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South Africa faces a well-documented skills shortage and part of the solution to this problem is for companies to retain key staff, or as Fergus Marupen, General Manager of Human Resources at Kumba Iron Ore, said “you don’t want to get into a situation where skills recycling is constantly taking place, with companies poaching each other’s skilled staff”.

Speaking at the opening session of the Assessment Centre Study Group conference in Stellenbosch yesterday (Thursday March 13), Marupen said that there was a need to move Human Resources into a position where practitioners were in a position to add value to business.

“Too often in the past HR has been relegated to a department that reports to the financial manager and not to the head of the organisation, and this has hindered its ability to attract talented people and keep them,” he said.

Marupen said that HR was no longer about simply managing processes - it needed to be about improving employees' production and work experience and not about how many performance evaluation forms were filled in by a department.

It takes a special type of person to work in the HR department of today, “you don’t become an HR practitioner if you are a people’s person, then you should become a social worker,” Marupen quipped, pointing out that modern HR departments need to drive performance efficiency and add value.

“You have to keep the two facets balanced, otherwise you end up with a skewed outcome,” said Marupen.

In growing a successful HR strategy it’s also vitally important to remember that you can’t apply a one-size-fits-all policy. You can’t fit everyone into the same set of rules and standards if you want to retain your competent staff. Marupen points out that South Africa, along with the rest of the world, is going to face this challenge in a very specific way when the Generation Ys begin to hit the market place.

“These are individuals who we know through research will challenge the status quo and push boundaries and HR practitioners will need to be able to respond to them in ways that are creative and tailored to the individual.”

Marupen also pointed out that good HR strategy that enriches a firm and pushes up its productivity and competitiveness in the market place is heavily reliant on being able to identify talent and then to grow it. Again, there is a special challenge for South Africa in this imperative, “It’s no good simply looking at whether the person you are hiring is a black person with a degree, you need to know what other skills they bring to the table, whether they will be a good fit with the organisation and contribute to its growth.”

That said it is also the responsibility of a good HR practitioner to grow employees and to stretch them, so support given to staff to advance in their careers figures high on the list of criteria in retaining good staff.

Given the myriad new challenges facing HR departments there are a number of trends that have emerged. These include sharing services, outsourcing non-core HR functions such as medical aid,

and bringing more women into the industry. Marupen has seen a number of these things already happening in South African companies.

A modern day HR practitioner needs to be a coach, to be an architect of policy and change within an organisation, to facilitate change (which Marupen points out is a process and not an event), to deliver and to be active, thereby improving employee performance.

HR, says Marupen, is no longer about “what we are doing, but what we are delivering.”

Kumba Iron Ore's decision to begin mining in Guinea is a good example of including HR as part of a business plan.

“We need to know who we need to have in place to pull off the exercise, whether we will be able to find the number of people we need to staff the operation, how to keep them safe and content, and we need them to be onboard with the culture and the ethics of the organisation.”

It's clear that in order to deliver, HR needs to move from being reactive to being proactive in shaping the organisation it serves, “we need to understand that the employee is our consumer, and that our customer is management”.

In order to advance the potential that HR can offer to the bottom line of a company the customer needs to be kept happy and to be convinced that it is getting optimal value from HR services.

Understanding your consumer is best done through a pyramid approach, said Marupen, “you need to go right from the very bottom and know whether they are happy with the cafeteria, their remuneration, their sense of belonging and their relationship with the company and the management”.

Retaining staff is a vital part of the HR function, and to keep staff the influence has to come from the top.

To be at the top of your game in modern HR you need to know how to balance the strategic, ethical, financial and legal implications of the process. History is littered with business failures that occurred after companies did not look at the long term implications of their actions, Maruden pointed out.

“For instance, in 1995 Mittal Steel SA (previously Iscor) made huge financial cuts and cut their staff by half, but down the line these cuts have cost heavily, especially as they resulted in the closing down of technical training colleges, contributing to the acute skills crisis in South Africa today.”

HR needs to be shaping the strategy in partnership with senior management if business is to grow and succeed in South Africa. And at the end of the day it's about making sure that things get done, “there's no point in having a flawless decision, say for example on paying bonuses, and then discovering that the payroll department has not paid them out.”

It's a tough call to be at the top of the game in HR today, and according to Maruden, many top HR positions in companies in South Africa are vacant because people become burned out by the challenges and the ever increasing legal requirements of the job.

“If you want to be in HR it's probably a good idea if you don't need your ego stroked too often,” he said. On the other hand if you get it right and begin the process by understanding the relationship between growing people and developing profitable companies, it's a job with huge rewards.
