

## **Wanted: HR technology visionaries**

An interview with Steve Foster, manager business consulting, Northgate Arinso

HR directors are in danger of letting a major opportunity slip through their fingers. By championing the application of technology to raise people performance they could position HR as a value-adding function. Ducking this challenge could mean a further erosion of HR's influence if operational management decides to bypass HR and go straight to the IT department for solutions.

Steve Foster, manager business consulting, Northgate Arinso, argues that HR directors have been slow to realise what they can gain from championing the performance-improving role for technology in areas such as performance management, talent and better reporting.

"The way HR can add value is to use technology to make management more productive, to support people management and to help the organisation recruit top talent," says Foster. If UK HR has been slow to take up the challenge till now, it is not too late to act.

Drawing on his experience in talking to organisations about technological opportunities, as well as his four research programme examining the wider HR/IT picture, Foster has reached a number of conclusions about why UK HR lags its US cousin.

"HR often has an uncomfortable relationship with IT," says Foster. "You've got a big sophisticated toolkit in technology, but most people just use it to do the grunt work." Although he says that "some HR directors get it."

On this side of the Atlantic, HR has been far slower to use technology for enhancing organisational performance. Foster points out that 50% of HR functions in the US make use of self-service technology, and 30 to 35% use strategic HR technology such as performance management systems. "It's less clear as to what happens in the UK," says Foster. "But we do know the take-up is not as great."

There are several reasons why IT is relegated mainly to an HR support role and rarely appears on the larger corporate stage. For one thing, there is a "lack of shared language between HR and line management". This, says Foster, can be an obstacle to getting ambitious projects off the ground. Even when HR starts with big plans to extend technology into the organisation, "something seems to happen with large projects six months down the line," says Foster. "They just seem to run out of steam."

In some cases the reason is disillusionment as a result of wrestling with large-scale systems development. "Companies get as far as implementing first-phase payroll and admin systems and then abandon the larger objectives," says Foster. The thought of enduring further development and implementation hassles saps their resolve. However, the growth of on-demand applications delivered over the web that do away with the

need for complex and costly in-house development may help to ease this problem. "SAAS also removes a barrier to investment," says Foster.

In one respect, HR-based projects are no different to any IT projects he says. "Projects work well with a champion who drives forward the vision. You've got to have someone who has a shared language with line managers, who can talk about what the business needs." He does add that it helps if the champion has prior experience of making this kind of project work. "The champion needs to understand the value piece and mustn't get distracted by the technology." However, there is no need for the champion to be a techy.

More important to the success of a value-adding project is to have a structured approach, says Foster.

"The first step is to be clear about the problem you're trying to solve. Whether it is reducing costs, helping managers manage better or create management information, this has to come from talking to the business."

"Next, you should ask what the options are. The solution may be outsourcing or technology. It's a matter of going to deeper levels with these questions."

The value-adding case may not be easy to make, not least where the benefits are long-term. But the alternative, says Foster, is even less attractive. "HR could find itself stuck with admin and regarded as the equivalent of the emergency plumbing service for fixing people problems."

Part of the attraction is that there is massive, untapped power in technology to transform performance which is simply being underused. For Foster, it is time to get the Ferrari out of the garage and let it rip.

More information:  
[www.northgearinso.com](http://www.northgearinso.com)

Steve Foster will be talking about the IT opportunities for HR at WTG's European HR Directors Business Summit, 19-20 January, 2010.