

Chapter

4

Consultancy

Learning Outcomes

In this chapter you will learn to:

- identify the process of consulting
- develop a concept of human resources consultancy in an organisation
- develop service agreements to provide HR services to satisfy client needs
- document agreement specifications including performance standards
- deliver HR service in accordance with service agreements
- identify any performance variations and address these accordingly
- monitor service delivery to assess levels of performance
- gain appropriate approval for any variations to service delivery.

CHAPTER INTRODUCTION

Most managers in organisations have dealings with consultants on a regular basis. The days are gone when organisations hired staff to cover all their needs. For example, change consultants are now engaged to help the organisation through any necessary restructuring. In HR, external consultants are used particularly in the recruitment, payroll, training and occupational health and safety areas.

As a service function, a key skill for HR practitioners to possess is the ability to influence and change the attitudes of those around them, especially the line managers to whom they provide a human resources service. HR practitioners, while managing their own section, need to act as a consultant within their organisation, as this ensures that the HR function is viewed by the organisation as a value-adding unit rather than as just another cost centre.

Most of us have had some formal or informal exposure to HR consultancy. This may be through observing external consultants providing a HR service to our organisation, or through working as or observing HR professionals working as internal consultants.

We need to develop a common understanding of what is meant by the term 'consultant', and to develop a common model for the consulting process. We also need to distinguish the consultancy role, whether it is that of an internal or external consultant, from that of the line manager.

The consultant/consultancy team needs to be seen as credible. In order for this to happen, it is necessary for the consultant to determine the appropriate service level specifications required, as this lays a crucial foundation for a successful relationship between the consultancy and the organisation. This relationship needs to be evaluated on a regular basis, in order to provide the best possible service and advice available, within organisational and budget parameters. In addition, the internal service agreement and external consultancy contract need to be appropriately managed in order not only to maintain service levels, but also to provide a higher level of service each year.



HR consultancy in the organisation

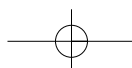
Human resources management is becoming more business oriented, a strategic partner focused on the tactical goals of the organisation. However, it must also always concentrate on understanding and trying to meet the needs of employees. Therefore, any internal consultancy is required to balance the needs of both management and the employee in any decisions made. It is also important that the external **consultant** advises management of the potential ramifications of organisational and systems changes on staff.

consultant

someone who assists the client to identify and analyse management problems, and who recommends/helps to implement solutions to these problems

The role of the HR manager

As a strategic partner (that is, ensuring that there is close interaction with senior management by aligning HR activities with business strategy), HR needs to interpret business objectives into HR policy and procedure. Thus, HR managers need to have knowledge of the business operations, financial imperatives and direction of the organisation, and to have an internal-customer orientation. They need to be administrative experts, ensuring that HR administrative systems work efficiently and effectively. An example of this is the timely recruiting and selection of appropriate personnel, ensuring that induction and training is focused and just-in-time.



The HR expert needs to be able to relate to staff. Often, he or she is the only real informal communication link between management and staff. HR deals with and passes on employee ideas, thoughts, issues and complaints, thus providing staff with a voice.

HR experts are increasingly becoming the agent of organisational change, often beginning with changing HR processes themselves. They also need to assist line managers to deal appropriately with the internal conflict that inevitably emerges from necessary organisational change.

HR as an influencing/intervention agent

HR specialists need to have the ability to influence and change the attitudes of management and staff. Indeed, it is this attribute that makes them more of a consultant than a manager. In this advisory role, the HR consultant/specialist then may be able to present the case for change in HR as a value-added exercise, and not just as a cost to the **client**. To achieve this influence, the HR consultant/specialist needs to develop strategies to influence all stakeholders, in order to obtain the desired results. This includes ensuring that:

- centres and sources of power and influence are identified
- organisational culture, beliefs, perceptions and value systems are explored
- strategies and techniques are proposed, with an appropriate **cost–benefit analysis**, to achieve desired outcomes
- the goals, objectives or outcomes to be achieved are identified
- resources, knowledge, skills and networks that are useful for influencing others are identified.

Contact a human resources professional working as an internal consultant (as most HR staff are these days) and ask him or her how he/she manages change processes in the organisation. Alternatively, ask the same question of an external consultant.

In effecting change in an organisation, the HR consultant needs to use influence. The first type of intervention relates to human processes—for example, direct consultation, team building, and inter-group relations and employee involvement.

The second type of intervention refers to techno-structural processes, including organisational design, downsizing and re-engineering.

The third type of intervention is part of the traditional human resources function, particularly where it involves training and development and also the redesigning of jobs or work roles.

The fourth type of intervention relates to strategic intervention in the organisation and its environment. This includes culture change and the concept of the learning organisation.

Defining the role of HR consultancy

Bratton defines consultancy in the following terms:

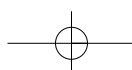
Management consulting is an advisory service contracted for and provided to organisations by specially trained and qualified persons who assist, in an objective and

client

the recipient of consultancy

cost–benefit analysis

comparison of the cost of supplying a service with the benefits it provides



independent manner, the client to:

- *identify management problems,*
- *analyse such problems,*
- *recommend solutions to these problems, and*
- *help, when requested, in the implementation of solutions.*¹

Thus human resources consulting is concerned with the provision of human resources services to assist management in the day to day operation of the organisation. It needs not only to identify and analyse, but also to engage with the organisation. By its nature, the consultancy service must also adequately provide for the needs of individual employees. It is therefore most important to discuss service requirements openly with all stakeholders in the organisation. Stakeholders include managers, employees, shareholders, unions and the general community, all of whom have a legitimate interest in HR services, decisions made and the performance of companies.

The provision of HR services

Human resources services include the full range of HR activities offered in an organisation. They may include strategic advice, procedural advice, employee training, auditing section processes, arranging a service or offering a service in:

- staff recruitment and selection
- assessment and development centres
- performance appraisal and counselling
- personal and career development planning
- induction and orientation programs
- career management systems
- succession planning
- competency selection and development processes
- training needs analysis
- education and training programs
- self-analysis and self-assessment
- remuneration/benefits and rewards
- flexible work arrangements
- industrial relations advice
- discrimination, vilification and harassment advice
- teleworking and procedures for working from home
- occupational health and safety
- rehabilitation and return to work
- workers' compensation.



www.ecue.com.au

1. Go to the E-Cue website.
2. What is the aim of the consultancy?
3. What type of consultancy services does E-Cue offer?

Career management systems ensure that employees' expertise is less likely to be lost by resignation or underperformance. These systems are designed to retain and motivate employees by identifying their training needs through needs assessment, which is based on factors such as legislation, new technology, new products, new jobs and underperformance.

Training needs analysis determines the type of training or other development options required. Such objectivity is important as, while some self-assessment of performance and training needs may be valuable, personal issues can cloud valid outcomes. Any self-assessment therefore needs to be undertaken together with regular supervisory feedback.

Teleworking/telecommuting has grown in popularity, with many employees reaching agreement with managers to do some work from home. HR managers need to consider, in servicing this option, the realities of work/family demarcation, occupational health and safety issues and the potential for employees to become isolated. In the future, organisations with office space restrictions may introduce 'hot desking', where employees share a central desk facility but do a majority of the work away from the office.

To ensure that the organisation meets legislation requirements, the consultancy needs to offer essential services by ensuring that the organisation appropriately applies legislation where:

- there are awards, enterprise agreements or Australian workplace agreements (AWAs)
- relevant legislation from any level of government affects business operation, especially in regard to OHS and environmental issues, EEO, industrial relations and anti-discrimination
- relevant industry codes of practice are implemented
- non-compliance could be costly to the organisation.

The consultant must undertake various organisational analyses to provide the evidence on which appropriate human resources arguments can be mounted. Typical analysis regarding organisational needs would include:

- checking discrepancies between plans and operational activities
- undertaking cost-benefit analysis of various future HR service options, including a **return on investment (ROI) analysis** of training strategies (cost-benefit analysis refers to comparing the financial benefits of an HR service with the cost of implementation. For example, the costs of delivering a training program can be compared with the outcomes of the program—higher productivity, less wastage and so on—and an ROI can then be determined from this.)
- undertaking human resources risk assessments
- working closely on human resources aspects of quality audits.

What services does the HR officer or department provide as a consultant to your organisation? Does HR have specific budgets for individual HR services, such as training?

Risk assessment

Managers in general are fairly averse to risk. Thus they may be less likely to pursue projects or acquisitions with high potential gains, as there could also be an attendant

career management systems

systems developed to retain and motivate employees by identifying and meeting their development needs

training needs analysis

formal process of identifying training needs, usually of a group of people

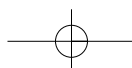
teleworking/telecommuting

working from home

return on investment (ROI) analysis

analysis of the benefits gained from investing in the supply of a service

reflective question



risk assessment

analysis of the likelihood and potential seriousness of an injury or illness

high risk of failure.² Similarly, human resources managers may also tend to avoid risky ventures. As a result, any **risk assessment** undertaken will need to indicate clearly the costs and benefits of the option considered.

For example, an occupational health and safety (OHS) management system would tend to focus on the effective control of risks posed by the hazardous materials or activities that may be involved in its environment. The risk is to: safety (immediate injury to a person); health (disease development in a person); or the environment. The process by which the supervisor or OHS manager establishes effective assessment and control of risk involves the following steps:

1. Identify the hazard(s).
2. Organise controls for the hazard.
3. Assess any remaining risk posed by the hazard with the controls in place.
4. Document the risk assessment.

The risk assessment process

If, as an employer, you have identified a hazard, you must assess how dangerous it is. Ask yourself: how likely is it that an injury or illness will occur, and how seriously could someone be affected? This is *risk assessment*.

The level of significance of the risk will determine the priority assigned to it, and a **risk management** approach is then undertaken, based on this assessment. This is the process of recognising situations that have the potential to cause harm to people or property, and then acting to prevent such situations occurring or employees from being harmed. (Chapter 10 will cover occupational health and safety in more details.)

There are many types of hazards and methods for assessing them will differ. Clause 9 of the OHS Regulation 2001 provides information on how to assess risks. An employer must:

1. evaluate the likelihood of an injury or illness occurring, and the likely severity of any such injury or illness
2. review all available health and safety information relevant to the hazard (for example, information from the supplier of plant; material safety data sheets; labels; registers of installed asbestos; results of biological monitoring and atmospheric monitoring of atmospheric contaminants; previous incident, injury or illness reports)
3. identify factors that contribute to the risk (for example, the layout and condition of the working environment; the capability, skill, experience and age of the people ordinarily doing the work; the systems of work being used; reasonably foreseeable abnormal conditions)
4. identify actions necessary to eliminate or control the risk
5. identify any records that need to be kept in order to ensure that risks are eliminated or controlled (including how long they should be kept).

*Hazpak—Making Your Workplace Safer*³ provides some useful guidance. It suggests that for each hazard the employer should:

1. judge the severity of any harm. Consider if it could cause:
 - (a) permanent disability, ill health or death
 - (b) long-term illness or serious injury

risk management

identifying potential hazards in the workplace and selecting controls to minimise negative outcomes

- (c) someone to require medical attention and to be off work for several days
 - (d) someone to require first aid.
2. judge the likelihood of the harm occurring. Consider if it is:
- (a) very likely (could happen any time)
 - (b) likely (could happen sometime)
 - (c) unlikely (could happen but very rarely)
 - (d) very unlikely (could happen but probably never will).

www.workcover.nsw.gov.au

1. Access the NSW WorkCover website.
2. Search for further information on risk assessment.



Personal consultancy skills

Human resources consultants need a range of personal and communication skills to be effective in their role. They need to be able to facilitate meetings, workshops, discussions and arguments. Influencing skills are especially required when best practice is envisaged. The consultant needs to be able to analyse situations critically and to offer fearless advice.

When representing the position of a company's workers or management, negotiation and persuasion skills are required. (Negotiation skills are discussed in more detail in Chapter 9.) HR consultants lead the organisation by example in undertaking **action research**. Action research can be described as research that uses a number of methods, is usually team-based, and is undertaken because organisational change is needed. It also helps the consultant to develop research skills and an understanding of the particular organisational processes under review. The consultant therefore needs to know about, and work around, the various power relationships in an organisation.

In addition, credibility and trust need to be built up. This is crucial, as HR consultants' informal networks within the organisation can provide necessary information when formal communication cannot. Their external networks will also provide them with options on how to deal with the issues that surface during their consultancy. Consultants need to work with their networks constantly, to ensure that no issues are overlooked during their investigations.

The external environment and its influence upon organisational HR policies and processes must be assessed and recommendations for action proposed.



The consultancy process

Consulting within an organisation can of course occur on many levels. An HR professional may be asked to assist a line manager to develop a solution for a day to day problem; for example, how should he or she approach an employee whose performance has dropped off recently? The consultant may also be asked to consult (provide counsel or a service) on a more complex set of problems for which the solution may take longer

action research
research undertaken to assist
with organisational change

to implement, such as developing a new approach to recruiting, training and rewarding salespeople.

Increasingly, organisations also expect their HR people to actively seek out HR strategies to help the business to meet its operational, business and strategic goals. They expect them to be proactive in analysing strategic and operational plans to determine HR requirements; to work closely with line managers to identify their HR needs and people issues; and to work collaboratively to develop appropriate strategies and action plans for the delivery of various HR services.

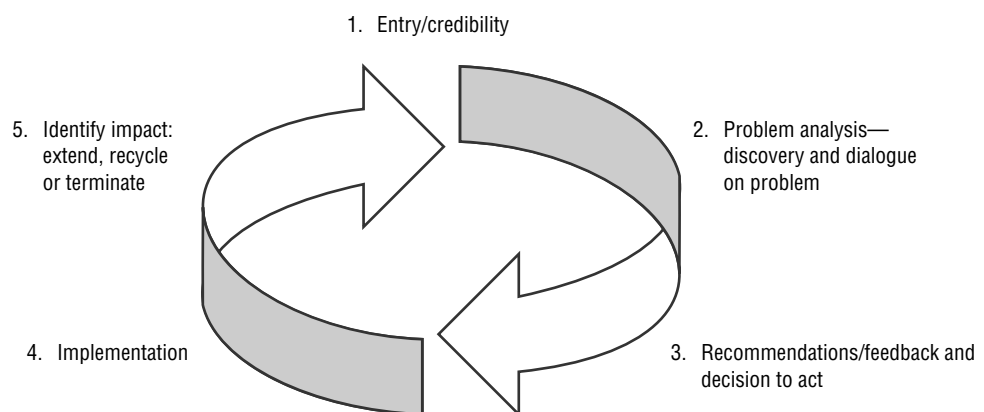
Similarly, HR professionals are increasingly the recipient of a service from another team within their own organisation or from an external provider (such as a recruitment agency). As a result, it is important that HR professionals learn to manage these consultancy/service relationships well, in order to ensure that service standards are delivered.

A partnership with a recruitment agency must be developed, to ensure that the candidates are presented appropriately. It is also vital that the agency presents the organisation in an accurate way. This was illustrated in a recent court case, where the NSW Industrial Relations Commission found that the firm Keycorp Ltd had used the consultancy firm Korn/Ferry to offer a chief executive position to a Mr Thomas. Mr Thomas accepted the position but found, when starting in the new job, that what was offered in the contract was far less than was actually available when he commenced work. The Commission found that there had been a misleading representation through Korn/Ferry, and Mr Thomas obtained a \$1.9 million payout from Keycorp as a result.⁴

Consultancy models

One of the most useful models for a consultancy process is proposed by Block.⁵ This model can be applied to both external and internal consulting, and is acknowledged by many as the 'leading process model' on consultancy. Figure 4.1 is a brief summation of the key points of Block's model of process consulting.

Figure 4.1 Model of process consulting



Source: P. Block, *Flawless Consulting: A Guide to Getting Your Expertise Used*, Pfeiffer & Co., Sydney, 1981.

Gaining entry/credibility

For an external consultant, the entry/credibility stage involves gaining entry into the organisation, whereas for an internal consultant it involves gaining credibility with line managers. Thus:

credibility = honesty + competency + inspiration

(that is, it both appeals to needs and has the ability to be forward looking).

Beyond the initial task of gaining entry, this stage involves the initial meeting with the client (line manager) about the project, problem or required service; exploring the problem and establishing whether the consultant can assist; and setting clear expectations for both parties.

Problem analysis

Problem analysis also includes defining service standards. Problem analysis and defining service standards can include discussion on:

- *knowledge of the business*: the implications for internal HR consultants and external consultants
- *the problem-solving process*: the definition of a problem, or defining the actual service to be provided. This involves undertaking a wide consultative process. It may also include discussion on problem-solving techniques such as, for example, **root cause analysis** or the **80:20 principle**.

Making recommendations

This stage is also called 'feedback and the decision to act'. It includes:

- data collection
- developing options for action using methods such as brainstorming
- agreeing on a course of action or the development of a service agreement
- agreeing service specifications, **performance standards** and timeframes
- development of an implementation plan, including the conditions necessary for successful implementation.

Implementation

This stage requires that a service in accordance with service agreements is supplied and maintained. It is necessary that any performance variations are identified and addressed accordingly.

Data collection

Data collection is undertaken by people undertaking research. All governments collect data. Data is also collected within organisations, especially by people undertaking the human resources function. With current data about the characteristics of the staff, an HR manager can report, plan and select the services and resources required to allow staff to remain productive.

root cause analysis

approach to identifying, reporting and correcting workplace errors

80:20 principle

principle stating that 80 per cent of all results come from 20 per cent of effort

performance standards

measures of work outcomes

Identify the impact

A decision needs to be made to extend, recycle or terminate a delivery agreement. The service delivery is monitored during the process to assess levels of performance. Client surveys and quantitative measures are undertaken to assess the level of client satisfaction and service standards. An assessment is made of whether changes in service delivery are required, and then negotiation of these changes with relevant parties is undertaken.

The process of collecting data takes two forms: gathering data that has already been collected by someone else, usually for a different purpose, (known as secondary research), and creating 'new' data (primary research).

The HR consultant and the line manager

Block (1981) observes that the term 'consultant' has been much maligned and is in disrepute. He refers to a number of common negative references to consultants, such as being 'someone who steals your watch to tell you the time', or:

Client: What time is it?

*Answer (Consultant): That depends—what time do you want it to be?*⁶

In Block's discussion on consultancy he points to the distinction between a consultant and a line manager:

*A consultant is a person in a position to have influence over an individual, a group, or an organisation, but has no direct power to make changes or implement programs. This is distinct from a line manager who...has direct responsibility over the action.*⁷

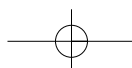
In most organisations, HR people are required to act as consultants—even if they don't call themselves 'consultants'. They are asked to work with managers to provide them with ways to solve problems and/or discuss **performance management**—that is, to look for opportunities to maximise performance in a whole range of people-related issues, such as training, building reward systems, coaching employees and recruitment.

For example, when faced with a problem to discuss, such as an employee's need to acquire further skills, a line manager will often be able to choose a consultant from a number of internal or external sources. When discussing the need with a training consultant, the line manager will begin the process by conducting a needs analysis—that is, he or she will analyse whether the problem is really one of training, or whether it arises from another cause such as inappropriate job design or organisational culture. This will be followed by a period of generating possible learning options, costing, presenting these options and gaining commitment to a particular solution. Having gained support for a solution, the training consultant will work with a number of stakeholders to develop an implementation plan and to agree service standards and how performance will be measured (how the client will know if the learning program has worked).

To make a training program successful, a training consultant will often need to give advice and provide options to a number of stakeholders such as trainees, line managers,

performance management

process for creating a shared understanding of what an individual is to achieve; managing and developing individual achievement in line with organisational objectives



senior management and sometimes even customers. The learning solution can then be implemented and its effectiveness assessed using pre-agreed standards of performance. A decision can then be made about whether further action is required.

Similarly, a recruitment consultant needs to ensure that appropriate analysis of a job is undertaken; job competencies meet organisational needs; appropriate advertising is undertaken; employees are adequately trained to make a selection; all processes meet equal opportunity, discrimination and privacy guidelines; and a suitable induction program is rolled out.

In your organisation, identify the HR role of a central function and of line managers in the following areas: recruitment; performance appraisal; training; and occupational health and safety. Should HR performance-manage employees, or is it their role to coach and support line managers to performance-manage their direct subordinates?



Service level agreements

Determining appropriate service level specifications is a crucial foundation for a successful internal or external human resources relationship. If services are provided without an agreement, disputes will arise regarding the responsibility for HR, and the HR section will invariably wear all responsibility.

Often, when a service provided by HR to another party, such as the client/line manager, is recurring, or when the quality of the service is critical, HR seeks to formalise this arrangement by writing a consultancy agreement or a **service level agreement (SLA)**. An SLA is a document that outlines:

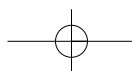
- the service to be provided (service specifications)
- the rights and responsibilities of each party to the agreement
- the key processes to be used
- key performance standards, timeframes and client satisfaction criteria
- the processes to be used to monitor performance against standards (quality assurance) and, if required, how corrective action will be taken
- how performance will be reported.

Negotiating the scope and conditions for a service to be provided is one of the first steps in developing a service agreement. For example, if you were developing a service agreement for the provision of recruitment you would first need to determine the broad scope of the service agreement. Would the agreement cover the provision of recruitment services to a specific business unit or to the organisation in general? Would it cover permanent or temporary staff?

Once the scope of the agreement has been defined the HR consultant will need to work through the remaining key components. These include the details listed in the points above, and also defining client satisfaction criteria—that is, negotiating realistic criteria with mechanisms for two-way feedback throughout the life of the agreement. The service level specifications stated in the SLA clearly describe the level of required performance and results the client expects to receive from the service provider. The service provider must meet or exceed these performance standards.

service level agreement (SLA)

formal agreement outlining the service to be provided, the key processes to be used, key performance standards and client satisfaction criteria



Web link 4.3

www.newcastle.edu.au/division/usd/hrs/projects

1. Access the Human Resource Services Portfolio on the University of Newcastle website, at the address given above.
2. What is the agreement for quality of performance and service delivery?
3. What is the workforce planning agreement?

Delivering service in accordance with the SLA

Human resources needs to provide a service in accordance with service level agreements, to identify any performance variations and to address these accordingly. Often, implementing these agreements will require a strategy to deal with resistance to change.

It is important that all stakeholders be identified, if this has not already been done earlier. The fears and opportunities of each stakeholder regarding the change process also require identification. In addition, how the HR manager influences the style of human resource services being offered also needs to be addressed. Such influencing is ordinarily undertaken informally by the HR manager, who provides stakeholders with explanations and reasons for compliance.

In particular, there needs to be a focus on monitoring service and ensuring that quality assurance measures are in place. This is vital in order to identify areas where actual performance may fall short of agreed performance standards, and so that HR managers are able to develop intervention strategies when and if this occurs.

For example, if the service agreement is for the development of a training program, the training consultant undertakes the following steps:

1. Analyse the data that indicates a training need.
2. Provide options.
3. Ensure that when designing a training program, the consultant checks the training content with key stakeholders on a number of occasions.
4. Conduct a pilot program as part of the consultant's quality assurance plan.

Once the consultant has completed these steps, he or she needs to ensure that performance standards are negotiated that cover the actual learning program itself (delivery standards). Longer-term performance standards targeting actual work-based application of the training content also need to be covered.



Describe a problem you are experiencing and model how you might handle the situation, giving examples of how you might word conversations with those involved. Discuss this, first with fellow students and then with your lecturer.

Evaluating HR service delivery

Service delivery requires monitoring during the process to assess levels of performance. This is part of a continuous improvement process. Client surveys need to be undertaken to assess the level of client satisfaction. Feedback and surveys must be analysed to assess the need for changes in service delivery. Finally, appropriate approval for any variations to service delivery agreements needs to be obtained.

Using **client surveys** as an additional tool to measure customer satisfaction, and developing strategies to accommodate changes to service in order to reflect client needs better, should also be considered as an **evaluation** method. Surveys are used in addition to performance standards (which primarily measure process outcomes) to provide an overall sense of a client's satisfaction with a service. Again, this is a tool that should be designed early in the process. It is also important to note that client surveys are tools which need to be negotiated—there is no point having client satisfaction measures that are unrealistic or that do not take account of variables that may be outside the influence of the parties to the agreement.

Another evaluation method is to undertake structured interviews with appropriate staff, either one-on-one or one to a small group. **Focus groups** are a further evaluation method, as is return on investment, where the results of a human resources program are measured.

Evaluations may be made in order to test potential HR systems, to monitor current HR systems, or to check a system after it has been in place for a specific period of time.

client surveys

quantitative questionnaires that ask internal or external clients questions about their perceptions of a particular HR service

evaluation

overall determination of the success of a program or a strategy

focus groups

structured research method in which key people are taken through themes, topics or situations and provide feedback to a facilitator

For more information on how this section relates to real-world HRM, follow the links to the student resources in the Online Learning Centre at www.mhhe.com/au/seward



The ability to learn from experience is a key competency required in all HR and leadership positions. Human resources can offer ideas for improving a service, for doing things differently, and for acknowledging mistakes and framing them as learning opportunities, in order to be able work effectively as an HR professional.

Chapter S U M M A R Y

- **The human resources function is increasingly seen as an internal consulting and influencing agent in the organisation.**
- **HR also deals with external consultants when required.**
- **The HR consultant influences and changes the attitudes of management and staff in order to ensure that the end result reflects organisational requirements.**
- **HR managers need to assess the risks involved with any options under consideration, and to exercise risk management.**
- **The line manager's role in delivering human resources activities needs to be clearly defined, so that everyone understands the boundaries of service.**
- **Personal consultancy skills, including communication and influencing skills, are essential if an HR consultancy is to succeed.**
- **The consultancy process involves gaining entry/credibility, problem analysis, making recommendations, implementation, data collection and assessment of the effectiveness of a delivery agreement.**
- **A service level agreement between human resources and management can include the breadth of the HR function, or just elements of it.**
- **Both the human resources manager/team and the client share responsibility to ensure that the service agreement is successfully undertaken.**
- **Appropriate service levels must be defined and evaluated, to provide a higher level of service each year. Thus, service level agreements need to be established and then evaluated over time to ensure they still meet the needs of the organisation.**

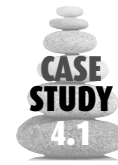
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CASE Studies

Developing service specifications in a retail environment

Matilda's service specifications



The responsible HR officer at Matilda's will provide advice, assistance and support on the implementation of Matilda's HR policies and procedures in relation to employee relations and selection and recruitment activities in the Penrith branch.

This aligns with our corporate mission statement, which states the company's aim to 'attract and develop motivated customer-service oriented staff to meet our goal of being the leading retailer of authentic Australian gift products'.

Primarily, it is anticipated that the main customers of this SLA will be the line supervisors. The service provided, however, should also be to the staff of Matilda's at Penrith. On occasion, advice will also be provided to HR staff at other branches. Advice and assistance to be provided include the following:

1. Performance management.

The HR manager will:

- review the plan on a yearly basis with supervisors and three representatives of staff
- arrange for or provide appropriate training to all supervisors and staff members
- provide appropriate papers and time schedules for supervisors to perform appraisals, which are to be undertaken in February and August of each year
- provide venues for the appraisals upon request
- audit appraisal papers to ensure adherence to policy and procedure
- provide advice to supervisors and staff on issues that arise
- check to ensure that training plans are developed in conjunction with appraisals.

The supervisors will:

- perform the appraisals in accordance with policy and procedure in the time limit allowed
- gain agreement with the employee where possible and urgently refer to the HR manager if agreement is not reached
- refer issues to the HR manager
- provide advice on high performers to the HR manager
- release the employee for appropriate training.

2. Recruitment and selection.

When a request for recruitment is received, the HR manager will discuss recruitment needs with the relevant supervisor. This process includes:

- ascertaining requirements of the position through a job analysis questionnaire
- determining whether the position will be permanent, full-time, part-time or temporary, or whether casual appointments are needed

- assisting in selecting the most effective method of recruitment (internal or external, via advertising in the media, the Internet and so on)
- agreeing how long the timeframe will be for the activity, and who will be involved in the selection process for the position.

Once these have been determined, the HR manager will:

1. check and approve the draft job description developed by the supervisor
2. organise the advertising of the position
3. be the contact person for the receipt of applications
4. provide assistance to the selection panel, which may include:
 - a) culling applications that do not meet basic criteria
 - b) arranging interview appointments for applicants at times also agreed by the selection panel
 - c) arranging any testing as appropriate
 - d) organising venues for interviews, and sitting on the panel upon request
 - e) advising appropriate procedures for reference checking
 - f) administrative support after the selection process, including checking drafts of selection panel decisions for consistency under company policy and EEO principles, and advising all applicants in writing.

Performance standards for SLA

The HR manager undertakes to:

- ensure that the advice provided is accurate, up to date, and in line with the organisation's strategic direction, policies and procedures
- ensure that he or she approaches each issue with a view to providing a range of solutions to assist the supervisors to make informed decisions
- provide updates and information on HR issues to supervisors, and be available to provide HR perspectives on issues relating to the operations of Matilda's
- ensure that all inquiries are handled promptly in accordance with the HR service standards of Matilda's.

The supervisors undertake to:

- ensure that they are available to meet with the HR manager to progress particular issues raised or specific activities
- provide the HR manager with sufficient information to assist with the resolution of issues
- be responsible for any costs associated with recruitment activities the HR manager undertakes on behalf of the supervisors, including advertising and transport costs and any testing.

Monitoring and evaluation

1. The HR manager will join the supervisors each month at their regular meeting to gain feedback on the service the HR manager is providing to them, as well as to review the SLA.
2. The HR manager will keep accurate records of the service provided to the supervisors and staff, for discussion at the monthly meetings.

3. A supervisor must contact the HR manager if he or she has any major concerns which cannot wait until the regular monthly meetings, or has any issues that need to be discussed in terms of this SLA.

QUESTION

1. Can you apply this service specification to aspects of your human resources service delivery?

Matilda's undergoes restructuring

Matilda's, committed to becoming the leading retailer of authentic Australiana gift products, has been very successful. The Penrith branch has grown in sales and is grossly understaffed, causing reliability problems. There are urgent plans to expand the shop floor and bring in a new exciting product line. New staff must be employed as soon as possible and all staff retrained. However, some members of staff believe that they are not being rewarded enough for their efforts in helping the business grow.

Peter White, the administrative officer, has been given the task of ensuring that the human resources function adequately meets these new urgent demands. He is also likely to be upgraded to HR management status if he does a good job.

The key HR issues involved are as follows:

- appropriate staff are to be recruited and retained in order to provide a first class service
- an adequate staff training and development process needs to be implemented
- performance management and the reward process need revising
- staff stress appears to be a growing problem.

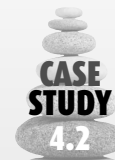
QUESTIONS

1. Advise Peter to undertake an HR consultancy role with the branch.
2. Address the above matters and provide an advisory report, listing in order what you would do first.

A recent staff survey indicates major supervisory problems in a branch of your organisation. You are concerned about the privacy issues regarding a staff survey, but you recognise that something must be done.

How might you analyse and use the feedback contained within a survey to obtain a result that is compatible with the privacy of the staff?

1. Increasingly, HR professionals are asked to provide consultancy to the business and to adopt a consultancy (joint problem-solving) approach in their role. What is the role of the HR professional in your organisation?
2. What is the difference between an *internal* and *external* HR consultant?
3. What legal issues are important when an internal HR consultant is asked to brief line managers regarding a new recruitment strategy?



4. What communication skills are required to develop a service level agreement?
5. What is a *service specification*?
6. List some benefits of implementing an SLA for a selected service in your workplace.
7. What responsibilities might a client or supervisor have in an SLA?
8. How might you evaluate the service delivery of training?
9. When might you evaluate the service delivery of a recruitment process?
10. Why would you ensure quality checks are undertaken on a regular basis?

Endnotes

1. D Bratton, 'Management Consulting: Building Customer Relationships', Speech to London Education & Training Society, 2002, in www.info.com/hrarticles/dbratton/consult.html
2. H de Cieri & R Kramar, *Human Resource Management in Australia*, McGraw-Hill, Sydney, pp. 465–6.
3. WorkCover NSW, 2001.
4. *Michael Thomas v. Keycorp Limited* (2003), NSW IRC 459.
5. P Block, *Flawless Consulting: A Guide to Getting your Expertise Used*, Pfeiffer & Co., Sydney, 1981.
6. *ibid.*
7. *ibid.*