



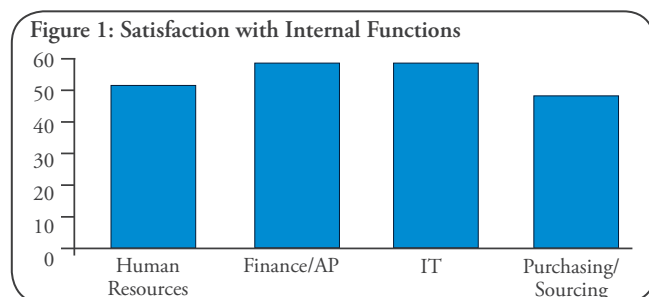
Measuring Satisfaction with Human Resources

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In *Evolve^{HR}* Volume 2, Number 2, Brooks and Herman discussed the notion of HR being in an interesting quandary. These struggles of how HR can be most effective in an organization were likely to have an impact on an employee's satisfaction with his/her HR department. Utilizing a recent survey, we wanted to provide some context for how satisfaction with HR is observed.

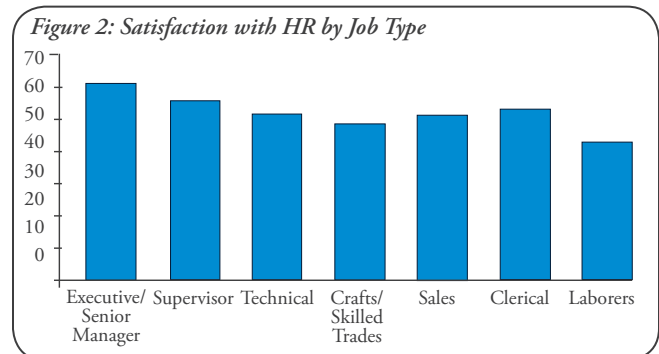
To better understand how people feel about the HR function, we utilized the WorkTrends™ survey, which has been administered annually or bi-annually since 1985. In 2007, the survey was taken online by more than 10,000 U.S. citizens, and 1,000 individuals in each of the following countries: Brazil, China, Germany, India and the United Kingdom. After screening for those who work full-time at an organization larger than 100 staff members, the survey presented 80 items that ask employees about workplace issues, such as managerial effectiveness, senior management behavior, diversity practices, turnover intention and job satisfaction.

In the survey, U.S. workers were asked about their satisfaction with the human resources function within their organization (see Figure 1). Overall, 53 percent were satisfied, while only 17 percent were “very satisfied”—not a resounding endorsement by any means. Compared to other corporate functions, HR rates higher than purchasing/sourcing, but lower than IT and finance/accounts payable.

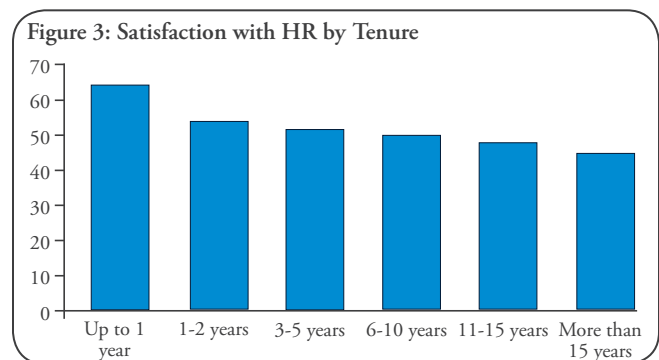


Demographic Differences

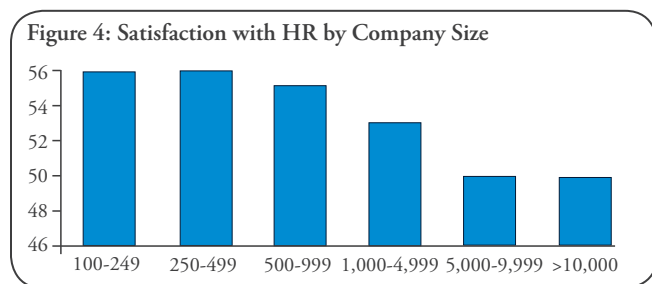
When comparing across job functions, there are some interesting differences to note (see Figure 2). Specifically, executives/senior managers view human resources as a higher percent satisfied (62) compared to the other job functions. The lowest percent satisfied (46) was from those in labor positions (e.g., production workers, packing plant employees, assembly line roles).



Throughout an employee's tenure, the satisfaction with human resources appears to decline (see Figure 3). Some of this difference may be due to the generally optimistic viewpoints of new employees, while some may be due to more interactions with the HR department over time.



As the organization grows larger and the HR demands become more complex, satisfaction declines. In examining responses in conjunction with organization size, a lower satisfaction rate was associated with the employees of larger organizations.



Cultural Differences

While there are significant differences in satisfaction with HR by employee status and organizational size, greater differences are seen when looking at the culture of an organization. Employees associate strong leadership, talent management and the support of diversity with high-performing human resource departments.

The survey asked workers about their work opinions and experiences. The survey process allowed for a wide variety of information on the respondents' workplace, including topics such as managerial performance, job and company satisfaction, work engagement, training and development opportunities, customer service practices, career development opportunities, corporate social responsibility policies, ethical practices and senior management performance.

In order to parse out employees who worked for organizations with a strong view of their senior management, a composite variable was created. As such, respondents' experiences classified them into organizations that had strong views of senior management and those organizations that had weak views of their senior management. Employees in organizations with strong views of their senior leadership have much higher satisfaction with their HR departments than did employees with weak views of their leadership. Organizations with strong senior management also indicated that their senior management:

- Is trustworthy
- Gives employees a clear picture of the direction the company is headed
- Demonstrates that employees are important to the success of the company
- Is committed to providing high quality products and services to external customers
- Instills confidence in employees
- Are quick to respond to marketplace opportunities and competitive threats
- Ability to deal with the challenges their company faces

Fifty seven percent of U.S. employees indicated that they had strong senior management. Of these, 83 percent were satisfied with HR. Of those employees who felt they have weak senior management, only 22 percent were satisfied with HR.

Figure 5: Satisfaction with Senior Management

| | Strong Senior Management | Weak Senior Management |
|-------------------|--------------------------|------------------------|
| Percent Satisfied | 83% | 22% |

Using the same methodology for classifying strong versus weak views of senior management above, 83 percent of U.S. employees indicate that their organization has a strong talent management culture. A strong talent management culture has career path programs, goal development and monitoring practices, regular feedback sessions with managers, chances for skill improvement and career development opportunities. Employees also have line of sight from their work to the organization's goals. Employees who feel they are in strong talent management cultures are much more likely to indicate a higher level of satisfaction with their human resources departments than are those who are working in weak talent management cultures.

Employees were considered to be in a strong talent management culture if they indicated agreement to the following items:

- Where I work, we set clear performance standards for product/service quality
- I understand how my work fits into the goals of the organization
- My manager gives me useful feedback on how well I'm doing my job
- I get enough information about how well my work group is meeting its goals
- My job makes good use of my skills and abilities
- I am given a real opportunity to improve my skills in my company
- I have had a performance appraisal in the last 12 months
- I receive the training I need to perform my current job effectively
- Where I work, employees are getting the training and development needed to keep up with customer demands.
- I feel there is a promising future for me at my company

Figure 6: Satisfaction with Talent Management

| | Talent Management Culture | Non-Talent Management Culture |
|-------------------|---------------------------|-------------------------------|
| Percent Satisfied | 84% | 13% |

Links to HR Programs

Additionally, we see that satisfaction with HR is associated with their satisfaction with several traditional HR programs or competencies, such as staffing, management development, and compensation and benefits. When employees are more satisfied with the outcomes of these programs, they rate HR more favorably.

Employees who were satisfied with their managers were more satisfied with their human resources departments than those employees who were not.

Figure 7: Satisfaction with Manager

| | Satisfied with Manager | Dissatisfied with Manager |
|-------------------|------------------------|---------------------------|
| Percent Satisfied | 64% | 29% |

Employees more satisfied with their benefits and pay relative to those who were not satisfied had higher levels of satisfaction with their human resources departments. Similarly, those who were more satisfied with their job security relative to those who were not had higher levels of satisfaction with their human resources department. This relationship holds true for all job levels, but is strongest for executives and senior management.

Figure 8: Satisfaction with Pay, Benefits and Job Satisfaction

| | Benefits Satisfied | Benefits Unsatisfied | Pay Satisfied | Pay Unsatisfied | Job Security Satisfied | Job Security Unsatisfied |
|-------------------|--------------------|----------------------|---------------|-----------------|------------------------|--------------------------|
| Percent Satisfied | 63% | 26% | 67% | 34% | 66% | 26% |

However, employees who felt their organizations were active and involved in their community were more satisfied with their human resources departments than those who did not.

Figure 9: Satisfaction with Community Involvement

| | Satisfied with Community Involvement | Dissatisfied with Community Involvement |
|-------------------|--------------------------------------|---|
| Percent Satisfied | 65% | 30% |

Measuring Satisfaction with Human Resources

The survey looks only at the overall satisfaction with the human resource function. In-depth studies of satisfaction with human resources often focus in two distinct areas: operational excellence and strategic partnership. Each type of survey has a different audience and poses a different set of questions.

Operation excellence surveys are sent to employees and management. Survey questions focus on speed, accuracy, availability and customer service and have more of a business process focus. Operational Excellence surveys may evaluate the

service from a variety of delivery channels, including self-service portals, help lines and local HR representatives. Key drivers of satisfaction often include reliability of information/transactions and the ability to solve problems quickly. Suggestions for improvement from these studies often focus on traditional HR processes such as payroll, benefits and recruiting with emphasis on simplifying/improving processes and better response times.

Business partnership surveys are more limited in scope, surveying executives and business leaders, and are more focused on business results. Human resources is commonly evaluated on its understanding of the business, developing new leadership, recruiting and retaining a high quality workforce, providing innovative solutions and establishing a high performing culture. Key drivers of satisfaction often include the ability to contribute to strategic discussions, effectively managing change, and anticipating/proactively addressing business needs.

In contrast to the higher levels of satisfaction for executives seen in our study, we often see lower levels of satisfaction in our business partnership studies, where it is not unusual for executives to be more critical of HR. It is not that these executives receive poor service from their HR functions, but that they have different expectations—including the expectation for HR to be strategic in its focus—that often suppresses executive satisfaction. ■

About Kenexa

Kenexa provides business solutions for human resources. We help global organizations multiply business success by identifying the best individuals for every job and fostering optimal work environments for every organization. For more than 20 years, Kenexa has studied human behavior and team dynamics in the workplace, and has developed the software solutions, business processes and expert consulting that help organizations impact positive business outcomes through HR. Kenexa is the only company that offers a comprehensive suite of unified products and services that support the entire employee lifecycle from pre-hire to exit.

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