

# HR fail to support temporary agency workers

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Business leaders across the globe say that their HR functions are ineffective and consistently fail to demonstrate any form of value to their organisation, according to a new study by the Economist Intelligence Unit.

The study found that organisations will continue to view HR as a non-essential department, unless it meets the challenges faced by today's business environment. It also suggests that HR will remain the 'poor relation' at the boardroom table if it does not improve its understanding of what companies need to know about employee demands.

Just 17% of the nearly 420 C-suite executives surveyed said HR does a good job. Nearly a quarter of executive argued that HR teams are unable to support their company's globalisation strategy. The study found that in the past three years over half (55%) of companies have hired more contract and temporary workers than permanent staff. But 76% of business leaders said their HR department is poor when it comes to supporting a flexible workforce.

"HR has a perception problem, though in some cases it may have actually failed to deliver real value. Given the high unemployment rates in many countries you would be forgiven for thinking that retention is an easy task for HR, but with employee engagement levels an increasing concern, more effort must be put into understanding staff needs before today's employees become tomorrow's alumni," said Robert Bolton, partner in KPMG Management Consulting. As a response to the study, the Chartered Institute of Personnel and Development (CIPD) defended the value of HR.

"HR professionals are in a unique position to be able to spot the hard and soft factors in organisations that represent either risks, or opportunities, for driving sustainable performance," said Vanessa Robinson, Head of HR Practice and Development at the CIPD.