

SUMMARY
HR Conference
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The Role of HR in the Economy
Presenter: Jennifer K. Barton
Willis Consulting

You can't pick up the newspaper without reading the headlines stating that the U.S. economy continues to experience significant corporate financial challenges. In fact, 15.1 million jobs are lost since December, 2007. The unemployment rates have doubled from 4.9% in January, 2008 to 9.8% in September, 2009. Undoubtedly, these facts and figures have impacted both employers and employees. Employers have lost employees and in many cases, are experiencing a hiring freeze. Employees are forced to re-assess their financial situation as it relates to compensation and benefits. What is HR's role?

According to Jennifer Barton, there is no time like the present than for Human Resources to be strategic. Here are a few suggestions:

- Identify and motivate key talent
- Keep high performers engaged and productive
- Provide alternatives to layoffs
- Manage layoffs/downsizing
- Communicate often with employees

As HR professionals, it is important to be armed with information concerning "people statistics". You need to know the turn-over rates at your company, revenue per FTE as well as the net income of your FTE's. It is also important to explain the total salaries as the percentage of operating expenses. Ms. Barton suggests that HR professionals go back over the last 12 months and compare and justify:

- Contractual and legal obligations
- Travel expenses
- Outsourcing
- Technology expenditures

Continue to ask yourself: How can we save money or cut costs? She suggests that we look beyond pay to reward employees and consider other alternatives such as opportunities to create work/life balance, training and development, and career advancement. Some frequently used recognition perks include special parking privileges, verbal praise, thank you note from supervisor, and luncheons with company officers or high level executives.

Many corporations are creating resource centers for their employees on-line. The information shared can help employees identify childcare, college savings

programs, adoption assistance, health and wellness options, etc. Additionally, some organizations provide discount programs to assist with dry cleaning, day care, grocery purchases, etc. Human Resources must continually assess, “what is it that we offer to keep employees retained and motivated in our organization?” Ms. Barton reinforced the fact that HR must safeguard its’ credibility. She says, “Employees need to believe that the organization is telling the truth.” This is your best defense against these challenging economic times.