

THE IMPORTANCE OF STRATEGIC BUSINESS MANAGEMENT TO HR PROFESSIONALS

Successful strategic business management can make or break a company in today's marketplace. For the senior HR professional, involvement in strategic business management activities is critical to understanding not only the organization's goals, but also to understanding how sound HR practices can be incorporated to support them.

The HR Certification Institute has added the word "business" to the strategic management area of the Senior Professional in Human Resources (SPHR®) Body of Knowledge to help clarify that these recertification activities encompass those HR responsibilities that may have a direct impact on the organization's bottom-line results or affect its mission, vision and goals. These responsibilities are made up of activities that generally fall OUTSIDE of the traditional human resource function.

STRATEGIC BUSINESS MANAGEMENT ACTIVITIES DEFINED

SPHR certificants are required to earn 15 recertification credit hours (out of the required 60) through strategic business management activities in a three-year period. These specified credit hours may be earned in the following categories: continuing education, on-the-job experience, instruction/teaching or research and publishing.

Strategic business management activities are those that:

- » Are nontraditional and not specifically covered in the other five areas of the SPHR Body of Knowledge.
- » Require you to learn about a different business function or enter into a partnership with another department for the activity. (HINT: Think of a cross-functional team or partnership you may have participated in with broad organizational impact or a training program that you attended with management team members from other functional areas—these may be good candidates to earn strategic business management credits.)
- » Have an impact on the organization's mission, vision, values, bottom line, policies or strategic goals and objectives.
- » Develop your skills in strategic planning, critical thinking, influencing, negotiation and leadership.

TIPS FOR SUBMITTING STRATEGIC BUSINESS MANAGEMENT ACTIVITIES FOR RECERTIFICATION CREDITS

- » Ensure that the activity relates to the strategic business management area of the SPHR Body of Knowledge and is not described within one of the other five areas.
- » Include enough detail in your activity description for the reviewer to determine whether the activity qualifies for strategic business management credit. The title of the activity alone often does not provide enough information to make a determination.
- » Know that simply including the term "strategic" in the title of an activity does not automatically mean that it qualifies for strategic business management credit.
- » Recertify early, in the event that an activity you have submitted for strategic business management credit does not qualify; this will allow you time to submit an alternate activity.
- » Keep supporting documentation for six months after your recertification due date in the event you are selected for an audit.

PRE-APPROVED PROGRAMS FOR STRATEGIC BUSINESS MANAGEMENT CREDITS

Please refer to the HR Certification Institute's Online Directory of Pre-Approved Programs, which provides a list of programs that qualify for strategic business management as well as general and international recertification credits. Visit the Recertification section of our web site at www.hrci.org to view a list of sample events and programs that have been pre-approved for strategic business management credits.

The types of activities that qualify for strategic business management credits in recertification are those that are typically not the primary responsibility of HR, but require HR to partner with other departments. They support the certified professional's knowledge of the business, such as finance or marketing, or specific organizational operations. The responsibilities in the strategic business management area of the SPHR Body of Knowledge have a direct impact on the organization's bottom-line results or affect its mission, vision and goals.

Certain topics can qualify for either general or strategic business management credit hours, depending on whether they are incorporated as part of a larger organizational strategy. The table on the reverse side lists some examples.

DIVERSITY as a Business Strategy

Examples: calculating return on investment (ROI) and developing a business case for diversity or developing an integrated diversity strategy and implementing it throughout organizational operations.

DIVERSITY as HR Development

Examples: raising awareness of principles of inclusion and diversity; the development of a diversity program. These are covered under HR Development.

LEGISLATIVE ACTIVITY as Advocacy

Examples: monitoring the regulatory environment and responding appropriately to proposed legislation that could affect one's industry or operations.

LEGISLATIVE ACTIVITY as Compliance with Enacted Laws and Regulations

Examples: legal updates are covered under Employee and Labor Relations.

TALENT MANAGEMENT as an Integrated Organizational Strategy

Examples: identifying specific leadership competencies integrated with organizational strategy and the acquisition, identification and development of key talent.

TALENT MANAGEMENT as Part of a Process

Examples: employee development activities or succession planning. These are covered under HR Development or Workforce Planning & Employment.

ORGANIZATIONAL REDESIGN as a Leadership Initiative

Examples: participating in due diligence and decision-making regarding mergers, restructuring, divestitures, etc.

ORGANIZATIONAL REDESIGN as Part of a Process

Examples: carrying out an activity that has been planned by others, such as a workforce reduction or redeployment. This is covered under Employee and Labor Relations.

LEADERSHIP as a Business Strategy

Examples: creating/implementing leadership development initiatives linked to business strategy.

LEADERSHIP as a Management Skill

Examples: identifying leadership styles and strategies; determining effectiveness of various approaches. This is core HR knowledge.

CHANGE MANAGEMENT as an Integrated Organizational Strategy

Examples: developing/implementing a change management strategy addressing a specific organizational need.

CHANGE MANAGEMENT as a Technique

Examples: analyzing various change management methods, models and applications. This is core HR knowledge.

LABOR RELATIONS as a Business Strategy

Examples: participating as a member of the senior management team setting objectives for contract negotiations, researching alternatives and establishing and measuring goals achieved as a result of negotiations.

LABOR RELATIONS as a Management Skill

Examples: serving as a member of the negotiating team, researching and providing HR-related data needed for negotiations (headcount projections, benefits costs, etc.), administering labor contract. These are covered under Employee and Labor Relations.

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