HR leaders in higher education are at a crossroads. After years of serving their institutions with administrative excellence, they are faced with new challenges, including:

• **Doing more with less.** HR budgets in higher education have tended to be 50 percent to 75 percent lower than those found in other industries, according to a 2012 study by Aon. In addition, state budget shortfalls have made it necessary for all departments to cut back.

• **Managing rising healthcare costs.** The Aon study found that increasing healthcare costs were a top concern for HR departments in higher education.

• **Attracting and retaining new employees.** Institutions will need new generations of faculty and staff to help meet their needs.

• **Improving leadership development.** With increased competition for candidates and an aging employee pool, succession planning will become a top priority.

• **Increasing automation.** Outdated paper-based processes reduce operational efficiency, so incorporating new technology will be vital.

To fully meet those challenges, HR leaders in higher ed must move beyond an administrative role and take their place among their institution’s leading influences. “Every university or college is faced with cost pressure, so HR has to be an expert on operational efficiency and high-performing cultures,” says Scott Nostaja, national human capital practice leader at Sibson Consulting, which includes higher education HR consulting. “There’s a high level of predictable retirements coming, with a loss of intellectual capital, so HR needs to be on top of succession.”

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This guide will look at how HR pros in higher education can address those challenges by establishing alignment with the institution as a whole, implementing a talent-management strategy and taking advantage of the benefits of HR tech.
Creating alignment is a term often heard in the business world, and it’s time for higher education HR to embrace it as well. What drives the institution should drive HR, and in turn HR can help lead the institution, says Andy Brantley, president and CEO of the College and University Professional Association for Human Resources. “To me, using a term like ‘we’re here to support the institution’ emphasizes HR in a backseat or reactive role. Instead, we need to be taking responsibility for leading in the institution.” Here’s how to get there.

Recognize HR’s Value
HR is often seen as simply the department that signs paychecks and manages benefits, but it’s much more than that. HR departments create value in three ways, Nostaja says:

• **Building people strategy.** This includes establishing and maintaining institutional culture, overseeing a talent strategy and thinking about future workplace needs.

• **Consulting.** HR works with managers, supervisors and departmental leaders to help employees overcome workplace challenges and issues.

• **Overseeing administrative tasks.** HR is the leader in compliance, regulations and other day-to-day procedures that keep the institution running.

The problem, Nostaja says, is that the three factors are out of balance. “With all the time and energy spent in those three areas, I usually find that less than 5 percent is in the strategic area.” The overwhelming majority of time goes to administration instead. Getting more efficient through technology and improved processes is key, he says. “When I talk to people about this, they know the challenges, but they know they have to shift.”

Identify Your Culture
There’s a definitive culture in higher education, Nostaja says, but that’s changing. The rise of online courses and degrees; evolving attitudes toward athletics and Title IX; increased diversity among the student body, staff and faculty; generational differences in attitudes toward work rules; and even a greater interest in environmental sustainability have shaped cultures at institutions of higher education in a new and dynamic way. How has your institution’s culture fared? Is it where leaders want it to be? Your organization’s culture should set the tone for the HR department and help shape its goals.

Coordinate With the Larger Institution
Any mission-setting for the HR department should occur in discussions related to overall strategic planning, says Ann Parker, manager of the human capital and senior leaders & executives communities of practice at the Association for Talent Development. During the annual process of establishing institution performance goals and benchmarks, HR leaders should create targets that align with those of the institution.

In addition, if the HR mission is to have a direct correlation to the institution’s mission and values, the two must be clearly linked, Parker says. And HR should communicate its mission clearly, with an explanation of how the HR strategy affects the organization’s bigger-picture vision. “This is important because the organization’s leaders are showing that they care enough about developing employees by including the HR mission in broader planning efforts,” she says.

This can be a challenge. A university is like any other large organization that has its own fiefdoms, says Peter Fennema, director of HRIS at the University of Southern California. “You have an umbrella organization, but also small schools or colleges, and here at USC, they’re fairly large and like their independence.” As a result, each may have its own measurements for competencies or performance scales, and there can be difficulty getting consensus.
INSTITUTE A TALENT-MANAGEMENT STRATEGY

An effective talent-management strategy goes beyond simply hiring the right people as vacancies open up. It’s a long-range approach to recruiting, retention, performance management, rewards and succession planning.

“There’s a historic lack of investment in talent-management strategies,” Nostaja says. Part of the issue is institutional: Faculty members may think of themselves as simply part of the university or college, not as employees. “They don’t associate themselves with structures and processes, so they’re often dismissive of HR,” he says. “Some of that is historical, and it’s changing, but HR may have to work to gain the confidence and respect of faculty.”

Find an Advocate
Create buy-in for talent management from the top, Nostaja says. “The organizations that have done talent management well understand that it’s the people who are the competitive difference for the organization,” he says. “An enlightened HR leader often has an enlightened president or provost who understands the challenge and the incredible benefits of creating a workforce and work culture that is progressive.”

Forecast Talent Needs
Start developing staffing plans that follow the institution’s goals. If the institution wants to add to the student body by a certain percentage in the next five years, how many new faculty and staff will be necessary? How about the next 10 years? Do you know who is retiring, and when? How will their institutional knowledge be passed on to others? This will require collaboration and strong communication across the many small organizations within the institution, because as Brantley says, talent management can’t be owned exclusively by HR. All stakeholders have a responsibility to identify needs in their administrations, and HR can be the one to fill in gaps and identify what can happen within the resources available.

This is where the real work happens, and it can be daunting. But because you’ve already aligned HR’s goals with those of the larger institution, use those to guide your way. “All strategy should trickle down from the institution’s goals, which is the starting place,” Parker says.

Integrate Across Tasks
It can be tempting to treat different aspects of talent management separately — after all, you may be tasked with recruiting and hiring quickly to meet a new need, and may want to put performance management aside. But an effective talent-management strategy needs to be addressed holistically, Parker says. Take the entire employee lifecycle into consideration, from employee attraction and recruiting through succession planning. “Rather than separate the various talent-management programs into silos, an HR department should design, develop, implement and evaluate each program with the others in mind, as smaller pieces of a whole integrated employee-development approach.”

The Aon study found that HR’s success in some functions — such as health and retirement benefits delivery — can serve as a starting point for effectively overseeing other aspects of talent management. Process management and employee communication across departments can be a good foundation for building a talent-management strategy when combined with HR’s newly established leadership role.
GET TECH-SAVVY

Advances in HR technology have made it possible to automate many HR processes on a large scale. It’s time for institutions to take advantage of these solutions, automate or outsource administrative duties and free HR to become a more strategic partner. “HR tends to lag in adopting even tech that they’ve purchased,” Fennema says.

Advocate For Yourself
There’s typically been an underinvestment in HR tech, Nostaja says. “Even in spite of their best goals and objectives to move into a more strategic alignment, they’re unable to because they’re stuck in having to process payroll. They’re unable to use the resources that are out there.”

Leverage your connections as well, such as tech leaders. Fennema says the head of HR at his organization is an inspired leader who is willing to look for tech solutions. “She’s often pushing the envelope in terms of what she does, and continues to talk about and find time for projects that expand what we’re doing,” he says. It’s not just about changing systems, but improving processes outside the systems. “How can we do things more creatively or efficiently? How can we provide better service?”

Look For Integration
The more integrated HR technology is, the better, Parker says. “From recruitment and assessment to learning management systems and performance-management systems, the more closely aligned a department’s technology platforms, the easier it will be to track and evaluate performance as a whole.” Many vendors provide several HR and talent solutions in one platform, an attractive choice for an integrated talent-management strategy, she says.

Remember Your Audience
Keep the user experience in mind, Fennema says. Faculty members are likely to have a wide variety of backgrounds, and many work part time. Finding a tech solution that works for everyone may not be possible every time, so look for ways to find the best fit for your existing system and culture.

Conclusion
HR leaders in higher education have a great opportunity to step into a larger, more strategic role at the institutions they serve. By aligning their departments with the institution’s business goals, establishing a talent strategy to support those goals and embracing HR tech to streamline processes, they can help lead their organizations more effectively now and in the future.
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