

Announcer: You're listening to HR Mixtape, your podcast with the perfect mix of practical advice, thought-provoking interviews, and stories that just hit different so that work doesn't have to feel, well, like work. Now, your host, Shari Simpson.

Shari Simpson: Joining me today is Jennifer Currence senior partner at HR Soul Consulting, speaker, coach, and author. Jennifer, thank you so much for stopping by the Paylocity booth here at SHRM24 in Chicago. I'm so excited that we were able to make this time work and have you on the podcast. So you have a couple sessions at SHRM, and I really wanted to talk to you about business acumen. I think this is such an important topic for the HR community, and I'd like to know, you know, how do we develop that if we're, you know, everything from beginning of our career to maybe we're more senior in our career, but we haven't ever really gone down the road of increasing our business acumen? Why is it important? Where should we start?

Jennifer Currence: Oh, gosh. I could talk 20 minutes just about that question. I am so passionate about the need for business acumen, because what happens in HR is that people will say, like, oh, why did you get into HR? Oh, because I like people. Well, that's the wrong answer. Because, I mean, yes, it's important. Don't get me wrong. We have to at least respect people. But that's not going to make us a successful HR professional or practitioner. So when we are able to understand how the business makes money and what the what all of the ticking pieces are. Actually, I'm getting ready to go on the spotlight stage in another hour or so and talk about this. And one of the analogies I like to make is that HR is like a quarterback. I think about HR being, you know, when you have a quarterback, they have to know the strengths and weaknesses of all the players. They have to know what, in any play, who's running where. I'm not a football aficionado, but I knew that much. And I know, and I liken that to HR because we have to also understand who's doing what, what the strengths and weaknesses are in each department. Sometimes the individuals create an individual development plan, for example, and we don't understand that if we truly don't understand the business. How do we develop those? I'll give you a quick tip, because there's a lot of different ways. But one of my favorite things is to go spend some time with each one of the functional leaders, the department head. and ask them three questions. What is it that is going really well in your department? What is something that is not going well in your department? What are obstacles that you have? And then thirdly, how can HR add value? And notice I didn't say, how can HR help? Because that sounds kind of like a cop-out question. Yeah. I mean, it could work. But I think, how can HR add value adds that little bit of extra to get into the soul of the department head. So yeah, HR isn't just here to help because they like people. They're here to help because they really want to add value to the organization.

Shari Simpson: What do you say to the HR person who's like, I love those tips, but I'm really worried I'm going to come off ignorant, uneducated, that I don't know the business? What do you think about that?

Jennifer Currence: I have two thoughts. Number one, get over yourself. Because sometimes we're not supposed to know everything. And I think that, like Brene Brown says, if you can be vulnerable, it's one of the best aspects to have as a leader. So be vulnerable and say, hey, I don't really quite understand how this works. Do you have time to explain it to me? Because I want to make sure that I add value to the organization. So you can go in that way. The other aspect is do a little research on your own first. Don't always go in just blind blanket like, hey, I don't understand this. Do a little research. Read some articles. Google. Chat GPT.

Shari Simpson: All of the things that are available to us right now. So what are the common gaps that you see as you've been working with HR professionals when it comes to business acumen?

Jennifer Currence: Well, the biggest one is probably pretty common to hear, and that's the lack of financial aptitude and really understanding the financial statements. And I admit, I'll be vulnerable right now. I don't fully understand it either. If you were to ask me to jump into being an accountant for a day, I wouldn't be able to do a BNL or any of that. But I understand the basics of it. So I understand that the reason that salespeople, I talk about this in My first book, which is Developing Business Acumen, I talk about traditionally salespeople don't really like HR because they feel like HR is just an expense where they're out there busting their butt trying to get all sorts of revenue coming in. And then HR is just sitting back at their desk with their feet up on their desk spending it, which obviously is not true. But if you understand how a profit and loss statement works, an income statement works, then you can understand that, oh, salespeople Yeah, I get it now, because they are really busting their butt trying to get their money in. So how can I, as an HR professional, help the salespeople make the most of the money they're bringing into the organization?

Shari Simpson: Well, and you hit on such a good point. You've used the language twice now. How do I add value? You want to come across as you are part of the team. You're part of the sales team. You're an extension of the sales team as a business partner. How do I add value? What is my role to play? I absolutely love that language. I think it's a good mindset to have as you go into these conversations about wanting to learn more. And I think if you do it well, Like you said, the quarterback, right, HR can start to shift things because they can see unilaterally where a department head might only be able to drill down really deep into their department. And that's really the magic that HR brings to the table is that view that nobody else quite has. And you can use that for good. How have you seen that the business acumen of an HR professional help them impact things like culture?

Jennifer Currence: Um, that's a difficult question because I believe that culture is really in the hands of the managers. It's like culture is what you do every day. And so you can't have one person or one department in charge of that.

Shari Simpson: Yeah.

Jennifer Currence: But I think HR has a critical role in being able to

lead by example and to be able to influence and train the leaders and how to communicate better and have better relationships and follow the values of the organization, recognize employees with the value of the organization. And business acumen helps with that because as the quarterback, HR can really understand all of the different departments and what they're struggling with so that they can better advise the different departments to play nice in the sandbox together.

Shari Simpson: Yeah. You know, we have spent a lot of time over the last couple years talking about how HR uses data, right? Remember when everybody was like, big data, big data, right? Let's get away from Excel sheets, which is great. Obviously, I think we still need to do that if you're still using Excel because you have to, I get it. But from an HR perspective, there's a bunch of metrics that we watch, turnover rates, those kinds of things. How do we shift our mindset and start to introduce HR metrics that align with business strategy, align with what the business is trying to accomplish? How do we make those, how do we marry those two together?

Jennifer Currence: There are hundreds of metrics out there, right? So turnover is a great one because it's one that everybody understands. And I always like to start there. Being able to really marry the metrics to the strategy, I think comes in being able to tell the story behind the metric. So if you don't tell a story, it's just a measurement. It's just a number. There's a difference between measurement, numbers, and the metrics. The metrics are the story that you tell. So let's take turnover, for example. Very simple to calculate and understand. But what does the turnover rate mean for the organization? And what is the turnover rate for each department, for each location, for each maybe job entry level versus more senior level? Like look at it, break it down and do a deep dive and that can help an HR leader or HR professional really make a difference in the business. Hey, I've noticed that we are having a lot of turnover with people who have only been here for less than a year. Let's look into that and see how we can, why that's happening.

Shari Simpson: Yeah, that's great, and you can definitely use tools like Velocity, obviously, but there's a lot of HCMs out there, right? If you're not leveraging some of the data that's being surfaced to you, I highly encourage you to do that, because some of this is already being presented in a way that you can action on it, where you don't have to teach yourself how to do all these things, you know, leverage the tools you have, so I think that's really important. What skills have you tried to encourage HR professionals to develop, not just business acumen as far as knowledge, but what skills do they need that we're not maybe learning as we've kind of come up through the ranks?

Jennifer Currence: So I'm a huge fan of the Sherm Vast because it separates what people know and do, like the technical expertise skills, versus how they do it. And that's the behavioral competencies. They have nine behavioral competencies. I wrote books on the business cluster of them. Those are the three books there. But one of the skills that I think is becoming more and more is that critical

evaluation now it's called analytical aptitude and it's something that's being taught I'm a I was an adjunct professor at University of Tampa for 12 years and then in the business school there and that was one of the things that we as professors had to do was make sure that your evaluating your students and teaching them that critical evaluation, that analytical aptitude. So that's one that I think is super important. And that can be simply stopping, reminding yourself to stop, and be like, why are we doing this? It can be as simple as that to start with. If you stop, why are we doing this? Ask yourself that question. The second skill that I think is super important for any professional, but especially in HR, because we're the quarterback, is executive presence. Yes. And really being able to hold your own and take it in. I think of myself as the Wonder Woman shield. I'm not going to let this get to me. I'm just going to observe it out here, but it's not going to break through my barrier to allow it to affect me mentally. But being able to just have that executive presence and understand and ask questions.

Shari Simpson: You know, what's interesting about that combination of analytical aptitude and executive presence is I do think they go hand in hand. Because if you can prepare for those meetings with that analytical mindset and start to ask yourself questions that maybe you haven't asked before, you're going to be really prepared to go in and have that strategic conversation with your executive team. Because not only do you have the data, you have the metrics, you have the story, you know how you're going to add value, and you've thought really hard about your suggestion and where it's going to succeed, where the holes are, where it's not going to succeed, where you might need additional staff, additional money for things. You're going to be prepared for that conversation. I have found that the meetings that I go in prepared for always do better. I don't walk away feeling or haven't walked away feeling like, oh, I didn't nail that. It's like I gave everything I could. I showed up in the best way. If they don't like it, that's fine. They don't like it. That's a different conversation than I wasn't prepared for the meeting. Yeah. I love that tie-in.

Jennifer Currence: Can I use that? Of course. Of course you can. Yeah. I've never really tied it. You almost think of it as two separate things. Like executive presence is more of like the... interpersonal skill set or people skills, I like to call them, whereas analytical is more mind, brainiac, but they really do connect together and they work in conjunction with each other.

Shari Simpson: Yeah, absolutely. You know, how do we get better at financial planning? I mean, I think all of us in our careers have had a flavor of having to manage a budget, but that is just one very small component of actual financial planning. workforce planning, thinking ahead, those kinds of stuff. How do we flex that and learn more about that?

Jennifer Currence: That's, you know, practice. So understanding the financial statements and how they work, sit down and have some time with your CFO or your controller and just ask them, hey, can you explain to me how our business, what our business does with the money

that we make and how HR affects each one of these areas? because I guarantee you're gonna learn something. I was fortunate enough to have worked for a CFO that took the time, and I know there's all sorts of feelings about why HR should not report to the CFO. But in this case, it worked out really, really well for me because he took the time to teach me a lot about how HR affected the financials. of the organization. And that was just so critical in my development. So financial planners, so just take time and ask the questions. Don't wait for somebody else to ask you. You are in charge of your own development. And I think that's one thing that I love about the SHRM conference, because people come here to learn most of the time, whether it's about from the vendors, like, well, I want to learn more about Paylocity. Let me make sure I hit that booth. or just from the general sessions, because we have to be hungry for that knowledge, and we have to take ownership of our own development.

Shari Simpson: That's so true. And there are so many free resources out there now. I mean, you think about what's just accessible on YouTube, you know? And you mentioned ChatGPT earlier. I mean, you can literally ask it to teach you finances at a fifth grade level, and you walk through it, and you can learn that way. So there's just so many resources out there. How do you see the future of HR business strategy changing as HR becomes more, levels up in business acumen?

Jennifer Currence: I personally see it, and I'm thinking right now about some of my friends and colleagues who are younger CEOs or entrepreneurs that are bringing up a staff, and they seem to be much more people-oriented. You know in the past 30 years ago when I started out in HR, it was much more top-down and you know this is where we're doing things and this is the way it's going to be and you just kind of fell in line if you didn't ask questions and I feel now like there's so much more perspective on mental wellness. At the SHRM conference this year, for the first time, I think they have a little wellness stage. And I love that they're taking time out, because so often, people are struggling with burnout or anxiety, and we just don't have a place to talk about it. I guess maybe from a business strategy piece, invoking the people aspect of it, I think the really unique part about HR, different from any other function in an organization, is that we have to be equally minded on the people side and the business side. Yeah, so I'm not sure if that would be my final answer, if I had time to critically evaluate that question more, but yeah, I feel like that's the thing that's really popping up in mind, because people are, that's what makes up our business, right?

Shari Simpson: Yeah, you know, we recently did a survey of frontline workers, and we found that that was one of the biggest things they were asking for in their organizations, is more mental health resources. I suspect that that definition of mental health is even much bigger than it ever has been before. It's a more holistic view of health. And I've mentioned this before on the podcast, but the WHO has an entire kind of symposium around loneliness. and social isolation that has come out of our world kind of switching to remote and hybrid work being more prevalent than it ever was. So it's interesting to see

that we are seeing now the response from employees saying, yeah, we want some more resources here. and we want our organizations to be responsible for it. It's not just, hey, check the box, yeah, I can go get therapy through my EAP, or yeah, it's covered in insurance. It's let's think more strategically about workload, about how we're checking in on people, how we teach managers to have one-on-one. Before we jumped on, I was sharing that I had attended a session at SHRM's Inclusion Conference. It was one of those smart stages, 20 minutes, and it was around suicide prevention and awareness in the workplace, and it was one of the best sessions I have attended in a very long time because it just opened my eyes to this whole topic that we probably don't talk about in our workplaces. We kind of don't want to talk about it, but again, it's just one more thing around mental health that we should be educating our managers on. How do you at least have the very beginning conversation or know when to say, is everything okay? Do you need resources? How can I support you? Those kinds of things.

Jennifer Currence: That's interesting because I heard one time that the things that we want to say the most are probably things we shouldn't say in our out loud voice. And the things that we really don't want to talk about are probably those things that we should. And that's a great example of that.

Shari Simpson: Yeah. All right. I want to talk about a couple other things before I finish up. I want to talk about innovation. Being that you get to talk with leaders about having business acumen, how does having that in HR help contribute to the innovation of an organization?

Jennifer Currence: Well, again, it goes back to being the quarterback, you know? So, understanding how people work together. So, I was an HR manager years ago for an olive company. I didn't like olives. I knew nothing about consumer packaged goods industry. And it was really fun because I was able to go in, ask some questions and say, Hey, I want to do a ride along with a sales person. And my boss was like, never, nobody's ever asked me that before. But he was not, so he was not going to offer that to me because he didn't even think about it. But I knew I wanted to learn a little bit more about how the business acumen how I called it farm to fork you know how do we get from the tree olive trees in Spain into the cans on the shelf and I was able to go in ask a lot of questions understand the industry and The result of that was, you know, a year later when I was interviewing for a VP of sales in that organization, they were asking me questions. Like these people from, you know, these big Fortune 500 companies asking me questions about the sales and what process. And I had an answer for every single question. And I had more than one tell me, wow, I've never talked to an HR professional who's known so much about the business. This is impressive. And that helped them want to move forward with the interview process, right? So I think from an innovation standpoint, we want to understand how everything works together. We're able to maybe think outside the box because we're not in the forest, so we can kind of step outside and take a look inside

and ask some questions. Hey, why don't we do things this way? It would be really helpful.

Shari Simpson: I want to repeat something that you said because I think it's such a good takeaway is One, don't wait for somebody to come off or something. Go ask. And two, what are the places that you can shadow in your organization to learn more? That's so important. I had a similar experience when I was working for a food delivery company. And we, it was actually required of all salaried employees to go deliver groceries for a day on the truck. That didn't matter what level you were. If you were salary, you went and did that. It was so eye-opening as I moved forward in my support of that group because I genuinely knew the things that they were struggling with. I genuinely knew why maybe X thing we were going to execute on was going to be difficult for them. the ability to get ahead of a lot of issues, that if I had not done that, there's no way I would have known I needed to take a different approach. So really, really good advice if you're listening. See what you can shadow. Maybe it's even just listening in to customer service calls, stuff like that, just to give yourself a better perspective. Jennifer, as we wrap up with this conversation, I want to ask you, you know, Business, I feel like, is rapidly changing. You know, we saw it coming out of the pandemic. You know, people kind of went from, like, what's your 10-year plan to what's your three-year plan that you wrote in pencil, you know? On the back of a napkin. Right, right. Like, we're just kind of seeing this revolution, this change. Where do you see kind of the future going or maybe something you're excited about the future that, you know, HR can kind of get ahead of and start to learn more about?

Jennifer Currence: Well, we talked earlier about mental wellness, and I think we're in the throes of that. But it's really strengthening your leadership and negotiation skills. For example, I worked for a company, and one of the managers was just absolutely set against any sort of flexibility schedule. And I'm like, why? And this was post-COVID. So what are some of the reasons that you're against of flexibility or a work from home. And I was actually able to institute a work from home policy. It wasn't full time, but it was one or two days a week that it was sanctioned for certain levels within the organization. So I think just having that understanding and being able to innovate and ask the questions to go out. Flexibility is a huge one. I think we're going to see more and more of it. and the mental wellness.

Shari Simpson: Yeah, I absolutely love it. Well, thanks for taking a few minutes of your really busy time here at Charm to sit down and chat with me about HR and business acumen. Thank you. It's been a pleasure.

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