

## Going beyond Dave Ulrich...

### How the famous HR model led to some unintended consequences



“...During the last 17 years, through our extensive research and our work with more than 350 international companies, we have identified the Strategic Agenda and the Must-Win-Battles in people management. Out of more than 300 metrics, 4.000 activities and business cases the significant results are extracted and condensed to the decisive topics and metrics that have an impact on the results of a company. **This newsflash is about going beyond Dave Ulrich ...**”

**Summary:** *In many companies, BPs and CoEs developed in a dysfunctional way quite different to original intentions. Now there is a strong trend in leading organisations to take the best of the Ulrich model and move beyond it – in order to fix deficiencies and bring the HR function to the next level. There is no doubt that the Dave Ulrich model was the strongest and most influential change in HR for a long time. It kept its value for many years – but it's time to move on and improve it*

Quite a large number of organisations currently follow the Dave Ulrich model of dividing the HR function into Shared Service Centres (SSCs), Centres of Expertise (COEs) and Business Partners (BPs). The SSCs usually work well, but the CoEs and BPs too often fall short of expectations.

SSCs normally work well given sufficient investment of time and money. The cost savings do not always reach predictions, but most of the transactional tasks are under control and delivered in consistent quality at predictable prices.

The BP was the problem child from the beginning. Too few resources, imperfect profiles (very often 'old' administrative or generalist staff being put into the role) and a 'non-understanding' from the consulting company implementing the model made the role difficult. At the top, line managers would not know what to expect from a strategic partner, or sometimes became disappointed by the 'weak' profiles. During the transitional period, the BP was often the trouble shooter, but then continued in that role

afterwards. BPs focused only on higher line or top management, leaving many lower levels of management unattended.

CoEs have become problematic in many organisations. Created to pool specialists for all vital processes, many CoEs became somehow self-contained; no longer serving internal customers, but instead trying to justify their rather high costs by producing lots of new products and continual changes to current HR processes, tools, and products unsolicited by the business or by BPs. The constant focus on mostly incremental change and new ideas weakens the organisation's grip on current processes.

- Many companies base their HR functions on the Ulrich model, dividing them into separate units: SSCs, CoEs and BPs
- SSCs normally work well, but CoEs and BPs are experiencing difficulties in their effectiveness
- BPs are often without sufficient resources, comprise candidates of the wrong profile, or focus only on higher management levels
- CoEs have a risk of becoming self-serving rather than producing real value for internal customers
- By measuring the consequences of different solutions we have found the appropriate new ways to improve this situation
- Moving beyond Dave Ulrich means initiating changes to the model to avoid the common pitfalls.
- Our F-Top companies are on the way to enhance the capabilities of the whole function in order to deliver even greater value
- Our research shows clearly the most interesting ways,