
Overview

This standard is about making sure that the HR function is appropriately designed and structured to deliver its objectives. It includes defining the services to be delivered by the HR function, agreeing service levels and key performance indicators, assigning responsibilities to meet stakeholder needs and establishing systems to evaluate performance and inform continuous improvement. It is for HR professionals who are involved in planning the structure and design of the HR function.

**Performance
criteria**

- You must be able to:*
- P1 Consult with key stakeholders in order to ensure that their demands and needs are fully understood
 - P2 Define the services to be delivered by the HR function
 - P3 Establish and agree with stakeholders service-level agreements and key performance indicators for the services to be delivered
 - P4 Assess the costs and benefits of opportunities to outsource HR services to external suppliers
 - P5 Assign responsibilities and accountabilities for HR processes to meet the needs of stakeholders
 - P6 Ensure that the HR structure will provide service excellence, customer care and value for money
 - P7 Work with IT specialists to ensure that the IT infrastructure for the HR function will support the delivery of HR services and is flexible to respond to changing needs
 - P8 Establish systems to evaluate performance against contracts, service level agreements and key performance indicators
 - P9 Establish systems to continuously improve the HR service, taking into account stakeholder feedback

Knowledge and understanding

You need to know and understand:

- K1 The organisation's strategy, performance goals and drivers
- K2 The sector in which the organisation operates and the market factors that impact on its performance
- K3 How human resource levers drive organisational performance
- K4 Key stakeholders and how to consult with them to ensure a full understanding of their demands and needs
- K5 The range of services to be delivered by the HR function
- K6 The content of service-level agreements and key performance indicators and how to agree these with stakeholders
- K7 How to assess the costs and benefits of outsourcing HR services to HR suppliers
- K8 How to balance insourcing and outsourcing activities to improve quality or cost management
- K9 How to assign accountabilities and responsibilities
- K10 How to ensure that the HR structure will result in service excellence, customer care and value for money
- K11 The importance of IT systems and their limitations and advantages
- K12 How to establish systems for the evaluation of the performance of the internal HR team and of external suppliers
- K13 Formal and informal stakeholder feedback mechanisms

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Plan the structure and design of the HR function

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