HR Competencies for Impact

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Emerging Assumptions for HR

1. HR is not about HR, but the business
2. HR delivers value to employees, organization, customer, investor, and community
3. HR delivers value through...
   • Talent: individual competence
   • Leadership: at all levels
   • Organization: organization capabilities
4. The bar has been raised on HR

So what are the competencies for HR to have impact?
HR Competencies Round 7
Research team

• Mike Ulrich, Co-Director
• David Kryscynski, Co-Director
• Dave Ulrich, Principal
• Wayne Brockbank, Principal
• Jacqueline Slade, Project Manager

MICHIGAN ROSS
Executive Education
Assumptions of Competency work

- Focus on outcomes, not just competencies (independent and dependent variables)
- Avoid self report or single report (judge myself by my intent; others by my behavior)
- Evolve and update (30 to 40% new every 4 to 5 years)
- Be aware of setting (look at “core” competencies vs. by geography, role, etc.)
HR Competencies Round 7
Thanks to Twenty-Two Regional Partners
Round 7 HR Competencies
Overview of Survey Design

Questions (Competencies)

- Overall: 123 Items (Be, Know, Do)
- Total Respondents (31,868)

Research 360

- Self Report: HR Participants (3,964)
- Other Report: Supervisor (3,738)
- Other Report: HR Associates (13,168)
- Other Report: Non-HR Associates (10,300)
Some demographics

70% of CHROs report to the CEO

65% of HR are women, double 25 years ago

Increasing equity in pay among peers at all levels

Over half of HR professionals have graduate degrees

Increasing equity in pay among peers at all levels
Key Questions for HR Competencies:

1. What are the overall competencies for HR professionals?

INDIVIDUAL HR Competencies
2. How do you get invited to the table as an HR professional?
3. Which stakeholders are you representing while you are at the table?
4. How do you help create business value while at the table?

ORGANIZATION: Quality of HR Department
5. How does the HR department affect business results?
Round 7 Competency Model

Strategic enablers

Core drivers

Foundational enablers

Paradox Navigator

- Strategic Positioner
- Compliance Manager
- Analytics Designer and Interpreter
- Technology and Media Integrator
- Human Capital Curator
- Total Rewards Steward
- Culture and Change Champion
# HR Competencies Round 7

Domain Averages by Rater Type

Purpose: show how average competency scores differ by rater type

<table>
<thead>
<tr>
<th></th>
<th>1 All Raters</th>
<th>2 Self-Ratings</th>
<th>3 Supervisor Ratings</th>
<th>4 HR Associate Ratings</th>
<th>5 Non-HR Associate Ratings</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strategic Positioner</td>
<td>4.13</td>
<td>4.06</td>
<td>3.93</td>
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<td>4.36</td>
<td>4.28</td>
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<td>Paradox Navigator</td>
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<td>3.86</td>
<td>4.02</td>
<td>4.11</td>
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<tr>
<td>Culture and Change Champion</td>
<td>4.03</td>
<td>3.99</td>
<td>3.92</td>
<td>4.09</td>
<td>4.16</td>
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<td>3.87</td>
<td>3.88</td>
<td>4.05</td>
<td>4.14</td>
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<tr>
<td>Analytics Designer and Interpreter</td>
<td>4.01</td>
<td>3.91</td>
<td>3.81</td>
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<td>4.14</td>
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<tr>
<td>Total Rewards Steward</td>
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<td>3.74</td>
<td>3.78</td>
<td>3.89</td>
<td>3.97</td>
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<tr>
<td>Technology and Media Integrator</td>
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<td>3.69</td>
<td>3.69</td>
<td>3.92</td>
<td>3.98</td>
</tr>
<tr>
<td>Compliance Manager</td>
<td>4.32</td>
<td>4.36</td>
<td>4.34</td>
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<td>4.42</td>
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<tr>
<td><strong>Overall Averages</strong></td>
<td><strong>4.07</strong></td>
<td><strong>3.98</strong></td>
<td><strong>3.94</strong></td>
<td><strong>4.10</strong></td>
<td><strong>4.18</strong></td>
</tr>
</tbody>
</table>
Key Questions for HR Competencies:

1. What are the overall competencies for HR professionals?

INDIVIDUAL HR Competencies
2. How do you get invited to the table as an HR professional?
3. Which stakeholders are you representing while you are at the table?
4. How do you help create business value while at the table?

ORGANIZATION: Quality of HR Department
5. How does the HR department affect business results?
How do you get invited to the table?

Purpose: show how much of overall individual effectiveness can be explained by each competency domain when we account for the other competency domains at the same time*

<table>
<thead>
<tr>
<th>Competency Domain</th>
<th>Regression results</th>
<th>Correlation Results</th>
</tr>
</thead>
<tbody>
<tr>
<td>Percent of Overall Effectiveness Explained by each Competency Domain (scaled to 100%)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Strategic Positioner</td>
<td>14.5</td>
<td>14.3</td>
</tr>
<tr>
<td>Credible Activist</td>
<td>19.3</td>
<td>14.2</td>
</tr>
<tr>
<td>Paradox Navigator</td>
<td>11.7</td>
<td>12.5</td>
</tr>
<tr>
<td>Culture and Change Champion</td>
<td>14.2</td>
<td>14.5</td>
</tr>
<tr>
<td>Human Capital Curator</td>
<td>13.1</td>
<td>12.4</td>
</tr>
<tr>
<td>Analytics Designer and Interpreter</td>
<td>8.2</td>
<td>9.1</td>
</tr>
<tr>
<td>Total Rewards Steward</td>
<td>6.2</td>
<td>7.6</td>
</tr>
<tr>
<td>Technology and Media Integrator</td>
<td>4.9</td>
<td>5.8</td>
</tr>
<tr>
<td>Compliance Manager</td>
<td>7.9</td>
<td>9.7</td>
</tr>
<tr>
<td><strong>Total percentage explained by competencies</strong></td>
<td><strong>83.4</strong></td>
<td></td>
</tr>
</tbody>
</table>
Key Questions for HR Competencies:

1. What are the overall competencies for HR professionals?

INDIVIDUAL HR Competencies
2. How do you get invited to the table as an HR professional?
3. Which stakeholders are you representing while you are at the table?
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ORGANIZATION: Quality of HR Department
5. How does the HR department affect business results?
### Who do you represent when at the table?

Purpose: show how much of the value created for different stakeholders can be explained by each competency domain when we account for the other competency domains at the same time*

<table>
<thead>
<tr>
<th></th>
<th>1 External Customers</th>
<th>2 Investors/ Owners</th>
<th>3 Communities</th>
<th>4 Regulators</th>
<th>5 Line Managers</th>
<th>6 Employees</th>
</tr>
</thead>
<tbody>
<tr>
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<td>16.1</td>
<td>18.1</td>
<td>13.6</td>
<td>12.9</td>
</tr>
<tr>
<td>Credible Activist</td>
<td>11.7</td>
<td>10.2</td>
<td>12.9</td>
<td>7.7</td>
<td>19</td>
<td>20.3</td>
</tr>
<tr>
<td>Paradox Navigator</td>
<td>11.3</td>
<td>11.1</td>
<td>11.9</td>
<td>9.6</td>
<td>12</td>
<td>11.3</td>
</tr>
<tr>
<td>Culture and Change Champion</td>
<td>14.2</td>
<td>13.7</td>
<td>15.2</td>
<td>9.3</td>
<td>13.6</td>
<td>14.4</td>
</tr>
<tr>
<td>Human Capital Curator</td>
<td>12.5</td>
<td>13.1</td>
<td>12.5</td>
<td>9.2</td>
<td>14.9</td>
<td>12.2</td>
</tr>
<tr>
<td>Analytics Designer/interpreter</td>
<td>10</td>
<td>11.4</td>
<td>7.6</td>
<td>12.8</td>
<td>8.4</td>
<td>6.8</td>
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<tr>
<td>Total Rewards Steward</td>
<td>7</td>
<td>6.4</td>
<td>10.2</td>
<td>8.8</td>
<td>5.3</td>
<td>8.3</td>
</tr>
<tr>
<td>Technology and Media Integrator</td>
<td>7.4</td>
<td>6.6</td>
<td>6.5</td>
<td>6.2</td>
<td>4.6</td>
<td>5.3</td>
</tr>
<tr>
<td>Compliance Manager</td>
<td>6.7</td>
<td>7.1</td>
<td>7.2</td>
<td>18.3</td>
<td>8.5</td>
<td>8.5</td>
</tr>
</tbody>
</table>

Percent of value explained by all competency domains together

82.4 78.1 83.4 72.3 83.6 82.7

*These results show the percentage of variance in value for stakeholders explained by each of the competency domains (scaled to 100%), cells larger than 10% highlighted for visual emphasis*
Key Questions for HR Competencies:

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ORGANIZATION: Quality of HR Department
5. How does the HR department affect business results?
What can you do to deliver the most business value?

Purpose: show how much of perceived organizational performance can be explained by each competency domain*

<table>
<thead>
<tr>
<th>Role</th>
<th>Regression Results (sum to 100)</th>
<th>Correlation Results (sum to 100)</th>
<th>Mean All raters</th>
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</thead>
<tbody>
<tr>
<td>Strategic Positioner</td>
<td>14.2</td>
<td>10.6</td>
<td>4.13</td>
</tr>
<tr>
<td>Credible Activist</td>
<td>10.5</td>
<td>10.9</td>
<td>4.36</td>
</tr>
<tr>
<td>Paradox Navigator</td>
<td>18.9</td>
<td>12.1</td>
<td>4.01</td>
</tr>
<tr>
<td>Culture and Change Champion</td>
<td>10.9</td>
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<td>4.09</td>
</tr>
<tr>
<td>Human Capital Curator</td>
<td>9.0</td>
<td>11.8</td>
<td>4.06</td>
</tr>
<tr>
<td>Analytics Designer and Interpreter</td>
<td>8.8</td>
<td>10.5</td>
<td>4.08</td>
</tr>
<tr>
<td>Total Rewards Steward</td>
<td>8.4</td>
<td>10.8</td>
<td>3.89</td>
</tr>
<tr>
<td>Technology and Media Integrator</td>
<td>12.5</td>
<td>9.3</td>
<td>3.94</td>
</tr>
<tr>
<td>Compliance Manager</td>
<td>6.7</td>
<td>11.7</td>
<td>4.38</td>
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</table>

Total percentage explained by competencies 7.7
Prioritizing HR competence actions

Effectiveness

<table>
<thead>
<tr>
<th>Mean</th>
<th>Hi</th>
<th>Lo</th>
</tr>
</thead>
<tbody>
<tr>
<td>4.38</td>
<td>4.4</td>
<td>3.89</td>
</tr>
</tbody>
</table>

Business Impact

<table>
<thead>
<tr>
<th>6%</th>
<th>9</th>
<th>13</th>
<th>17</th>
<th>20%</th>
</tr>
</thead>
<tbody>
<tr>
<td>4.27</td>
<td>4.4</td>
<td>4.3</td>
<td>4.2</td>
<td>4.1</td>
</tr>
</tbody>
</table>

Strategic positioner

Credible activist

Analytics designer and implementer

Human capital curator

Culture and change champion

Technology and media integrator

Total rewards steward

Paradox navigator

Compliance Manager

Culture and change champion

Analytics designer and implementer

Total rewards steward
## Competences of HR professionals over 30 years

Michigan, RBL, and many global partners over the seven rounds HR competency studies

<table>
<thead>
<tr>
<th>Round</th>
<th>Total respondents</th>
<th>Business units</th>
<th>Associate raters</th>
<th>HR participants</th>
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<tr>
<td>1987</td>
<td>10,291</td>
<td>1,200</td>
<td>8,884</td>
<td>1,407</td>
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<tr>
<td>1992</td>
<td>4,556</td>
<td>441</td>
<td>3,805</td>
<td>751</td>
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<tr>
<td>1997</td>
<td>3,229</td>
<td>678</td>
<td>2,565</td>
<td>664</td>
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<tr>
<td>2002</td>
<td>9,182</td>
<td>692</td>
<td>5,890</td>
<td>1,192</td>
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<tr>
<td>2007</td>
<td>10,063</td>
<td>413</td>
<td>8,414</td>
<td>1,671</td>
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<td>2012</td>
<td>20,023</td>
<td>635</td>
<td>17,385</td>
<td>2,638</td>
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<tr>
<td>7/7</td>
<td>31,868</td>
<td>1,395</td>
<td>27,904</td>
<td>3,964</td>
</tr>
</tbody>
</table>

### Business Knowledge
- **Round 1 (3.17)**
- **Round 2 (3.28)**
- **Round 3 (3.27)**
- **Round 4 (3.44)**
- **Round 5 (3.65)**
- **Round 6 (3.68)**
- **Round 7 (4.13)**

### Human Resources Tools
- **Round 1 (3.33)**
- **Round 2 (3.41)**
- **Round 3 (3.49)**
- **Round 4 (3.69)**
- **Round 5 (3.80)**
- **Round 6 (3.80)**
- **Round 7 (4.02)**

### HR Information, Analysis, Operations
- **Round 1 (3.33)**
- **Round 2 (3.41)**
- **Round 3 (3.49)**
- **Round 4 (3.69)**
- **Round 5 (3.80)**
- **Round 6 (3.80)**
- **Round 7 (4.01)**

### Change
- **Round 1 (3.65)**
- **Round 2 (3.68)**
- **Round 3 (3.68)**
- **Round 4 (3.68)**
- **Round 5 (3.93)**
- **Round 6 (4.01)**
- **Round 7 (4.03)**

### Organization and Culture
- **Round 1 (3.28)**
- **Round 2 (3.42)**
- **Round 3 (3.65)**
- **Round 4 (3.65)**
- **Round 5 (3.97)**
- **Round 6 (3.97)**
- **Round 7 (3.99)**

### Personal
- **Round 1 (3.78)**
- **Round 2 (4.03)**
- **Round 3 (4.13)**
- **Round 4 (4.19)**
- **Round 5 (4.23)**
- **Round 6 (4.33)**
- **Round 7 (4.33)**
Key Questions for HR Competencies:

1. What are the overall competencies for HR professionals?

INDIVIDUAL HR Competencies
2. How do you get invited to the table as an HR professional?
3. Which stakeholders are you representing while you are at the table?
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ORGANIZATION: Quality of HR Department
5. How does the HR department affect business results?
### Value HR Department Creates for Stakeholders

**Purpose:** show how much of the value created for different stakeholders by the HR department can be explained by different categories of data

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>HR Professional Competencies</td>
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<td>19.8</td>
<td>12.2</td>
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<td>22.4</td>
<td>15.3</td>
<td>16.2</td>
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<tr>
<td>Activities of HR Departments</td>
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<td>46.5</td>
<td>52.4</td>
<td>52.8</td>
<td>41.7</td>
<td>60.7</td>
<td>59.8</td>
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<tr>
<td>Other Variables (e.g. strategy, culture)</td>
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<td>33.7</td>
<td>35.4</td>
<td>29.4</td>
<td>35.9</td>
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<td>24</td>
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<tr>
<td><strong>Multiple Regression adj. R²</strong></td>
<td>45.2</td>
<td>52.5</td>
<td>49.5</td>
<td>39.5</td>
<td>36.9</td>
<td>51.6</td>
<td>57.2</td>
</tr>
</tbody>
</table>

*These columns sum to 100%, representing the percentage of explained variance in the model that can be explained by each variable category*
## HR competencies: Key Findings

<table>
<thead>
<tr>
<th>Question</th>
<th>Key Findings</th>
</tr>
</thead>
</table>
| What are overall competencies for HR professionals?                      | • 9 overall competency domains  
• 3 core drivers; 3 strategic enablers; 3 foundational enablers                                                                                   |
| How do you get invited to the table?                                     | • Be a credible activist                                                                                                                   |
| Which stakeholders are you representing while at the table?             | • If inside (employee, line), be credible activist  
• If outside (customer, investor), be a strategic positioner                                                                               |
| How do you create business value?                                        | • Navigate paradox (manage tension and divergent convergent cycle)                                                                          |
| How do you build an HR department?                                       | • Recognize the importance of HR department  
• Build capabilities (information, speed, culture, collaboration)                                                                              |
Round 7 Competency Model

Strategic enablers

Core drivers

Foundational enablers

Culture and Change Champion
Total Rewards Steward
Human Capital Curator
Strategic Positioner
Paradox Navigator
Credible Activist
Compliance Manager
Analytics Designer and Interpreter
Technology and Media Integrator
Let’s stay connected!!!

For more information or follow up, contact Dave Ulrich at dou@umich.edu

@dave_ulrich

Invite me to connect with you on LinkedIn to view my regular posts with insights and tips.