

## Your 2013 HR Scorecard

It is hard to believe we are already half way through the year. Where does the time go? While summer sunshine may be tempting you or your employees to get outdoors or to (finally) take that family vacation, it's also the perfect time to take a look back on your annual business plan, for a mid-year review.

Your business plan is likely full of goals, objectives, and important financial targets. Here are just four areas demanding the most out of many HR/business owners in 2013:

- Cost Management (this one never seems to go away!)
- Demographics (managing a multi generation workforce)
- Hiring
- Worklife Balance

Not unlike years past, the responsibility of the employer has continued to grow; demanding more people-savvy leaders, more time invested in managing human resources, and a greater ability to stay current with technology and trends - perhaps to the detriment of business operations and "getting the work done". The pros and cons of outsourcing and managing the multigenerational workforce are among the hot topics concerning both business owners and HR professionals. In addition, small businesses have concerns of their own, such as whether to staff an HR department at all, and navigating the sea of requests for effective ways to assist their employees with achieving the Ultimate - work-life balance.

### Costs

Outsourcing entails farming HR functions to providers that can offer cost-effective solutions to organizations that don't have dedicated HR departments. One of the pros of outsourcing is that employers can benefit from low-cost alternatives to processing certain HR functions on their own. Hiring an outsource provider to handle certain matters, such as payroll, can benefit the organization as an efficient and cost-effective way to handle employee pay, employer tax withholding and issuing year-end tax forms. On the other hand -- and, particularly for small businesses that often give personal attention to employees' needs -- outsourcing can result in a highly impersonal way of doing business. For example, outsourcing employees' questions about group health care benefits requires that employees pose their questions to someone with whom they're not acquainted. For matters involving the health of the employee and her family, the thought of discussing sensitive matters with a stranger can be discouraging.

### Multi Generation Workforce

Many employers are dealing with the diverse needs of a multigenerational workforce. Four distinct generations comprise today's workforce: World War II generation or Traditionalists (born before 1945); Baby Boomers (1946-1964); Generation X (1965-1980); and Gen Y / Millennials (1981 and later). Each generation represents a different culture and set of values of which HR should be cognizant. HR's task is to provide training to the company's leaders on how to interact effectively with each generation, address generational needs regarding professional feedback and manage each generation's level of engagement.

## **Hiring**

Many small business owners find themselves in a quandary of whether to staff an HR department in-house, rely on strategic consultants, and/or manage with minimized HR qualified staff members to support the entire company. Creating and staffing an HR department can be costly and, in some cases, unnecessary, especially for small businesses. Largely depending on the nature of the business and the vision for how employees fit into the overall business plan, HR strategy and management can vary considerably. The benefits of in house, contract, or minimized HR support aren't always measurable in the short term. For bigger businesses the lack of an immediately calculable ROI is problematic; and for smaller businesses, it can taking a huge financial risk and a leap of faith.

## **Work-Life Balance**

Big business or small company, employers want their employees to be productive and motivated so that the company's bottom line reflects a fully engaged workforce. Said differently, if we're not profitable, we're not in business. However, employees want their employers' recognition for their contributions, and they also want enough non-work time with family or for pursuing personal interests. Achieving work-life balance means managing family and work commitments, a challenge many workers encounter and a challenge for HR when business needs warrant more time from employees. Small businesses in particular often have employees who wear many hats because of the limited capital and resources in maintaining highly specialized roles. Therefore, the challenge to achieve work-life balance can be difficult for both small business owners and employees.

As you take a look back over the first half of 2013, how have each of these areas impacted you? Were they on your radar, business plan, or wish list? Do you have the resources on hand to help you achieve traction? Balance your own HR Scorecard and give yourself a grade.

A – I'm on track. I have the resources, the plan, and I'm working it through.

B – This looks scary, but doable. We'll need to do more if we want to stay ahead of the curve.

C – I have a Balance Sheet, an Accountant, and no more ideas on how to manage the 'people' stuff.

Summer is a great time for a mid-year review – you still have half the year ahead to adjust your tactics and set a course for success. Speaking of success - it's also prime time to start your 2014 planning – now. Take what you know, and build on it by incorporating succession and business planning strategies to tackle both unexpected and recurring challenges; and partnering professionals like Financial Planners, Business Consultants, and HR Professionals, who can help you to get where you want to be.