operate the new HR organisational model. Much documentation existed for the process and accountability changes required, however as the 'go live' date approached for the new model, it was felt imperative to 'try it out' in order to flush out any implementation challenges still remaining (be that in process clarity, capability, readiness to change, role clarity etc).

Against this brief we:

- Worked with the global Head of the Outsourcing project and his Leadership Team to create their sense of the 'case for change' for the new HR model and what it was really going to mean in practice. This was felt important for them to credibly lead their organisation through the fundamental shift in ways of working.
- Designed and directed a series of Simulation events for the new HR operating model. This intervention was pivotal, and in it we:
  - Created a 'fictitious' yet 'eerily familiar' organisation in which large groups of HR people were going to experience the new model in practice.
  - The simulation took people through five business quarters, over a period of around 5 hours, in which they literally played the part of their new HR role, responding to business challenges, making decisions, and interacting with their HR colleagues playing different roles in the model
  - Line managers were present at these simulations, for example playing Factory, Supply Chain, and Marketing Directors, and their role was instrumental in 'testing out' how the HR participants present were going to deliver their service
  - Debriefs and learning happened throughout the course of the simulation, enabling participants to reflect on their experience, notice 'what was happening in the room', and plan how they were going to adjust their behaviour in order to make the HR organisational model work more effectively

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- Built in sufficient time for action planning, both within and between the different parts of the HR function, such that they would be better prepared to 'hit the ground running' on go live date

### **Outcomes**

The simulations were run across Europe, the U.S. and Asia, and made a big impact in helping people to see and feel how the new HR model was really going to work in practice. It in particular surfaced the mindset, behavioural, and capability changes required for the HR Business Partners role.

### **Learnings & reflections:**

- A powerful reminder that engaging people in the change, rather than merely communicating it, enables them to emotionally accept and adopt the change faster
- Helped participants to understand the concept of the new HR function
- Experientially enabled people to understand the new ways of working and behaviours required
- The process helped identify development needs (particularly for HRBPs) and in some cases the capability gap
- Undertaken in a timely way ahead of a country outsourcing core HR services, the approach facilitated timely and effective action planning