

Career Path:

Human Resources

Introduction

Ross Career Services (RCS) created the *Career Path* series to assist students with the career search process. Each *Career Path* handout examines a common business functional area in which Stephen M. Ross School of Business graduates pursue jobs each year. The first four steps of RCS's recommended career search process are detailed for each specific business field.

Human Resources Overview

The field of Human Resource Management (HRM) focuses on achieving corporate strategy through the effective management of people in organizations. It examines the link between people, satisfaction, and productivity. Effective HRM results in a higher quality of work life, higher productivity, and an improved readiness for change. The role of the human resources manager within a corporate environment has been undergoing rapid change. In the past, personnel managers served primarily as administrators, policing and maintaining the organizational status quo. However, the role of the modern human resources manager has become more ambiguous, shifting in the direction of business partner, employee champion and change catalyst, and focused on strategic leveraging of human capital. The human resource manager's role is also moving toward one of internal consultant in order to help line and upper-level managers better manage their people.

Functionally, the broad area "human resources" consists of compensation, benefits, human resources information systems, human resources planning, organizational/job design, employee relations, recruiting individual and career development and training, and organization development. For entry-level professionals, opportunities are primarily in generalist roles and rotational programs. For graduate level and experienced-hire positions, though, there is more focus on the higher-level strategic aspects of these functions.

Strategically applying/utilizing the various disciplines within human resources in order to cause organizational change and add value is often referred to as "change management." Change management is commonly defined as both a) the set of skills and aptitudes an individual needs to successfully initiate and implement change, and b) the applications of tools for change (e.g. training, communication, process re-design, etc.) in adding value to an organization. HR professionals are increasingly being asked to develop the personal skills and attitudes for implementing change as well as a technical understanding of how to apply the tools for change. While corporate HR managers often deal with change management issues as a subset of their responsibilities, most of the opportunities that focus almost exclusively on change management are in consulting (see Human Resource Strategy/Change Management Consulting).

In the past, HR management positions were primarily held by people with master level degrees in organizational design, human resources management, organizational psychology, etc. However, with the shift of attitude toward people in organizations, it has become very important for HR managers to have a strong business background, as well as clear strategic and financial experience. This is why companies are now hiring MBA candidates for HR positions. It is well known that students with backgrounds such as accounting, finance and marketing have been successful making the transition to human resources due to the need for HR professionals who can "speak the language" of business, but people with other non-traditional business backgrounds are also sought for their creative skills and general flexibility.

Many MBAs interested in human resource positions have no experience in the field. The key for these students is bridging their previous experience with the qualifications and skill sets of the HR function. Companies interviewing for human resources positions expect students to have clearly articulated reasons for transitioning to human resources. Understanding current strategic human resource issues and the language associated with them is essential. BBAs will most likely have to take an entry-level specialist position or an intermediary step before moving into a generalist position. However, strategically positioning the appropriate intermediary step is important for the graduating BBA to increase the opportunity to transition to a higher-level strategic role.

Steps for Developing a Career in Human Resources

Human Resource Strategy Consulting (also known as Change Management or Organizational Strategy Consulting) is a relatively new and rapidly growing field. It is focused on assisting companies in orchestrating major organizational changes. These professionals specialize on the people aspects of organizational transitions that often come in the wake of changes in strategy, process redesign initiatives, systems implementations and merger integrations. The role involves the utilization of all the human resource tools mentioned above to assist organizations in managing the change. The projects might include efforts such as:

- organization and job redesign
- communications strategy development
- recruitment and selection strategy development
- training needs assessment and strategy development
- performance management and compensation redesign
- Restructuring and workforce reduction and consulting initiatives

HR Strategy Consulting roles exist within large consulting firms, HR niche consulting firms and small boutique consultancies.

Career Search Step #1: Conduct Self-Assessment

Professionals in human resources distinguish themselves from many other business professionals by their strong interest and skill in counseling and mentoring others, as described in the CareerLeader profiles. Human resources employees are very interested in service, and need to have excellent diagnostic and listening skills. They often work as internal consultants and help managers better manage their staffs.

In addition to functional competence, human resource managers need an understanding of internal and external business conditions, understanding of human behavior, strong communication skills and flexibility. Creativity is also an important skill, as the human resources function often needs to develop new solutions or new approaches to traditional ways of looking at business issues. The human resource manager has the unenviable task of balancing the individual needs of the employee with the business needs of the organization while trying to minimize cost and increase productivity. This is an unavoidable and ongoing tension between the role of employee champion and business advocate.

Companies are increasingly realizing that the HR department is the link between current/potential employees and the company's business strategy. For this reason, HR recruiters look for a variety of skills, such as:

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| – Strong problem solving and analytical capabilities | – communicate with and influence all levels of management and employees |
| – Excellent oral and written communication skills, including the ability to | – Strong process and project planning skills |
| | – Working knowledge of all areas of HRM |

- Broad exposure to business issues and functions
- Team and leadership skills
- High level of intensity/energy
- High ethical standards
- Flexibility
- Self-assurance

Depending on the company, individuals pursuing careers in human resources management may be offered lower compensation than other functional areas. HR is not a profit-generating function, and greater compensation may be reserved for the most senior level HR managers. However, this is starting to change as companies begin to understand the strategic value of the HR function. Companies in the high-tech industry have tended to offer MBA compensation packages for HR Associates that are on par with other functional areas. Also worth noting is that internship and full-time compensation can be significantly different; some companies offer much more generous compensation packages for full-time positions than for internships.

Lifestyle is another consideration for prospective HR professionals. As a generalization, greater work/life balance may be possible within the corporate HR environment vs. HR consulting, and corporate HR managers may have a lifestyle advantage over other functional areas. However, this is very company and position specific and may change as an individual moves upward in an organization.

Career Search Step #2: Investigate Possible Career Opportunities

Larger companies recruit MBAs and some (but few) BBAs for positions such as human resources associate, generalist, or analyst. By contrast, most small and mid-size companies do not have "entry-level" HR positions since their HR departments may only consist of one or two people.

It is important to understand the difference between generalization and specialization and to explore the various options within HR. The following is a list of areas and issues that typically fall within the overall HR domain:

<u>Areas</u>	<u>Issues</u>
– Recruiting	– Change Management
– Compensation	– Succession Planning
– Benefits	– Generation gap issues within the organization
– Learning & Development	– Cross-cultural workforce issues
– Employee Relations	– Effective management of virtual organizations
– Diversity	– Affirmative Action Planning
– Strategic HR Planning	– Equal Employment Opportunity
	– Labor/Management Relations
	– Merger & Acquisition Integration
	– Organizational Design

The areas you will be exposed to during your career as a HR professional will be dictated by your interests and the desire to explore a career as a generalist or specialist within a company or to pursue HR consulting. Many companies who recruit at Michigan hire generalists. Some have structured programs that rotate you through a variety of functional areas within a period of 1-3 years. After this initial period you will become a human resources manager of a group or division with general HR responsibilities. You may also develop interests in specific areas of HR and choose a more specialized career path. As a specialist, you may serve as an in-house consultant in areas such as organizational design or integration issues. The opportunities are essentially limitless, as there are so many different human resource needs within organizations.

For BBA entry-level positions, employers usually prefer candidates who have degrees in Business Administration. A human resources professional can enter the field through different types of positions.

The most common positions for entry-level professionals are analyst, assistant and training specialist. Another avenue is to become a HR generalist for a small unit of a large organization with a decentralized organizational structure. In some very large organizations, this position may be called an Associate or Consultant. As a member of a business unit or division, the Associate is involved in analyzing, interpreting, or developing HRM policies to assist local operating managers achieve unit goals, as well as personnel objectives.

The other route is to become a specialized HR professional. Typically, this position is found in a large organization with a centralized organizational structure, and the duties are associated with a single HRM function. These areas include interviewing, recruiting, compensation development, labor relations, or training and development.

Typically, a person with a college degree and HRM training can move up the career ladder if he or she is willing to work hard, show an ability to manage interpersonal relations, and demonstrate management capability.

Career Search Step #3: Research and Conclude on Immediate Postgraduate Employers

Companies that have recently recruited at Michigan to fill corporate HR positions include: Amgen, Cisco, DaimlerChrysler, Deloitte & Touche, Exxon Mobil, General Electric, General Mills, Eli Lilly, Intel, Johnson & Johnson, Microsoft, Xerox, Merck, Target, and others.

There are several firms that specialize in HR consulting that recruit on campus such as Hay Group, Hewitt Associates, and Towers Perrin. HR consulting positions are also available in the larger management consulting firms, including PricewaterhouseCoopers and Deloitte & Touche. However, most management consulting firms do not recruit on campus for these positions, so you will need to conduct an off-campus search to pursue these opportunities.

Career Search Step #4: Develop a Career Search Strategy

Career opportunities are often available through on-campus recruiting, but many more exist if you include an off-campus search in your effort. Several key steps in the search process include:

- **Conduct research.** The best way to find out more about issues in the field is to look in periodicals such as *Personnel Administrator*, *HR Magazine*, and *Personnel*. The American Society for Personnel Administration (ASPA) provides student membership rates that include a subscription to *Personnel Administrator* and *Resource*, monthly magazines that cover the latest HR issues and provide a list of nationwide job opportunities. In addition, ASPA has technical resource staff to answer any of your questions and will provide you with a copy of "Who's Who in ASPA," a listing of over 40,000 HR professionals. You can access Society for Human Resource Management online at: www.shrm.org. Cornell has helpful resources and links for their graduate program, www.cornell.edu. Kresge Library has additional resources available to assist in both the on- and off-campus search.
- **Look for industries and companies that are focused on retaining people and/or that are going through major changes or expansions.** These companies and industries are often seeking people who really understand business issues and are interested in the "people" side of the business. Industries that are known for strategic HR roles are pharmaceuticals and health care, high tech, and telecom.
- **Join the Organizational Strategy Club.** The OSC can provide you with the names of current students and alumni who have had full-time and/or summer experience in HR who would be happy to answer any questions you may have about HR as a career or the HR job search. The club also invites guest speakers from industry to speak to club members. The OSC website

(<http://webuser.bus.umich.edu/Organizations/orgstratclub/>) also includes links to helpful HR resources.

- **Attend corporate presentations.** Even if a company is not specifically seeking HR candidates at the Ross School of Business, they are typically willing to discuss opportunities with interested students – just ask! Talk with recruiters about your interests and what their company may have to offer. Ask for names of people to follow-up with inside the company.
- **Contact alumni and conduct informational interviews.** The Organizational Strategy Club maintains a list of alumni who have served as mentors to current students, and club officers often know recent graduates in the field.
- **Utilize RCS services.** RCS sponsors a number of workshops, including resume writing, cover letter preparation, and interview skills. Office hours are available for counseling on all aspects of the career search and skill development process. Career consultants and staff members with experience in HR may be available to provide specific functional perspective.

Also, the Human Resource Certification Institute offers examinations for the purpose of maintaining high professional standards and advancement among HR professionals. The exams are intended for those currently working in the field of HR, but students and recent graduates are encouraged to become certified. For more information, refer to the Career Packet titled “Careers in Human Resource Management” in Kresge Library.

Frequently Asked Interview Questions

1. Why are you interested in HRM?
2. Why HR at my company?
3. How do you view the future of the HR function?
4. What are your career goals?
5. Why are you doing an MBA and looking for an HR position?
6. What value does a Michigan MBA add to my HR function?
7. How do you feel about the idea of being the “unwanted” participant in meetings?
8. How would you influence someone who was at first resistant?
9. Give me an example of your leadership style.
10. Give me an example of when you helped someone succeed.
11. Tell me about a time when you had to give someone difficult feedback or when you received difficult feedback.
12. Tell me about a time when you failed. What did you learn from this?
13. Give me an example of how you applied what you learned.
14. Give an in-depth summary of specific jobs you have held.
15. What qualities/characteristics should a HR representative possess?
16. What particular area of HRM is most attractive to you?
17. What particular area of HRM is least attractive to you?

18. HR is often viewed as a support function out of the mainstream of company decision-making; how do you feel about this?
19. Why is HR important to a company?
20. What do you see as your role in the corporation?
21. Do you see yourself as more of a generalist or a specialist?

Sample Responses

Q. What skills should I focus on while here at the University of Michigan?

A. Interpersonal skills and analytical skills.

Examples:

learning how to be a “change agent”	human resource aspects of strategy
organizational design	self-confidence
conflict resolution	being customer-focused
ability to build consensus	finance and accounting
spreadsheet analysis	database utilization and creation

Q. What are the differences between HR in the service sector and HR in a manufacturing environment?

A. The main difference is in the groups of individuals that you are servicing. The level of complexity of legal issues and interpersonal issues will be driven by the types of individuals. However, the importance of HR competency is equal in all sectors.

Q. What battles are faced by a HR professional in implementing change management?

A. Unifying groups with different cultural backgrounds, histories, objectives and agendas.

Q. What keeps an HR professional from burning out and how does one measure his/her results?

A. The work must be fun and what you enjoy to keep a balance and not burn out. Your effectiveness can be measured by the # of times your customers seek you out. Examples: the # of messages or e-mail notes you receive, the # of programs that you have created, etc.

Q. As an engineer by background, how do I cross over to a HR career?

A. The mindset and thinking of an engineer with HR training can be an effective and critical bridge in an organization facing technical issues. The best experience for HR is learned. The most difficult aspect is getting people to think differently, out of the box. An engineer can use past experiences as a key strength to building alliances within the organization’s technical and line staff.

Q. What role does HR play in a major corporate restructuring?

A. HR will play a role in helping the organization determine how best to utilize its people: How can the organization strategically plan for what skills are needed in the future? How can the organization reconcile the generational and skill gap differences between existing management and its new hires?

Q. How does diversity fit within the HR organization?

A. Many companies have a diversity function within the HR organization. However, many companies are still struggling with communicating and implementing strategies that meet the business objectives for the firm. Work/life balance is also an area that is sometimes included within diversity.

Bibliography of Information Resources

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- “Career Management for Human Resources Professionals,” *The Journal of Career Planning and Employment*, Wiley, Carolyn.
- Career packet “Careers in Human Resource Management” in Kresge Library.
- [MBA CareerLeader™](#) and [BBA CareerLeader™](#) profiles found on Career tab on iMpact.