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## Strategy and competencies for future-ready business and HR business partners: A conceptual analysis

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### Abstract

An empirical investigation led to the discovery of elements that create meaningful relationships between human resource [HR] teams and their respective business managers within organizations. The antecedents, consequences and strategies affecting the alignment of HRM, and business planning and implementation are reviewed. To meet existing human resource management [HRM] challenges, HR and business leaders must work together within the organizational setting to conceptualize strategy, planning, key roles, and competencies needed to reskill today's human resource business partners [HRBPs]. The conceptual analysis of strategic HRM has led to understanding the dynamics of four key factors that are HR's interaction with business operations, HR's strategic contribution, responsibilities, and roles for HRBPs, and competency development for today's HRBPs. After analyzing each of the factors, practical implications are addressed through results and discussions, and conclusions will emphasize the overall importance of an effective HRM and business strategy.

**Keywords:** HR management, business operations, HR business partners, HR roles and competencies

### 1. Introduction

Human resource management [HRM] is experiencing profound change, new challenges, exciting accomplishments and much uncertainty. This belief centers significantly around what will be needed from employees to not only do the work required by the organization but as well, to ensure the work is both efficient and effective (Sistare *et al.*, 2009) <sup>[42]</sup>. Human resource [HR] professionals in organizations play a central role in helping leadership build high performing teams that apply creative and innovative approaches in the workplace. Business leaders are becoming increasingly aware of the importance of the contributions from their respective HR teams or groups. It is no secret that organizational leaders look to HR as business partners to help grow the business through strategic alignment of objectives and goals. Today's HR groups are now more active in contributing to the overall development of the corporate strategic plan. However, there remains challenges that the HR professionals face.

A recent Society for Human Resource Management survey of HR and non-HR executives asked what challenges they think will be most significant over the next 10 years.

The three biggest challenges according to HR executives are

- 1) Managing high levels of employee engagement [60%].
- 2) Developing next generation business leaders [52%].
- 3) Maintain competitive compensation [36%] (Leonard, 2012) <sup>[25]</sup>.

Non-HR leaders believed the top three challenges were

- 1) Developing next generation business leaders [51%].
- 2) Creating an attractive corporate culture [44%].
- 3) Finding employees with specialized skills [41%] (Lussier *et al.*, 2019; Leonard, 2012) <sup>[28, 25]</sup>.

HRM has been reasonably good at identifying and meeting some of the noted challenges, but more work is needed in the areas of business acumen, dealing with metrics and data analytics. HR managers need to also work toward overcoming another of their challenges-creating strategic agility (Teece *et al.*, 2016) <sup>[49]</sup>.

To meet existing HRM challenges, HR and business leaders must work together within the organizational setting to conceptualize the competencies needed to reskill today's human resource business partners [HRBPs].

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The competency approach attempts to identify the HR competencies that have been shown to drive business performance and sustainable HRM practices (Hans, 2021; Srikanth, 2019) <sup>[18, 46]</sup>. One main purpose of the competency approach is to influence the HR behaviors needed for future application towards building strong employee performance and overall growth of the business. The thought of future application lends itself to the term “future-ready”. The Academy to Innovate HR (n.d.) conveys the term future-ready HR business partners when discussing the roles HRBPs play as they help prepare their organizations for future operations.

There has been continuous research in the field of human resources on construct and conceptualization of competencies needed of HR professionals particularly as they apply to teamwork, leadership, interpersonal communication and critical thinking (Stevens, 2013) <sup>[47]</sup>. In the past 10 years research has suggested the growing need for a stronger connection between HRM practices and business operations processes. Albaz (2019) <sup>[2]</sup> has suggested that as organizations create strategic visions to achieve competitive advantage for the future, HR must also create a vision for deploying HRM sustainable solutions that are realistically efficient and effective. Finally, HR leaders will be called upon to develop their teams in such a manner that they positively affect the organization’s ability to do its work over the long term. A transformation must occur in how HR does its own work. “Transforming HR isn’t new. And some individuals have questioned or predicted a future without an [effective] HR function. Yet, business leaders overwhelmingly recognize the imperatives that demand new HR capabilities and leadership” (Volini & Mazor, 2019, p. 2) <sup>[54]</sup>.

## 2. Methods and Materials

### 2.1 Literature Review and Questions

The main intent of the literature review is to compile a conceptual analysis on four <sup>[4]</sup> key areas that are broadly associated with the overarching work of human resource professionals.

These areas include:

- 1) HR and business operations.
- 2) Strategic HR management.
- 3) HR business partners roles and responsibilities.
- 4) Competencies for the future ready business and HRBP.

The abundance of literature that has explored and conceptualize HRM theories was acknowledged and leveraged to bring about clear and useful recommendations and conclusions.

This paper attempts to answer 4 research questions:

1. How are business operations affected by the application of HR processes and solutions?
2. What are the key indicators of strategic HR management and their implications to business performance?
3. How do roles and responsibilities of HRBP’s help improve business performance and overall organizational value?
4. What competencies and development strategies can

help build future ready businesses and HRBPs?

## 3. Leveraging HR for business operations

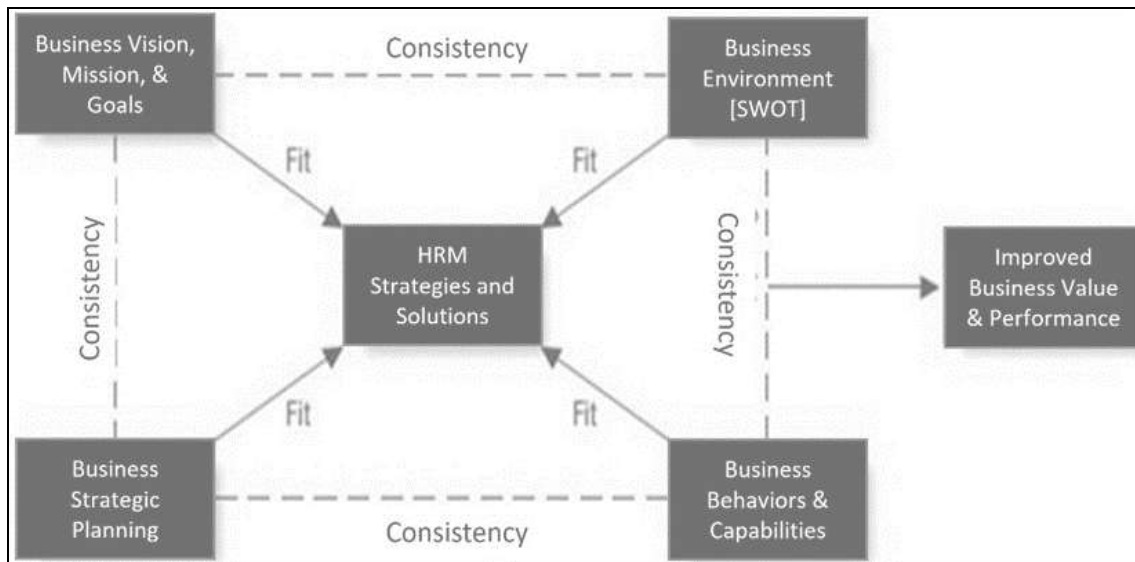
### 3.1 Understanding the business dynamics

Business creation of wealth requires rational thinking, including creativity and planning. Planning is an important part of teamwork and business stakeholders’ engagement are possible due to great planning. Business partnering involves many challenges, issues and debates-from the model itself to titles, performance, relationships and the tensions that seem to go with the role (Lambert, 2009) <sup>[23]</sup>. Similarly, as suggested by Deloitte Consulting (2019) <sup>[11]</sup>, the expectations from the workforce and society at large about the way enterprises should operate in business and the world are vastly different than ever before. Also, there is organizational structure [OS]. OS presents an additional narrative to align with business operational success as it addresses key internal elements such as work specialization, departmentalization, chain of command, centralization and decentralization, and formalization (Ugbomhe & Dirisu, 2011) <sup>[50]</sup>. Business productivity is considered the result of two very important components that managers work to create and improve within the organization-effectiveness (Did we do the right things?) and efficiency (Did we do things right?). Such creation and improvement of the business requires strong business stakeholder engagement and one key stakeholder critical to business value creation are HR teams.

### 3.2 The HR connection to the business

The involvement that an organization’s HR function has in the development and implementation of business strategy is a critical determinant of its influence and the overall business value it adds. Most executives and HR professionals intuitively agree that investing in people and providing appropriate HR solutions and initiatives can pay off significantly for an organization.

Efficiency and effectiveness are simply expected. The future of the enterprise demands new outcomes and HR has a critical role to play (Volini & Mazor, 2019) <sup>[54]</sup>. Chief Human Resource Officers [CHRO] are concerned about employee engagement and productivity and especially about improving efficiency in their respective organizations. These managers partner closely with other chief officers and managers of the business to efficiently leverage resources with the primary goal to increase business profitability (Vosburgh, 2014) <sup>[55]</sup>. CHRO’s and their respective HR teams work closely with organizational managers to prioritize and focus on improving business operations. They also focus on the effectiveness of the human capital management practices and process improvements in them. HR is expected to help implement changes and help managers effectively deal with business and people issues (Lawler & Boudreau, 2015) <sup>[24]</sup>. Business leaders create internal work environments that capitalize on strengths and opportunities that lead to consistency across varying organizational strategic competences. HR team’s partner with leaders to create the fit needed to sustain business consistency. Figure 1 illustrates strategic alignment and fit between HRM strategies and key business elements.



**Fig 1:** For HRM to compliment the organization's strategy it must consider the routes that enable the business to build success within organizational competencies while leveraging the environment's resources. Adapted from Dr. Ev Damigo, The Future of Work Collaborative Engagement Institute. United Kingdom

Concurrent to achieving consistency is the application of strong strategic management commitments from all business stakeholders. Sowa (2020) <sup>[45]</sup> implies that an overarching approach to HR management argues for HR policies and practices that connect [or fit] human resource strategies to organizational strategies to improve performance. Key to long term business profitability is a well-developed strategy for achieving competitive advantage, along with a highly effective workforce that carries out that strategy (Stewart & Brown, 2014) <sup>[48]</sup>. Strategic HR management therefore is deemed critical in aligning HR strategy with the competitive business strategy to achieve the desired business outcomes.

#### 4. Strategic HR Management

##### 4.1 Understanding the strategic connection of HR to business

Strategic human resource management has emerged as a critical issue concurrently with businesses' growing emphasis on strategy (Kittikunchotiwt, 2021) <sup>[22]</sup>. HRM is a critical strategic component of business operations for meeting organizational goals that lead to increased performance and organizational growth. The concepts and theories of strategy and strategic planning from an HR viewpoint has been widely discussed throughout the literature with implications to today's conceptualizations of applied HRM. Strategic HRM focuses on the setting up of a causal link between the overall strategic objectives of an organization and its HR strategy implementation (Chopra, 2017) <sup>[8]</sup>. A similar perspective on strategic HRM is in recent years, strategic human resource management research has increasingly stressed the general effects of high-performance work systems which emphasizes linking systems of HRM practices with firm level performance

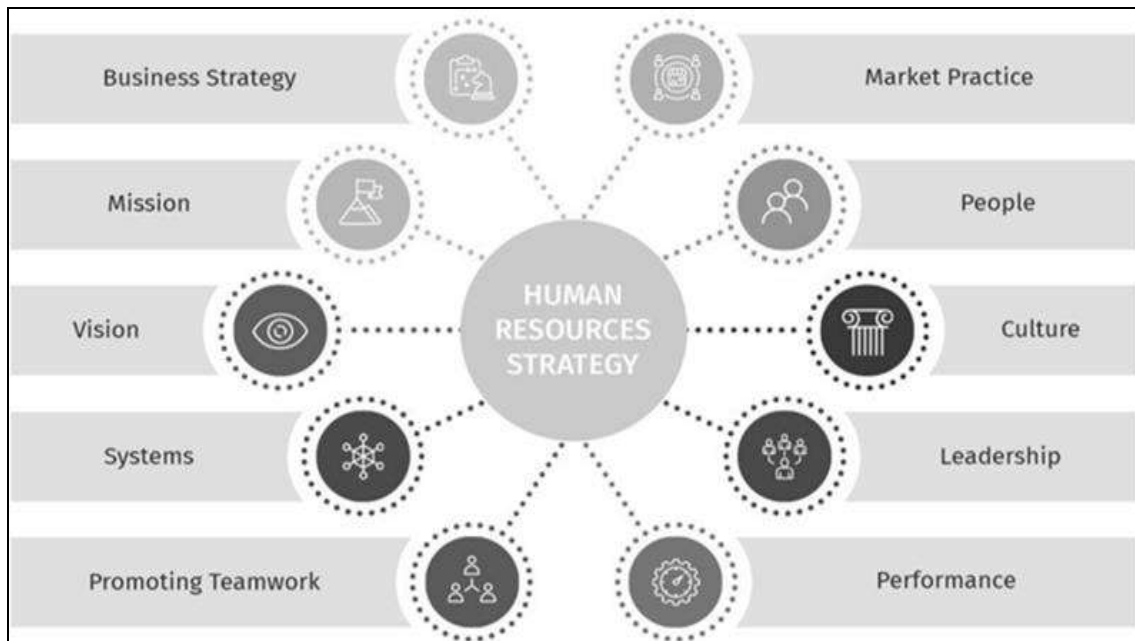
(Chadwick & Flinchbaugh, 2021; Way & Johnson, 2005) <sup>[6, 56]</sup>. From a purely business performance perspective strategic HRM is about providing input into organizational strategic planning and appropriate use of HRM practices to gain competitive advantage. Venegas *et al.* (2017) <sup>[53]</sup> believe that developing processes in the organization that help align individual employee performance with the organizational strategic objectives are essential strategic HR imperatives.

HR must broadly and deeply understand the business they support and know the business' strategy and needs (Hamadamin & Atan, 2019) <sup>[17]</sup>. Only then will HR be a useful partner to the revenue generating units, and contribute towards finding solutions to problems, simplifying processes, identifying skills that are needed, and identifying top talent. Once this happens, HR will also be able to contribute towards improved strategic decision making by providing insights about where to invest in human capital, and by identifying the key leverage points where human capital contributes most to the organization's success (Nai, 2012; Sousa, 2018) <sup>[34, 44]</sup>. Specific HRM strategies obviously depend on the strategies and plans of the business. From a strategic management standpoint, HR teams provide their perspectives and expertise to operation managers throughout the organization (Sowa, 2020) <sup>[45]</sup>.

##### 4.2 HR Strategy Formulation and Implications

Figure 2 highlights key touch points where HR should develop and implement appropriate strategies. The idea is to impact the elements by creating organizational strengths and opportunities thereby adding business value for competitive advantage (Lussier & Hendon, 2019) <sup>[28]</sup>.

Figure 2. HR Strategy for Key Operational Touch points



**Fig 2:** Strategic human resource strategies must take into consideration a vast number of internal operational elements that are deemed critical to overall business success. Adapted from content and discussions in Robert N. Lussier & John R. Hendon, *Human Resource Management: Functions, Applications, and Skill Development*, 3<sup>rd</sup> Edition, 2019.

Different companies that may be in the same industry, for example, the retail industry, may have different strategies for success. Successful strategic management requires an accurate analysis of business situations where the organization finds itself deciding its goals and coming up with its actions to achieve those goals (Gilbert *et al.*, 2015)<sup>[16]</sup>. As illustrated in figure 2 market practice, business strategy, systems, and performance are examples of key business situations requiring accurate analysis. Such an analysis is best performed when there is a strong partnership between organizational leaders and HR managers. HR's contribution to strategy is critical to business success. Mathis *et al.*, (2014)<sup>[31]</sup> contend that understanding the business, focusing on key business goals, knowing what to measure, and preparing for the future are key HR mandates for operational success.

The strategy an organization follows is its plan for how to compete successfully, survive, and grow. Written strategies encompass three-to-five-year periods with departmental objectives and goals (Ho *et al.*, 2022)<sup>[19]</sup>. HR teams must adapt a customer-centric mentality where they are open to what the business units need and what is important to them. Questions to consider are, what additional information, skills or assistance do people need? What new channels are available? HR needs to align its practices with the requirements of all business stakeholders. It is unlikely that any business partnership can succeed unless the HR function has spent time analyzing what it is seeking to achieve and how it can add value to the business (De Bruyn, & Roodt, 2009)<sup>[12]</sup>. This belief paves the way for the creation of human resource business partners [HRBP's] capable of strategically planning and implementing value added HR solutions.

## 5. HR business partner [HRBP]: Role and responsibilities

### 5.1 Pre-analysis of roles and responsibilities

The past 15 years has seen a gradual evolution of the role that HR professionals play in supporting business

operations. From one business to the next there is no definitive structure for how the HRBP operates, but central tenets exist that contribute to a successful function and role (Perimenis, 2020; Friedrich & Rajshekhar, 2018)<sup>[39, 13]</sup>. The HRBP role is advocated as a way for HR professionals and the HR profession to become more strategic and less transactional, necessitating the development of different competencies (McCracken *et al.*, 2017)<sup>[32]</sup>. Throughout the years research has offered many interpretations on HRBP roles, functionalities, and business support. The research has also noted that HR issues are emerging as some of the most prominent concerns for business owners and managers and this has led to an increased need for strategic partnerships between business managers and HRBP's. This paper shares both past and current thoughts related to HRBP roles and the competencies they need to be effective and efficient contributors to business performance and success. Current thinking and practice about HRBP's role, purpose and structure reveals that they have been on a transformational journey over the last 30 years. It is thought by Hunter *et al.*, (2006)<sup>[20]</sup> that if HR is looking to make the case for the role of people management in improving business performance, the position and role [and responsibilities] of HRBP's today need to be considered. This paper sought to identify models of HR roles and functionalities both past and present with the goal of establishing a best in practice model suitable for HRBP roles.

### 5.2 Identifying Particular HRBP Roles

In the mid-1990's, Ulrich and Brockbank (2005)<sup>[51]</sup> revealed that employee champion, administrative expert, change agent, and strategic partner made up the four key roles of HR professionals. The roles spread out across other accountabilities such as business expert, knowledge agent, and consultant. Similarly, Hunter *et al.*, (2006)<sup>[20]</sup> generalized that three key elements were central to the role of HRBP's:

- 1) Effectively and efficiently deploying resources.
- 2) Using business intelligence and analysis.
- 3) Relationship management.



These key elements take the role of HR far more deeply into strategic activities at the company or organization level than is usually found in practice. In yet a further observation Kenton and Yarnall (2005) <sup>[21]</sup> provided a behavioral framework for HRBPs which focused on 3 role attributes:

- 1) Delivering to the business.
- 2) Working alongside business managers.
- 3) Maintaining a business focus.

It is noted that working alongside business managers entails self-awareness and impact and creating and leading change. There currently exists more modern interpretations of perceived roles of HRBPs.

Many of the interpretations are conceptualized from today's belief that HRBPs play critical roles in helping businesses create sustainable competitive advantage. Their roles as partners in strategizing what is needed for business value creation are critical to achieving successful business outcomes. (Cohen, Taylor & Muller-Carmen, 2015) <sup>[9]</sup>. There are also HRBP roles and responsibilities from a modernistic perspective meaning they are considered of modern thought, character, or practice for the HR profession. Published.

### 5.3 Analysis of modernistic roles and responsibilities

Society for Human Resource Management (SHRM)

research has largely reported positive linkages between HRBPs responsibilities and unit-level performance, particularly on the business and establishment levels of analysis (Chadwick & Li, 2018) <sup>[7]</sup>. SHRM has developed a Body of Applied Skills and Knowledge [BASK] model that more clearly defines and describes the behavioral and technical knowledge required for HRBPs. The attributes of the BASK model help to establish current HR roles and responsibilities required for business operational success (SHRM, n.d.). The roles and responsibilities directly support 3 main organizational clusters identified as People, Organization and Workplace. As part of their roles and responsibilities, it is suggested that HRBPs facilitate communication and decision-making necessary to implement business initiatives. They must also use awareness and understanding of the organizations political environment and culture to implement HR initiatives. Last, but certainly not least, HRBPs must use an understanding of the organization's structure, processes, systems, and policies to facilitate the successful implementation of HR initiatives (SHRM, n.d.). An equally modernistic approach to HRBP roles and responsibilities are those conceptualized by the Academy to Innovate HR [AIHR] (n.d.). Figure 3 illustrates seven possibilities for modern HRBP's roles and responsibilities. Figure 3. Contemporary View of HRBP Responsibilities.



**Fig 3:** An HR business partner supports the business managers through the alignment of HR activities with the organizational strategy. Crucial skills are business acumen, digital integration, people advocacy, strategic aptitude, understanding of HR, data analytics skills and excellent stakeholder management. Figure adapted and reprinted with permission from the Academy to Innovate HR, <https://www.aihr.com/blog/hr-business-partner/>

Whether we focus on traditional or contemporary thoughts about HR's impact on business performance the overarching message remains clear-that HRBPs with their ability to effectively engage with the business, are essential for the successful transformation of HR (Friedrich & Rajshekhar,

2018) <sup>[13]</sup>. Reskilling or upskilling HR knowledge, skills, and abilities [KSA's] is paramount to transforming the overall role and responsibilities for the HRBP. Nelson (2019) <sup>[35]</sup> conducted an exploratory qualitative study suggesting that at many organizations there are expanded

portfolio expectations for HR teams to contribute as strategic business partners, harnessing the potential of their organization's human capital for business competitive advantage. Expanded portfolio expectations are thus attributed to transformed roles and responsibilities for HRBPs. While the HRBP role is the most anticipated for both HR and the business, just as anticipated and perhaps even more critical is the need to develop the HR competencies required to enhance the HRBP's roles, responsibilities, and contributions to business performance and organizational success.

## 6. Competencies for the future-ready business and HRBP

### 6.1 Connecting competencies to HR roles and business strategy

For HRBPs, strategic competencies have become increasingly relevant and crucial when working in modern-day organizations primarily due to the need to deal with rapid change, implementing business agendas and thriving under uncertainty (Srikanth, 2019) [46]. Additionally, Gartner (2020) [15] suggests that HRBPs supporting the business in a complex work environment must apply their unique competencies toward effectively managing ongoing business change and enabling agility. Similarly, Parker (2013) [38] has indicated that new organizational roles for HR professionals have evolved and new HRBP competencies are needed to meet organizational demands. Such competencies will enable HR to keep pace with twenty-first century changes in culture, technology, economic shifts, and demographics—just to name a few. Proponents of business partnering argue that to add value to the business, HR practitioners need to focus more on collaborating with top management and line managers in strategy formulation and execution than on their operational activities (Ramlall, 2006; Wright *et al.*, 2001) [40, 57]. To do this work, HRBPs must possess key strategic competencies that will enable them to help the “future-ready” business achieve operational success.

As business and HR leaders attempt to identify the relevant HRBP competencies needed to address current operational issues, they must first identify the current strengths, weaknesses, opportunities, and threats [SWOT] that delineate aspects of the current business environment—both internal and external. More specifically as noted by Pant (2019) [37], SWOT analysis requires an internal survey for strengths and weaknesses and external survey for opportunities and threats. This analysis can be used as a strategic planning approach as well as to enhance the managerial effectiveness of the organization and HRBP involvement adds value to the process. Lussier (2019) [28] adds to Pant's belief by asserting that to improve overall business performance HRBPs assist business leaders with evaluating the outputs of a SWOT analysis which leads to decisions on the effective and efficient use of business resources. This paper contends that HRBPs are highly effective SWOT strategists when they possess the most appropriate strategic HRM competencies.

### 6.2 Identifying, reskilling and deploying strategic competencies

We acknowledge Deloitte's (2019) [11] belief that HR must step into a new future by shifting in four areas:

1. Mindset.

2. Focus.
3. Lens.
4. Enablers.

These areas dictate the need for HRBPs to adopt new traits and behaviors to thrive in the digital age. They must also drive value through dynamic ways that achieve business performance outcomes. HRBP's additionally need to deploy advanced technologies focused on people, productivity and profits (Ulrich *et al.*, [b], 1995) [52]. These perspectives establish the basis for the future-ready business and the future-ready HRBP. The study reviewed some modernistic thoughts on best-in-class strategic HRBP competencies.

The business corporate strategy should be tied to the HRM strategy and practices, and only through this important interaction can this relationship lead to higher performance and competitive advantage for the business (Becker & Gerhart, 1996) [4]. The successful interaction or partnership between HRBP's and business managers will call on HR leaders to either reskill or upskill HRBPs with compatible business partnering HRM competencies. In fact, as noted by Lo *et al.*, (2015) [26], business awareness competencies are important differentiators between strategic and functional HR roles and a wider range of HR attributes are required for HR job effectiveness. This paper identified five strategic HR competencies to be considered by HRM practitioners and business managers to better align strategies and solutions aimed at increased business performance.

#### They include

1. Technology and digitization aptitude.
2. Business acumen.
3. Data and analytics aptitude.
4. Relationship management.
5. Consultant and coach.

### 6.3 Strategic HRBP competencies explained

We arrived at the strategic competencies through the process of triangulating the methods of three researched models previously discussed in this paper (Ulrich, 2005; AIHR, n.d.; SHRM, n.d.) [51]. Research triangulation refers to the process that helps to increase the credibility and validity of research (Noble & Heale, 2019) [36]. The approach of triangulation made it easier for the study to validate data collected from each of the discussed competency methods. Many of the competencies from the respective models can be linked to or compatible with one another. We provide more context for each strategic competency.

**Technology and Digitization.** The key opportunities that digitalization brings to HR-management have been substantiated. Melnychenko *et al.*, (2021) [33] have stated that to get the most out of advanced technologies, HR-competencies must be clearly defined, correlated with business requirements, differentiated by functions, roles and levels, updated at the right time and applied to perform any HR-management functions. Digital transformation of HR management systems adds increased value to digital business systems.

**Business acumen:** Well-accepted HRBPs possess exceptional business acumen skills and knowledge. As such, they can partner effectively with business managers with

respect to corporate decision-making and financial and accounting knowledge (Garey, 2011) <sup>[14]</sup>. Business acumen is considered a critical HRBP competency as it is needed to understand the organization's operations, functions, and external business environment. SHRM (n.d.) adds that the business acumen competency enables HRBPs to apply business tools and analyses that inform HR initiatives and operations consistent with the overall strategic direction of the organization.

**Data and Analytics aptitude:** HR departments are the sources of HR information and thus should provide accurate interpretation of HR data. Data driven HR enables HR professionals to leverage the value of the vast amount of data available in the business environment and the HR setting (Marr, 2018) <sup>[30]</sup>. As well, HR analytics capabilities of HRBPs represent best practice approaches that enable them to work side by side with business managers to enhance strategic decision-making around operational processes and performance success (Anam & Haque, 2022) <sup>[3]</sup>.

**Relationship management:** SHRM (n.d.) has suggested that the relationship management competency is needed so HRBPs can create and maintain a network of effective internal and external professional contacts that help establish strong networks, effective teams, solid negotiating outcomes, and positive conflict management resolutions. HRBPs relationship management skills become even more critical when consideration is given that employees and their tacit knowledge are the most valuable resources in organizations and in attaining sustainable competitive advantage (Lubit, 2001) <sup>[27]</sup>.

**Consultant and Coach:** HRBP consulting competencies enable strategic partnerships from the perspective of performance consulting. Business managers and HRBPs either proactively help identify business opportunities or they respond to direct requests to address existing business issues (Robinson & Robinson, 2008) <sup>[41]</sup>. The workplace coaching literature widely emphasizes the positive impact of coaching at individual and organizational levels, which includes leadership development, performance enhancement and employee engagement (Bickerich, Michel, & Shea, 2017; Mangion-Thornley, 2021) <sup>[5, 29]</sup>.

## 7. Results and Discussion

This present paper attempted to advance the existing knowledge about human resource management [HRM] and its implications to business strategies, planning, and operational performance. The results are discussed which considered the four study questions presented at the outset of this manuscript.

### How are business operations affected by the application of HR processes and solutions?

Based on the paper's conceptual analysis, HR's contributions to business operations are both meaningful and necessary for overall business success. The involvement that an organization's HR function has in the development and implementation of business strategy is a critical determinant of its influence and the overall business value it adds. The future of the enterprise demands new outcomes, and HR has a critical role to play (Volini & Mazor, 2019)

<sup>[54]</sup>. Chief Human Resource Officers [CHROs] and their respective HR teams work closely with organizational managers to prioritize and focus on improving business operations. Business managers can leverage the strategic partner role of the HRBP to enhance current strategies and plans aimed at achieving competitive advantage. Strategic HRBP capabilities will enable them to add business value by spearheading workforce strategy, fostering team collaboration, driving readiness and productivity, and leading the enterprise's readiness for future disruption (Deloitte Consulting, 2019) <sup>[11]</sup>.

### What are the key indicators of strategic HR management and their implications to business performance?

The findings indicate that strategic HR management [HRM] is a vital element for improving business performance and moving the competitive advantage needle forward. Today's business environments expect HRBPs to demonstrate strategic positioner competencies enabling them to effectively demonstrate business acumen and the ability to plan for future trends. We know from the research that Strategic HRM focuses on the setting up of a causal link between the overall strategic objectives of an organization and its HR strategy implementation (Chopra, 2017) <sup>[8]</sup>. As well, Venegas *et al.* (2017) <sup>[53]</sup> believe that developing processes in the organization that help align individual employee performance with the organizational strategic objectives are essential strategic HRM imperatives. Successful strategic management requires an accurate analysis of business situations where the organization finds itself deciding its goals and coming up with its actions to achieve those goals (Gilbert *et al.*, 2015) <sup>[16]</sup>. The present study adopts the best practices approach to examining strategic HRM practices and their influence on company performance. HRBPs will be able to contribute towards improved strategic decision making by providing insights about where to invest in human capital, and by identifying the key leverage points (see figure 2) where human capital contributes most to the organization's success (Nai, 2012; Sousa, 2018) <sup>[34, 44]</sup>.

### How do roles and responsibilities of HRBP's help improve business performance and overall organizational value?

The research clearly indicates that specific HRBP roles and responsibilities help drive business performance. Throughout the years research has offered many interpretations on HRBP roles, functionalities, and business support. Current thinking and practice about HRBPs' role, purpose and structure reveals that they have been on a transformational journey over the last 30 years. It is thought by Hunter *et al.*, (2006) <sup>[20]</sup> that if HR is looking to make the case for the role of people management in improving business performance, the position and role [and responsibilities] of HRBPs today need to be considered. HRBP roles and responsibilities help improve business performance when a strategic connection exists between the roles and the business strategies. Similarly, HRBPs, with their ability to effectively engage with the business, are essential for the successful transformation of HR and their impending value to the organization (Friedrich & Rajshekhar, 2018) <sup>[13]</sup>. While the HRBP role is the most anticipated for both HR and the business, just as anticipated.



Perhaps even more critical is the need to develop the HR competencies required to enhance the HRBP's roles, responsibilities, and contributions to business performance and organizational success.

### What competencies and development strategies can be implemented to help build future ready businesses and HRBPs?

From a practical perspective, the findings indicate that those HRBPs possessing competencies deemed to be strategic are best qualified to be business partners to the organization. Parker (2013) [38] has indicated that new organizational roles for HR professionals have evolved and new HRBP competencies are needed to meet organizational demands. Such competencies will enable HR to keep pace with twenty-first century changes in culture, technology, economic shifts, and demographics—just to name a few. HRBPs must possess key strategic competencies that will enable them to help the “future-ready” business achieve operational success. Several strategic HRBP competencies are underpinned in this study and included technology and digitization aptitude, business acumen, data and analytics aptitude, relationship management and consultant and coach (SHRM, n.d.). Triangulation research was conducted yielding additional strategic HR competencies for consideration.

### 8. Conclusion

HRM represents a critical business component that aligns with organizational factors whose goal is to create competitive advantage in business markets. Ideally, partnerships between HRBPs and business managers focus on assessing the internal and external business environments so that information is analyzed to make effective decisions about the organizations future. Strategic analysis, planning, and competency development are at the core of advancing business structure, policies, and procedures that will drive organizational effectiveness and efficiency required for improved business performance. This paper demonstrates that business effectiveness and efficiency are best achieved when HRBPs align their practices and solutions to the organization's mission, goals, and strategies. Business leaders are becoming increasingly aware of the importance of the contributions from their respective HR teams or groups. Chief Human Resource Officer's and their respective HR teams work closely with organizational managers to prioritize and focus on improving business operations.

Their overall effectiveness of their work will be driven by 3 key factors:

- 1) Their strategic approach to business process improvement.
- 2) Their ability to create value adding HR roles and responsibilities that deliver outstanding performance support.
- 3) Their ability to reskill or up skill to obtain the strategic HRBP competencies necessary to support future-ready business success.

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