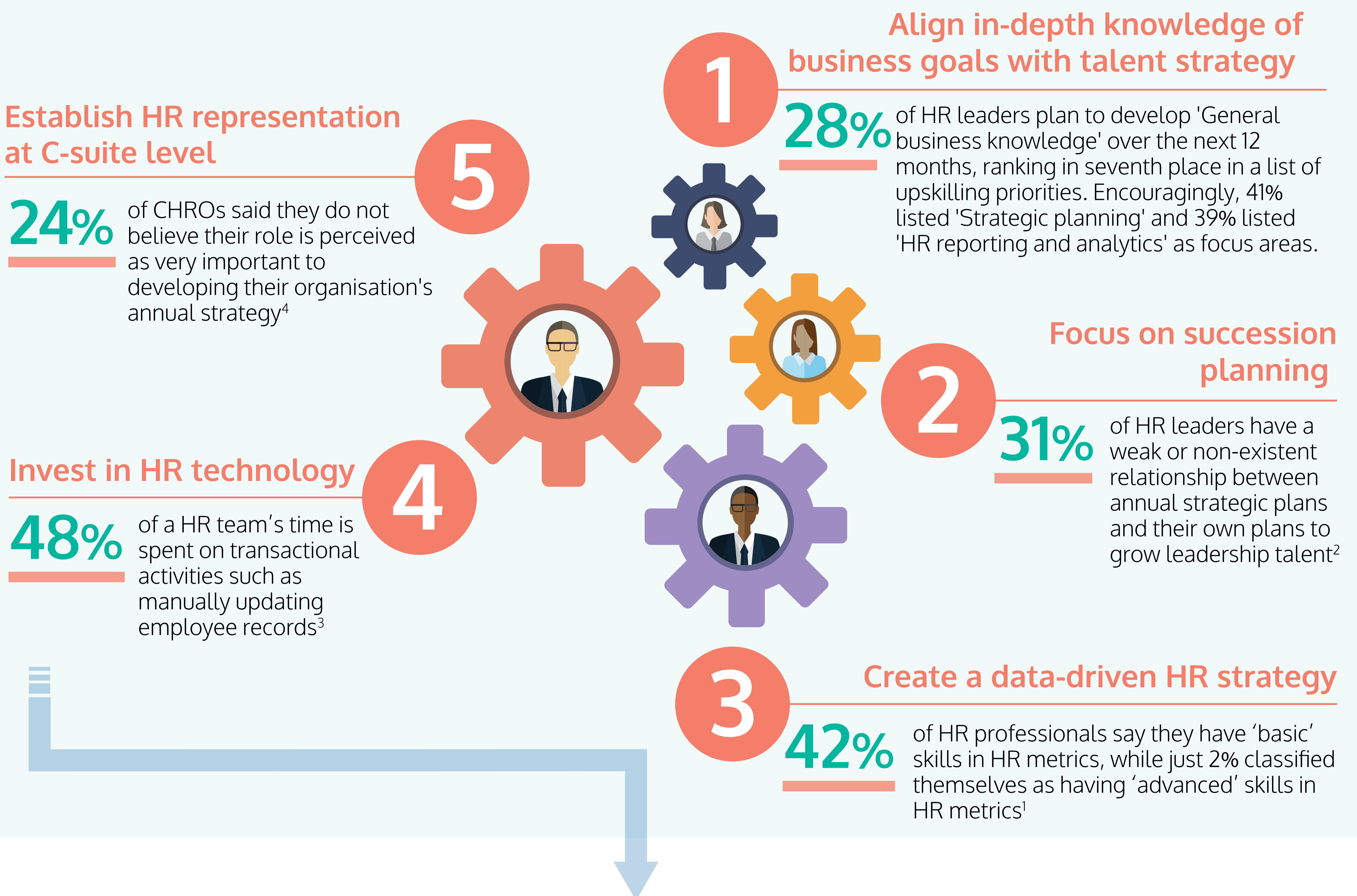


# 5 steps to building a strategic HR function



An organisation with a HR strategy that is aligned to the business strategy will be more competitive, better prepared to respond to customer needs, and able to navigate uncertainty. ELMO's '5 steps towards strategic HR' infographic outlines what should be in place to make HR a truly strategic function.



### 1 Align in-depth knowledge of business goals with talent strategy

- 25%** – the increase in organisations that talk about talent during earnings calls since 2010<sup>5</sup>
- 2.2x** – how much more likely 'fast' talent re-allocators (those who re-allocate high performers to the most critical strategic priorities) are to outperform their competitors on total returns to shareholders (TRS) than the 'slow' talent re-allocators<sup>6</sup>
- 49%** of organisations that have employees who see a clear link between their work and the company's strategic objectives enjoy lower attrition<sup>7</sup>

### 2 Focus on succession planning

- 47%** of CEOs said they were struggling to develop senior leadership capability within their organisation<sup>8</sup>
- 57%** of CHROs and 63% of learning & development leaders say that developing their current and future leadership bench is a top priority<sup>9</sup>
- 61%** of HR leaders are focused on the strategic hiring of candidates that aid in the future growth of the organisation<sup>10</sup>
- 99%** of senior leaders from organisations within the Top Employers Institute participate in succession planning meetings<sup>11</sup>

### 3 Create a data-driven HR strategy

- 47%** of HR professionals cited 'identifying quantifiable links between HR and business goals' as one of their top five challenges<sup>1</sup>
- 48%** of HR leaders do not use information from assessments and simulations to make leadership hiring and promotion decisions<sup>2</sup>
- 39%** of HR professionals plan to develop 'HR reporting and analytics' skills – the second highest professional development priority after 'Strategic planning'<sup>1</sup>
- 15%** of organisations gave themselves high marks on HR data accuracy<sup>12</sup>

### 4 Invest in HR technology

- 57%** of organisations stated that an inability to generate analytics with their old system was a top reason that they were seeking new HR technology<sup>13</sup>
- 38%** of HR leaders said increasing HR efficiency through automation would help HR to maximise its impact<sup>14</sup>
- 93%** of HR leaders who automated their talent management processes reported time savings and increased efficiency<sup>15</sup>
- 65%** of HR rule-based processes can be automated<sup>16</sup>

### 5 Establish HR representation at C-suite level

- 75%** of CEOs said the evolving role of HR was important or very important. However, only 11% were ready to address this trend<sup>11</sup>
- 24%** of professionals said expanding the expectations and stature of HR leaders would help them to maximise HR's impact<sup>11</sup>
- 0.5%** – the representation of non-executive directors with HR and change management expertise in ASX 200 companies, down from 1.6% in 2015<sup>17</sup>

ELMO offers a comprehensive suite of cloud HR, payroll, rostering / time & attendance and employee expenses solutions that can be configured however an organisation requires, all available within a single user interface. ELMO's solutions help to streamline HR, payroll and expenses processes to increase productivity, efficiency and reduce costs.

[Request a demo](#)

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