



## The WetFeet Insider Guide to Careers in Human Resources

2004 Edition

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# The WetFeet Insider Guide to Careers in Human Resources

2004 Edition

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ISBN: 1-58207-313-9

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# Human Resources at a Glance

## Industry Outlook

- Virtually every industry has human resource needs, so the types of companies you can work for are essentially unlimited. To narrow your focus, determine a specialty within HR or a generalist focus as well as the industry in which you'd most like to work.
- The number of HR jobs is expected to increase on average by almost 13 percent through the end of the decade, with some variation depending on industry type. Leading the pack is the tech industry, where HR needs are projected to grow an impressive 66 percent by 2010.
- A degree in business, administration, or the social sciences is helpful in landing an HR job, though no individual major is best. Coursework related to the industry you'd like to enter can also give you an advantage.
- An array of master's degrees relate to human resources: MBAs with concentrations in HR, compensation, management, or administration; MAs in administration and in human resources; and a master of human resource management (MHRM).
- With a master's degree, you can usually specialize out of the gate in compensation, recruiting, Equal Opportunity, or labor relations.
- Executive recruiters and staffing industry specialists should have a background in sales or recruiting. A good place to get this kind of experience is through third-party personnel outsourcing agencies.
- HR certification can help advance your career, but it's not yet established as necessary to get ahead in the field.

### Opportunity Overview

- The good news is that despite the bleak economy, the number of HR jobs is actually expected to grow as companies work to keep top performers and reduce the amount of time spent hiring new staff. In fact, many predict a shortage of workers in a few years, which will increase demand for experienced HR practitioners.
- Undergraduates interested in HR as a career should secure an internship or entry-level position as an HR assistant. Because experience is the name of the game in this business, very few companies bother to recruit for full-time HR positions on campus, but they *will* recruit for internships.
- As in all industries, networking is key to finding a job; but HR insiders say that networking can be even more important in this industry than in others.
- If pursuing a master's degree, play well with your fellow colleagues while completing your summer internship. It could turn into a full-time position or lead to contacts that help you land your first job after graduation.
- Midcareer HR staff ready to advance should be willing to take some risks. Most important, think like a businessperson. HR is not only about employees, it's also about helping management meet the bottom line. Demonstrate your understanding of management's needs—not just of traditional HR duties.



# The Role

- Overview
- The Evolution of HR
- The Bottom Line
- Trends in the Field
- The Division of Labor: How It Breaks Down
- The Forecast: Job Prospects
- The Prerequisites
- The Crash Course: HR Lingo

# Overview

Human resources (HR) is a general term meant to cover a wide range of activities. Some of the work that falls to HR professionals includes hiring and firing employees, creating organizational charts and shaping corporate culture after a merger or acquisition, managing employee communications, settling employee disputes, creating benefits programs, navigating government regulations, dealing with legal issues such as sexual harassment and occupational safety, and setting up policy and programs for measuring performance, compensating, recognizing, and training employees. In other words, HR doesn't consist of a single activity or function but a huge network of them; basically, HR refers to everything related to the employer/employee relationship. Both specialists and generalists can find a home here, with specialist tracks ranging from training to pension plan administration to legal compliance. In HR, there's something for just about everyone.

Long considered a support role, in recent years HR has taken on an increasingly strategic dimension in the world of business as managers have recognized employees as a source of competitive advantage. Companies like Southwest Airlines, Nokia, Intel, The Container Store, Edward Jones, and others have shown that HR practices that create supportive environments for employees and strong corporate cultures can lead to superior returns for shareholders by being more innovative, efficient, and productive than their peers. Meanwhile, globalization has complicated the HR role, creating new challenges, such as managing employees and overseeing employee regulations in different countries and cultures, while technology has created a new array of opportunities for streamlining HR administration and practice—everything from putting benefits

programs online to e-learning to automating payroll and other administrative HR tasks.

Of course, the responsibilities and activities of HR practitioners vary depending on the size of company. At a small company, the HR pro will usually wear many hats, whereas at bigger companies you'll find both generalist and specialist HR roles. Large Fortune 500 companies, for instance, divide HR into corporate and field operations, with those on the corporate side setting policy and those in the field working with divisions to implement programs and handle day-to-day issues. Many smaller and mid-sized businesses, or those of less than 1,000 employees, are increasingly out-sourcing some or even all of the HR functions. A few responsibilities that fall to HR in both small and large organizations, such as staffing and executive recruitment, compensation and benefits consulting, and HR systems, have grown into multi-billion-dollar service sectors designed to support in-house HR functions.

The issues facing HR practitioners also vary by industry. Compensation and benefits, staffing models, training, and company culture in the consumer products industry, for example, are very different from that seen in retail or health care. Similarly, "high-tech is very different from a unionized or governmental environment," says an insider, who advises that, "studying up on the industry will give you a leg up when interviewing."

Whatever organization you work in, HR pros tell us that grace under fire, flexibility, and the ability to quickly switch gears from administrator to counselor to negotiator will all come in handy. Some specialist roles, such as in compensation and benefits, require more data analysis, whereas other roles, such as in training, organizational

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**Having a business focus is really important. If you want to be influential, you have to understand the business and be asking how you can contribute from the HR function to the line roles.**

development, and employee relations, require strong communication skills and a high level of emotional intelligence. Tech geeks can find plenty to keep them busy in eHR (sometimes called HRe), which involves putting HR systems online, and HRIS (for HR-specific information systems).

Whatever the role, HR professionals tend to like their work. In a Web-based survey conducted by the Society for Human Resource Management (SHRM) in 2001, 66 percent of members reported feeling a bit burned out, 80 percent characterized the pace of work as fast or very fast, and 86 percent said they were satisfied in their jobs.

## The Evolution of HR

In the 1960s and '70s, HR was considered a touchy-feely job. At the time, clerical staff tended to be assigned tasks, such as assembling benefit programs and sourcing candidates for interviews, that now fall to HR professionals. Clerical workers became proficient in these tasks and moved up through the ranks. What they didn't have were business strategy skills—the ability to think strategically about how people programs could support, advance, and help deliver against business objectives.

Through the 1980s and '90s, this began to change. Although HR is often considered a touchy-feely field even today, in part because it deals with people issues, companies now recognize the value of linking their HR programs with their business objectives. Today, the HR manager's mission is to balance the overall company's business requirements with individual employee needs, aligning people issues with business

issues. Responsibilities today involve examining the value of various HR programs to determine whether they're contributing to the company's profitability—or whether changing them could more effectively contribute to the company's profitability. As one insider puts it, HR is “not a social work function. It's a people-building function with a bottom line.” Says another, “Having a business focus is really important. If you want to be influential, you have to understand the business and be asking how you can contribute from the HR function to the line roles.”

## HR Today

In today's business environment, HR professionals with strong business skills have an advantage over those without them. Accounting, statistics, an understanding of the legal issues, and the ability to analyze numbers can be important, as can skills in conflict resolution, communication, and persuasion. Ultimately, HR blends hard and soft skills. Says a compensation expert, “I like the opportunity to use the hard and the soft in problem solving and decision making. There's a certain amount of analysis you can do that has a quantifiable component. Then there's a certain amount that requires judgment. I like combining these things to come up with an answer.”

Many in HR have master's degrees and certifications, and though these are not requirements, insiders say an increasing number of HR pros have MBAs. Certain HR functions require different skills: In employee relations, a psychology or sociology background can prepare you more effectively than a business degree can. Top HR officers in corporations are increasingly becoming key members of the executive team, sitting alongside their counterparts in research, finance, operations, sales, and marketing.

Responsibilities for HR professionals tend to change with the industry and the economy. As industries grow or shrink, so do the job opportunities in HR. Changes in an industry or economy can also alter the challenges HR professionals face. During the dot-com boom from 1997 to 2000, for instance, the majority of HR

professionals were involved in one way or another in conducting employee searches and running interviews; for many, placing employees was their primary priority. More recently, however, at companies going through layoffs, managing employees out of the organization has been almost as important as bringing them in. Finding ways to maintain morale in companies wracked by layoffs has been another major challenge for HR professionals in many industries during the last several years. Retaining top performers and developing people are two other top priorities HR managers cite. Did we mention that flexibility is key in this field?

## The Bottom Line

Human resource professionals act as mediators between an organization's management and its workers. This requires wearing many hats: It's an HR administrator's job to make sure that employees are working in a safe environment, that disputes are settled, and that benefits are understood and administered properly. At the same time, HR is charged with recruiting new employees who will not only fit in personally and professionally but also help the company achieve its business goals. They also represent management when negotiating for benefits with companies administering these benefits and when implementing companywide policies that will ultimately lower costs or boost profits. The needs of HR cover a wide range of tasks and, therefore, require individuals who are good with people in addition to being organized, analytical, business-minded, and heroic multi-taskers.

That said, all companies need some kind of HR support. So, there are jobs to be had. However, there are also plenty of college graduates and experienced

HR administrators with whom you'll be competing. According to the Bureau of Labor Statistics (BLS), the jobs in HR will keep pace with the economy through 2010—this isn't a huge growth area, but it's not a poor one, either. You can get the inside edge by strengthening your understanding of business strategy and planning and by specializing in a specific industry. A great way to get started in the field is with practice; look for an internship or an HR assistant job if you're in school or just out. Many HR professionals work their way up: As you develop an understanding of the various career tracks and master the basic skills within the function, you'll be in a great position to rise up the ladder.

## Trends in the Field

Trends in HR come and go. We've picked out some long-term trends that those going into the field would be wise to follow. Knowing what's happening in the field and being ready to talk about them in an interview could make a difference in getting hired. This knowledge will also help you hit the ground running when you start in your new role.

### The “New” HR

A study by the Society for Human Resource Management (SHRM) identified five areas of focus for HR:

1. **Business knowledge:** moving HR from the fringes to the center of business strategy, so that people management issues are integrated into

business strategy—in recognition of companies' dependence on their human capital.

2. **HR delivery:** the delivery of basic HR functions, such as through online intranets.
3. **Strategic contribution:** related to business knowledge, but specifically concerned with ensuring that people management issues are central to the operation of the organization.
4. **Personal credibility:** being taken seriously by others in the organization is critical to HR professionals' effectiveness.
5. **HR technology:** to help HR professionals explain the ROI of their work, as well as automate performance, training, and other systems.

## The Value of HR

For many years, HR was considered an “extra” or a “nice to have,” and HR folks were the first to go in a layoff. In the late 1990s, all that changed. Although employees in HR are not generally considered as critical to a company's bottom line success as those in a company's revenue-generating positions, management teams have increasingly recognized HR's strategic importance. Creating a strong, well-defined culture provides a competitive advantage by attracting the best candidates. Strong company cultures have also been linked to much higher employee morale, which, in turn, reduces turnover (and the associated costs of recruiting and training new employees) and increases productivity. As the business case for HR becomes clearer, the importance of HR should continue to grow. “At the larger companies, HR is moving up the ladder in terms of credibility,” an insider tells us. “HR VPs are increasingly being invited to sit at the executive table.”



## Rising Medical Premiums

In 2003, medical premiums increased an average of 15 percent, according to the Hay Group, and they're expected to rise again in 2004. (A Hewitt Associates report found HMO rate increases of 21 percent in 2003 and 18 percent in 2004 in a survey of 140 large employers.) This means employer costs for health care benefits are rising, too—creating a challenge for employers that want to attract qualified candidates with excellent benefits, without passing rising health care costs on to customers. HR practitioners have been forced to contend with cutting salary or staff or shifting medical costs to employees to manage these increases in health care costs. Finding ways to deliver health coverage without cutting benefits or otherwise adversely affecting HR programs will remain a challenge as medical premiums continue to rise.

## Labor Shortage

A number of experts, as well as the General Accounting Office and the National Association of Manufacturers, have forecast a labor shortage. As baby boomers retire, the skilled worker gap is expected to hit 5.3 million in 2010, according to a National Association of Manufacturers study. Other experts expect the effects of this shortage to be felt much sooner—as soon as 2004 or 2005. Most in demand will be managers and skilled workers in high-tech jobs. This is good news for job seekers and should create big opportunities in HR. Often companies bid up salaries when labor demand is high, but the most attractive companies are still those with strong HR practices and worker-friendly environments. The strategic importance of HR will only grow as a result. Staffing agencies should benefit from this trend, too, though it won't be without challenges: “When the economy's going great,” says one insider, “it's amazing, but it's also a challenge to find really good people.”

## Managing Talent

Different demographic groups have different needs that employers must respond to. “That’s going to become more and more relevant if we see a labor shortage,” says an insider. “It’s also very related to differences between the generations. I think, overall, it’s part of the diversification of American society and the workforce in general.” According to studies by SHRM, for instance, women rank communication and work/life balance higher among the factors related to overall job satisfaction than do men, for whom job security and benefits are more important. And employees 35 and younger consider career advancement very important, whereas employees 56 and older want to be recognized by management. Managing the needs of various groups of talented employees is a crucial aspect of HR.

## Technology

HR pros are more reliant on technology than ever before—a trend that should continue. Technology can streamline administrative tasks, provide access to information for current employees and job seekers, and help communicate policies, procedures, practices, and culture. Technology has saved significant time for HR professionals. Web-based forms collect and index resumes; company networks and e-mail improve the speed and quality of communication; and electronically stored employee records are easier to maintain, access, and distribute than paper files. Automating administrative tasks gives HR administrators the time to focus on tasks more closely related to business goals. “Before, [HR was] a clerking function. Today, [it’s] an entity that brings information to the table. As an accountant brings financial information, HR identifies employment information,” an insider tells us.

## Privacy

Technology makes it easier to monitor employees than in the past, and the shift to online data storage has increased the chances that employee data can be hacked. As a result, many people are paying more attention to privacy issues in the workplace than ever before. “People are aware of privacy issues, but generally they associate them with the government,” one insider says. “Actually, however, their employer has much more leeway over how they monitor them in the workplace than the government has.” The issues in privacy cut two ways. On the one hand, some are concerned about the degree to which employers monitor their employees. On the other, employers must make sure they protect their employees from identity theft. Developing privacy policies and finding secure ways to manage employee information are two areas of concern for many in HR.

## Outsourcing

Outsourcing through professional employer organizations or service bureaus (e.g., payroll deduction managed by ADP or Paychex) continues to be a popular way to manage HR functions. According to a 2003 study by BNA and SHRM, the top five HR activities most likely to be outsourced partially or completely are employee assistance/counseling, pension/retirement plans, benefits (other than pension or retirement plans), training, and payroll.

## Other Trends

A range of other HR trends may or may not be relevant to the track you enter. Nevertheless, familiarity with these issues will help both in the job search and on the job.

**Communication.** “Open communication is a really hot topic right now,” says an insider. Technology helps by making it easier and faster to facilitate both one-

and two-way communication between management and employees. Companies that find innovative ways of sharing business information and responding to employee concerns and questions will also improve management credibility and corporate culture.

**Diversity.** Diversity has been an issue in the workplace for years, and it remains a big area of focus. Diversity training, employee groups, and targeted recruitment are three ways HR departments promote diversity.

**Ethics.** In light of the corporate scandals, fostering a strong set of ethics and developing ethics programs—such as enabling employees to confidentially or anonymously report workplace issues to management—are priorities many HR departments are dealing with now.

**Employee-related government regulations.** Corporate scandals have also increased the variety of government regulations, and HR pros must track this information.

**Chief learning officers (CLOs).** This is a relatively new function. A CLO defines and directs the company's approach to workplace learning, knowledge management, and training. At some companies, it has become a high-level position.

**Domestic safety and security.** After the events of 9/11, companies began to conceive of workplace safety and security requirements in a whole new light. The effort to take reasonable precautions against domestic terrorism and workplace violence continues.

**Community outreach.** Many companies have HR-organized programs that encourage employees to volunteer with nonprofit organizations by giving them an opportunity to do so during work hours—in groups or individually. Sometimes this is called “corporate citizenship.”


# The Division of Labor: How It Breaks Down

We divided the opportunities in HR into in-house staff and service organizations that include staffing firms, consultants, professional employer organizations, and HR information systems. Our primary focus in this guide is in-house HR opportunities; however, we also want to show the diversity of opportunities and related roles.


## In-House HR Staff

HR professionals deal with all of these issues: staffing (everything from sourcing to orientation to retention), employee relations, compensation and benefits, training, and information systems. In larger organizations, several HR people may work on each of these functions, further subdivided into specialty areas—for example, the compensation and benefits staff may comprise payroll, health insurance, and 401(k) specialists. In smaller organizations, the HR person may wear many hats, but almost every company in the country has somebody on board to handle HR issues. As a job seeker, one thing you'll want to evaluate is the relative importance of the HR department to the companies you're considering. If the HR office is still down in the basement, right next to the furnace, you may want to cross that company off your list.

In 2000, HR, training, and labor relations managers and specialists accounted for a little more than 700,000 jobs, according to the BLS, with 90 percent salaried and in the private sector. The following chart shows the breakdown by function.

 <b>Number of Jobs by HR Specialty, 2000</b>	
<b>Function</b>	<b>Number of Jobs</b>
Human resource managers	219,000
Training and development specialists	204,000
Employment, recruitment, and placement specialists	199,000
Compensation, benefits, and job analysis specialists	87,000
Source: Bureau of Labor Statistics.	

Larger organizations subdivide HR into corporate and field jobs. Those in corporate work on big picture policy, while those in the field support business unit managers. Responsibilities and skills for these areas can be broken down as indicated by the following chart.

 <b>Corporate vs. Field Jobs</b>	
<b>Corporate</b>	<b>Field/Business Unit</b>
Strategic	Tactical
Design, develop, and create policies and programs	Implement policies and programs
Long-term: What will the business look like in the future?	Day-to-day: What does the business look like now?
Typically specialists	Typically generalists
Skills: analytical, business acumen	Skills: problem solving, consensus building, influencing people
See results over time	See results daily
More predictable tasks	Less predictable tasks
Serving managers and employees as a group	Serving managers and employees as individuals

## Staffing Firms

Staffing firms supplement and in some cases replace the in-house recruitment function of HR. They include companies such as Manpower, Kelly, Interim, and smaller organizations that focus on temporary positions, adding a fee to the hourly rates of the candidates they place. It also includes executive-recruitment firms (Heidrick & Struggles, Spencer Stuart, et al.) that place higher-level candidates into full-time positions and charge clients a hefty percentage of the candidate's first-year salary. Jobs in these organizations usually require you to be a sharp judge of people and a good salesperson and negotiator. You also need the ability to think beyond the client's immediate needs. "It's a pretty sales-driven job," says an insider. "You can't just wait for jobs to come in. It's a lot of calling companies to drum up new business, building relationships with managers, calling companies to market candidates. There's also the job-filling aspect—checking references, doing quality check-type calls to make sure the candidate's doing well, image control."

HR outsourcing providers may specialize in functional areas. For example, Manpower and Adecco provide temporary staffing, Korn-Ferry International and Heidrick & Struggles offer executive recruitment, ADP provides payroll processing, and Right Associates offers outplacement consulting.



### Largest Public U.S. Corporations: Temporary Help

Firm	2002 Revenues (\$M)	Employees
Manpower	10,611	21,400
Kelly Services	4,323	9,200
Spherion	2,144	4,000
Robert Half	1,905	6,900
Volt Info Sciences	1,491	2,000

Source: Fortune 500, 2003.

## HR Consulting

Consulting for HR is a huge business. Most of the major consulting firms offer service lines related to HR. They give them fancy names, like “Human Performance” (at Accenture), “Organization” (at The Boston Consulting Group), and “Change Management” (at Booz Allen Hamilton). Consultants in these areas work on everything from creating more effective organizations, to managing change, to developing training programs, to managing health care programs for their clients. The work is often strategic, focusing on the people issues of running a large company. A lot of it is data-driven, too, such as in actuarial consulting, which involves financial planning based on the company’s long-term hiring projections. “The whole consulting culture is present,” says an insider. “It’s a lot of analysis of papers and programs. The culture is very performance-oriented. You work very hard.”

Work in HR consulting comes in a range of flavors. A few large firms dominate the field—Mercer, Hewitt, Watson Wyatt, and Towers Perrin are considered the Big Four of this area. Boutiques offer services on virtually every HR issue. Consulting engagements can involve everything from helping a company cultivate a culture and organize itself after a merger to developing leadership training programs to managing employee communications. Two other areas of HR consulting are eHR (or, HRe), which is focused on bringing all HR transactions online—everything from performance management and career planning systems to training—and HRIS, which is described under “HR Information Systems (HRIS).”


**More consulting than HR?** At its core, a career in HR consulting is more like a career in consulting than a career in HR. “It deals with HR topics, but fundamentally it’s a consulting firm,” says an insider. “It’s the more touchy feely of the consulting tracks. If you like the variety and challenge of consulting, but also want to feel like your job makes a difference in the lives of people, I think HR [consulting]



comes closer to that than strategy.” However, don’t expect the name recognition in HR consulting that you’d expect at other big consulting firms. “No one knows you, unless they know about the business,” says an insider.


Readers who want to learn more about the consulting field and how to break into it should check out the WetFeet Insider Guides to *Careers in Management Consulting* or *The Top 25 Consulting Firms*.

**Focus on compensation and benefits.** HR consulting firms offer a range of services, but the best-known offering is compensation and benefits. “When you say HR consulting, most people think of compensation and benefits. These are the most revenue-producing areas of HR consulting firms,” says an insider. Compensation and benefits consultants help companies on everything from policy development to the selection of health care providers to salary schedules to communication about programs to the rank and file. In this area, you’ll develop strong research, client service, analytical, communication, and negotiation skills. Players in compensation and benefits include the Big Four HR consulting firms, Buck Consultants, and the Hay Group; specialists in managing benefit programs, such as Ceridian; and even some of the investment houses and insurance companies that offer benefits packages, like Aon.

 Top Compensation and Benefits Consulting Firms		
Firm	2002 Revenues (\$M)	Employees
Mercer Consulting Group*	2,400	15,000
Hewitt Associates	1,750	14,600
Towers Perrin	1,400	8,000
Watson Wyatt	710	4,200
Buck Consultants	n/a	n/a
The Hay Group	n/a	2,200
*Owned by Marsh & McLennan. Source: WetFeet research.		

## Professional Employer Organizations (PEOs)

PEOs are a relatively new development within HR, and they fall somewhere between in-house staff, consultants, and service bureaus (which we cover in the next section on HRIS). Basically, PEOs outsource the administrative part of the HR function and sometimes more, primarily from small and mid-sized businesses, handling everything from payroll taxes to benefits to regulatory compliance and tax administration. The point of PEOs is to sell benefits like health insurance and retirement plans along with expertise in regulatory compliance and legal issues to organizations that are too small to afford them on their own. The PEO can save money for its clients through achieving economies of scale while providing higher-quality and more cost-effective service than would otherwise be available to small businesses. This makes its clients more competitive by saving them time dealing with government regulation, reducing costs of benefits, and improving their ability to attract candidates. As with consulting firms, the services PEOs offer vary by the organization; our ranking here catalogues some of the bigger players in the field.

<div>  <b>Top PEOs</b> </div>		
Firm	2002 Revenues (\$M)	Employees
Administaff	849	78,659
TeamStaff	666	16,982
Gevity HR	374	100,000
ADP TotalSource	218	75,000
Source: WetFeet research.		

## HR Information Systems (HRIS)

HRIS is simply information technology that deals specifically with HR systems. Players here include service bureaus such as ADP and Paychex, which automate payroll systems, and IT firms such as PeopleSoft and Resumix, which offer software and systems that automate companies' payroll, employee information, HR management, and recruitment systems.

HRIS has much in common with IT jobs elsewhere, requiring the ability to work with users to define needs and scope as well as with vendors to understand the capabilities and weaknesses of their wares. Success in this division also requires technical knowledge of systems and software. "There are a lot of people who specialize in HR IT who are business analyst-type people, who need to understand how HR functions," says an insider. Although we don't cover HRIS in depth in this guide, we do provide a great deal of information about the HR background that will be important for anyone going into this role. To find out how to break into information technology, check out *The WetFeet Insider Guide to Careers in Information Technology*.

# The Forecast: Job Prospects

Prospects for HR jobs are about the same as those for the economy overall. The Bureau of Labor Statistics (BLS) projects 7,788 new human resources jobs will be created between 2000 and 2010, an increase of 12.7 percent.

Some sectors will likely see greater growth and, with it, a greater demand for HR professionals. Computer and data processing services represent the area of fastest growth; BLS expects HR jobs in the computer industry to grow by 66 percent. Opportunities in residential care and home health care are also expected to grow rapidly: BLS considers these the second highest-growth areas for HR. This reflects a general truism within HR: Changes in lifestyle and population trends are reflected in HR opportunities.


One such example, related to the aging U.S. population, is the need for more human resources workers in hospitals and in health allied services. Hospitals ranked eighth in overall projected HR employment for 2010, and allied health ranked eighth in percentage change from 2000 to 2010.

Another area of expected growth isn't an industry per se, but rather the area of specialized HR business services. The staffing industry is rated fourth by the BLS as an area of expected growth by the end of the decade. Both BLS statistics and SHRM studies indicate that specialized third-party firms dealing in compensation, legal services, and benefits will also grow.

According to a study by SHRM, the ratio of HR staff to employees has been about one to 100 for some three decades. These figures may be slightly misleading, though, because in a large corporation, one HR administrator may directly support several hundred workers while reporting to several higher-level

human resource managers. The large number of high-level managers will keep the ratio at one to 100, but that may not be a true indicator of the actual state of HR at a given company or the amount of work involved.

Also, HR staffing models differ across industries. For example, the ratio of HR staff to employees in the communication and information industry was 1.7 to 100 in 2001, whereas in the health care industry the ration was 0.7 to 100. These are interesting aggregate statistics, but the real issues for you on the job are going to be your company's culture and your job responsibilities.

 <b>Top Ten Industries Employing HR Managers, by Projected Employment</b>		
Rank	Industry	Projected Total Employment, 2010
1	Computer and data processing services	12,955
2	Educational services	11,996
3	Telephone communications	10,221
4	Personnel supply services	9,338
5	Wholesale trade, other	8,883
6	Local government, except education, and hospitals	8,162
7	Management and public relations	7,756
8	Hospitals	7,324
9	Commercial banks, savings institutions, and credit unions	6,061
10	Miscellaneous business services	5,348
Source: Bureau of Labor Statistics.		



## Industries with the Greatest Projected HR Growth, for 2010

Rank	Industry	HR Growth (%)
1	Computer and data processing services	66.0
2	Residential care	55.8
3	Home health care services	55.8
4	Personnel supply services	51.2
5	Miscellaneous business services	47.8
6	Public warehousing and storage	46.0
7	Veterinary services	45.3
8	Health and allied services	44.8
9	Offices of physicians including osteopaths	43.4
10	Water supply and sanitary services	42.4
Source: Bureau of Labor Statistics.		

# The Prerequisites

## Education

You'll need at least a bachelor's degree for most entry-level jobs, although it may be possible to find a few HR assistant positions with an associate's degree in hand. Most BA-level jobs in HR start at the assistant level. To become an HR manager in a large corporation or an analyst in a specialty area, you will need an MBA, an MHRM (master of human resources management), an MS, or some type of certification. Degrees in human resources, personnel administration, industrial relations, labor relations, and industrial engineering are typical.

Given the interdisciplinary nature of HR, other relevant coursework might include business administration, public administration, psychology, sociology, political science, economics, and statistics. One HR manager at a smaller firm suggests that interested candidates take classes in organizational behavior—after all, you'll be dealing with how people behave in groups. Of course, if you know you're planning to specialize, you'll want to consider taking courses in such subjects as finance, labor relations, education, and instructional technology.

Some positions, including compensation specialists, labor relations workers, and benefits managers, require legal expertise—coursework in labor law, collective bargaining, labor economics, labor history, and industrial psychology would be appropriate for those specializations.

## Basic Skills

- Ability to think critically and analytically
- Strong oral and written communication skills
- Business focus
- Ability to work with people of various cultural and educational backgrounds
- Computer savvy
- Ability to quickly switch gears, for example, from administrator to counselor to negotiator

## Certification

When you look at the resume or business card of an HR professional, you'll sometimes see "SPHR" or "PHR" after the name, indicating that he or she has passed one of two exams started in 1998 and administered by SHRM's Human Resources Certification Institute (HRCI):

1. The **Professional in Human Resources (PHR)** exam is designed for those with basic functional experience in human resources. It covers technical and operational aspects of HR. In 2003, the PHR exam cost \$170 for SHRM members and \$215 for non-SHRM members. Test-takers need at least two years' experience as an HR practitioner, educator, researcher, or consultant. The largest sections focus on workforce planning and employment (26 percent) and compensation and benefits (20 percent).
2. The **Senior Professional in Human Resources (SPHR)** exam tests more strategic HR knowledge. For example, some of the exam questions require the test-taker to read descriptions of real-world scenarios and identify appropriate responses to each. The largest portion covers strategic management (26 percent), followed by employee and labor relations (24 percent). The SPHR exam costs \$310 for SHRM members and \$355 for non-SHRM members.



Student candidates may register for \$100 and agree to pay the remaining balance upon completing the graduation and work requirements. Students can't use the PHR or SPHR label until they have completed two years of work in the field. Certification lasts for three years and can be maintained through reexamination or continued education, both of which, of course, cost more.

Passing the tests is a source of professional pride for many people, but not all of them agree on the tests' value to their careers. "Where I was in my career in order to be taken seriously, I thought I needed to get [certification]," says one HR consultant who has taken both exams. "It was something that shows I'm really good at what I do and that I enjoy doing it." However, she's since taken on a more cynical view, and says that certification is really only an indication of your memorization skills. "People who can memorize things can pass the test," she says.

One thing is certain: Those who have taken the tests have passed an exam covering a common body of material. In this way, the tests serve as a universal barometer of skills and knowledge. As more companies are becoming aware of the existence of these exams, they are beginning to include things like "PHR minimum" or "SPHR required" in job descriptions. Unfortunately, the exams are not yet completely understood by all in the field, as some companies will include completion of the tests as requirements for entry-level positions. This is certainly not how they were intended.

# The Crash Course: HR Lingo

All functions have their own argot, and HR is no exception. Here's a primer on some of the terms you'll come in contact with during your career in HR. Study the terms here before you begin interviewing; demonstrating a firm grasp of HR terminology will earmark you as a candidate who has taken the time to learn about the field.

**Accessibility.** Refers to the degree to which an office or building can be used by an individual with a disability.

**Affirmative action.** Actions, policies, and procedures designed to provide equal employment opportunity regardless of race, sex, or ethnicity.

**Anti-nepotism policy.** A policy or practice that limits the employment of two or more members of the same family.

**At-will employment.** A common law doctrine that holds an employer may fire an employee at any time for any reason, except illegal reasons, and vice versa—an employee may quit at any time for any reason. This is the common employee-employer employment agreement.

**Back pay.** This includes overtime, incentive pay, raises, bonuses, or other economic loss due to discriminatory employment practices or procedures.

**EEOC.** Short for Equal Employment Opportunity Commission. A federal agency that administers several statutes prohibiting discrimination.

**EEOE.** Short for Equal Employment Opportunity Employer.

**Equal Pay Act of 1963.** A federal law that makes it unlawful to pay members of one sex at a rate lower than is paid to members of the opposite sex for jobs that require equal skill, effort, and responsibility.

**Exempt.** Generally speaking, exempt employees are salaried employees and exempt from coverage under the Fair Labor Standards Act. This means rules about overtime and wages do not apply.

**External labor market.** The labor market outside the company. In comparison, *internal labor market* refers to people within the company.

**Fair Labor Standards Act (FLSA).** This 1938 federal law, sometimes referred to as the Wage Hour Act because it mandates fair treatment of employees with respect to wages and hours, established a minimum wage, limited work hours, and discouraged child labor.

**Family Medical Leave Act (FMLA).** A federal law that requires employers to grant eligible employees 12 workweeks of unpaid leave during any 12-month period for birth and care of a newborn child; for placing a son or daughter for adoption or foster care; for care for a family member; or for medical leave when unable to work due to a serious injury.

**Flextime.** A policy that allows employees to follow different schedules of work each day during the work week.

**Fringe benefits.** Compensation other than wages or salary, including annual and sick leave, medical insurance, retirement benefits, and profit sharing.

**FTE.** Short for “full-time equivalent.” An accounting term. Part-time employees’ hours are converted to the decimal equivalent of a full-time employee, based on the hours a full-time employee works annually. For example, an employee who works half as many hours as a full-time employee is noted as 0.5 FTE. This

makes it possible for firms to calculate aggregate employee data, for example, per capita overhead costs.

**H1-B visa.** A special work visa that provides nonimmigrant classification for a worker from abroad who will be employed in a specialized occupation.

**Job design.** Creating the content, functions, and relationships of jobs so that they're directed toward achieving an organization's goals and satisfying the personal needs of an individual job holder.

**Job sharing.** Dividing full-time jobs into two or more positions, so that two people take over responsibilities for one position.

**Job specifications.** The minimum skills, education, and experience necessary to perform an individual job. An ad for an open position would include the job specs.

**Line function.** Job functions that contribute directly to the achievement of a major organizational objective, primarily meaning a revenue-generating activity.

**Maternity leave.** A childbirth-related absence from work by a woman. By law, a woman receives 12 weeks of job-protected leave.

**Nonexempt.** Refers to an employee who is not exempt from the Fair Labor Standards Act, generally hourly employees.

**Participatory management.** A management approach that encourages employees to participate in decision making related to their area of work. Sometimes the term "empowerment" is used.

**Paternity leave.** Leave for a father when his wife has a child.

**Salting.** Refers to the union practice of inserting union organizers ("salts") into the employer's workforce hoping to organize them into a union.

**Terms and conditions of employment.** All aspects of the employment relationship between an employee and his or her employer—compensation, benefits, leave policies, job placement, work assignments, opportunities for advancement, and so on.

**Union shop.** Companies or departments in which employees pay dues to the union a specific period after being hired.

**Wrongful discharge.** Unlawful employment termination.



# On the Job

- The Big Picture
- Representative Projects and Responsibilities
- Real People Profiles

# The Big Picture

Following is a sampling of HR positions available across industries.

## Human Resources Assistant

An entry-level job that may require only an associate's degree in a related area. This position is a support role in the human resources department. An assistant has to have a good grasp of the concepts, practices, and procedures within a particular field, all the while working within the guidelines set by a manager.

Salary range: \$26,000 to \$37,000

## HR Generalist

Though it sounds entry level, this isn't always the case. If the position is with a small company, it will require someone, with a strong background in individual HR specialties, who can act as a jack-of-all-trades for the entire company. In larger companies, the position is for someone who is just learning the ropes. Responsibilities can vary greatly depending on the company's needs. Therefore, job requirements will also vary.

Salary range: \$35,000 to \$80,000



## HR Manager

A middle management position that may require overseeing specialists responsible for several distinct areas in a division of a company. Strategic work may be involved—such as planning human resource policy and setting procedures. Usually reports to a VP of human resources.

Salary range: \$50,000 to \$80,000

## Benefits Administrator

Administers, processes, and maintains company benefits programs, the most significant of which are the company health benefits. An entry-level position occasionally given to someone with an associate's degree, though more likely a BA is the minimum requirement.

Salary range: \$38,000 to \$50,000

## Benefits Analyst

Qualifications can vary greatly depending on the company's needs and the person's experience. At the bottom of the scale, it can be entry level, involving carrying out benefits programs and possibly researching new ones. At the top of the scale, the position may report to a VP and involve strategy and business planning. A bachelor's degree is the minimum requirement, though on the upper scale, several years' experience is required.

Salary range: \$30,000 to \$90,000

## Compensation Analyst

Evaluates and conducts surveys and analyzes salary data to decide on the full monetary package offered to employees, including salary, bonuses, and perks, such as stock options. In many cases, compensation analysts deal only with the packages offered to executives; they may even come in on a contract basis to help research and negotiate the package for an incoming CEO. In other cases, the compensation analyst will deal with all job categories in a company. Regardless, the compensation analyst has to be familiar with a company's job titles and responsibilities.

Salary range: \$40,000 to \$90,000

## EEO Specialist (Affirmative Action Coordinator)

Handles piles of red tape in the form of complex government forms. Also deals with grievances and examines areas of possible violations and how to remedy them. EEO specialists are concerned with laws related to gender and ethnic diversity and with the Americans with Disabilities Act. It's often useful to have a legal background for this position.

Salary range: \$45,000 to \$65,000

## Labor Relations Manager

Works primarily in manufacturing or service industries and deals with labor unions. The labor relations manager prepares information for management to use when a contract is up for renewal. He or she may supervise a group of labor relations specialists.

Salary range: \$60,000 to \$110,000

## Training Manager

Designs, plans, and implements corporate training programs. This position is becoming increasingly important not only because it increases worker morale, but also because it's usually cheaper to train current employees than to hire new ones.

Salary range: \$50,000 to \$90,000

## Recruiter

Screens, interviews, and recommends prospective employees, and extend offers to successful candidates. A good recruiter is familiar with the job requirements of specific fields in the company.

Salary range: \$40,000 to \$75,000

## VP of Human Resources

A very strategic position in large corporations, the VP of HR helps set the tone of the company's corporate culture. He or she brings information about the workforce to executive management so that management can set policies after mergers, acquisitions, closures, layoffs, and similar changes. This position often involves extensive travel and very long hours. It's unheard of for a person to get this job without an MBA, and often this position is filled outside the company.

Salary range: \$90,000 to \$225,000

# Representative Projects and Responsibilities

## HR Generalist

The job of the HR generalist is to work with the management or HR team to achieve various business needs. As the title indicates, responsibilities can vary widely—anything from launching a diversity initiative, to using data in the annual employee survey to improve employee satisfaction, to organizing the annual employee meeting. Often, the generalist will work with other HR functions. If management decides to invest more in division A, for instance, an HR generalist might be assigned to facilitate that process, working with staffing to define the type of people the company needs to hire and to decide whether to hire from inside the company or outside. Another project might involve partnering with managers within a division to improve organizational performance by facilitating the design and delivery of a new performance management process.

## HR Specialist: Compensation Analyst

A compensation analyst may be involved in several projects, depending on the organization. Here are a range of activities the specialist might be involved in:

1. Designing and implementing a pay program that rewards employees effectively, efficiently, and fairly. Salaries, stock options, and reward and recognition programs all figure into the program. Performance measures must be defined and evaluated at periodic intervals, with particular

attention given to identifying, rewarding, and coaching the high performers. The process is ongoing as new positions are added and older ones are phased out, as the marketplace changes, and as business needs change.

2. Working with a team to ensure that employees are paid the right amount of money and on time. Logistics must be tracked: If an employee moves across country, should he or she make more or less? (The specialist might check the geographic differentials—e.g., a person in New York City needs \$35,670 to equal the national median of \$30,000, and in Nashville just \$28,500, according to Mercer.) Is there a process in place to ensure they still get their check on time? If a relocation allowance is provided, how much should it be?
3. Defining an overall philosophy of pay. Should the company pay for performance, skill, or length of service? Should pay be based on commission? The philosophy should ideally advance the company's business goals. Periodically, it may be necessary to evaluate the pay philosophy with business goals. Once the philosophy is developed, it becomes necessary to make it operational by creating tools, guidelines, and rules and then communicating them.
4. Surveying the competition annually about what they're paying for comparable jobs. It's also necessary to determine whether jobs with similar titles in fact have the same responsibilities as jobs at your organization.
5. Managing promotions within various pay grades. How quickly should somebody move up the pay scale? What is the appropriate rate for each employee? How should performance relate to the pay grade? Evaluation processes must be developed for managers so that pay is consistent throughout the organization, with suggestions for increases.

## Staffing Team

The goal of the staffing team is to get the right people in the right place at the right time. Generally they work with a manager to fill an opening. Once the manager gets budget approval for a new hire, the manager works with staffing to select the right person for the job. Resumes may come through the website, or the staffing specialist might work with a recruiter to source candidates. Staffing selects resumes, screens candidates, schedules interviews, and sets up the hire deal, putting together the paperwork for benefits, drug testing, conducting background checks, and gathering any other relevant information before hiring. In lean times (e.g., during a downsizing), staffing works to move people internally, from an area that's slowing down to one that is ramping up; conducts exit interviews; and may be responsible for managing outplacement services. Staffing is also involved in college recruiting and in maintaining pools of candidates in case there's an opening.

## Training and Development Team

The training and development team may be charged with assessing the aggregate skills of a division within the company. Using the information, they determine the goals of the training—to improve employees' communication skills, preparing them to advance into a higher level of responsibility. Then they explore how to cost-effectively deliver training that will lead to the desired results. Should the training be classroom-based or through the Internet? When should it take place and for how long? How will they measure the training's success once it's over? Once the program has been designed, they conduct the training, assessing the training's success at three-month, six-month, and one-year intervals.

## HR Consultant

A Fortune 500 client wants recommendations for decreasing the costs of its benefits program. The consultant compares the client's current health care providers to other available options in various states, using data analysis to determine whether other plans would better suit employees and conducting a cost comparison. The consultant looks for trends in utilization. How often do employees use the emergency room? Would an HMO or PPO make more sense? Using the data, the consultant looks at the behavior of the client's employee population and comes back with recommendations. Then, the consultant will act as a broker between the client and health care providers, negotiating the best price for the client.

# Real People Profiles

## Recruiter

Years in the business: 19

Age: 50

Education: BS in business economics

Hours per week: 20 to 50

Size of company: one employee (self-employed)

Annual salary: The peak was \$500,000 in 2000. This year [2002], I'll probably be lucky if I do \$150,000 and may not make that.

### What do you do?

It's my role in business life to find qualified and interested professionals who match the needs of my hiring companies.

### How did you get your job?

I was in IT for about 12 years, back when they called it MIS and DP. I then left to go work for a small electronics sales company during a downturn. I made a customer call on a recruiting agency to see whether I could get back into the IT industry. I ended up doing some accidental informational interviewing [for this job].

### What are your career aspirations?

To retire, whenever that might be. When it's time to retire, I may keep doing this part time; I don't have any interest in merging with anybody and creating a bigger company. I'm president of my own company now; what would improve that—being emperor?



**What kind of person does really well at this job?**

Someone who's not afraid of the word "no," because we fail at this business more than we succeed. If it were easy, then everybody would be doing it, and there would be no profit. You have to be able, even on a rotten day, to pick up the phone even if you don't feel like it.

**What do you like about your job?**

The thrill of the hunt. I enjoy all of the process as well as the anticipation and preparation that go into a successful search. I have lots of friends who like to play poker and gamble, and I'm gambling all day. I'm going out and talking to folks who may not want to talk to a headhunter. Taking a job spec and talking to folks, asking whether they might be willing to consider other job options. From that point on, I'm screening them to determine whether they're an appropriate match for a hiring company.

**What do you dislike?**

People who don't return my phone calls. One of these days, companies are going to say, "We just can't attract people," and they're going to figure out that maybe it's because two years ago, you were too damned special to return [recruiters'] calls.

Some people have a hard time delivering bad news, and delaying it only makes it worse. There's no really easy way to tell someone he or she is not going to be considered, but you have to give the bad news with the good news. I can live with that, but the worst part is people who don't return calls.

**What is the biggest misconception about this job?**

That it's easy work. I think people don't recognize how difficult this job is if it's done right. Everybody hears about these extremely well-paid recruiters. Typically those people have been in the industry a long time. When you're getting paid strictly commission, you can work hard all month and be no better

off than when the month started. It can be some of the hardest work you can do. It's also some of the best-paying work you can do in a good market.

### **How can someone get a job like yours?**

If you're going to do it right, go to a reputable company to learn some of the elementary steps and skills. You need to learn on someone else's dime. Go to work somewhere where they're prepared to invest a little time in you.

### **A Day in the Life of a Recruiter**

- 6:00 The first thing I'll do is check my e-mail.
- 6:20 Then, I'll go back to getting my day started on a personal level, which is one of the reasons I went independent—water the yard, exercise, read the newspaper.
- 9:00 Usually I'm back at my desk, typically prioritizing which leads I'm focusing on for the day; it's what we call "dialing for dollars." I'm either talking to folks I know from the industry and checking with them to find out who they might know who has the skill set I'm looking for. In a [tough] market like this, you're not getting too many calls from clients. I may have another dozen recruiter friends who are calling me looking for a fit. We typically share what we know.
- 12:00 Lunch.
- 1:00 I reprioritize my day, because sometimes I get things [in later] that are more important than the original list of leads I'd started with that morning.
- 1:10 I'll be preparing people for interviews over the telephone and following up on leads.
- 5:30 Usually, I knock off at this point, unless I've scheduled to talk to someone after hours.

## Senior VP, Human Resources

Years in the business: 15 in HR; 35 in the same industry (I started as a teenager)

Age: 48

Education: BS in hotel and restaurant administration; MS in organizational development

Hours per week: 55 to 65. When I'm in the office, it's about 7:00 a.m. to 7 p.m. When I travel, it's even longer. I travel 30 percent of the time; those are 80- to 90-hour weeks.

Size of company: 150,000 employees; about \$18 billion in revenue

Annual salary: \$250,000 base; depending on the year, a 35 percent bonus

### What do you do?

I shape the strategies about our work philosophies and what our company culture should be. Then, I do high-level work of the design and development of those policies and procedures. I manage a lot of staff people to get all that work done. There's a big chunk of the job about knowing the business of the business. And the other half is making sure HR is supporting the business.

### How did you get your job?

I've been in this particular company for 23 years, so I've come up through the ranks, but I got this particular job by persuading the people here that I was the best person for the job.

### What are your career aspirations?

My career aspirations at this point are to continue to enhance my abilities and skills to improve what I'm doing, then move on to do something different like teach or work for the human resource association. I want to do something to help others.

**What kind of person does really well at this job?**

I think a visionary, someone who can clearly handle many different tasks on lots of different subjects. Someone with a lot of passion, because it's hard to get work done in a large organization and see it implemented across 650 units across the country without it.

You've got to have a sense of humor. If you take everything too seriously, you'd be totally depressed all the time!

**What do you like best about your job?**

I like that hopefully it's making a difference in our associates' work life and hopefully their whole life. That means a lot to me. I like the variety. I like the fast pace. It's always challenging me. There's nothing routine, and there's always something new to learn.

**What do you dislike?**

Well, in a large organization, it can be bureaucratic at times. It sometimes takes a long time to get things done.

**What is the biggest misconception about this job?**

I imagine that most people think that senior VP of HR, "what she says gets done," but that's not how it is in a large organization. It's a lot about building consensus. It's not a lot about control and command. It's about getting everybody to buy in.

**How can somebody get a job like yours?**

I think, to get a job like mine, you should make sure you're mastering your knowledge and skills. You need to take risks to show that you are performing so that you get recognized and can move up the ladder. I would also say, "Go slow to go fast," and spend the time making sure you do quality work. I've seen

more people's careers fail by rushing it. If you're a little more patient and spend more time on each job, your foundation is going to be stronger.

### **A Day in the Life of a Senior VP, Human Resources**

- 7:00 I usually have my calendar blocked for one to two hours doing e-mail and answering the phone.
- 8:30 From 8:30 until 5:00, I'm going from one meeting to another meeting to yet another meeting. Some are big strategy meetings. Others can be about a detail dealing with issues ranging from compensation to workplace violence.
- 5:00 I try to spend the last couple of hours of every night doing e-mails and voice mails.
- 7:00 Go home.

## Human Resources Manager (for a Big Company)

Age: 40

Education: MS in industry organizational psychology

Hours per week: 40 to 50

Size of company: 140,000 employees; \$80 billion in revenue

Annual salary: \$120,000 to \$160,000

### How did you get your job?

I came out of grad school and staffing. For this particular job, I just called people and begged to be interviewed. I networked and got names of hiring managers. I left [this company] for seven years, and then I came back.

### What do you do?

I would say we're responsible for providing all aspects of human resources support to a particular business unit. I make sure our managers are trained in HR processes and that we are brokering for those services. We make sure we've got the linkage with the corporate HR programs. That includes staffing, training, compensation, benefits, and employee relations.

### What are your career aspirations?

I think when my kids are older, I want to be a VP of HR at a small company.

### What kind of person does really well at this job?

I think you have to have a very strong balance between analytical skills—being comfortable with numbers and spreadsheets—and interpersonal [skills]. You need to be someone with solid organizational skills, someone who's comfortable in a business environment that's profit-driven.

### What do you like about your job?

One thing I like is the variety. It's about psychology; it's about business; it's about law. It's intellectually stimulating because there's variety there.

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### **What do you dislike?**

When there's a business downturn and a lot of your job has to do with layoffs, that's not fun. And there's some repetitive number crunching that has to be done—something I don't like.

### **What is the biggest misconception about this job?**

That all you need are good people skills. You need a very good understanding of people, but it doesn't stop there. You have to be really productive, have an understanding of the business, and possess analytical skills.

### **How can someone get a job like yours?**

You need to get an education that includes either an MBA or an MS, something that gives you a good foundation. Start in one of the functions like staffing or benefits. You can work in the specializations and then become a generalist after you've worked in the different specialized areas.

### **A Day in the Life of an HR Manager for a Big Company**

- 7:30 I come in, get all my voice mail and make phone calls. I do phone and sometimes simultaneously e-mail. Usually I do that only when I'm on a phone meeting. Not all of the topics are germane to what I need to do. There's so much to do. I'm one to 600 employees. In terms of frontline of defense, I'm it. I have three hours of phone calls and two to three hours of e-mails.
- 10:00 I have standing staff meetings. The rest are meetings and informal discussions. Some days, I work at home in the afternoons.
- 12:00 I usually get lunch and eat it at my desk. If I'm going to fit everything during the day, I don't take a break.
- 1:00 More meetings and discussions.
- 6:00 I would say the typical HR manager goes home between 5:30 and 6:30.

## Human Resources Manager (for a Smaller Company)

Years in the business: 16

Age: 48

Education: master's degree in administration (MSA)

Hours per week: 50 to 55. I work at a place where it's 24/7. I like to be here for the people who get off at 7:00 in the morning, so I'm in early.

Size of company: 550 employees

Annual salary: \$88,000, with bonuses that can be as much as 25 percent

### What do you do?

I'm responsible for the administration of all human resources activities and functions. That can go from risk management—you have to have a working knowledge of legal requirements and make sure you're complying with all of that—to recruitment—you're part of recruiting and screening employees—to benefits issues. You're an administrator of employee transactions and career ladder.

### How did you get your job?

I was at a health care center that was going through a downsizing. They offered some parachutes to senior staff, and I took one. My wife wanted to relocate closer to her family. I actually sent my resume to a newspaper ad, and about two months later, I got a call.

### What are your career aspirations?

I think I'd like to continue to do what I'm doing. I'm really content where I am at this stage in my career.

### What kind of person does well in this job?

A person who can juggle many balls at one time. A person who isn't anal. A person who can listen to someone when they come in and not draw conclusions right away.

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### **What do you like about your job?**

It's different every day. There is the satisfaction that I can help an employee with a problem. The other thing I like is when I'm a resource to the team.

### **What do you dislike?**

[My job] can mean long hours. Somebody might not like being the person who has to pick up all of the little details. Let's say you have an employee banquet. You have to know what's going on prior to, during, and after it. Some people might not like it if they need a lot of structure. There are a lot of interruptions in HR.

### **What is the biggest misconception about this job?**

I was thinking of another cliché: "I like to work with people." A lot of people think they're going to spend a whole day with employees, being part of training or whatever, and they end up spending a lot of time creating and analyzing reports.

### **How can someone get a job like yours?**

They should definitely have at minimum a bachelor's degree, preferably a master's. It should be related to the HR discipline or administration. You may see some people with a bachelor's in organizational development. That's a good background, because there's a social science element to the discipline.

### **A Day in the Life of an HR Manager for a Smaller Company**

- 6:30 I generally have employees waiting at my door with various questions.
- 8:00 I start answering e-mails.
- 9:00 Generally, I'll have senior staff meetings late morning, and they last until lunchtime.
- 12:00 Lunch.
- 1:00 I'm generally working on metric reports, unless I have someone at my door.
- 2:00 Afternoon meetings.

- 3:30 I'll get to more e-mails. It might be answering a salary survey or a worker's comp claim. I have an open door, so I generally have employees coming in all the time asking questions. I spend about four hours a day in meetings with department heads, supervisors, vendors, and senior staff.
- 5:30 Go home.

## PEO Client HR Manager

Years in the business: 4

Age: 35

Education: MBA, MA in art history, BA in French

Hours per week: 40 to 55

Size of company: For someone in the PEO industry, that's an interesting question because all together we have about 110,000 (that includes workers at the client companies).

Annual salary: \$65,000, plus a guaranteed bonus of 10 percent

### How did you get your job?

I answered a blind ad and was called back by the headhunter that placed it.

### What are your career aspirations?

I see myself as just about well rounded in my individual contributor knowledge, so I see myself moving into management. I'm more of a doer than a player. When you get into more of a senior level, there's more politics and less service. The reason I got into human resources was so that I could help improve people's work lives. Right now, I'm more client-facing than corporate-facing.

### What kind of person does well in this job?

The job that I have takes a real velvet hammer—delivering what can sometimes be a challenging message with savvy and consideration.

### What do you really like about your job?

I love the endless variety and opportunity to grow. Where I came from in a large corporate setting, we had teams that [just] did EEO investigations and legal requirements. Now, I've had to expand my knowledge base, and I love that. I also really love the persuasive aspect of what I do and the educational aspect.

**What do you dislike?**

The daily travel requirements. I have to take my office with me; I have a suitcase full of files and a laptop, and my office is wherever I sit. HR people in general tend to favor a lot of structure, and this job requires flexibility. Changing locations is yet another variable in the mix.

**What is the biggest misconception about this job?**

The biggest question is, “What is the PEO industry?” It’s a basic confusion. I get the impression that it used to have some kind of slick façade, that it was a way to screw employees out of an otherwise beneficial arrangement.

**How can someone get a job like yours?**

Contact the PEO directly, because it’s such a high-growth industry. Also, staying in touch with the HR outsourcing companies directly is the best plan, because their growth plans may be aggressive.

**A Day in the Life of a PEO Client HR Manager**

Since I have a region to cover, a typical day involves going to one of the regions. That means a combination of appointments and phone calls. There are 120 or so different companies that I may hear from, and the issues can range from legal compliance to employee relations to compensation.

- 8:30 Turn on my computer. I usually check my e-mail the night before, but because our corporate headquarters is two hours ahead of us, there are more waiting first thing in the morning. Check my voice mail, although this job is not as voice mail intensive.
- 9:00 My first meeting. When a company has me on site, it’s endless. It’s all about maximizing having an on-site HR person, so it’s hard to have a fixed schedule. That’s why the meetings go so much longer now than when I used to meet with a manager as an internal person. My meetings usually last an hour and a half to two hours. They are productive, but it just takes a while. During the month of May, I drove 1,356 miles! Client

visits are a big part of my job. Unlike internal HR, these clients don't have to work with me or keep [our company] as their PEO, so visits are important.

- 11:00 I eat lunch and work at the same time. I've been assembling a lot of employee handbooks today, assembling them from our templates.
- 1:00 I'm usually e-mailing until I go to my afternoon appointment. For instance, today I had to answer a question about COBRA extending beyond 18 months, and legal issues relating to searching employee workplaces for weapons and substances. I had to coordinate information from an attorney and make it employer accessible so they didn't get a bunch of legalese.
- 2:00 Afternoon appointment.
- 5:00 Chances are, at this point, I'm off-site, so then I'm e-mailing for about two hours.
- 7:00 Go home.



# The Workplace

- Lifestyle and Culture
- Workplace Diversity
- Compensation
- Benefits and Perks
- Career Path
- Insider Scoop

# Lifestyle and Culture

There's no single HR culture. Instead, you'll want to find out about the culture of the industry and, more important, the company where you're considering taking a job. That said, a number of qualities typify the day-to-day life of HR insiders we've spoken to. First, every day is different, and your hours will vary depending on the industry, company, and your position. An HR manager in a factory with several shifts, for instance, might expect to alternate shifts or adjust his or her schedule to be available to workers during each shift. At a large company, the experience of HR practitioners in corporate and in the field are likely to be different day to day as well; if you go into corporate, you'll generally be working on longer-term projects, and your hours may spike as deadlines approach. If you're in the field, you'll be more likely to face a consistent set of fires and never know when somebody will need you to step in to resolve a conflict. As for hours, the HR professionals we've spoken to tell us they generally put in 50 hours or more a week. "I think the hours can be as long as you want them to be," says an insider. "I think the phones can really dictate how crazy the day is." At nonprofits or in government, you can generally expect hours to be closer to 40 a week.

A few skills are critical in an HR role. "You need thick skin. You cannot keep everybody happy. There's unlimited desire for money, and yet there's limited money," says an insider. "You have to be able to say no and find the best compromise. You have to use data to the best degree you can. I think influencing skills are important in all of HR. HR is not a line function; it's a support function. Oftentimes, you don't have the actual authority to make a decision—sometimes you do."



In fast-moving business environments, you'll need to be flexible to handle an ever-changing set of issues. "The complexity of organizations keeps increasing. Our organization is worldwide. To solve problems, we're running telecasts with people in Asia and Europe, the U.S., and Latin America. There's a lot of complexity and speed. Being technically savvy is important. A lot of our HR processes are accessed through technical tools of one sort or another," says an insider at a Fortune 500 company.

“ ”

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everybody happy.  
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limited money.**

Regardless of where you're working, HR is a support function: Expect to be interrupted. In many HR roles, you'll be dealing with a wide variety of issues—everything from a volunteer program with a nonprofit, to the upcoming holiday party, to preplanning the annual meeting, to providing documents to the Labor Department for hiring somebody with an H1-B visa. In addition, employees want different things—information about their 401(k), a new password for the intranet, help resolving a conflict over their performance review with their manager. Be ready to answer questions coming from all kinds of people about all kinds of things.

Ultimately, you can negotiate a position that gives you the kind of hours and flexibility you desire. For instance, one working mother says she works only 40 to 45 hours per week and some of it at home by working at one of *Working Mother's* "Top 10 Companies for Executive Women." The company has child-friendly policies such as flexible hours, a child care center, work-from-home procedures, and it even allows working mothers to bring their children to the office. The tradeoff for such hours, she says, is having to turn down some opportunities for advancement because those positions would have required more hours.

## Staffing

Staffing can be more high-stress than HR. Experienced recruiters can get away with 30 or fewer hours a week, but that's not before paying their dues putting in 50 to 60 hours while learning the terrain and making contacts. "Typically people who work out well in the staffing industry rank high on extrovert, middle on analytical skills, tend to be policy driven but rank high on creativity," says an insider. "The more creative you can be in your approach, the more likely people are going to listen."

"I think there are more crises in staffing than there are in HR," says a staffing industry insider. When a job order comes in at 5:00 p.m., "you can't say, 'I'll deal with it tomorrow.' You have to make calls that night." Says another, "It's not a 9:00 to 5:00 job. If you're looking for a straight 40 hours, no evenings, you can do that, but you're only as successful as the time you put into it." This insider says to expect to work 45-plus hours a week. "It's a lot of time on the phone, making calls—calling candidates to see where they are in their job search, doing reference checks, calling clients. You go out a lot to meet clients. There's a definite buzz. It's fairly fast-paced. You get kind of hyped up when you fill a job; it's exciting, but some people burn out."

"Generally speaking, the recruiter from an agency and the HR professional tend to butt heads," says an insider. "The HR professional sees the recruiter as taking his or her job. But the roles are very different, especially when you get into a professional niche market. An HR professional has to staff all kinds of jobs. The professional recruiter is just focusing on recruiting for one specialty area. Our software is more specialized. We have more candidates than the HR professional has. We can run more effective searches. A recruiter is focusing all of his time on one thing."

## Consulting

Consultants work different hours, depending on the client load, and they are more likely to work extra hours as a deadline approaches. “The focus on billable hours is a constant concern,” says an insider. As for hours, “it’s feast or famine.” Some weeks, you’ll put in 70 hours; others, you’ll work 40. It all depends on the workload and the project you’re attached to. “There are fewer weekend hours than at most consulting firms, and less travel,” an insider tells us. “A lot of the work doesn’t need to be face-to-face with the client.”

# Workplace Diversity

HR professionals spend their day thinking about diversity, equal opportunity, gender equity, and accessibility, but that doesn’t necessarily mean the departments themselves are more diverse. SHRM keeps demographic records of its membership, but warns that senior HR staffers tend not to belong to associations, so their numbers may be slightly biased toward middle- and lower-tier HR staffers. The government does not keep statistics on specific occupational roles.

## Gender and Ethnicity

In the 1980s, SHRM membership was mostly men, but now the pendulum has swung the other way, with the membership now dominated by women. “There is somehow this misperception that to be good at HR means that you just have

to have good people skills, and that women have better people skills,” says one SHRM representative.

HR tends to be ethnically old school—if SHRM’s statistics reflects the profession at large. “The membership profile is dominantly Caucasian,” she adds. “I’d say more than 80 percent. The second demographic would be African American followed by Hispanic. Only about 4 to 5 percent of our membership is Hispanic.”

If you’re a member of a less-than-represented group, don’t feel you’ll be excluded from the profession. Just as people going into the field influenced gender balance, so will ethnic diversity. As the workforce becomes more diverse, HR professionals will need to work with or supervise people with various cultural backgrounds, levels of education, and experience. They will have to see and handle them fairly and persuasively.

## Diversity in Other Forms

While the profession is overwhelmingly white and female, other aspects are as diverse as the companies HR serves. One insider tells us of the conservative culture at the major interstate bank where she worked as VP of HR. Another talks of the added work brought on by a consolidation from a merger with another computer firm, common in tech and Internet business. The nature of the business in which you are working and the culture determined by HR and management bring great diversity to the types of work environments you may encounter.

# Compensation

According to the Department of Labor, median annual earnings for all types of human resources managers amounted to \$59,000 in 2000. The middle 50 percent earned between \$43,600 and \$80,390. The lowest 10 percent earned less than \$33,360, and the highest 10 percent earned more than \$104,020. Since then, salaries have inched up or stayed flat. Of course, how much you make will be determined by the size and type of organization you work in. In the tech industry, where growth is at more than 33 percent and salaries tend to be high, median HR earnings are \$75,140. Smaller companies and lower-paying industries will pay less, and salaries will reflect conditions in parts of the country where income is below average. The salary table following reflects current ranges for various HR roles.

HR consultants are paid similarly to other consulting professionals, depending on the firm, and generally in the range of \$35,000 to \$60,000 for those recently out of school and between \$60,000 and \$90,000 for those with an MBA. Recruiters are typically paid by commission, which is negotiated with the client. If you work for an agency, your company will negotiate a rate with each client and pay you a commission based on how many positions you place. This works well for the agency, because it doesn't have to invest heavily in unproven recruiters. One positive for recruiters is it gives them a realistic way to find out whether the job's really for them.

**HR Salary Ranges, 2003**

<b>Title</b>	<b>Salary Range</b>
HR Assistant	\$26,000–\$37,000
HR Generalist	\$35,000–\$80,000
HR Manager	\$50,000–\$80,000
Benefits Administrator	\$38,000–\$50,000
Benefits Analyst	\$30,000–\$90,000
Compensation Analyst	\$40,000–\$90,000
EEO Specialist	\$45,000–\$65,000
Recruiter	\$40,000–\$75,000
Training Manager	\$50,000–\$90,000
HRIS Manager	\$50,000–\$105,000
Labor Relations Manager	\$60,000–\$110,000
HR Director	\$60,000–\$110,000
VP of Human Resources	\$90,000–\$225,000
Source: WetFeet research, Wagesweb, Bureau of Labor Statistics.	

# Benefits and Perks

Benefits—both those you may receive and those you may end up administering—vary depending on the industry and size of the company. Larger companies, no matter what the industry, tend to offer more benefits than smaller ones. When considering a compensation program, HR pros should realize the degree to which a good benefit program improves overall compensation; at leading companies, benefits can equal 30 percent of total compensation. Every company offers a different set of benefits (and you'll quickly learn the range of possible programs if you go into benefits). Standard benefits include health care, vacation, and a 401(k), but there are a wide array of other benefit programs to look out for—profit-sharing, an employee stock ownership plan, and stock options are three. Many companies provide a matching contribution to an employee's 401(k). Some offer pension plans. Other considerations include how much health care the company pays for (and what percent of dependents-care it covers); whether it offers vision, dental, and mental health care; and what perks come with the job.

Perks can often be significant factors when making a decision on where to work; often, they help define a work culture. Many companies, for instance, offer on-site fitness centers or subsidize membership to a local fitness center; provide tuition reimbursement; and allow flex time. Some subsidize meals; provide game rooms; and offer on-site banking, personal travel service, dry cleaning, or personal concierge services. A few offer sabbaticals for employees who have worked at the company for a certain number of years. Parents might ask about on-site child care, backup child care, lactation rooms, or child care reimbursements for those traveling or working late—and whether they can use their own sick time to care for a child who is sick. Many big companies have negotiated employee

discounts on hotels, car rentals, museums, movie theaters, and even at shopping centers. If volunteering is important to you, you might ask whether the company provides paid-time off to volunteer and, if so, how much.

Of course, expect any questions you ask about benefits and perks to come back to you when you've taken a job. Creating a compensation benefit plan, a corporate culture, and a workplace environment that aligns with your company's business philosophy, business objectives, and strategic goals will become—once you're hired—a critical part of your job.

## Career Path

There are basically two career paths for human resource professionals: that of specialist and that of generalist. Both can lead to becoming a big cheese at a large corporation or working successfully in a private consultancy. Getting specialized expertise can also help you strike out on your own.

Many going into HR pick and choose their path as they go. "People grow into a lot of the roles we have in HR," says an insider. "Director and manager positions often come out of an evolution with the organization." In other words, getting the job at an organization you want to work in is the hard part; once you're in, you may find considerable flexibility in moving into the area you most want to work. Many companies provide tuition reimbursements and training to help develop employees, which is something you might ask about in your interview.



When joining an organization, consider the area you go into; insiders tell us it's easier to go from the field to corporate than from corporate to the field. Turn back to the first chapter, "The Role," and the "The Division of Labor: How It Breaks Down" section to determine which area best suits your interests and skills.

## Specialists over Generalists

Outsourcing is affecting HR by creating jobs in specialty firms and turning the corporate HR department into a hub that ties these services together. Entry-level job opportunities for administrative generalists used to come from within companies, but now the entry points are with vendors and consulting firms. Demand is strong in specialty areas, and it shows in the salary increases given to such specialists. Top corporate training executives, EEO/diversity managers, and technical trainers all had average raises of more than 10 percent, whereas most analyst, administrator, clerical, and generalist jobs saw raises of less than 2 percent. Generalists will still have a role, but that role will be about integrating the services of third parties. These generalists will make decisions on whether it's more optimal to keep a service in-house vs. out-of-house.

In very large multinational firms, HR folks tend to specialize more, except at the manager level. Managers deal directly with employees and act as a go-between for the employees and various specialized branches of HR. One example of an HR specialization specific to a larger company concerns flexible spending accounts, which employees can use to pay annual health care deductibles, co-payments to physicians, and other expenses that may not be covered under an employer's regular health plan. More than 80 percent of companies with 1,000-plus employees had flexible spending accounts, whereas less than two-thirds of companies with fewer than 250 workers did.

Similarly, large companies' HR staffs have to deal with issues like labor relations, outplacement services, college recruitment, and mergers and acquisitions. However,

in a small company, HR administrators are expected to cover all the bases and be cognizant of all programs and legal requirements with which the company is involved.

## Opportunities for Undergraduates

The best news is that, while the overwhelming majority of SHRM members—which represents the middle and lower tiers of the profession—have degrees, only 20 percent have advanced degrees. Most jobs don't require them.

However, if you're fresh out of school, the one quality companies stress most is experience. Internships and work-study programs are great ways to get the real-world exposure that will gain the attention of potential employers.

In your first job, you are likely to be doing administrative work—entering data, compiling employee handbooks, researching information, or answering the phone and handling routine questions. You may be able to get a management trainee position where you learn to classify jobs, interview applicants, or administer employee benefits.

For recruiters, don't even *think* about working within a company straight out of school. "If they don't have a recruiting background, or they don't have a sales background, most companies wouldn't even consider them," says one recruiter. "That doesn't mean they wouldn't hire them as a trainee of some sort." In that case, your best bet is to start out with an agency, she says, because they pay by commission or a small base with commission. From there, you can become a recruiter in a company and move onto other HR paths.

## Opportunities for MBAs and Other Master's Degree Candidates

Having a master's degree helps you start in a specialized area. If you're in business or grad school, you're probably already figuring out areas in which you'd like to specialize: compensation, benefits, recruiting, Equal Employment Opportunity, or HRIS. Getting an internship as a generalist or as an assistant in one of those areas is a good place to start. Often, these firms will hire you when you graduate or you can use your connections to reach hiring managers at other firms.

Your first job after obtaining a master's degree is likely to be as an analyst in one of the specialty areas or as a generalist in a division of a smaller firm. From there, you can gain expertise and get experience in another specialized area and eventually become a generalist in a larger firm. The other option is to go deeper into your first specialty and move into consultancy or a higher position at a specialty firm.

Also, bigger companies tend to give bigger salaries and have heavier requirements than smaller ones, so you can start with a small company and move on to a similarly titled position in a larger company.

## Opportunities for Midcareer Candidates

Almost all advanced HR job descriptions require a certain number of years of experience. While the length of experience is important, the *kind* of experiences is even more important. Focus on doing a variety of HR functions in several companies or divisions of a company. As one HR VP put it, managers need to “take risks and *be seen* taking those risks” during their career.

Although HR workers are moving into executive positions as VP of HR or COO, very few become CEOs. In fact, online career columnist John Sullivan says that he consulted with 50 VPs from Fortune 500 companies in the last decade and that not one of them became a CEO. Many have speculated that this is because HR folks spend their days being cooperative and figuring out ways for people

to get along, while successful CEOs need to think competitively and to be more cutthroat. Still, Sullivan says he doesn't see the problem as insurmountable. "Whether you just want to be an effective VP of HR or if someday you want to ascend to the CEO position, . . . you need to be more aggressive, build your image, focus on metrics and on results that impact the bottom line."

## Insider Scoop

### What Employees Really Like

**Do good, feel good.** Some may have said it was a little trite . . . but aside from those few, almost all of the HR insiders we speak to say they feel good about helping people and, at the end of the day, feel they'd done something positive for their employees' work life. Whether you're creating a volunteer program, preparing paperwork for somebody who was promoted to a manager position, or determining benefits—really, almost everything you do—your work is designed to enhance the work environment for people in the company, and that feels good.

**The spice of life.** No two days in HR are alike—the good, the bad, the ugly all come together to make for a varied and often exciting work environment. "I don't do the same things from day to day or from minute to minute," says one insider. "From coaching an employee who's having a conflict with a supervisor to developing a training program for a group that needs to learn PhotoShop to planning the annual meeting, it's not routine."

**Secure, high-paying job.** The Department of Labor classifies the long-term unemployment for this job as being in the low range, between 1.9 and 3.7 percent, and it classifies the salary as very high, which means median annual earnings are greater than \$39,660. With unemployment in the low range of 25 to 50 percent of all jobs and salaries in the top 25 percent, what more could you ask for?

**Finger on the pulse.** HR pros have their finger on the pulse of the company, interacting with people in different departments across the organization. “I feel connected with a large cross-section of the entire organization, and my role allows me to impact all those areas,” says one insider. “I feel connected with what many divisions in the organization are doing.” That your role is contributing toward creating a positive work environment for people in all those divisions just adds to the pleasure.

**Making a difference in the organization.** In many HR jobs, when you get to be a specialist, people really listen to what you have to say. The skills and knowledge you’ll develop in HR won’t come naturally to others in line positions, for instance. When it comes time to make a decision, people will really listen to you. “You can really make a difference,” says an insider. “When you get to a point where you’ve built credibility and have a unique perspective, you can help others make a decision they would have a hard time making alone.”

## Watch Out!

**Piles of paperwork.** “The paperwork has gotten pretty heavy,” an insider says. And you may find all of the paperwork to gain approvals getting in the way of helping people—probably the main reason you joined the HR ranks. Many HR pros say they went into the field for the people and complain that paperwork required to justify costs and satisfy government regulations instead takes up a huge chunk of their time. Employment applications, for instance, have gone

from two to seven pages with waivers that need to be signed for background checks. These legal issues can lead to major headaches.

**You're support.** HR is considered a support role rather than a line role. As a result, your job is to help others succeed at making money for the business. “You don’t have direct control,” says an insider. “Being in a support role can be hard at times.” Managers can—and often do—override the advice of their HR advisor. Your ability to get things done will depend on persuasion, not authority.

**Many shades of gray.** Human resources isn’t like engineering: There’s not a clear answer to a problem. “The human side of things is not black or white. It’s ambiguous; it’s not necessarily right or wrong. You don’t get to the bottom of things and solve an equation. We use data, but the data doesn’t drive the exact answer,” says an insider. You’ll need to be able to deal with ambiguity of you’re going to do this job well—something some people may like but many might struggle with.

**Paying your dues.** Even recruiters who say they can work fewer than eight hours per day tell us newcomers will have to put in 50- to 60-hour workweeks while they establish themselves and build relationships. The higher up you get and the larger the organization, the longer the hours. Even though you may have specialists working with you, you’ll have other areas to deal with—additional benefit plans and other activities, such as determining layoffs following a merger or acquisition.

**The bad guys.** HR managers play a variety of roles, many of which can be trying. For instance, they have to sit in on the meetings where the bosses give the bad news. Several insiders say they don’t look forward to that part of their jobs, although one says she found firing people for cause to be much easier than cutting back on staff during economic slowdowns. You’ll also be responsible for enforcing policies that others in the organization may not agree with or like. “Having to be the bad guy is hard,” says an insider. “When there are company policies that HR is looked at to uphold, most don’t like you.”

# Getting Hired

- The Recruiting Process
- Interviewing Tips
- Grilling Your Interviewer

# The Recruiting Process

One thing that HR professionals of all types stress over and over is the need to get experience and to become familiar with a company's business, how it makes a profit, and what its employees do. You can get that experience through internships or work in an industry. In fact, an internship may lead directly to your first job.

Because jobs are scarcer, and both recruiters and hiring managers are getting bombarded with resumes, you will probably get a phone interview before you get a face-to-face interview. The phone interview determines whether the company wants to have managers take the time to meet you. You'll experience this in a tough market whether you are just coming out of school or are an experienced industry vet.

If you manage to survive the phone interview, you'll then be brought in for interviews with immediate managers and potential coworkers. These could be on the same day or on different days.

Another growing part of the recruitment process is pre-employment testing and screening. This can include something as basic as a skills test to see whether you can do what the company needs you to do—and what you say you can do—to an investigation into your background. About 85 percent of larger firms require pre-employment testing, according to SHRM.

## Breaking In

In our conversations with insiders, we found some interesting ideas for breaking into HR. One is through the staffing industry. "Sometimes getting into the staffing industry is a great way to get an HR position," one insider tells us.



Because you work with HR people and build relationships with them and you learn about staffing, you've got great skills for HR.

However, the consensus "best practice" for getting into HR is networking. Insiders recommend joining professional associations, like the SHRM or WorldatWork. (See "For Your Reference" for a list of professional associations.) Most specialized roles have groups that meet regularly where people share information. Attending conferences or local chapter meetings can be a good way to meet people in the field.

Developing a personal network can also serve you as you advance through your career. We discuss networking in depth in *Networking Works! The WetFeet Insider Guide to Networking*.

## What to Look for in an Organization

Every company's management philosophy, work style, work environment, and HR programs are a little bit different. You will be administering these programs, so it's a good idea to look for some you believe in at a company doing work you can get behind. How progressive a company do you want to work at? What kind of industry is most interesting to you? What do you value? Networking is the most effective way to learn about the culture of different organizations as you determine where you want to work.

Some companies, such as W.L. Gore, a company that makes medical, electronic, industrial, and fabric products, have wildly original work cultures; at Gore, compensation is based on a peer-ranking system. Others, such as clothing-makers Timberland and Patagonia, have serious commitments to their community that pervade the work culture, and pay employees to volunteer a certain amount of time each month or year. Finding out what a company's values are, the stories it tells about itself, the personality of the CEO, and the degree of employee

participation in the management of day-to-day work can help you make a more informed decision about whether you'd fit in. Cultural fit is important for all job seekers, but perhaps doubly so for HR professionals, where you're responsible for the culture. Better that you like it than don't.

You can learn about some specific companies and a lot about the culture of a number of industries by consulting WetFeet's Insider Guide series.

## Where to Look for Jobs

In searching for a company to work for, you might consider those with outstanding reputations. Many local business journals publish information about workplaces; some rank companies based on their workplace in annual issues. SHRM is currently working with the Great Place to Work Institute to develop a list of the best small and mid-sized companies; check [www.shrm.org](http://www.shrm.org) to see if it's out. Newspapers and magazines regularly profile local companies and often single out those with great workplace practices; these can be great leads in finding a company you want to work at.

If you're looking at bigger companies, *Fortune's* list of the "100 Best Companies to Work For" is a great source of companies with leading HR practices. Updated annually, the list ranks companies based on their cultural practices and employee responses to a survey. (For international readers, similar lists are put out for the European Union, India, Columbia, Korea, and many other countries.) *Business Ethics* magazine's "100 Best Corporate Citizens" is another good place to look; companies named to the list are ranked on a variety of factors, including the company's contributions to local communities, attention to safety, focus on the environment, and concern for employee well-being. (See [www.fortune.com](http://www.fortune.com) for the "100 Best Companies to Work For" list and [www.business-ethics.com](http://www.business-ethics.com) for the "100 Best Corporate Citizens.")

# Interviewing Tips

1. **Be ready to give clear examples of when you worked well with people.** A universal plea by all HR workers is that they are tired of hearing, “I want to work with people.” First, the business is about much more than working with people, and second, the hiring manager will want to know how you worked well with people. Be sure to have some specific anecdotes to share with your interviewer that will showcase such interpersonal skills.
2. **Convey an understanding of business.** While an understanding of human behavior will certainly be critical for some HR roles, such as employee relations, in most others your ultimate purpose is to help make the business work. By showing that you understand how business works—and how HR can make the organization more profitable—you’ll be demonstrating critical skills for long-term success in the role.
3. **Know the industry.** The HR function varies widely by industry. Working in high tech, for instance, is different than working in government or within a unionized company. If you’ve worked in the industry before, talk about your experience. If you’ve worked in a different industry, share how that environment prepared you with skills relevant to the one you’re applying to work in. “Studying up on that industry is going to give you a leg up when interviewing,” an insider advises.
4. **Know the company.** Find out everything you can about the company before going in to interview. Search for articles in major business magazines like *Fortune*, *Fast Company*, and *Business Week*. Read the company’s website. Check out articles that describe its workplace—you can do an article search

on many public library databases. By showing you know about the company and how it operates, you'll be able to speak about why you want to work there in particular.

5. **Prepare answers to behavioral questions.** Behavioral interviewing is common in HR. A manager might ask something like, "Tell me about a time when you successfully negotiated something," or "Tell me about a time when you worked with an employee who was disagreeable." Be prepared to tell the steps you took to mediate the situation and how you were directly involved in finding the solution.
6. **Prepare examples of how you've established credibility with people in the past.** One of the key responsibilities for many HR roles is helping other people make sound decisions. The ability to work effectively with executives, line managers, and employees is an important one. Think about what you've done in the past to mediate conflict, persuade, and build credibility, and come ready with examples of how you've used this skill.
7. **Ask about the company's culture.** HR professionals have a direct impact on the company's culture. Show an interest in the company's culture and what makes it distinct. Asking about things like recognition programs, performance reviews, and training shows an interest in both the function and the work you may be hired to do. "Culture-based questions are fun," says an insider. "It shows they're very interested and focused on the role."
8. **If you're going into an HR specialty, be ready to talk about your skills in that area.** If you're interviewing for a compensation assistant role, for instance, be ready to talk about how previous employers maintained payroll. If you're going into an IT HR role, be ready to talk about the IT infrastructure at your previous employer. Showing expertise, competence, or the ability to quickly adapt to the new company's systems can all help your chances at landing a job.

9. **If you're going into a staffing role, be ready to talk about your service and sales skills and creativity.** Staffing involves a lot of selling candidates to employers—as well as finding creative ways to get the attention of company recruiters. Customer service is also a daily element of the role, as you'll be in regular contact with clients (both employees and employers). You'll want to be able to explain why you'll succeed in this role, and proof of these skills give you a huge advantage over other candidates.
10. **Network.** While this isn't an interviewing tip per se, it's the best way to help you get interviews—and get considered for jobs. Networking is like casting a wide net, because the people you talk to are closer to the opportunities than you are and are often instrumental in landing interviews.

## Grilling Your Interviewer

HR recruiters love it when candidates ask questions in interviews. We've prepared a list that you can pick and choose from and which should convey your understanding of the field; however, for best results, we encourage you to develop your own and target them to the company to which you're applying. Ultimately, HR pros tell us they most want to hear questions customized for the position to which the candidate is applying.

- What do you like most about your job?
- How often do you evaluate your compensation policies?
- How has your organization been affected by rising health care costs?

- How are you managing rising health care costs?
- What do you like most about the work culture at the organization?
- What programs are in place to develop diverse leaders, such as preparing women and underrepresented populations for executive and senior management roles?
- What type of privacy policies, if any, does the organization have?
- What's the process your organization goes through when it develops a new training program?
- How often does your organization reevaluate its benefits package? What role does employee input have in the process? How do you gather that input?
- How often do you survey employees and what survey process do you use? Once you get survey results, how do you communicate them?
- Can you talk about the organization's approach to ethics, and how it has evolved its policies in this area since the corporate scandals such as Enron?
- In your opinion, what's the most distinctive thing about the organization's culture? What role does it have in employee retention?
- To what degree is HR involved in strategic business decisions at the organization? How has this changed since you've been here?
- Has the organization begun thinking about the projected labor shortage? What short-term and what long-term measures are planned to deal with it?
- If I were hired, what opportunities would I have to move into another HR role? What are the opportunities for advancement for someone in my position?

# For Your Reference

- Recommended Reading
- Other Resources

# Recommended Reading

If you're interested in HR, a great way to develop your expertise, learn about trends, and gain information that may be helpful in an interview is to check out magazines in the field. A number publish in print and online and are worth reading through: *Workforce* ([www.workforce.com](http://www.workforce.com)), *HR Magazine* ([www.shrm.org/hrmagazine](http://www.shrm.org/hrmagazine)), and *Employment Management Today* ([www.shrm.org/emt](http://www.shrm.org/emt)) all do a good job covering current issues in HR. HR.com ([www.hr.com](http://www.hr.com)) has daily news and weekly columns and divides its site into eight HR communities, with information relevant to those in HRIS, legal, and organization development, among other areas. ASTD puts out T&D ([www.astd.org/virtual\\_community/td\\_magazine](http://www.astd.org/virtual_community/td_magazine)), which is a good magazine for job seekers or career switchers interested in training.

Job seekers interested in the staffing industry can take a look at the biweekly *Staffing Industry Report* ([www.sirereport.com](http://www.sirereport.com)), which tracks news and trends, and *SI Review* ([www.sireview.com](http://www.sireview.com)), which contains how-to features and special issues.

Those interested in both HR and consulting should take a look at the research reports on the websites of the big HR consulting firms. Generally, these can be found in the section called "Publications." Towers Perrin ([www.towers.com](http://www.towers.com)), Watson Wyatt ([www.watsonwyatt.com](http://www.watsonwyatt.com)), and Mercer HR Consulting ([www.mercerhr.com](http://www.mercerhr.com)) all regularly post surveys, reports, and articles pertaining to HR. Hewitt Associates ([www.hewitt.com](http://www.hewitt.com)) even has a magazine (*Hewitt* magazine).

You might also keep an eye on the business section of your local newspaper, as well as the *Wall Street Journal*, *Fortune*, *Business Week*, *Fast Company*, and other business publications. As we've said multiple times in this guide, understanding business is increasingly important for those practicing HR, so staying on top of current



business trends—and analyzing how they will affect HR—will enhance your attractiveness as a candidate.

A list of articles, reports, and books that could help you develop your understanding of this field, bone up on current trends, and sound smart in an interview follow.

### **“The Coming Job Boom”**

This cover story looks at the job boom many predict will happen with the baby boomers retire. According to forecasts from a number of sources, the supply of labor is expected to fall short of demand—putting pressure on HR professionals to develop creative retention programs and increasing competition for staffing positions, particularly those in high-skill areas.

Source: Paul Kaihla, *Business 2.0*, 9/03.

### **“Global Human Capital Survey 2002/3”**

This executive briefing of the PwC report, based on data from 1,000 organizations in 47 countries, is good information for any HR practitioner to be armed with. Among other things, this survey makes a compelling case for the connection between HR strategy and revenue per employee and shows the value of good people practices on the bottom line.

Source: PricewaterhouseCoopers, 2002: <http://www.pwc.com/gx/eng/about/svcs/hrc/pwc-ghcs-executive-briefing.pdf>.

### **Human Resource Development Careers (4th ed)**

ASTD created an excellent online overview of careers in human resource development, which includes training and development, organization development, and career development. A subset of HR, we talk generally about opportunities in these areas but not in depth. If you're interested in how organizations work,

training and development, and helping align employees with the organization's need, check out this source.

Source: Annabelle Reitman, et al.  
[www.astd.org/virtual\\_community/comm\\_careers/t&d\\_career/HRD\\_intro.html](http://www.astd.org/virtual_community/comm_careers/t&d_career/HRD_intro.html).

### ***The Human Capital Edge***

*Bruce N. Pfau and Ira T. Kay (McGraw-Hill, 2000)*

This book looks at how HR practices can add to a company's bottom line and how others can detract from it. It covers everything from recruiting to compensation to benefits to work environment, and it includes case studies.

### ***The Human Equation: Building Profits by Putting People First***

*Jeffrey Pfeffer (Harvard Business School Press, 1998)*

In this excellent book, Pfeffer argues that companies focused on creating great work cultures for their people deliver better returns over a longer period than organizations that don't. Those interested in how innovative people practices can benefit the bottom line can learn a lot from this book.

# Other Resources

## **American Staffing Association**

277 South Washington St., Ste. 200

Alexandria, VA 22314

Phone: 703-253-2020

[www.natss.org](http://www.natss.org)

The industry organization for the staffing industry. ASA runs an annual conference. The weekly *StaffFacts* newsletter gives news of the industry but is less informative than others.

## **American Society for Training & Development (ASTD)**

1640 King St., Box 1443

Alexandria, VA 22313

Phone: 703-683-8100

[www.astd.org/index\\_IE.html](http://www.astd.org/index_IE.html)

The industry organization for training and development professionals. ASTD puts on regular conferences, publishes *T&D* magazine, and provides a range of information about issues relevant to training and development specialists.

## **DiversityInc.com**

[www.diversityinc.com](http://www.diversityinc.com)

Puts out original, manager-level information about the business benefits of diversity. The organization publishes both a magazine and the website.

**Great Place to Work Institute**

[www.greatplacetowork.com](http://www.greatplacetowork.com)

This for-profit research, educational, and consulting organization puts together *Fortune's* “100 Best Companies to Work For” list and many others like it. The website has information about the value of trust in the workplace and includes examples of best HR practices across industries.

**International Association for Human Resource Information Management (IHRIM)**

P.O. Box 1086

Burlington, MA 01803

Phone: 800-946-6363

[www.ihrim.org](http://www.ihrim.org)

An organization devoted to providing the knowledge and solutions for managing information and technology to accomplish strategic HR goals, IHRIM publishes several resources and has a number of local chapters, which host networking events.

**National Association of Professional Employer Organizations**

901 N. Pitt St., Ste. 150

Alexandria, VA 22314

Phone: 703-836-0466

[www.napeo.org](http://www.napeo.org)

This is an organization for those working at PEOs.

**Society for Human Resource Management (SHRM)**

1800 Duke St.

Alexandria, VA 22314

Phone: 703-548-3440

[www.shrm.org](http://www.shrm.org)

The website of the leading professional association for HR practitioners has studies of interest to people in the industry as well as a huge number of resources.

**Worldatwork**

14040 Northsight Blvd.

Scottsdale, AZ 85260

[www.worldatwork.org](http://www.worldatwork.org)

Considered the preeminent organization dealing with compensation in the United States. The group's website has tons of information including e-books, links to articles, government information, and salary and benefit information.

## **WetFeet's Insider Guide Series**

Ace Your Case! The WetFeet Insider Guide to Consulting Interviews  
Ace Your Case II: Fifteen More Consulting Cases  
Ace Your Case III: Practice Makes Perfect  
Ace Your Case IV: The Latest and Greatest  
Ace Your Interview! The WetFeet Insider Guide to Interviewing  
Beat the Street: The WetFeet Insider Guide to Investment Banking Interviews  
Getting Your Ideal Internship  
Get Your Foot in the Door! Landing the Job Interview  
Job Hunting A to Z: The WetFeet Insider Guide to Landing the Job You Want  
Killer Consulting Resumes!  
Killer Cover Letters and Resumes!  
Killer Investment Banking Resumes!  
Negotiating Your Salary and Perks  
Networking Works! The WetFeet Insider Guide to Networking

## **Career and Industry Guides**

Accounting  
Advertising and Public Relations  
Asset Management and Retail Brokerage  
Biotech and Pharmaceuticals  
Brand Management  
Computer Software and Hardware  
Consulting for Ph.D.s, Lawyers, and Doctors  
Entertainment and Sports  
Health Care  
Human Resources  
Industries and Careers for MBAs  
Industries and Careers for Undergrads  
Information Technology  
Investment Banking

Management Consulting  
Manufacturing  
Marketing and Market Research  
Non-Profits and Government Agencies  
Oil and Gas  
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Top 20 Biotechnology and Pharmaceutical Firms  
Top 25 Consulting Firms  
Top 25 Financial Services Firms  
Top 20 Law Firms  
Venture Capital

### **Company Guides**

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Bear Stearns  
Booz Allen Hamilton  
The Boston Consulting Group  
Cap Gemini Ernst & Young  
Citigroup  
Credit Suisse First Boston  
Deloitte Consulting  
Goldman Sachs  
IBM Business Consulting Services  
JPMorgan Chase  
Lehman Brothers  
McKinsey & Company  
Merrill Lynch  
Monitor Group  
Morgan Stanley





## **Who We Are**

WetFeet is the trusted destination for job seekers to research companies and industries, and manage their careers. WetFeet Insider Guides provide you with inside information for a successful job search. At WetFeet, we do the work for you and present our results in an informative, credible, and entertaining way. Think of us as your own private research company whose primary mission is to assist you in making more informed career decisions.

WetFeet was founded in 1994 by Stanford MBAs Gary Alpert and Steve Pollock. While exploring our next career moves, we needed products like the WetFeet Insider Guides to help us through the research and interviewing game. But they didn't exist. So we started writing. Today, WetFeet serves more than a million job candidates each month by helping them nail their interviews, avoid ill-fated career decisions, and add thousands of dollars to their compensation packages. The quality of our work and knowledge of the job-seeking world have also allowed us to develop an extensive corporate and university membership.

In addition, WetFeet's services include two award-winning websites (WetFeet.com and InternshipPrograms.com), Web-based recruiting technologies, consulting services, and our exclusive research studies, such as the annual WetFeet Student Recruitment Survey. Our team members, who come from diverse backgrounds, share a passion about the job-search process and a commitment to delivering the highest quality products and customer service.

## **About Our Name**

One of the most frequent questions we receive is, "So, what's the story behind your name?" The short story is that the inspiration for our name comes from a popular business school case study about L.L. Bean, the successful mail-order company. Leon Leonwood Bean got his start because he quite simply, and very literally, had a case of wet feet. Every time he went hunting in the Maine woods, his shoes leaked, and he returned with soaked feet. So, one day, he decided to make a better hunting shoe. And he did. And he told his friends, and they lined up to buy their own pairs of Bean boots. And L.L. Bean, the company, was born . . . all because a man who had wet feet decided to make boots.

The lesson we took from the Bean case? Lots of people get wet feet, but entrepreneurs make boots. And that's exactly what we're doing at WetFeet.

"I found the WetFeet guides very handy for getting up to speed a week before the interviews and I've landed multiple summer internships with your help. Go WetFeet!"

— Wharton student

"WetFeet offers job seekers convenient and highly comprehensive resources for gathering current information on the job market. Their publications are superior assets in the job search arsenal."

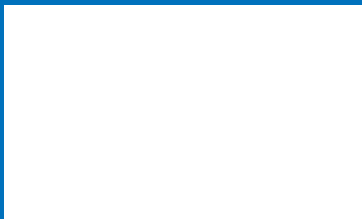
— Don Brezinski, executive director, Corporate Relations, Bentley College

"WetFeet provides the best and most comprehensive insider guides."

— Jacqueline A. Wilbur, director, MBA Career Development,  
Sloan School of Management, MIT

WetFeet has earned a strong reputation among college graduates and career professionals for its series of highly credible, no-holds-barred Insider Guides. WetFeet's investigative writers get behind the annual reports and corporate PR to tell the real story of what it's like to work at specific companies and in different industries.

**[www.WetFeet.com](http://www.WetFeet.com)**



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