Perceived Low Value of HR’s Work to Senior Leaders (and How HR Can Fix This)

Most HR practitioners are pretty confident that their toxin handling activities, though important, are invisible to senior leaders. In fact, three-quarters of the participants (73.1%) in the foundational study preceding this book (Daniel, 2018) reported that they did not believe that toxin handling work was recognized or appreciated by senior leaders in their organizations—at all.

Toxin Handling Work Is Not Only Not Appreciated—in Fact, It Is Invisible

HR professionals are overwhelmingly of the opinion that their senior management does not understand what they do to assist employees stay productive, nor are they aware of the positive impact that the work has on organizational outcomes. Practitioners reason (or rationalize perhaps) that this was probably because this work with troubled employees is conducted behind closed doors and kept confidential to protect the employee’s privacy. As a result, it seems to be true that this work is virtually invisible to most other people within the organization, including senior leaders (Daniel, 2018).

I think they sometimes see us as a “necessary evil.” They don’t always perceive that we contribute to the bottom line by keeping people engaged and helping them through emotional distress.

I don’t think they really understand the work. I don’t think they appreciate the work so much as they want results.
[I think they sometimes see] us as a “necessary evil.” They don’t always perceive that we contribute to the bottom line by keeping people engaged and helping them through emotional distress.

I think they appreciate it if they get a “yes” or they appreciate it if you solve the problem for them. If it doesn’t fall into one of those two categories, it’s [considered to be] annoying and definitely not on their agenda to deal with.

I don’t think they really appreciate it. “That’s HR’s business” is their answer, “give it to HR” like the old cartoon “give it to Mikey”. Let them handle it.

Based on my own experience I don’t think that they understand the frequency with which it [toxic emotions] gets handled.

I just don’t think they appreciate it. I think they just assume it’s part of the job, like “hey this is your job, you have to deal with it”.

If you’re dealing with people that either are too busy or feel that it [toxin handling] is not important or just don’t recognize it as real issue, then I have felt looked down upon for doing that for people—for talking to them and spending the extra time.

I don’t think they appreciate the work. I don’t think that they understand what goes into having those conversations and how much research and effort goes into making just one phone call to communicate one piece of news and walking that one employee through the next steps and answering their questions. I don’t think they appreciate it at all or have any idea of how much effort goes into handling even just one situation.

Some lucky practitioners do feel that their toxin handling work is appreciated and valued, but that view was definitely in the minority.

I think when you have good and strong leadership it’s appreciated, but that’s not always the norm.

In my experience, they did appreciate it and probably pushed too much off on HR, especially senior managers, because they didn’t always want to deal with anything like that so [their thinking was] “push off to HR”.

Senior leaders often have to make difficult business decisions to meet strategic objectives. HR helps to minimize the negative impact of those decisions on employees. Management understands the role and values it.
One of the suggestions offered to ensure that senior leaders really understood and appreciated the value of their toxin handling work was offered wryly:

_They should come and work in HR for a couple of weeks … new people who come here are like “wow, I had no idea” [of the complexity and emotion that HR practitioners deal with on a regular basis]. Once people start to realize the parameters that you have to operate in and the actual workload, plus the level of time that has to be spent with some people … right away some people will determine that it [working in HR] is not for them._

Imagine how quickly things would change if this exchange of roles were actually to occur, if only for an hour!

**Perceived Low Value of HR’s Work to Senior Leaders (and How HR Can Fix This)**

Spoiler alert: not only do senior leaders not necessarily understand or respect HR’s role in helping to manage organizational toxicity, they also do not seem to fully understand or value HR’s contributions to the success of their business in general. To test this theory, a research study examined how 18 senior leaders in organizations throughout North America perceive the effectiveness of HR professionals (Daniel, 2012, 2013). Here are some of the findings that you might find to be of interest:

**Strengths of HR Professionals**

First, the good news. Senior executives viewed HR professionals as possessing considerable strength in four key areas: (1) education and training of the workforce; (2) mitigation of risk to the organization; (3) providing reliable basic HR services (e.g. compensation, benefits, training); and (4) protecting the interests of both employees and management. This suggests that senior leaders have at least some idea of the contributions that HR makes to the overall success of their business.

**Weaknesses of HR Professionals**

Conversely, friction points in the relationship were also identified. These include the pervasive perception among senior executives that HR
professionals: (1) lack an understanding of business fundamentals; (2) are so focused on administration, rules, and processes that they are impediments to progress; (3) frequently say “no” without suggesting alternative solutions; and (4) are slow to act (or simply fail to respond at all).

**Overall Rating**

On a scale of 1 to 5 (with 5 being the best and 1 being the worst), the senior leaders participating in the study cumulatively rated the overall effectiveness of the HR function in their organizations at 3.66—roughly translating into perhaps a grade of C+ at best.

At the conclusion of the interview process, HR professionals were subsequently asked to rank order the issues identified by the executives as problematic, with an additional option to select “no issues create increased conflict.” Two separate surveys were conducted with a total of 171 HR professionals. These issues were identified as creating the most conflict between senior leaders and HR:

1. Lack of understanding of business fundamentals
2. Concerns that HR is too focused on administrative issues
3. Complaints that HR is slow to act or fails to respond at all
4. Criticism that HR too often says “no” without suggesting alternative solutions

These results clearly demonstrated that HR practitioners have a realistic understanding of the perception of senior leaders about their contributions—as well as their perceived weaknesses.

Six recommendations emerged from the study’s findings that can be implemented by HR practitioners to improve their work relationships and organizational impact going forward. They include:

**Recommendation #1: Understand the Fundamentals of Business—To Gain Organizational Credibility and Trust**

In recent years, senior leaders have consistently expressed a desire—and expectation—for HR professionals to be fully informed about how the organization makes its money, the drivers of cash flow and profits, chief competitors and threats, short- and long-term goals, the trade-offs involved in business decisions, and how the HR department can contribute to the organization’s financial goals. It is also critical for HR to be connected to the human
capital-related issues of common concern to executives, such as: What talent will be the business need in 3–5 years? Where will we find it? How we will grow it?

This type of knowledge can be obtained both on-the-job and also through conference and training program attendance. Formal HR education and/or professional organizations have not consistently prioritized the development of analytical skills or a depth of knowledge in finance, analytics, technology, and business. However, you undoubtedly already know that business acumen is now one of nine primary competency domains included in SHRM’s *HR Competency Model for HR professionals* (SHRM, n.d.). In their own words:

*To really be successful, HR needs to understand the fundamentals of the business with a laser-like focus on the human capital side of the business.*

*They [HR] need more “street cred” to sit at the big table. They really will not be able to do that until they are more business “savvy” and align their interests with the business needs of the organization.*

*They need to understand the business that we are in so that they can proactively support us in the things that will make the most difference—recruiting more quickly, developing leadership, and promoting a culture that stimulates engagement among employees.*

*HR needs to understand the financial aspects of the company and make decisions through a business-oriented framework.*

*HR is in a role of influence, but they do nothing strategic or proactive. They need more understanding of business issues and strategy.*

**Recommendation #2: Partner More Closely with Organizational Leaders and Line Managers—To Build Relationships and Connectedness to Positively Support Business Objectives**

Senior executives seem to understand that a fully functioning strategic HR function is essential in the current global market. At the same time, however, they also believe that HR is “ineffective and consistently fails to provide value to the organization”. To actually become a strategic business partner will require HR to ensure that basic services are executed skillfully and efficiently. It will also require them to expand their knowledge of the business and improve their communication, coaching, and conflict resolution skills in order to interact more effectively with senior leaders.

Making this shift in role will not be easy, but even incremental changes in this direction will likely be met with approval. Importantly, though, if there is a need to remind or tell senior leaders that HR is their “trusted advisor” or
“strategic business partner,” then the relationship is not quite there yet. Relevant supporting comments follow:

Move beyond being “nice people who try really hard” to being a strategic and integral partner.

It would be helpful for HR to embrace a new approach/philosophy, such as: “My job is to help you do your job” or “I do not want to slow you down, so let’s figure out how to resolve this situation as quickly as possible.”

Become less transactional and process-oriented and more strategic and embedded in the business. HR needs to get in sync with the business and help management to find solutions.

HR is not a place for exceptionally bright movers and shakers. It is typically a place for C-level people who have a bachelor’s degree and who “like people,” but don’t really have any other useful skills.

If a bomb went off and they [HR] all went away, no one would miss them or their work.

Line people view staff as impediments to what they want to get done, so they “take runs at HR” because they interfere with the line getting what they want.

HR needs to be proactive in developing relationships with all departments and not just wait until there’s a bad situation to deal with. HR is often viewed as the place you go only when there’s something bad going on—it’s like going to the principal’s office.

In the fast-paced changing environment HR can no longer be the “red-headed step-child.” They can also no longer be disenfranchised staff employees who provide policies for compliance but not service. We hire the right people in our organization in spite of HR, not because of them.

We are very clear on what we need, and they seem to work against making good hires … If HR wants a seat at the table, they need to earn it by providing service to the line departments.

Recommendation #3: Increase the Use of Measurement and Metrics—To Support Evidence-Based Decision-Making and Improve Credibility

Historically HR has not relied on an evidence-based approach to decision-making and forecasting, relying instead on “gut intuition” and/or “doing what is right.” While there is no substitute for experience, corporate leaders are increasingly frustrated with the function and its inability to quantify recommendations and present data.

All too often, recommendations are made by HR practitioners with no evidence or analysis to provide support as to why management should
consider making those decisions leading some commentators to suggest that perhaps finance should be put in charge of running the function. In some cases, there is simply no evidence to validate what are thought by HR practitioners to be best practices, while in other cases there is evidence to suggest that what are thought to be best practices are actually inferior ones. In short, not enough organizations practice evidence-based human capital management. As a result, HR professionals are often perceived as under-performing and disconnected from the rest of the organization.

We need to bring the same degree of rigor and discipline to the HR function that is commonly found in other functions. An increase in the use of evidence-based decision-making, measurement, analytics and technology, along with improved business acumen will go a long way toward improving HR’s organizational credibility—and its actual impact.

Having said that, a word of caution is in order: it is important not to go overboard. We must focus on maintaining a balanced approach so that we do not begin to count and measure everything while losing sight of the organization’s most important asset—its human capital.

HR needs to understand the financial aspects of the company and work through a business-oriented framework. That means more analysis/more measurement and holding themselves to the same rigorous standards that others in the organization are required to meet.

HR is generally working on the wrong things and do not present information analytically or in terms of its impact on the business. As a result, they are considered to be fairly naïve by operating people.

Who would want to go into HR as a profession? If someone says to me that they want to study HR, I immediately think “well, here’s a C student.”

HR does not seem able to look out in the future and forecast people needs. They need to increase their use of measurement and metrics to help the organization make better human capital decisions.

Recommendation #4: Improve Speed and Access—To Increase Availability, Visibility, and Improve Negative Perceptions of the Function

There is a distinct difference between activity versus impact; in fact, it is possible to spend all of one’s time working hard and engaged in activity yet have no organizational or strategic impact at all. HR practitioners often have low visibility and are slow to respond because they are swamped with administrative tasks. Does that sound like your workday?
While many of these tasks come with a sense of urgency, not all of them are really important. Increasing the availability of HR practitioners and accelerating the speed of response would help to overcome a perception that HR is disconnected from the real work of the organization. Slow response times and frequent lack of availability causes organizational frustration and a pervasive sense that HR is not responsive as evidenced by the mountain of comments delivered with emotional intensity on this issue:

They take forever to get anything done—including simple things like the return of phone calls. It is not uncommon for days or weeks to go by without a response.

They [HR] have trained all of us in the organization not to go to them for help as they are unwilling (or unable) to provide it. Most people try hard to avoid interfacing with HR and simply work around them—if we can do it on our own, we just do in order to get it done. It may be imperfect, but at least we make progress.

It takes 2–3 tries to get anything done with them. You have to push and cajole them to get them to make a decision or act. HR has set the bar so low that no one wants to deal with them.

HR tends to feel that they are understaffed, undervalued and misunderstood. What they don’t seem to realize is that every staff group feels the same way … but HR acts “put upon” and as if they are special and should be exempted from the same expectations that other groups must meet in terms of responding quickly, etc.

HR is an impediment to performance—they do not provide good service and they just get in the way of making progress. HR staff need to be held accountable like everyone else for being responsive and meeting their commitments.

They are always slow to respond—in our organization, we fondly refer to HR as “the black hole.”

People are negative about HR because they don’t really know what HR is doing for the organization. When they don’t call back or respond to issues or questions, people begin to think negative thoughts—they become cynical and start saying things like “HR spends all of its time visiting the spa and getting massages (mistakenly).”

Answer the phone and return emails in a reasonable amount of time (if a quick answer is not possible, at least get back to the person with an estimated time that you will be able to respond).

Avoid being a “sub organization” that lives and works apart from everyone else. HR is often isolated (both physically and in terms of really being a part of the business) and, as a result, is disconnected. Don’t stay locked up in the office—get out and interact more. Be available and accessible!

HR slows things down (often called “Miss Pokey Pants” by operating people in the organization).
Recommendation #5: Simplify—Ruthlessly Eliminate Unnecessary Paperwork, Processes, Rules, and Policies
A significant amount of time is still being invested in the traditional transactional activities of HR, rather than the transformational ones that have been proven to impact the company’s bottom line. World-class companies are working hard to simplify their services by increasing their reliance on technology. Through the implementation of self-service options for payroll, training, total rewards, administration, and staffing services, the premise is that automation and standardization in these areas will lead to higher-quality decision-making and lower costs.

Mundy (2012) offers a useful framework for practitioners to use when evaluating new and existing policies, processes, and programs. He suggests subjecting all decisions to this question before taking action: does it cause friction in the business or does it create flow? Friction is anything that makes it more difficult for people in critical roles to advance the objectives of the business. Flow, on the other hand, is doing everything possible to remove barriers and promote better performance. Some intense comments from senior leaders about the performance of the HR function as a whole:

They make me absolutely crazy by their obsession with paper and forms. We are getting “papered to death” by HR. We need HR to have a business orientation—what we don’t need is HR that requires multiple forms to get their jobs done. Why can’t they just make things happen???

At my company, it seems like we need policies and procedures just to go to the bathroom … so what happens? No one wants to work with HR.

We need HR to stop being so rule-oriented and form-driven and actually help plan and manage our human capital needs, run projections, find talent, etc. In fact, human capital drives a significant part of our capital budget, so it is a hugely important function.

Work on processes so that they are not so form-intensive or do something to help speed up the process to make it simpler and faster. Increase the use of technology to automate processes and/or push information downstream.

Make everyone’s job easier—“Loosen up” and minimize the heavy reliance on processes, procedures, rules, and paperwork.

Recommendation #6: Stop Saying “No”—Provide Multiple Alternatives with an Assessment of the Risk Involved with Each Option
The role of an HR practitioner frequently requires HR to counsel senior managers about complex issues such as employee discipline, policy interpretation,
and the like. During these types of interactions, practitioners often must take a position that is contrary to the one desired by the manager in order to help minimize risk and protect the company from litigation. Though such interactions are not intended to be personal, they can lead to interpersonal conflict and a perception of HR as unhelpful because they respond all too often with a flat “no.”

To address this tension, a shift in role is recommended. Rather than simply saying “no” or “you can’t do that,” executives in this study suggested that a better strategy would be for HR practitioners to provide alternatives with a corresponding assessment of the risks related to each choice. Jointly making decisions by providing an array of solutions to help managers solve problems would align HR as a more integral part of the team as evidenced by these comments:

*Bring solutions, not just problems. This would create a more symbiotic relationship with everyone in the organization—not just management.*

*Provide alternatives with an assessment of the risk involved for each recommendation—then make the decision together after a full discussion of the pros/cons.*

*Be more definitive and provide solid answers. Having said that, everyone thinks that they can do HR, but they can’t!*

*Dig deep into issues to provide viable solutions that, even though they may be imperfect, advance the organization’s objectives in a timely manner.*

**Implications for the HR Profession**

While not exactly representing a vote of confidence, these executive insights should not be discounted or ignored simply because they tell us things that we really do not want to hear. These views provide important information that can be used as a basis to target and remedy the perceived weaknesses of our profession so that we can reduce points of conflict, earn the respect of senior leaders, and truly move in the direction of becoming a more valued strategic business partner.

The HR function holds a unique and important organizational position with regard to people and talent. There is no other group better positioned to address the key drivers of organizational success—which most of us would agree include talent, culture, and leadership. However, the study’s findings strongly suggest that the HR profession has some very real challenges or, at the very least, a serious perception problem.
Whether or not we believe the criticisms to be fair, these perceptions are the reality of senior leaders when it comes to HR—at least for some. There have been countless public criticisms leveled at HR throughout the years (remember that scathing *Fast Company* article titled *Why We Hate HR* that touched a nerve and started it all back in 2005 (Hammonds, 2005)? Then Cappelli (2015) piled on again in a *Harvard Business Review* article a decade later (but, in all fairness, this time there were actually helpful suggestions about what HR can actually do about it). It is reasonable to assume that senior leaders in other organizations may hold similar views (Mirza, 2011).

It is, in my judgment, way past time for HR to stop asking for a “seat at the table”. Instead, we need to simply claim it by making our contribution abundantly clear to the organization—day after day after day—why we should be there.

How will we do this? By taking these recommendations to heart and getting serious about improving our business acumen, sharpening our analytical skills, improving our availability and speed of response, simplifying processes, by partnering more closely with line and corporate leaders, and by taking care to stop our instinctive “no” response and instead offer useful solutions. As noted by Gifford Pinchot (n.d.):

> The vast possibilities of our great future will become realities only if we make ourselves responsible for that future.

What if senior leaders actually began to demand our presence in key strategy meetings because our views were considered to be that crucial to the decision-making process? That is the future for HR that I hope for—and one that I actually think is possible to achieve. Of course, it is much easier to identify what needs to change than it is to actually make it happen. The COVID-19 pandemic, while tragic in so many ways, has created a bright spotlight on the function. HR professionals everywhere have been stepping up to manage and solve the many unique problems it has created. By all reports, HR is getting rave reviews from both employees and senior leaders alike for their leadership in these unchartered waters. It will be up to each of us to continue to demonstrate our value proposition—and it is significant. Despite the challenges (or maybe because of them), I really don’t think there has ever been a better time to be in HR.
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