

HR ALIGNMENT TO BUSINESS VS BEING BUSINESS INFORMED

(Part of an extract on Business Informed HR Professionals – BIHRP)

Article written by André Pandy
– Founder and MD Human Insights



Have you ever heard the expression “we are aligning our Human Resources strategy to the Business Strategy? What does it really mean and are we truly cognizance of the process that has just been articulated?”

This view point and practice of **HR Strategy to business alignment** is commonly narrated in the HR literature - books, articles, professional HR networks and symposiums. My own research indicates that the world “aligning to the business” goes back to the year 1997.

REGARDING THIS “ALIGNMENT”, BASED ON MY OBSERVATIONS AND INSIGHTS OVER A 20-YEAR PERIOD HERE ARE SOME OF MY CONCLUSIONS:

- The practice of alignment means that HR formulate HR strategies and actions and then try and align with the business strategy - a type of force - fit or retrofit. Imagine trying to write you own personal business goals and then try to figure out if it fits the overall business remit!
- The way the content (imperatives and actions) of the HR strategy is articulated seems “fluffy” and does not reflect what the business needs from the people agenda e.g. **we need top talent successors vs we need to place our top talent in areas of the business where we need our biggest problems solved.**
- There seems to be an excessive amount of HR actions that flow from a HR Strategy that has not been “Business Informed”. On average I see about twenty-four actions which seems excessive considering that most HR functions seem understaffed. Does more = more HR legitimacy? I often recommend that HR teams do the mathematics around how long it will take to execute and achieve each of the twenty-four actions - most teams realise that they will not have enough time in a year to complete half the actions!

In contrast, if a HR function is Business Informed and the team become Business Informed HR Professionals (BIHRP - significantly different from being a HR Business Partner) there would be fundamental differences how they show up and impact the company:

▶ **The HR strategies would be robust, concise and business -centric and truly reflect what the company needs. HR will have a more direct impact on the profitability of the organisation**

▶ **There would be far less HR priorities**

▶ **HR will impact the bottom line and in so doing raise its legitimacy**

▶ **The content of the HR strategy will reflect what the business priorities are and not the “fluffy” HR stuff**

Finally, whenever you think about your HR strategy - particularly the process that you will use to formulate it start with the business and then “**move to the right**” - raise your level of **Commercial Astuteness!**