
CHAPTER 5

Conclusion

In researching this report, our objective was to determine if HRD's contribution to the state hiring process was having the important effect anticipated by statute. Although written 35 years ago, statute describes a contemporary human resources function: one that is fair and nondiscriminatory, attracts qualified employees and rates them on the basis of suitability, maintains personnel administration management information, and improves management techniques by identifying problems and suggesting improvements.

HRD itself has portrayed its function as being one that provides the highest quality individuals to meet agency needs, improves the quality of human resources information so agency managers can make better informed decisions, and that ensures equitable hiring and employment conditions.

What we found was a Division that until now has been transaction-oriented and compliance-based in its hiring functions, rather than strategic. Its main contributions have been serving as a receiving agent for applications and providing a minimum level of qualification screening. While this might be the level of human resources centralization state government would tolerate, it does not provide the state assurance that its recruitment and hiring processes are fair, consistent, and producing qualified applicants when agencies need them.

Further, while HRD has dedicated considerable effort to developing an electronic information system, its main benefit has been to accelerate an existing transactional process. The capacity to more quickly generate vacancy announcements and applicant registers is valuable to the state, but the system should also use statistical information to improve techniques for managing state human resources, as envisioned by statute.

Figure 5.1

Evolution of Human Capital Management

	<i>Personnel</i>	<i>Human Resources</i>	<i>Human Capital</i>
Functions:	<ul style="list-style-type: none"> • Transactions • Compliance • Record keeping 	<ul style="list-style-type: none"> • Advisory services • Problem solving • Operational issues 	<ul style="list-style-type: none"> • Capacity building • Identification of opportunities • Strategic issues
Financial Focus:	<ul style="list-style-type: none"> • Minimal cost 	<ul style="list-style-type: none"> • Cost control 	<ul style="list-style-type: none"> • Investment analysis (ROI)
Key Strategies:	<ul style="list-style-type: none"> • Rule knowledge • Process efficiency 	<ul style="list-style-type: none"> • HR practices • Business context 	<ul style="list-style-type: none"> • Systems thinking • Strategic consulting
Products and Services:	<ul style="list-style-type: none"> • Appointments • Pay changes • Position descriptions • Personnel folders • Reports • Salary payments • Benefit information • Training administration • Safety inspections/ records 	<ul style="list-style-type: none"> • Recruiting • Classification/compensation • Performance evaluation • Training planning/delivery • Position management • Information systems • Employee relations • Payroll • Risk management 	<ul style="list-style-type: none"> • Human capital planning • Talent management • Leadership development and succession planning • Performance culture • Competency systems • Work environment enhancement • Metrics/standards • Change management/ communications
Metaphor:	Enforcer	Business partner	Strategic partner

Source: Taken from the *Human Capital Assessment and Accountability Framework (HCAAF)*, federal Office of Personnel Management, website – http://www.opm.gov/hcaaf_resource_center/index.asp.

Now that the SRT section will be giving agencies the first review of applications and thereby screening only a fraction of the number it has been, it is not clear what this large group of HRD personnel will do. HRD officials have talked of the SRT section developing a “consultative role,” but have not defined specifics. With different levels of HR expertise among the agencies, more assistance and HR guidance from HRD are needed, as we note in Chapter 3. Further, if HRD is to implement a new approach to HR management, it seems that some reallocated resources would benefit that effort.

At the federal level, this sort of human resources management transformation is well underway, offering models for HRD to consider if it has not already done so. Figure 5.1 on the opposite page summarizes the evolutionary progression from a “personnel management” function, first to a “human resources” model and finally to the highest level of functioning, “human capital management.”

However, professional literature stresses that the challenge for HR organizations is to develop a strategic consulting role while maintaining excellence in traditional personnel and human resources services. As we have noted in this report, we believe there is room for improvement in HRD’s basic responsibilities related to hiring.

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