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Abstract

Human resources (HR) has become increasingly integral to the success of hospitality firms. At the same time, HR professionals have identified the key competencies required for their field. No longer merely a “personnel” function, HR is essential to a business’s success. To that end, HR professionals at all levels have established industry-wide certification programs that embrace not only the classic administrative aspects of the position but also the financial and general business knowledge that helps ensure that HR will drive a firm’s success. ARAMARK’s orientation program provides an example of integrating HR professionals into all areas of an operation. ARAMARK Harrison Lodging (AHL) Services has established its “HR Rep” program, which has brought some forty HR professionals into the business to date, with notable success. In this program, AHL’s HR reps become involved in all aspects of the operation, including such unusual areas as finance, sales, marketing, and individual clients’ operations.

Keywords

ARAMARK, HR competencies, HR professionalization

Disciplines

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Comments

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Professionalizing the Human Resources Function

The Case of ARAMARK

by J. BRUCE TRACEY and ABIGAIL CHARPENTIER

Human resources (HR) has become increasingly integral to the success of hospitality firms. At the same time, HR professionals have identified the key competencies required for their field. No longer merely a "personnel" function, HR is essential to a business's success. To that end, HR professionals at all levels have established industry-wide certification programs that embrace not only the classic administrative aspects of the position but also the financial and general business knowledge that helps ensure that HR will drive a firm's success. ARAMARK's orientation program provides an example of integrating HR professionals into all areas of an operation. ARAMARK Harrison Lodging (AHL) Services has established its "HR Rep" program, which has brought some forty HR professionals into the business to date, with notable success. In this program, AHL's HR reps become involved in all aspects of the operation, including such

unusual areas as finance, sales, marketing, and individual clients' operations.

Keywords: ARAMARK; HR competencies; HR professionalization

Human resources (HR) has until recently faced an uphill battle in justifying its place at the strategic planning table. Fortunately, during the past decade or so, many hospitality companies have hired smart and creative HR professionals who have been able to demonstrate the impact of their efforts on firm performance. These professionals have a keen understanding of how HR operates and can work effectively with other function-area leaders to create

integrative plans that help their firms achieve their business objectives.

Unfortunately, while HR appears to have gained credibility at the top, the same cannot be said of the HR function at lower levels of the organization. Many of the participants who attended the most recent HR roundtable at Cornell University's School of Hotel Administration bemoaned operations-level HR staff, citing a lack of functional competence and general business knowledge. John Young, executive vice president of HR at Four Seasons, summed up the sentiment by stating that to be effective, property-level HR directors and managers must possess "a strategic and operational mindset. They must have a keen understanding of how to leverage the HR function to drive business results." So when Young conducts property-level HR audits, one of the first questions he asks the HR director is, "What was the hotel's GOP last month compared to budget?" The accuracy of the answer speaks volumes about the director's mindset and overall level of professional competence.

As we argue in this article, several steps can be taken to enhance the level of professionalism among operations-level HR staff members. The first step is to identify competencies that are required for effectiveness. Once the requisite competencies have been identified, then efforts must be taken to make sure the HR staff possesses them. In this article, we begin by discussing the importance of competencies and some of the ways to identify and articulate the requirements for HR effectiveness, primarily at the operations or unit level. Next, we discuss certification programs that may become the basis for establishing and verifying functional competence. Finally, we describe a developmental program that has been implemented at ARAMARK for linking HR competen-

cies to the company's specific business strategy and objectives.

Competencies

During the past forty years, several competency models have been developed that articulate specific knowledge, skills, abilities, and behavior that may be linked to a wide range of effectiveness indices. These models can be used as a basis for making a wide range of HR and related decisions. For example, if you can identify the specific types of abilities that are required for successful performance in a particular job (e.g., HR manager), then you can make informed decisions about the criteria and tools that can be used for making future staffing decisions.

Beth Chung-Herrera, Cathy Enz, and Melenie Lankau recently developed a leadership-based competency framework for managers and leaders in the lodging industry.¹ Using responses from 137 senior managers and leaders—from direc-

More than ever, human resources professionals are integral members of a hospitality firm's executive team.

tors to CEOs—employed by some of the largest and most prominent international hotel companies, the authors identified eight competency categories, each with three to six corresponding dimensions that reflect "hospitality-specific behavior"² and are considered critical for managerial and leadership success during the next ten years. The following are the eight primary categories: self-management (e.g., ethics and integrity), strategic positioning (e.g., managing stakeholders), implementation (e.g., directing others), critical

thinking (e.g., analysis), communication (e.g., active listening), interpersonal (e.g., building networks), leadership (e.g., fostering motivation), and industry knowledge (e.g., business and industry expertise).

The results from this research provide a good starting point for identifying competencies that may be relevant for many types of function-area managers and executives in the lodging industry. However, two caveats should be mentioned. First, the lack of comparable performance data makes it difficult to determine which of the eight competency categories may take precedence or priority in a given situation.³ This is a concern regarding many competency models. Thus, the level of prescription offered by this and similar models is limited. Second, because the model is designed to be generic and to have relevance for a wide variety of hotel leaders, it does not provide much guidance regarding competencies that may be relevant for leadership positions within specific functional areas, such as HR.

One invaluable resource that can be used to identify the competencies that may be specific to HR professionals is the Department of Labor's Occupational Information Network, or O*NET. This online database includes detailed information about the skills, abilities, knowledge, work activities, and related requirements for more than 950 work occupations. Inserting the key phrase "human resources manager" in the network's search function reveals an in-depth view of an HR manager's work requirements. This particular job summary is as follows: "Plan, direct, and coordinate human-resources management activities of an organization to maximize the strategic use of human resources and maintain functions such as employee compensation, recruitment, personnel policies, and

regulatory compliance." This summary is followed by a list of twenty tasks that provide the first layer of detail regarding work-related responsibilities. The task list is fairly diverse, ranging from "develops methods to improve employment policies, process, and practices and recommends changes to management" to "plans and conducts new employee orientation to foster positive attitude toward organizational objectives" and "maintains records and compiles statistical reports concerning personnel-related data such as hires, transfers, performance appraisals, and absenteeism rates." A second layer of detail regarding the position's responsibilities is a list of more than thirty work activities, which describe the most important decision-making, problem-solving, and communication requirements for performing the position's twenty primary tasks.⁴

After the task list, the report identifies the knowledge, skills, and abilities (KSAs) that are required to perform the primary tasks. These KSAs may be categorized into the following competency dimensions: HR delivery, HR technology, general business knowledge, and general mental ability. HR delivery is represented by the KSAs required for attracting, selecting, developing, and rewarding employees. HR technology is characterized by knowledge and skills required for using and managing information systems, particularly for diagnostic, forecasting, and evaluative purposes. The general business dimension includes knowledge about economic and accounting principles, the role of government and law, and strategic planning. Finally, the general mental ability dimension is defined by a wide array of KSAs: analytical (e.g., critical thinking, mathematics, complex problem solving), communication (e.g., active listening, monitoring, instructing), and social and

Exhibit 1:

Comparison of Hospitality-specific and HR Competency Models

| <i>General Competency</i> | <i>Lodging Leadership</i> | <i>HR</i> |
|---------------------------|---|--|
| Functional delivery | Implementation | HR delivery HR technology |
| General ability | Self-management Critical thinking Communication Interpersonal skills Leadership | Personal credibility Achieving results Effective relationships Personal communication |
| Business knowledge | Strategic positioning | Business knowledge Strategic contribution |

Note: HR = Human resources.

interpersonal (e.g., coordination, social perceptiveness, negotiation).

These four competency categories have been validated and extended by a long-standing collaboration among management scholars at the University of Michigan and the Society for Human Resource Management (SHRM), an association that provides resources and learning tools for HR professionals around the globe. This collaboration has used the O*NET database and several other sources to produce an HR competency model that describes five key dimensions—namely, HR delivery, HR technology, business knowledge, personal credibility, and strategic contribution—which have been linked to both individual and firm effectiveness measures.⁵ Similar to the frameworks described above, the competency categories are defined by fairly specific KSAs for effectively executing all major HR functions. For example, business knowledge was defined by the following three competency “factors”: value-chain knowledge, value-proposition knowledge, and labor knowledge. *Value-chain knowledge* refers to an understanding of the “flow

of business” and the integration among customers, competitors, suppliers, production processes, financial management, e-commerce, and information systems.⁶ As the reader can see, this framework paints a fairly comprehensive and detailed picture of the competencies that are required to be an effective HR manager or director. Exhibit 1 compares the hospitality-specific and HR competency models described above.

Certifying HR Competencies

Once the key competencies have been identified, the next step is to determine the extent to which a particular HR professional possesses them. One of the most rigorous and direct approaches for establishing one’s level of professional competence is through formal testing and certification. Formal certification programs are typically initiated and managed by professional associations that develop and promote functional, discipline-based standards and that recognize individuals who have mastered the body of knowledge in their discipline. For HR, the premier certification program is offered by the

Human Resources Certification Institute (HRCI), the credentialing arm of SHRM. The primary purpose of HRCI is to

- identify the knowledge requirements and competencies of the HR profession,
- set and maintain standards for professional certification,
- measure individual mastery of the body of knowledge,
- promote the recognition of individual certification as a hallmark of professional excellence, and
- meet or exceed customer needs.⁷

HRCI currently offers two certifications that are recognized around the world. Both the Professional in Human Resources (PHR) and the Senior Professional in Human Resources (SPHR) certifications address all functional aspects of the HR discipline—from strategic management, workforce planning and employment, and HR development to compensation and benefits, employee and labor relations, and occupational health, safety, and security. The primary difference is the level of focus—the PHR certification focuses on operations and technical content, whereas the SPHR certification addresses strategic and policy-level content. Training and development topics that are covered in the PHR certification, for example, emphasize program design, development, and implementation. In contrast, the SPHR certification emphasizes the means for establishing the strategic value of training, covering multi-level evaluation, cost-benefit analysis, and related activities. In 2001, there were more than 48,000 PHR- and SPHR-certified professionals—a number that has been increasing steadily for the past two decades. In light of this growth (particularly international growth), HRCI will be offering a third certification, covering global HR, beginning in 2004.

A number of developmental opportunities can assist HR professionals as they prepare for these certification exams. One of the primary methods is the SHRM Learning System, a self-paced, computer training program that corresponds directly to the PHR and SPHR test specifications. In addition, SHRM offers a wide array of training courses, primarily computer and workbook based, as well as workshops at association conferences, Webcasts, and a vast online reference collection (e.g., white papers, HR tools) that provide an excellent means for developing HR competencies and establishing professional credibility.

As a complement to the discipline-based approach, HR professionals can also pursue industry-wide certifications. For example, the Educational Institute of the American Hotel and Lodging Association (EI-AHLA) offers two certifications—Certified Human Resources Executive (CHRE) and Certified Hotel Trainer (CHT). Similar to SHRM's approach, EI-AHLA bases its certification on an established competency model and offers a fairly wide range of training collateral and programs (e.g., study guides, review classes) that can be quite helpful in preparing for certification exams.

One of the most compelling aspects of the CHRE certification is its flexibility regarding eligibility requirements. EI-AHLA has recognized the vast differences in backgrounds among the industry's HR professionals and so has developed a process that allows applicants to acquire the CHRE designation through one of three approaches. The first approach emphasizes education. To be eligible, individuals must have at least two years of managerial experience as an HR professional (e.g., HR manager, training manager, employment manager) and possess at least a two-year hospitality degree from an accredited

college or university or successfully complete a five-course curriculum offered through the EI-AHLA (e.g., Training and Development for the Hospitality Industry, Managing Hospitality Human Resources). Eligibility for the experience-based second option requires a minimum of three years of managerial or director-level HR experience in a lodging company. The final option is for “early-entry” professionals in which candidates begin working on their CHRE designation on their first day of work. Candidates for this track are required to complete a number of courses and workshops offered by the EI-AHLA (such as those listed above) and may take the CHRE certification test up to three times prior to meeting the experience requirement.

Combining HR and Business Knowledge: ARAMARK’s HR Rep Program

The pursuit of these and related certifications provides an excellent way to enhance professional credibility and to develop competencies that are critical for boosting unit and firm performance. However, we contend that although functional competence is necessary, it is not a sufficient requirement for achieving organizational success. The research evidence is quite clear: a firm’s performance is contingent, in part, on the alignment between its HR function and the firm’s overall business plan.⁸ As such, HR professionals must also understand the role of their function within a particular business context. While many organizations still seek a way to address this important consideration, ARAMARK has developed a comprehensive, and so far successful, development program that is designed to enhance both the functional and the business-specific competencies of its HR staff.

ARAMARK Corporation is one of the world’s leading managed-services providers with more than 200,000 employees worldwide and in excess of \$9 billion in annual revenue. As a means for ensuring that the HR function continues to add value and to help ARAMARK maintain its industry leadership position, the company’s senior HR executives created a competency-based development program for new HR managers that facilitates an integrative understanding of the strategic and operational roles of the company’s HR function. Initiated in 1996, the primary objective of the “HR Representatives Program” is to learn how to ensure that HR policies, procedures, and systems drive and sustain key business results.

Program Components

The general framework of this program is based on the HR competency model described above. Program participants, generally newly minted college graduates, are selected on the basis of their general mental abilities and their interest in and fundamental knowledge about HR. The first part of the program focuses on general business knowledge. New hires start off with a one-month orientation that provides a fairly detailed look at ARAMARK as a whole and its various divisions. This process involves meetings with and presentations by corporate HR vice presidents from all lines of business and site visits to individual accounts to learn how the HR function works within and across divisions.

The second part of the program focuses on honing function-specific competencies—specifically, HR delivery and HR technology. After the broad exposure to ARAMARK, the new HR reps are assigned to an HR vice president who is responsible for one line of business at

ARAMARK's corporate headquarters in Philadelphia. This part of the program provides an immersion into the division's day-to-day HR operations and offers opportunities to complete strategic, high-visibility projects that involve working directly with upper level management. During this time, HR reps focus on learning the division-specific policies and procedures for staffing (both hourly and managerial), training and development, performance management, employee relations, and conducting HR audits. In addition, HR reps typically travel to learn how HR policies and procedures vary within the division's client accounts. At the end of this intensive program, new reps are deemed ready to assume an HR manager position at one of the division's accounts. The following is a more-detailed example of the activities that an HR rep may complete if that person is assigned to the lodging division, ARAMARK Harrison Lodging (AHL), which offers hospitality, facility, and property management services to sixty conference centers, training centers, and resorts.

After completing the one-month corporate orientation, new HR reps assigned to AHL begin by working alongside operations and administrative managers from several accounts throughout the division. The time spent learning about the front desk, food and beverage, conference-planning operations, and key responsibilities of managers in sales and marketing and finance provides a direct opportunity to learn about the account's key operational processes and systems. This cross-functional experience provides a strong foundation for understanding how the HR function works with other operations managers to achieve operational goals—especially given that this experience occurs in combination with the time that

is spent working with an account's HR director—manager learning the operational details regarding policies and procedures for staffing, scheduling, training, performance evaluation, employee relations, recognition, team meetings, and reporting requirements (e.g., accidents, worker's compensation).

In addition to working with managers in existing accounts, HR reps may also have an opportunity to help open a new account and thus learn about AHL's planning and forecasting procedures. Once the HR rep learns about the primary operational and administrative functions, he or she is then partnered with three HR managers and assists them with full audits (e.g., compliance, quality, budgets) of accounts that have on-site HR and those that do not. This provides an opportunity for the HR reps to apply the knowledge acquired during the initial weeks of their division immersion.

To further understand the staffing function, HR reps attend corporate training programs on recruiting strategies, which include learning how to use Recruitsoft, ARAMARK's internal job posting and placement system, and fundamental staffing procedures such as behavioral interviewing. In addition, HR reps spend a minimum of one month working with the corporate HR staff to help source and interview job candidates for corporate and account-level positions. They also make two college campus visits to further ARAMARK's staffing efforts.

To develop training competencies, HR reps participate in a wide range of programs, from the multiday Franklin Covey for Time Management program to half-day HR workshops on business law, risk management, labor relations, and related subjects. Once the reps have completed the focal courses, they complete a train-the-trainer program and are then given the

opportunity to facilitate one or more of the programs they participated in. The process provides a thorough and concrete means for understanding the content of ARAMARK's core training programs and helps HR reps hone their platform and presentational skills, which they will use constantly during their tenures as HR professionals at AHL.

The initial process for learning about ARAMARK's labor and employee relations policies and procedures is direct and engaging. HR reps begin by attending grievance meetings. Once HR reps get a taste of the types of complaints that are submitted, they may then assist the account's HR manager-director in responding to and following up on complaints. In addition, since some of the accounts have one or more collective-bargaining agreements, HR reps are given opportunities to meet and spend time with labor relations specialists to learn about contract administration, particularly issues associated with counseling and terminating covered employees. Finally, HR reps get to respond to and follow up on queries and complaints that are sent to AHL's employee hotline.

The final topic that is formally addressed in the HR rep program is the Career Management Process (CMP), a tool that is designed to assist salaried employees in establishing and evaluating performance goals and in planning and facilitating professional development. This tool provides a summary of the focal manager's education and career experiences; a performance plan and evaluation form, which defines key success measures that are specific to the account and position; a management development review and plan that links performance outcomes to career goals; and overall performance and promotability ratings. HR reps receive formal training on how to facili-

tate the CMP (via online and hard-copy reference materials) and then work with the divisional HR director and vice president to facilitate the evaluation process of operations managers within their accounts.

HR reps also complete a number of other activities during their initial socialization and development. For example, they are required to review the ARAMARK Web site, especially the HR section, and offer suggestions for improving content and functionality. HR reps participate in monthly conference calls among all division HR staff and complete special projects such as recruitment toolkits, audit guides, and new training content. Needless to say, HR reps are kept busy and learn a lot.

Program Success

At this writing, about forty individuals have completed AHL's HR rep program and have been placed in full-time HR manager and HR director positions. While there are not enough data at this point to complete a comprehensive evaluation of this program, it appears to be working well. The program is clearly connected with ARAMARK's overarching strategic values and goals. It provides a direct means for creating and sustaining a long-term competitive advantage by attracting and developing a highly capable workforce that can translate the meaning of strategic initiatives across divisional and functional lines so that the most relevant and meaningful HR policies, procedures, and systems are implemented effectively in each account. Thus, the program creates an inimitable resource of highly competent HR managers who understand their role in and impact on the business.

The efficacy of this program is also evident on other levels. Since the program's inception, the overall retention rate of the

program participants is about 70 percent. In addition, the majority of HR reps who completed the program since 2001 have been promoted at least twice. However, the primary success indicator is the program's overwhelmingly positive reputation within ARAMARK. Rory Loberg, AHL's executive vice president, stated, "The [HR rep] program is really important to us. It ensures that we have the highest quality HR people who can work effectively with their peers and others throughout ARAMARK." The program's value is also evident among current and former HR reps. Beth Genshaft, for instance, joined AHL in 2001 and completed the HR rep program in 2002. She is currently the director of HR at one of AHL's key accounts—the University of Pennsylvania's Steinberg Conference Center in Philadelphia. Beth expressed the following about the HR rep program: "My experiences . . . really helped get me off on the right foot and learn what I was expected to do. When I graduated from college, I thought I had a pretty strong handle on HR. However, I quickly learned that there was a lot more to it than I thought, and I became pretty overwhelmed with the amount of information that I was expected to know. The [HR rep] program helped me develop a more business-focused approach to my job, and I feel like I'm starting to make a sizeable impact on my account and the division." In light of these and other positive signals, it appears that the HR rep program will continue to play an important role at ARAMARK in the years to come.

Integral to the Business Model

The HR profession has come a long way since the days of "personnel management." As the models described in this article show, the competencies required to be an effective HR professional are quite

complex and diverse. The core of professional competence in HR is represented by function-specific KSAs. To demonstrate results and add real value to the firm, HR professionals must possess a comprehensive understanding of the major HR components and have the ability to fully leverage HR technology for making decisions and solving problems. Thus, the essential requirements for HR effectiveness are (1) a thorough understanding of the methods for attracting, developing, and retaining high-quality employees and (2) the ability to measure the value and impact of these activities.

However, it is also clear that HR effectiveness is contingent on factors beyond functional competence. First and foremost, personal credibility plays a critical role. HR professionals must have highly developed communication and interpersonal skills to "walk the talk" and work effectively with people throughout the organization—from line staff to managers and executives—to enact change and generate results. In addition, HR professionals must have solid analytical and critical reasoning abilities, which are essential for performing a multitude of strategic and operational responsibilities—from developing preopening staffing budgets to evaluating the ROI of training investments. Finally, HR professionals must have an in-depth strategic and operational understanding of their firms, as well as the competitive context in which their firms operate. They need to know their firms' internal business processes and the ways in which HR can influence efficiency and results.

We strongly recommend that HR professionals pursue formal certification programs as a means for promoting and developing requisite competencies. The discipline- and industry-based examples described above provide a number of

excellent opportunities to help HR staff prepare for testing and certification and ultimately to acquire the KSAs that are necessary for being an effective HR manager or director. However, while these programs can go a long way toward enhancing HR delivery and HR technology competencies, and even personal credibility, it is important to recognize that such competencies must be applied within a specific context. As such, it is critical that HR professionals acquire a comprehensive understanding of their firms' operational structures and systems and long-range business plans to realize the full benefit of their functional expertise. So in addition to formal certification, we also recommend that efforts similar to the HR rep program at ARAMARK be taken as a means for developing function-specific KSAs and an understanding of how to effectively apply functional competencies within a specific business context. If these actions are taken, then it is likely that HR professionals will possess what John Young and others require: "a keen understanding of how to leverage the HR function in order to drive business results."

Endnotes

1. B. G. Chung-Herrera, C. A. Enz, and M. J. Lankau, "Grooming Future Hospitality Leaders: A Competencies Model," *Cornell Hotel and Restaurant Administration Quarterly*, vol. 44, no. 3 (June 2003), pp. 17–25.
2. *Ibid.*, p. 23.
3. The respondents in Chung-Herrera et al.'s study were asked only to provide ratings regarding the importance of ninety-nine competencies; as such, there was no way to determine whether such ratings were related to relevant performance measures.
4. The work activities list includes forty-one specific items; however, only thirty of the listed activities have an "importance rating" of more than 50 on a 100-point scale.
5. W. Brockbank and D. Ulrich, *Competencies for the New HR* (East Lansing: University of Michigan Business School, Society for Human Resource Management, and Global Consulting Alliance, 2003).
6. *Ibid.*, p. 36.
7. See: <http://hrci.org/about/2002stateinstituterpt.html>.
8. See: B. E. Becker, M. A. Huselid, and D. Ulrich, *The HR Scorecard* (Boston, MA: Harvard Business School Press, 2001).



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