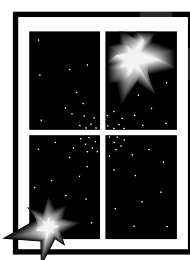


# **A SURVEY OF HR PROFESSIONALS FOR HR PROFESSIONALS**

Conducted by:  
Bruce L. Katcher, Ph.D.  
President



THE  
DISCOVERY  
GROUP

*Specializing in Employee Opinion and Customer Satisfaction Surveys*  
Nine Blair Circle, Suite D ♦ Sharon, MA 02067

2002 has been a particularly challenging time for human resource professionals. The failing economy, hiring freezes, layoffs, the aftermath of September 11th, and the post-Enron erosion of confidence in management have made the job of managing human resources particularly difficult.

This study reports how HR professionals are coping today. 425 HR professionals responded to our web-based survey from mid-February to mid-April of this year. The report also compares the results to a similar study we conducted in 1995, a time of unbridled growth and prosperity. In addition, the report compares the views of HR professionals to those of the 50,000 employees included in our normative database of employee attitudes.

The report is organized into the following five parts:

- Part 1 - How HR Professionals Feel About their Jobs;
- Part 2 - How HR Professionals Feel About their Role in their Organization;
- Part 3 - What HR Professionals Feel are the Most Challenging Aspects of their Work;
- Part 4 - The Career Plans of HR Professionals; and
- Part 5 - About the Sample

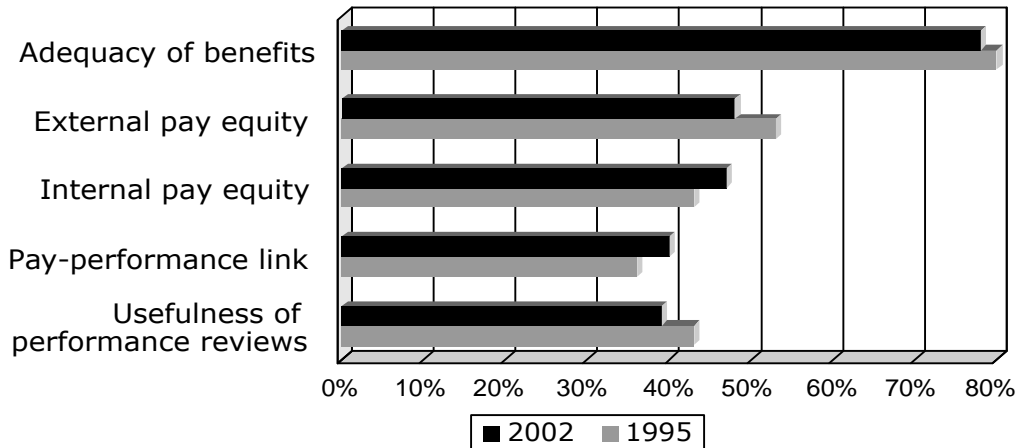
## PART 1 - HOW HR PROFESSIONALS FEEL ABOUT THEIR JOBS

### Part-1 Executive Summary

HR professionals feel very good about the benefits they receive and the balance they are able to achieve between their work and personal lives. They also feel a strong sense of personal accomplishment from their work and feel that their workload is reasonable. They do not, however, feel good about their pay, their performance reviews, or the training they have received.

The tables present views of HR professionals toward selected aspects of their jobs in both 1995 and 2002. Our interpretations of these results follow each table.

**Table 1: The Views of HR Professionals About their Own Pay and Benefits**



**Benefits** - As was the case in 1995, HR professionals feel very positive about their benefits. 78 percent feel their benefits are adequate for their needs. This is more than 15 percent higher than our Discovery Group norm, which is based upon the views of the entire workforce in more than 50 organizations. Therefore, those responsible for selecting and administering the benefits in their organizations (i.e., HR professionals) have more favorable views about the benefits than do the employees in their organizations.

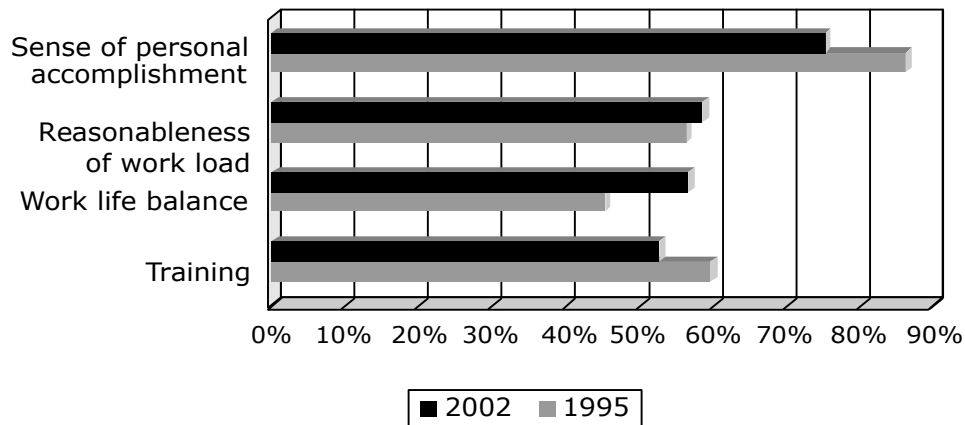
**External Pay Equity** - Fewer than half of HR professionals feel they are paid fairly compared with HR professionals in other similar organizations. This represents a decline of 5 percent since 1995. This result is, however, about 10 percentage points higher than the Discovery Group workforce norm. Therefore, a greater percentage of HR professionals than employees in general feel they are paid fairly in comparison to those performing similar work in other organizations.

**Internal Pay Equity** - In our 15 years of employee survey research we have consistently found that employees feel better about how their pay compares to others in their own organization than to how it compares to those in other organizations. This is not the case for HR professionals. Fewer than half of HR professionals feel they are paid fairly compared to managers at a comparable level in their organization.

**Pay-performance link** - HR professionals do not feel that there is a strong link between their pay and their job performance. Only 44 percent feel that there is a clear linkage. This is, however, a slight improvement from 1995 and is also about 10 percentage points higher than our Discovery Group norm.

**Usefulness of performance reviews** - HR professionals do not feel that they benefit from the performance reviews they receive. This is a disturbing result since it is HR professionals who typically formulate, promote, and manage the performance review process throughout their organizations. Only 39 percent feel that their performance reviews have been useful. This is a decline of 4 percent from 1995. It is also about 5 percentage points lower than our Discovery Group norm.

**Table 2: The Views of HR Professionals Toward Selected Aspects of their Jobs**



**Sense of personal accomplishment** - 76 percent of HR professionals gain a strong sense of personal accomplishment from their work. This is a very good result and is more than 10 percent higher than our Discovery Group norm. It is, however, a decline of 9 percent since 1995.

**Reasonableness of workload** - HR professionals also feel relatively good about their workload. 59 percent feel that their workload is reasonable. This is similar to both the 1995 result and our Discovery Group norm.

**Work life balance** - Surprisingly, HR professionals feel better about their work life balance now than they did in 1995. 57 percent feel that they are able to balance their work and personal life to their satisfaction, an improvement of 11 percent since 1995.

**Training** - HR professionals do not feel that they are receiving the training they need. Only 54 percent, a decline of 6 percent from 1995, feel that they receive the training that they need to do their job well.

## PART 2 - HOW HR PROFESSIONALS FEEL ABOUT THEIR ROLE IN THEIR ORGANIZATION

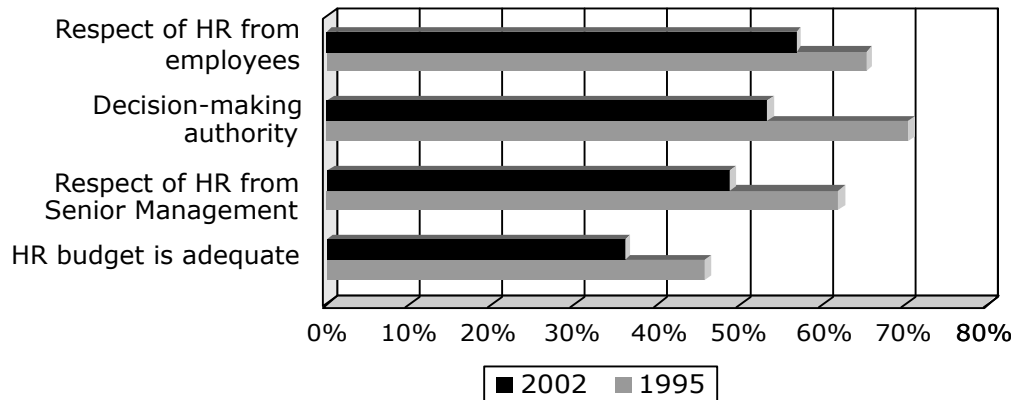
In this part of the report, we discuss how HR professionals feel about the role they play in their organization. More specifically, do they feel they:

- Have the authority they need;
- Receive respect from others; and
- Receive the support they need from their organization?

### Part-2 Executive Summary

HR professionals do not feel employees or senior management have a great deal of respect for the work they do. They also do not feel that they have the budget or decision-making authority they need. Although they feel that their work contributes to the mission of their organization, few feel that HR is involved in strategic planning. Most do, however, feel that the importance of the HR function has been and will continue to increase in their organizations.

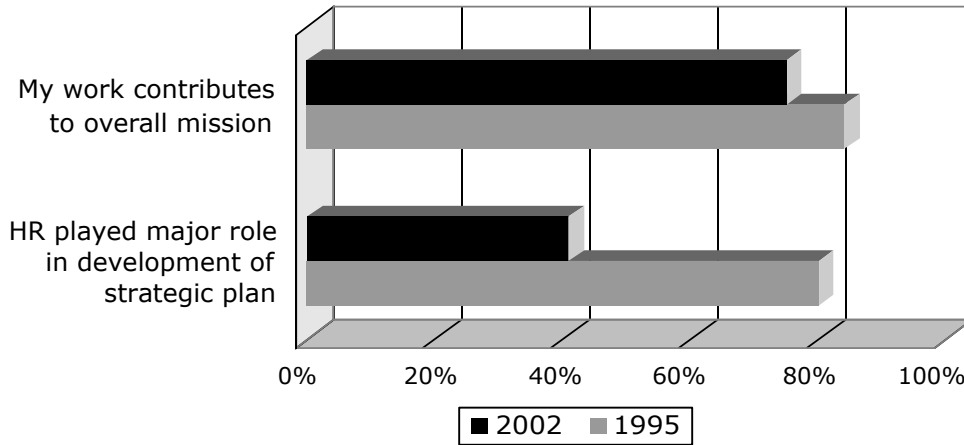
**Table 3: Views of HR Professionals Regarding the Respect They Receive**



**Respect** - HR professionals do not feel that they receive a great deal of respect from either employees or senior management. Although they feel that they receive more respect from employees than they do from senior management, there has been a significant drop in respect from both during the past 7 years. Only 48 percent currently feel that senior management respects the activities of HR, a drop of 15 percent since 1995. Also, only 57 percent feel employees respect HR activities, a drop of 9 percent since 1995.

**Authority and Budget** - HR professionals feel their hands are tied. Only 54 percent feel they have the decision-making authority they need to do their job well. This is a drop of 17 percent since 1995. It is also about 5 percentage points lower than our Discovery Group norm. This means that HR professionals feel that they have less authority to make decisions than do employees in general. Also, only 35 percent feel that the financial resources (i.e. budget) provided to the HR function are adequate. This is a drop of 12 percent since 1995.

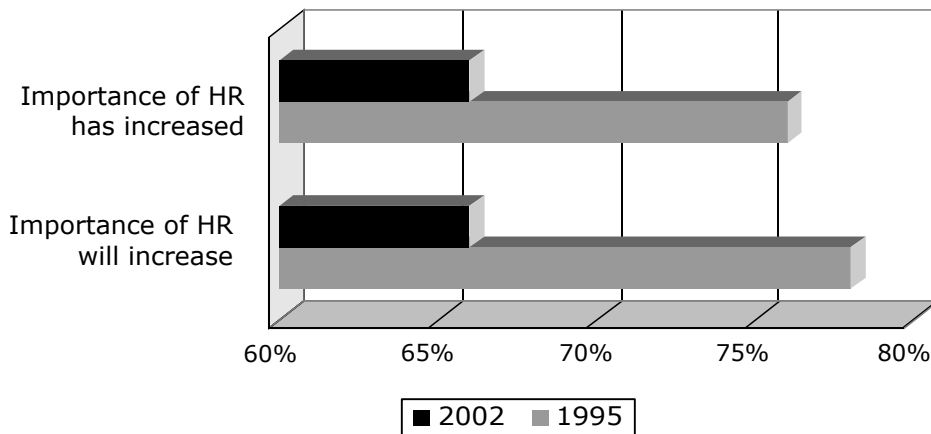
**Table 4: How HR Professionals Feel they Contribute to the organization**



**Contribution to the mission** - A strong three-fourths of HR professionals feel that their work contributes to the overall mission of their organization. This, however, is a drop of 9 percent since 1995.

**Development of the strategic plan** - HR professionals feel that the HR perspective plays little role in strategic planning in their organization. Only 41 percent feel that the perspective of the human resource function played a major role in the development of the strategic plans of their organization. This represents a dramatic drop of 39 percent since 1995.

**Table 5: How HR Professionals Feel About the Importance of the HR Function**



**Importance of HR** - Despite the lack of respect HR professionals feel they receive from employees and senior management, they feel that the importance of the HR function has increased during the past few years. Two-thirds also feel that the importance of the HR function will continue to increase during the next few years.

### PART 3 - WHAT HR PROFESSIONALS FEEL ARE THE MOST CHALLENGING ASPECTS OF THEIR WORK

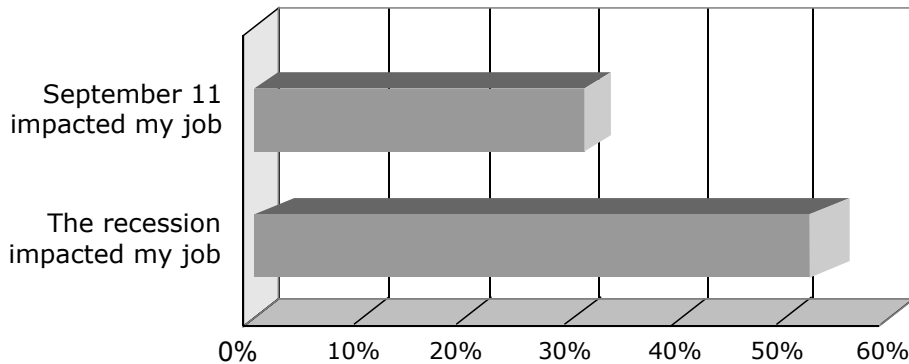
In this part of the report, we discuss the challenges HR professionals face. More specifically, the survey addressed the following questions:

- ◆ Have the economic recession or the events of September 11 had an impact on your job;
- ◆ How stressful do you find your work; and
- ◆ What are the most challenging parts of your job?

#### Part-3 Executive Summary

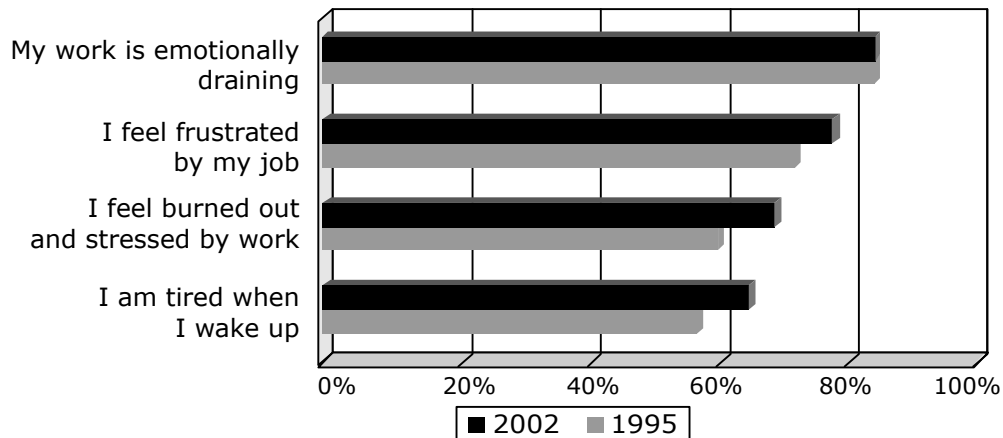
HR professionals feel that the recession and the events of September 11th had a definite impact on their jobs. Many feel emotionally drained from their work. The major challenges they currently face are related to managing change in today's turbulent business environment.

**Table 6: How Events of 2002 Impacted HR Professionals**



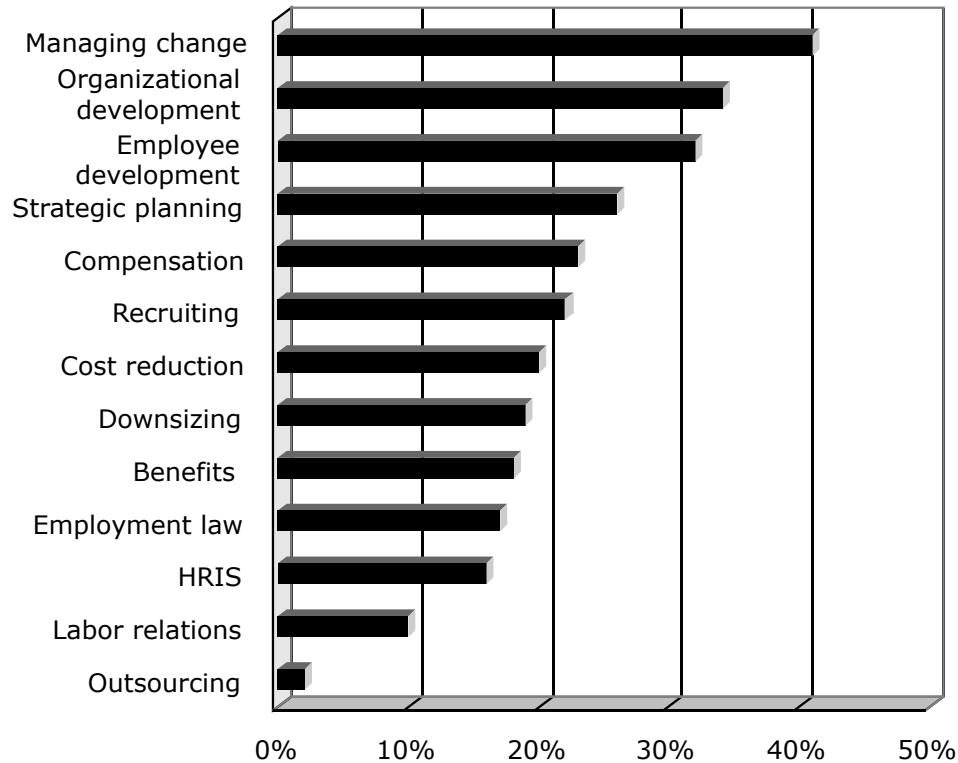
**The Impact of 2002 Events on HR Professionals** - HR professionals do indeed feel that the recession and the events of September 11th have had a definite impact on their job responsibilities. 50 percent feel that the recession has had an impact and 28 percent feel that the events of September 11th have had an impact.

**Table 7: The Emotional Experience of HR Professionals**



**The Emotional State of HR Professionals** - HR professionals find their work to be emotionally draining. Not surprisingly, 2002 had been a more difficult time emotionally for HR professionals than 1995. As shown above, compared to 1995, HR professionals are more tired when they wake up to face another day on the job, feel more burned out and stressed by their work, and are more frustrated by their job.

**Table 8: The Most Challenging part of the Job for HR Professionals**



**Challenges for HR Professionals** - In order to become more of a true business partner, HR professionals have taken on more difficult roles of facilitating rapid organizational change. It is therefore not surprising that the major challenges for HR professionals today are the macro organizational issues of managing change, organizational development, and employee development. These were the same three issues viewed as most challenging in 1995. The traditional day-to-day HR functions such as labor relations, HRIS, employment law, and benefits are viewed as far less challenging.

## PART 4 - THE CAREER PLANS OF HR PROFESSIONALS

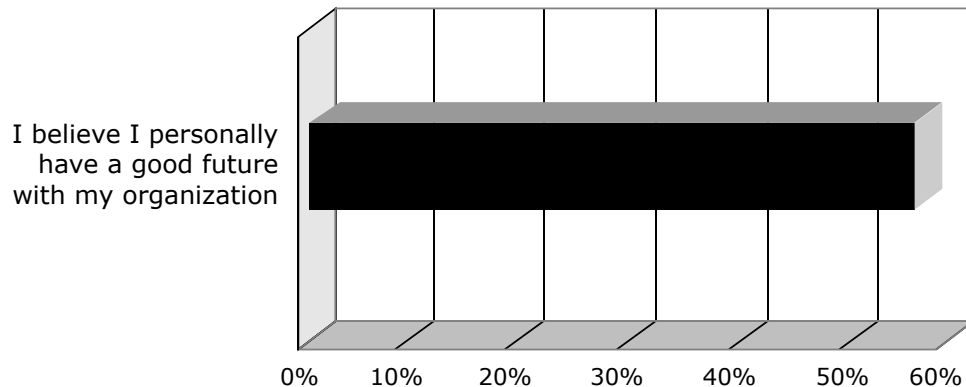
In this part of the report, we discuss the career plans of HR professionals. More specifically, the survey addressed the following questions:

- ✦ Do you feel that you have a good future with your current organization;
- ✦ For how long do you plan to remain with your current organization;
- ✦ What are your long-term career plans; and
- ✦ If you had it to do over again, would you pursue a career in human resources?

### Part-4 Executive Summary

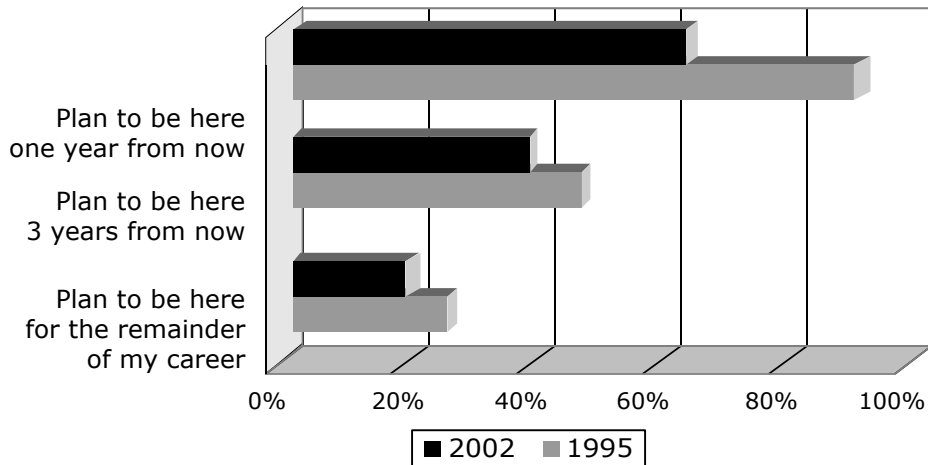
HR professionals have little allegiance to their current organization. Many do not feel that they have a good future with their current organization and plan to leave within the next few years. Those who plan to leave are interested in pursuing HR positions in other organizations. Despite the current challenges they face, most HR professionals are satisfied with their career choice.

**Table 9: Future in Current organization for HR Professionals**



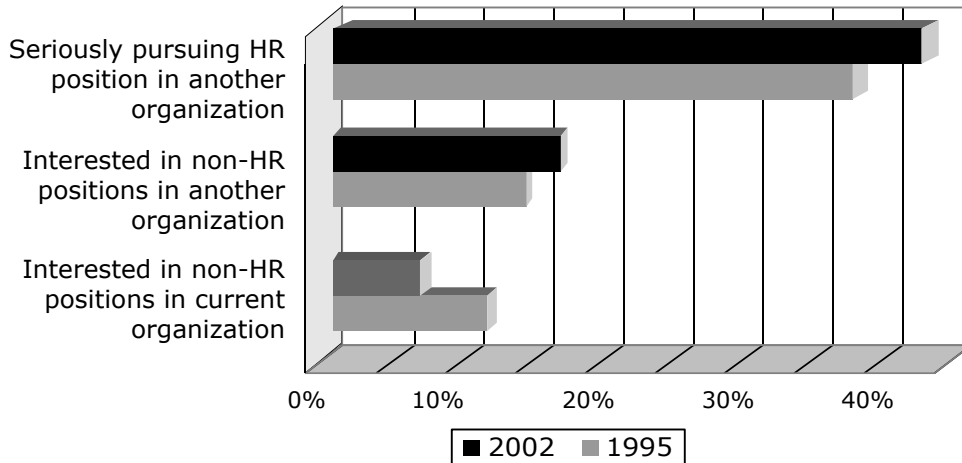
**Perception of future in current organization** - HR professionals have little confidence of their career potential in their current organization. Only 57 percent feel that they have a good future in their current organization. We believe that this is a sign of the times. This result is very similar to our Discovery Group norm.

**Table 10: Turnover Intentions of HR Professionals**



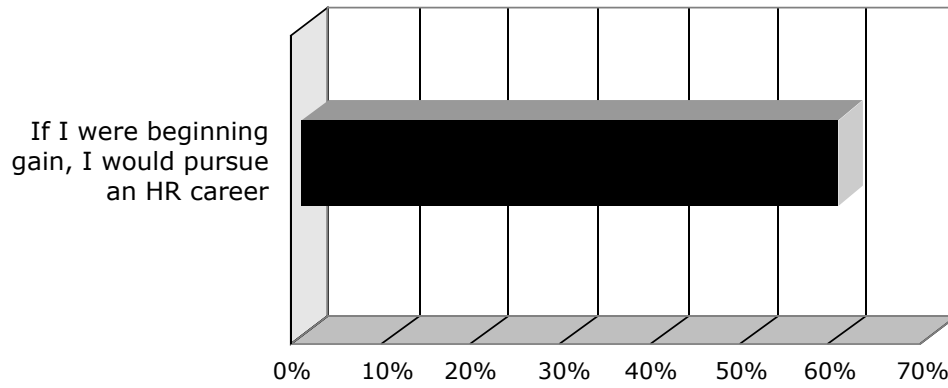
**Turnover intentions** - In these days of rapid change, HR professionals have little allegiance to their current organization. As shown above, HR professionals are much more apt to leave their current organization now than they were in 1995. Only 63 percent intend to remain with their current organization for one more year, only 38 percent intend to stay for three more years, and only 19 percent plan to stay for the remainder of their career.

**Table 11: Career Plans of HR Professionals**



**Where they plan to go** - Most HR professionals plan to pursue HR positions in other organizations. 44 percent are looking today compared to 38 percent who were looking in 1995. Most intend to stay within the HR field. Only 16 percent are interested in non-HR positions in another organization and only 6 percent are interested in pursuing non-HR positions within their current organization.

**Table 12: Views of Career Choice by HR Professionals**



**Satisfaction with career choice** - Despite, the great uncertainty HR professionals feel in their current organizations and the emotional turmoil that they are experiencing, most are content with their career choice. 62 percent said that if they were beginning their career again, they would choose human resources as their career.

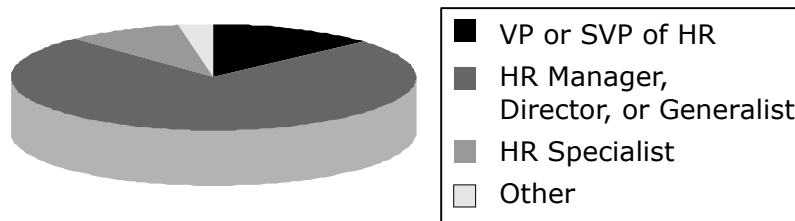
## PART 5 - ABOUT THE SAMPLE

This web-based study was conducted during mid-February through mid-April of this year. 425 HR Professionals, predominantly from New England, participated. The sample consists primarily of:

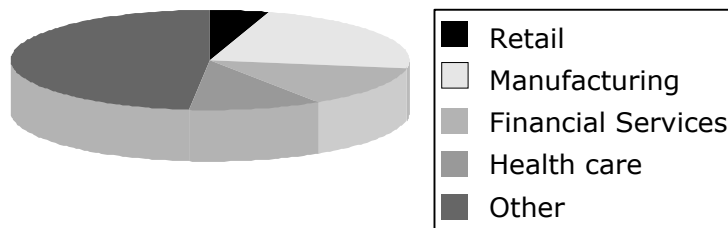
- ♦ HR Managers, Directors, or Generalists;
- ♦ In the HR field for more than 10 years;
- ♦ With less than five years tenure in their current organization.

The specific characteristics of the sample are shown in the charts below.

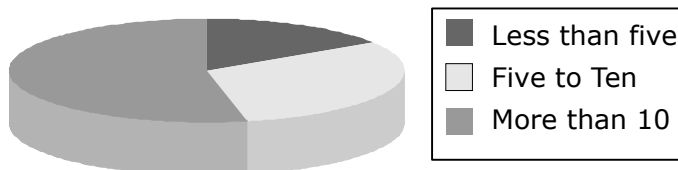
**Chart 1: Position of Respondents**



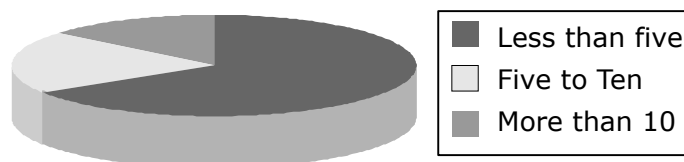
**Chart 2: Industry Sector of Respondents**

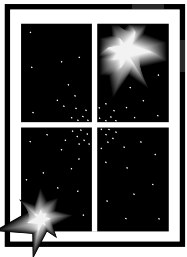


**Chart 3: Years in the HR Field of Respondents**



**Chart 4: Tenure in Current Organization of Respondents**





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