



In many Pakistani companies the Human Resource (HR) function is still mainly about Personnel Administration, and recently also an industrial relations safeguard. There is a widely held perception that the personnel function is confined to a reactive, fire fighting and administrative position in which it fails to be relevant to the aims of the organization.

Some researchers have also noted signs of the personnel management role being eroded.

Responsibilities for certain activities, formerly delegated to it are being returned to line management in a redefinition of management's responsibilities for managing people.

Sustainable Competitive Advantage

For years, organizations have proclaimed their human resources to be their "most valued asset". Many organizations were, however, found lacking when evaluated as to whether the developmental structures and procedures are in place for this most valued asset.

Why then are organizations shifting their thinking about human resources? Today's competitive environment and the need to survive and perform effectively in it have focused the attention of decision-makers on factors that can give organizations sustainable competitive advantage.

According to many studies, an organization's people resources will prove to be the key differentiating resource in a process of developing future competitiveness at a time when traditional sources of competitive advantage have become easier and easier to imitate.

Organizations now realize the potential of able, aligned and motivated human resources as an indispensable platform for creating competitive advantage in global markets.

Human capital is a critical factor in promoting competitiveness as it provides the required knowledge, skills and capabilities for developing competitive strategies.

The realization that best practice HR can easily be copied will continue to place an even greater pressure on people management professionals to perform i.e. to come up with ways to continuously add value to the day-to-day role they play that is unique to their company's competitive situation.

Human capital is a critical factor in promoting competitiveness as it provides the required knowledge, skills and capabilities for developing competitive strategies.

The realization that best practice HR can easily be copied will continue to place an even greater pressure on people management professionals to perform i.e. to come up with ways to continuously add value to the day-to-day role they play that is unique to their company's competitive situation.

Moving from the Fringes to Centre Stage

Given the importance of people resources today, the management of this resource (and by implication human resource professionals) is becoming a key issue in the growth and survival of Pakistani business.

A paradigm shift (about the value of people management in the business world) can create opportunities for the function to develop a more strategic role. Organizations swept by political and organizational change have moved their human resources functions from the fringes to the centre of decision-making.

The role of the human resource function is to deliver the human competencies i.e. the internal capability required to achieve the organization's objectives. Amid widespread calls for the human resource function to become more strategic, it seems that a "quiet revolution" has overtaken the field.

We see that the HR function is transforming itself to meet the challenges it faces within the ever-changing work environment. This is happening in response to the intensely critical questions that have been raised about the value added the function provides.

These functions are under significant pressure to justify their existence.

Seeing HR as a strategic partner rather than an administrative cost centre inherently changes the role of human resource professionals. HR Professionals are no longer seen as "soft" appointments. This approach then clearly demands that whatever the human resource functions do should have a direct impact on achieving the performance targets of the firm.

Professional Roles and Competencies for Future Success

There is a lucid need for the role of the human resource manager to be clarified. When the roles of management and personnel are ambiguous, or when there is tremendous change, line managers and executives take over some of the people management functions, a practice that is seen as problematic by some HR Professionals. This encroachment, however only becomes a problem when HR lacked the skills, or credibility to perform their duties competently.

To ensure its own viability, the HR function must be prepared to adopt contemporary roles to meet the considerable challenges posed by emerging organizational realities.

Dave Ulrich, a renowned consultant, teacher, and researcher in the field of strategic human resources, suggests four critical roles that HR Professionals and managers must acquire to be effective in this new business environment. These are the role of:

- Strategic Partner

- Administrative Expert
- Employee Champion
- Change Agent

Thus, the changing competitive realities have provided the HR function with an unprecedented opportunity to create significant shareholder value through the effective management of the company's HR management systems. This opportunity can however, only be utilized effectively, if HR Professionals are able to take up the challenge of becoming business partners with line management in pursuit of company goals.

It was also found that for HR Professionals to effectively operate as strategic partners, two types of competencies are critical:

- Professional Competencies
- Business-related Competencies

Professional HRM competencies related to the delivery of traditional technical HRM practices are deemed both necessary, but not sufficient for assuring the development and effective implementation of HRM practices.

However, it was argued that although professional HRM competencies were necessary in assuring technical HRM effectiveness, they were not sufficient.

Business-related competencies were also important because they enabled HR Professionals to understand how business considerations unique to an organization can create organization-specific HRM needs.

In the results of the study, the researchers reported that HR Professionals were very proficient in the delivery of traditional HRM activities, but much less so in what they termed "business-related" competencies. Yet it was just this type of competency that had the strongest relationship with corporate financial performance and this is the same area that represents the greatest economic opportunity.

It is certainly not suggested that professional competencies are not still very important for HR Professionals to be successful contributors to the organization. Competencies, however, have lifecycles. In research done in New Zealand by Karl Pajo and his colleagues, they found that while HR qualifications and experience were deemed important to develop "trade skills" these were not sufficient in themselves to contribute at a strategic level.

Broad qualifications and line management experience were widely valued to develop a "commercial orientation" deemed necessary to contribute at a strategic level. Thus, a dual background was necessary.

The Future of People Management in Pakistan

This brings us to the question of the state of human resource management in Pakistan. Are HR Professionals ready, and able to become strategic partners in their organizations?

Change must happen now and we need relevant information from HR Professionals and line managers to drive that change! If HR practices are to be leveraged by the HR function, HR Professionals must begin to act more professionally. Unfortunately, HR does not have much time left to regain its credibility in the eyes of the rest of the organization.

About the Author

Syed Imtiaz Hussain is Head of HR & Administration in one of the leading multinational Company. As a member of top management team; he develops a highly professional A-Class HR environment in the organization by utilizing his vast practical and visionary experience of HRM and HRD.

He believes organizations that invest in people can face the global economic and technological challenges in better way.

His numerous of articles were Published in leading Newspapers and practitioner journals. He is also the author of "**HR Global Challenges**".

If you have questions or comments about this article, you can contact Imtiaz at (www.whrppk.com) imtiaz@whrppk.com