

New XpertHR Benchmarking Survey Points to HR's Increased Influence with the C-Suite

Increase in influence attributed to changes in HR leadership, greater recognition from the top, improvements in how HR works, and recognition that HR has successfully met challenges

New Providence, NJ (July 24, 2013) – HR's influence in the workplace and with the C-suite has increased more than 50 percent over the past two years, according to XpertHR's new [HR Staffing, Costs and Structure Benchmarks 2013 Report](#), which surveyed more than 150 private and public companies employing more than 200,000 people, including 1,978 HR staff. Respondents felt changes in HR leadership, greater recognition from the top, improvements in how HR works, and recognition that HR has successfully met challenges were among the top reasons for HR's more influential role as a strategic partner.

Other notable trends are that HR operating costs have risen markedly (36 percent) and activities budgets have increased 33 percent over the past two years. Nearly half (45.5 percent) of the HR professionals surveyed expect their companies' HR operating budgets to increase over the next two years, while just 10.9 percent expect budgets to decrease. In addition, 39.7 percent expect their HR activities budgets to increase over the next two years.

“We found that HR professionals overall are optimistic about the future, especially when it comes to increased budgets and spending,” says Peggy Carter-Ward, head of content at [XpertHR](#). “HR's influence in the workplace is also increasing, which is an indicator that HR practitioners will be playing an even more crucial leadership role in their organizations' success.”

Even during a sluggish economy, the number of HR staff has remained remarkably stable over the past two years, according to survey respondents. However, that stability conceals substantial increases and decreases at the

organizational level. The most commonly cited reason (53.5 percent) for a change in the size of the HR department was an increase in workload. Although the reasons given for a decrease in the size of HR were more diverse, the most commonly cited explanation (21.1 percent) was efficiency improvements. In other words, fewer people are doing more. This suggests that even where HR departments have become smaller in recent years, the volume of work has remained much the same or even increased.

Qualifications and HR Strategy Findings

Another notable outcome from the survey related to certification expectations of HR personnel. The survey found that about one-third (31.2 percent) of Senior HR Directors/HR Directors are expected to hold a directly relevant professional qualification, while only one-fifth (20.8 percent) of Chief People Officers/VP Human Resources and less than 10 percent of HR Generalists/HR Specialists should have directly relevant certifications.

“Advanced certifications and qualifications are important at most levels of the HR department—but particularly for operational managers, such as HR Directors,” explains Carter-Ward. “We believe there will be an additional focus on earning these professional qualifications as the HR function continues to evolve and practitioners strive to build their skills and hone their ability to execute the organization’s strategy.”

Surprisingly, the survey found that only about one-third (35.3 percent) of the responding organizations have a documented HR strategy, meaning most make no attempt to assess the value of what their HR departments do. For organizations that do have an HR strategy, more than half (58.2 percent) indicated it was developed as an integral part of the organizational strategy. The remainder said it was developed as a follow-up exercise after the overall organizational strategy had been created.

Measuring HR effectiveness is much more broadly employed, according to the survey. More than 60 percent attempt to assess effectiveness; among those who do so, 21.8 percent use formal measures and 39.7 percent use informal measures. The two most common measurements—data from employee surveys and informal or anecdotal feedback—focus on the employee experience, while HR's direct impact on the bottom line is less widely measured. Only 20.8 percent of participating organizations assess benchmarking against HR departments in other organizations.

The [2013 XpertHR HR Staffing, Costs and Structure Benchmarks Survey](#) includes additional data on HR benchmarks such as ratio of HR staff to employees, HR budgets and HR department effectiveness. To download a summary of the survey results, visit [XpertHR.com](#).

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