



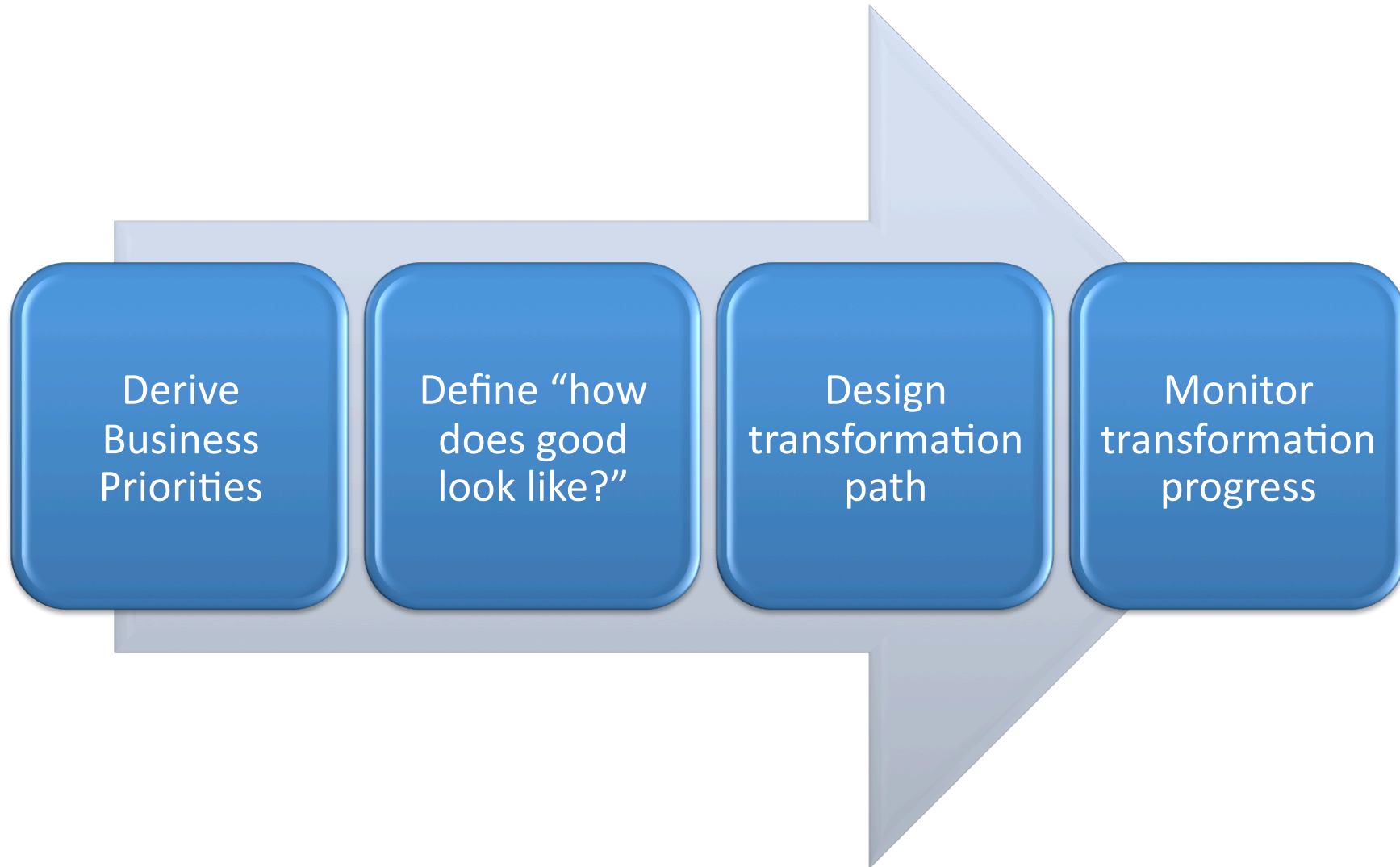
Human Capital Capability & Excellence Model



“Leverage Human Capital to Improve Business Performance”

iProCon Human Capital Management Limited
18 Hanover Square, London, W1S 1HX
www.iproconhcm.co.uk

The Process



HCCEM™ Overview



Leadership	Aligning Business Strategy and Human Capital			
	Managing Change			
	Employee Communication			
Managing People	Recruiting	Performance Management	Total Reward	Workforce Planning
	Outplacement	Talent Management	Individual Learning	People Metrics
Enablers	HR Services			
	HR Policies			
	Information Systems			
Corporate Processes	Managing Knowledge / Organisational Learning			
	Managing Innovation			
	Strategic Sourcing			
	Managing Human Capital Risk			



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Total Reward



	Poor	...	Best in Class
Strategic alignment	Compensation based on “one size fits all people and situations” or on arbitrary decisions of managers. No line of sight between comp. and contribution to strategic goals and no mechanism to adjust comp. level to profit and labour market.		Makes use of all elements of total reward as fit best to strategic requirements and maximise return on reward cost for individuals. Transparency and clear connection between reward and contribution to strategic goals. Spend can be adjusted to econ. Situation within existing framework without losing transparency. Well understood by managers and employees.
Process & adherence	No defined processor process taken from textbook or competitor without adjusting to organisation and therefore not adhered to by managers. Often fixed yearly cycle.		Transparent and well documented process understood by managers and employees. Flexibility to respond to individual needs, requirements of business units and departments, and economic situation. Process stays in background supporting dialogue between employee and manager. Yearly cycle is guideline only and adjustments can be made whenever required.
Roles & Capacity	Managers have no training or time to perform reward process properly. Employees have no transparency and see themselves as victims who have to shout loud to get their share. HR either not involved at all or owns whole process w/ o managers’ involvement.		Line managers own the process and employees feel informed and involved. HR designs framework together with board and representatives from line management. HR acts as advisor and in rare cases mediator during the process.
Metrics	Only rudimentary, accounting-based metrics such as compensation cost. Even these metrics are not well understood and therefore no good basis for decisions (e.g. not clear what’s included in compensation cost)		Metrics help to adapt framework to changing strategic goals and environment and help managers to make individual decisions. Not only isolated numbers but showing relationships between comp. and performance. Metrics well understood. Allow benchmarks internally as well as externally.
Systems	Systems only used for payroll purposes and even their often poorly integrated so that outcome of reward process is not always clearly documented.		Whole framework provides dedicated elements across the armoury of total reward. Systems help managers to own the process as they guide them based on agreed framework and provide helpful metrics. Provide transparency for employees. Allow HR and board to monitor the process and improve and adjust comp. framework.
Cultural alignment	No consideration for culture. Weak or no cultural awareness. Reward usually focused on money only. Total reward design very often clashes with culture and is therefore very ineffective and can also damage culture, but this causal relationship isn’t usually recognised. Employees respond cynically to reward changes in more than 50% of the cases.		Reward systems are based on deep and systematic understanding of culture which is a set element of reward design. Elements of total reward and comp. mix do fit the culture and therefore have strongest positive effect (e.g. team bonus for team culture; non-monetary rewards in low cost competitive culture). Virtually no cynical response to reward design. Rewards are also used consciously to influence culture (e.g. reward margin instead of volume to move from sales to profit as core value; celebrate successes; ...) supporting cultural change or reinforcement initiatives



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Total Reward

Poor	Below Average	Average	Good	Best in Class
<p>No consideration for culture. Weak or no cultural awareness. Reward usually focused on money only. Total reward design very often clashes with culture and is therefore very ineffective and can also damage culture, but this causal relationship isn't usually recognised. Employees respond cynically to reward changes in more than 50% of the cases.</p>	<p>Some consideration for culture, but mostly as a minor afterthought. Some cultural awareness, but poor understanding of organisations actual culture. Total reward design often clashes with culture and can therefore be very ineffective and also damage culture. This is sometimes recognised, but only after the event. Employees often respond cynically to reward changes.</p>	<p>Good cultural awareness, but culture of the organisation is only partially understood. Culture considered in reward design, but not systematically. Still some clashes between culture and total reward elements reducing their effectiveness but only rarely do they damage culture. Some cynical response to reward design. No successful, conscious use of reward to influence culture.</p>	<p>Reward systems are based on sound understanding of culture, which is a set element of reward design. Elements of total reward and comp. mix do fit the culture and have a positive effect (e.g. team bonus for team culture; non-monetary awards in low cost competitive culture). Only little cynical response to reward design. Also some attempts to influence culture through total reward design, but often leads to clashes. Some success in reinforcing culture.</p>	<p>Reward systems are based on deep and systematic understanding of culture which is a set element of reward design. Elements of total reward and comp. mix do fit the culture and therefore have strongest positive effect (e.g. team bonus for team culture; non-monetary rewards in low cost competitive culture). Virtually no cynical response to reward design. Rewards are also used consciously to influence culture (e.g. reward margin instead of volume to move from sales to profit as core value; celebrate successes; ...) supporting cultural change or reinforcement initiatives</p>

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Information Systems



	Poor	...	Best in Class
Strategic alignment	HR-IT Strategy does not exist or is limited and little or no formal policies or procedures are employed. Demand for data and/or reporting support is received on an ad-hoc basis from business areas and others.		HR-IT Strategy is broadly developed and integrated encompassing corporate vision and strategy. Every investment is clearly linked to the benefit it delivers and the strategic goal. This benefit can be tracked. Investment decisions are made by the business and HR, with IT input. Development of HR-IT strategic direction is revisited and revised regularly. Aggregate demand for HR-IT services is defined in terms of business need. IT provides robust costings and technical strategy to the business, and work closely with HR to ensure HR imperatives are met. The business is decisive in prioritising using these costings. The business sees HR-IT as a highly valued partner. HR-IT is also aligned with corporate IT strategy to improve integration and reduce TCO; decisions to implement HR-IT that is not aligned with the overall IT landscape are based on a conscious and transparent decision linked to a clear business requirement.
Process & adherence	There is no defined approach to interacting with business areas. The internal operating model is unclear, and depends substantially on the knowledge of individuals		Processes continually improved to integrate best practices. Integration of sophisticated techniques like scenario planning and roadmapping. There is a dynamic governance model which allows highly adaptable flexibility, however a QA system or internal controls system is in place to guarantee the quality and integrity of the system incl. data privacy etc. The business is routinely formally engaged on a continuous basis. Process adherence drives continuous improvement
Roles & Capacity	Job descriptions not defined (tacit information only). The relationship with the businesses is not actively managed by an individual or department; or it is actively aggressive or negative. No personnel dedicated to HR-IT strategy or planning. Significant and constant capacity issues		Key roles have understanding of HR, technology and business. Continuous education and training provided to Core and Extended teams. 360° (or appropriate) performance evaluation conducted for core planning team members. Highly developed relationships in place and proactively managed at all levels. No capacity issues in delivering business agenda. Succession plans exist for all roles, taking into account coreness and capability requirements (right-sourcing). Individuals understand their role in the big picture.
Metrics	No performance measure exists. No benchmark information is considered.		Metrics and measures are continually changed to monitor and address new issues. A scorecard is maintained in real time to assess the satisfaction of internal clients. Automated measurement system (business intelligence software) is in place, allowing quick decision-making and flexibility. Management is rewarded based on achievement of business goals where HR-IT has a contribution
Systems	No tool or technology supporting HR-IT planning & implementation processes. No standard templates exist, and each project adopts an ad hoc approach to documentation.		Architecture documents are used by decision makers in the organisation for every HR-IT related business decision - benefits, clearly linked to the strategic goal they support, are tracked. Integrated, enterprise-wide toolkit utilised for product and service development as well as change management and deployment. Project management is integrated with financial planning and reporting. Baselined worked examples exist for all key project documentation.
Cultural alignment	The organisational culture does not value a highly efficient and effective HR-IT solution, therefore little emphasis is placed on achieving a good fit with the desired organisational culture. No effort made to match the culture to the HR-IT solution set. .		HR Information systems strongly support the desired organisational culture. Major implementations have a culture checkbox in the business case, and where gaps are found alignment is built into the change plan. Systems are an effective supporter of organisation goals, and are actively used by required participants (i.e. they accept and exploit the system). Outputs from the system are constantly assessed to ensure they remain positive contributors to the desired culture. Where the desired culture and current culture do not match, both the system and culture change project are part of an integrated change programme, so that on completion both the culture and the system are aligned.



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Information Systems

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No tool or technology supporting HR-IT planning & implementation processes. No standard templates exist, and each project adopts an ad hoc approach to documentation	Basic tools (MS Office) used for project management, requirements gathering, system design, build, and testing. Projects share documentation with each other, but on an ad hoc basis. Some consistency of outputs.	Architecture documents on Intranet. Technical reference model and standards profile framework established. Automated tools are used to support the maintenance of architecture documentation. Systems design, development, and testing are facilitated by automated tools (e.g. Visual Studio). Toolkit is deployed across entire IT organization. Project documentation is stored centrally. Old projects are used as a basis for new projects.	Enterprise-wide standardised toolkit that enforces consideration of strategic goals in decisions. 100% compliance with technical reference and standards profile framework. All development, deployment, and changes utilise approved tools and methodology. New delivery management technology is leveraged proactively. Standard templates exist for all key project documentation. These are stored centrally.	Architecture documents are used by decision makers in the organisation for every HR-IT related business decision - benefits, clearly linked to the strategic goal they support, are tracked. Integrated, enterprise-wide toolkit utilised for product and service development as well as change management and deployment. Project management is integrated with financial planning and reporting. Baselined worked examples exist for all key project documentation.

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