— Hey, and welcome to PCTY Talks. I'm your host, Shari Simpson. During our time together, we'll stay close to the news and info you need to succeed as an HR pro. And together, we'll explore topics around HR thought leadership, compliance, and real-life HR situations we face every day. On today's episode, I have with me Sara Christiansen, CEO and senior consultant with Ideation Consulting. Sara, thank you so much for jumping on with me today.

— Thank you. Happy to be here.

— I would love if we could start with you sharing a little bit about your own HR journey and how we got here today. And ultimately, we're gonna talk about the book you wrote, but let's just start with your background in HR.

— Great. Well, I've been in HR for multiple decades . Started out, like most HR professionals, doing recruiting and different types of generalist duties. And throughout my career, spent time in various industries from agriculture, to marketing, to food production. And what I learned along the way is that, yes, companies are unique. Yes, industries are unique, but some of the talent challenges that they face are universal across different size companies and different businesses. And I was blessed in my last real job, if you will, before I started consulting, to work for a company that had a very progressive strategic HR model. And the basis for that model was really to become consultants for the leaders within the organization. And they had many subsidiary companies. And so, those companies functioned autonomously, and we became a central resource for those individuals, and really had to provide services that were customized to that company, that team, that leader, but that met the perform standards that that company was looking for. So we really had to become a part of their team, and I really liked that approach. So when I started consulting, that was the model that I utilized as well. I like to call it an embedded model, where I kind of become part of the team, because those relationships are so important. And when you can understand the challenges and desires of the leadership team, you can really provide talent solutions that help them meet those challenges.

— It's so exciting hearing your background. I was lucky enough to be at SHRM this last year. And you left a copy of your book for me. It's called "HR Leadershift". It's all about being strategic in HR. What was your motivation to write the book?

— Well, when I started consulting, I would meet a lot of HR folks who really, frankly, were coveting that seat at the strategic table, wherever that is, I've yet to find it, but they talked about being strategic, and we as a profession have used that term as long as I can remember. And so, when I was working with mid to small-size companies that didn't have large HR teams or didn't have organizational development departments, what I found is the majority of their time

was spent on traditional transactional HR. And I would come in and talk about the strategic role and how they could really branch off and start to do more, provide more strategic solutions. And what I realized is HR didn't even have a solid definition of what strategic HR was. We didn't have a platform. We didn't have anything to measure ourselves against. We didn't have standards of that. So I started scheduling strategic HR conferences across the nation to start a national dialogue on, what is strategic HR? How do we define it? How do we talk about it? How do we measure it? And to ensure that we're providing the resources and the solutions that lead to business success. And so, what I did in those formats was I did a research project where I asked the question, what are distinctions that differentiate strategic HR from traditional transactional HR? And I got a broad array of really great answers and collected mountains of data, and then went out and talked to senior leaders that are non-HR. So CFOs, CEOs, marketing executives, and asked the same question. And yes, I got a broad array of answers, but when I dug down into the data, I found that all of those answers fit into five different categories. And so, that was the basis for creating this new common language around strategic HR, so that we can really brand this idea of what HR needs to become.

- I absolutely love it. I love the journey. I love basing your book on a bunch of data that you've collected. And that's something in HR we continue to remind ourselves, let's go back to data. Your book covers five dimensions of strategic HR, like you talked about. Those are impact, influence, inspiration, innovation, and integration. And I'm not gonna spoil the details for anyone, but I'd love to ask you a couple questions on the concept you raised in each section of the book. So let's start with impact. You talk about HR being a value-add, moving a away from tactics and towards strategic. One of the ways that you mention is employees and managers really having the same common language when it comes to performance outcomes. And I'm sure those listening understand that often leaders and employees have their own perceptions of what success looks like and what outcomes they should be striving for. So how do we use data that we've created and collected to start to have a common language or a framework for performance management and performance conversations, both between leadership and employees?

- Great question, Shari. The idea of value-added HR is helping HR professionals really come from a new perspective. Traditionally, we measure things like turnover, and benefits enrollment, and many different metrics that are really important to HR. And we still need to do that, but we also need to look at how we spend our own time, effort, and energy, and how the HR systems that we create and deliver impact business outcomes. We need to look at how the solutions that we provide impact true business results. And so, we need to partner with our non-HR leaders and understand their definition of performance, and then look at the economic impact of those solutions. And mostly, when

we look at risk management, HR's famous for producing or delivering solutions that are great at reducing or eliminating risk within the organization, but risk management, although very important, can be costly because there's an economic or financial investment into those solutions, but when you are reducing or eliminating risk, there's really no value added. There is a decrease of value prevented. So it's the idea of offense versus defense. And you have to have a very good defense, but you also have to have a good offense. And so, if we spend the majority of our energy just on defense, we're not adding value to the organization. We're actually creating cost. And again, those functions are very important. We need to not forget about reducing risk, but we need to think about, how do we add value? How do we drive the ball down the field? how do we contribute to the team scoring on the scoreboard? So that's really where the idea of value-added HR is based.

- I love that. And I love having those conversations to be able to come up with some common language as you add that value and you think about your, like you said, your economic impact. Let's go next to influence. In your book, you talk about neuroscience and psychology as skill sets to add to our HR plate, which I cannot echo enough. My career, I started in the mental health field and it has definitely given me the base I needed to be a great HR practitioner. So beyond our expertise in management techniques, how do we go about broadening our knowledge in some of these spaces that are outside of our normal educational paths?

- This is an area that really excites me as well. I often call my self a neuroscience geek, but when you think about it, all practices within the business world require a specific expertise. If you're gonna do marketing, you need to have an expertise in marketing. If you're going to work in accounting, you need to understand those accounting principles. And HR is the same. We need to be experts in our field. And traditionally, that expertise has been around employment law, benefits, payroll, those things that are important, but are not necessarily as value-add as we could be. So when we start to think about delivering value-add solutions, we need to become experts in those practices. And HR is unique in the fact that our solutions impact every other function within our company. No other function can be done without talent. Even new AI, you need experts to implement, and test, and monitor, and all of those things. So we are in a unique position to partner with others within our organization and provide a unique expertise. And that expertise is really around human behavior and how the human brain works in the professional environment. And the more I started to research this, the greater interest I gained, because a lot of our traditional HR practices are based in logic. They're based in efficiency, which is noble, but when you study how the human brain works and you study psychology and human behavior, logic has very little to do with it . And so, we need to understand the science behind behavior and work performance. And a lot of what we

feel are standard practices or best practices actually work against human nature. And so, if we're going to have the greatest impact that we can as HR professionals, we need to learn how to work with human nature, how to leverage human nature, how to tap into the behavioral sciences and brain science research that's happening, and apply those concepts to our talent solutions so that we can determine, or we can impact better success.

— I absolutely love that. Neuroscience is just so fascinating. I talked on a podcast a couple weeks ago about neuroplasticity, and I mean, I could continue on this conversation forever because it's just, it's so fascinating. So I love that you included that in your book.

— And it's a really hot topic right now because employers are really understanding how stress impacts work. The pandemic has given us such insights into what employees need to be successful. And I think psychology, mental health, stress management, all of those things, we're finally starting to acknowledge that we need to focus there.

— I will not be surprised if we see a new HR function come up where we are hiring psychologists to be part of our team.

— I see some of that happening. It's very exciting.

— That's so cool. You dedicated a large section of the book around inspiration, right? Discussing the merits of moving away from this kind of command and control model of dealing with employees to a model that's more focused on human behavior and the employee being kind of the driver, empowering employees. And data out there definitely supports this idea of a more employee-driven way of thinking about handling talent. But so often I think it's still so hard to get companies and managers to embrace this idea. Why do you think that is, that there's this kind of pushback to be more employee centric, employee first?

— Well, I think it's mostly tradition and comfort. You look at a command and control management model, and by the way, command and control is the idea that whoever has the most authority gets to decide who, what, when, where, and how the work gets done. And they direct others, that's the command part. And then they reward or punish or discipline, and that's the control part. So I've found that 99%, and that's not a research number, that's my gut feel. But I think 99% of American workplaces function under that command and control management model. Most managers and leaders professionally have grown up under that command and control model. It's been in place since the mid-1800s. And so, we've come to believe that that's the only way work happens. And so, when you talk about the data that we're collecting that suggests that's not the most effective model, I hear managers that agree with that, but they can't envision any other model working. It's kinda like, yeah, we know it's not the best option, but we don't

have anything else out there. So we've really started to, we being HR, have really started to look at, what are those other options? And you'll see a lot of companies that are going to a flatter organizational chart or trying self-directed work teams, and those are having minimum positive effect. But what we need to think about is how the human brain response to management. And the adult human brain really rejects command and control. It's the reasons we love to hate our boss. It's the reasons we love to hate HR, because we are pre-programmed when we become an adult to seek out autonomy, independence, and freedom. And thank goodness for it, or our children would live with us forever. So most of the models that we have in our workplace work against that. They reduce independence, autonomy, and freedom, because we have this long standard of command and control history. And so, in order to inspire employees, we need to look at how do we provide independence, autonomy, and freedoms while having the alignment and the judgment skills of our talent to lead us into positive results? And often say, you hired employees because you felt they had good judgment. Now, we need to trust that they will make good decisions.

- It's almost like we've become afraid of letting people fail, even though we know that that's how people learn and innovate. I find that fascinating. You talked about innovation in the book about, from the perspective of performance management, and I wanna read a quote from the book. If you want to design talent solutions that managers will use and employees will appreciate, you need to focus on three very distinct yet interrelated talent management objectives, evaluation, elevation, and compensation. How do you see these three things changing the face of performance management? And do you think we're finally gonna be able to get rid of the annual performance review?

- Well, in the latter, I really hope so. HR has kind of hung their hat on the performance review as our opportunity to have a major impact on our organizations. Unfortunately, the data doesn't hold true to that. The performance review often has a negative impact on performance. So we need to think about performance management in a different point of view, or from a different perspective. And I'm preaching to the choir because HR knows that performance management needs to happen on a daily basis, as opposed to once a year. However, we invest a majority of our effort and energy as HR professionals in that annual event, and kind of try to create the performance review as a tool that solves many problems, answers many questions, gives guidance in many different areas, and that is way too much responsibility to put on one tool. So I really talk about, we have to break that up. We have to break up the objectives of performance management, and we have to look at them separately, but understand that they are interrelational. So the first area is evaluation. We need tools that help us evaluate where talent is, how do we measure it, how do we deploy it? So those are really important pieces of the puzzle, but that needs to be separate from, okay, now, how do we ensure that? So you've got

evaluation where you're measuring it and understanding it, but the traditional performance review believes or is based on, if you then give feedback to the employees, that will change or that will go in a certain direction. We find that's not true. So performance elevation, making sure that we're doing better tomorrow than we did yesterday, has a vast, different set of tools than the evaluation piece. We're finding that feedback, traditional feedback isn't as effective as we once thought it was. So we are looking at elevation from a real coaching perspective, and that seems to be having a greater impact than the traditional performance review. So there's a lot that goes behind those two pieces, but we first have to tell ourselves that they are separate and equal, yet interrelated, 'cause the information goes back and forth. The third area, and I'm seeing this happen a lot, is to separate compensation from the evaluation and the elevation. Again, they're interrelated, but compensation can be a really slippery slope, especially if we're not solid on how we measure performance, which is often true. Compensation is critically important. And the way that we set up our systems, our compensation systems are so usually dependent on performance, whether it's a pay-for-performance model or a tiered model that is based on job title or responsibilities. Those things, we look to compensation to motivate, but what research has told us is that it only motivates for an average of six weeks. So we'd have to be providing compensation improvements every six weeks, which I don't know anybody that can afford to do that. So we need to think about compensation from a different perspective as well. And if we're going to do pay for performance, finding a system that really is defensible from a compensation standpoint.

— All really great pieces of advice. And yes, I agree. Nobody wants to be doing compensation every six weeks. Just when you said that, I was like, ugh. Lastly, you cover the topic of integration. And the very first heading in that section is, finding a way to say, yes. I love that, since HR, a lot of times, ends up saying no, because we tend to be very risk adverse, like you talked about. What advice do you have for HR professionals to start saying yes and developing those strong relationships with the business?

— Well, I first realized how important this was when I was working with frontline supervisors and managers, and I would come across someone and learn about their style, and realize they're a really great coach, and they have a great team. They're having great results. They're knocking it out of the park. And I would start to talk to them about how they were doing that. And almost every time I would hear, oh, and by the way, don't tell HR.

— Oh no.

— But what I realized is what's working, managers don't want HR to know because it doesn't fit within our purview of risk management. And that, to me, was a milestone aha moment. And so, I realized that we

need to integrate. We need to get out and do some hip to hip with, especially the frontline managers and supervisors that actually are the trenches doing the real work and figuring out what is successful, what their pain points are, and how we can provide solutions that, yes, do manage risk, but also provide the solutions that our teammates are looking for. And so, building those relationships and having that level of understanding, hopefully managers, instead of saying, don't tell HR, will say, I need to partner with HR and really kind of customize our talent solutions to fit the real work being done. So when we come to a conversation where we're being asked for a solution, instead of just saying, no, we can say, oh, and I have an idea that we should discuss that maybe you'll get the results that you're looking for. So it's that team element, that team relationship where maybe starting from different perspectives, but when we get to the middle, we find that best solution.

— That hip-to-hip concept has worked so well in my own career. I worked at Peapod, an online grocery delivery company, many, many years ago. And part of my orientation is I had to go out on the truck for eight hours and deliver groceries with a driver. And I learned so much about our employee population, and it set me up for success because I had been in the trenches and had seen what the real work was like. So if you're listening and you haven't done that, gotten hip-to-hip with your managers or your employees, definitely a great first step to become more strategic, almost like take a step back and see what the frontline is dealing with. Highly encourage it. So as we wrap our discussion, Sara, what's next for you? What are you working on now that gets you excited about the future of HR?

— Well, I'm working on of my next manuscript, which is going to be directed more to managers and executives, and how you partner with HR to drive these cons. So it's about that relationship of integration and hip to hip, and what that looks like. But what I have also found through the pandemic, I believe if I went back and asked the same question of, what are the distinctions that differentiate strategic HR? I think that I would hear a sixth distinction. I think inclusion would really be involved or would be included in that data if I went back and did it today. HR looks a lot at diversity and equity, which is incredibly important, but inclusion goes much further. And every employee within our organizations are more productive when they feel included. And that is no more obvious than it is today. And so, that's a space that I'm talking to a lot of leaders about, and I'm talking to companies that are really trying some new and progressive ideas in the inclusion space. And that's really exciting me. So I'm going to wrap the ideas of inclusion and some of the things that I'm seeing out there into the consulting work that I do, and the speaking work that I do, and look for it pretty heavy in the next book.

— I absolutely love that. And yes, inclusion is so important right now. Well, Sara, thanks for taking a few minutes of your day to chat

with me.

— Great. I really appreciate this and excited to get back to a new
not-so-normal. And I think it's a really great opportunity for HR to
embrace that new not-so-normal, and to put some of these pieces into
play. You've heard of many people saying, don't let a good crisis go
to waste. I think that this could be a real launching pad for HR
because during the pandemic, we were the people people, and we were
looked to to provide comfort and support and solutions and all of the
things that I think fall under that strategic HR umbrella. And when we
do get back to some semblance of normal, I hope HR can leverage that
role and really do some of these things that we're talking about. So
it's a great time and an exciting time to be in the HR profession. And
I'm really excited about some of the new things that are happening.

— So cool And we can't wait for that next book. So we'll keep our eye
out for that. Thanks again, Sara. This podcast is brought to you by
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