
Press Release 04.2015

Kienbaum publishes the international HR Climate Index for 2015

Change management as the foremost challenge for international HR practice

- » Managing change and increasing the quality of leadership and management are the formative themes for the future of HR work
- » Enterprises in developed and developing countries pursue different priorities in HR
- » HR is capturing an increasingly prominent place as strategic partner

Berlin/Gummersbach, 18 March 2015 Managing the many changes in businesses successfully is the first and foremost challenge for HR departments this year: Around 30 percent of HR practitioners place change management at the top of their agendas, the new international HR Climate Index published by Kienbaum reveals. Improving the quality of leadership and management enjoys almost similar priority among the HR professionals of the participating companies. For the HR Climate Index 2015, the consulting specialists of Kienbaum surveyed around 500 HR managers across different industries in more than 15 countries.

“The results of our study show how much more is expected from HR professionals in terms of managing and supporting change processes. Change management is one of the top HR topics for this year. Many HR teams will now be developing their competences and qualifications in the field or acquiring completely new capacities. Other key topics for HR work include the recruitment of new

personnel, the improvement of the employer brand, or the qualification and development of the workforce. Issues like big data, work-life balancing, or diversity management that had captured so much of the public's attention in recent years seem to be less relevant for HR in 2015", Dr Walter Jochmann, Managing Director of Kienbaum Consultants International and Head of the Kienbaum Institute for Leadership and Transformation, explains.

More resources for many HR units

After years of stagnation, many HR units can finally enjoy an improvement in their financial situations: An upturn in 2015 sees an end to the recent years' sluggish trends. Around a third of all HR directors expect greater access to financial resources, with the HR headcount remaining stable for the foreseeable future. Only 14 percent predict a cutback in their budgets. "After the call for greater efficiencies with no change to the available resources, companies are finally giving their HR functions the breathing space to optimize their old systems or cover new areas", says Hans Ochmann, a human resources specialist and Managing Director of Kienbaum Management Consultants.

Companies from developed and developing countries set different priorities in HR practice

The HR professionals of many companies in the established economies are experiencing a phase of consolidation: Their attention lies squarely on optimizing processes and raising the profile of HR issues in their organizations. At the same time, their peers in the emerging economies are pursuing a completely different agenda: After the heady days of growth and the intensive recruitment they brought about, their mission now is to establish and develop their HR areas and cover new areas, such as performance management. "HR work is becoming more and more international. In global enterprises, it needs to understand the specific nature and challenges of each country organization, while promoting the shared strategic goals of the business. Supporting or managing a change project successfully means that you cannot stop at national borders", Fabian Kienbaum, Managing Partner of the Kienbaum Group, emphasizes.

There are many other and more significant differences between the old industrial markets and the emerging economies in the priorities they set for their HR work: Whereas the study's participants from the established economies consider the optimization of HR processes the most important topic by far, the top issues in the new markets are the development of competences and the improved monitoring of value creation with dedicated controlling systems and KPIs.

HR units becoming increasingly prominent as strategic partners

The HR function is establishing itself more and more as a strategic partner for management: At nine out of ten companies surveyed for the Kienbaum study, the HR directors are represented in executive management and involved in most strategic initiatives and projects. Looking beyond Germany shows: The HR functions in the emerging economies tend to have an even slightly better presence in their organizations than their more established peers.

Kienbaum consultant Hans Ochmann explains: "The strategic work done by so many HR units in the past is beginning to get the recognition it deserves in terms of a positive presence in the organizations". About half of all HR professionals expect the importance of HR work to continue to increase in businesses, a forecast rejected by only three percent of the sample. HR professionals are similarly positive about the role of HR as a business partner: Two thirds of the surveyed professionals would consider their role in the organizations to be strong or even very strong.

For more information about the study, please contact hr-klima-index@kienbaum.de. The entire study is available for download at kienbaum.com.

Kienbaum is the market leader for executive search and HR management services in Germany and ranks among the top management consultancies in the industry. With its integrated approach to consulting, Kienbaum supports companies from all leading sectors of the economy through their change processes, from the design of the concept to its eventual realization. Kienbaum combines proven HR competence with comprehensive know-how in the areas of

strategy, organization, and communication.

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