



UNVEILING MYTHS AND REALITIES: HR CONSULTING IN THE AFRICAN MARKET

Since being established in 2010, PRI has grown across the continent in terms of offices opened, projects completed, and clients gained over its more than a decade of experience. During this time, we have witnessed the global trend of HR consulting and outsourcing gaining traction, enabling organisations to optimise their HR functions and concentrate on their core business objectives. PRI itself has been expanding its services in line with this global trend and now includes two areas under the broad category of outsourcing, namely Organisational Development and the outsourcing of functions associated with an HR department. However, despite these developments, when it comes to the African market there exist several misconceptions and myths surrounding HR practices and the utilisation of consultants. Being aware of how the market operates PRI's own HR experts, Sula Gustavus (HR Consultant), Emma Harvey (Head of Organisational Development), and Priyanshi Naik (Human Resources & Labour Relations Consultant) shared their insights on these and other related topics.

HR Practices in Africa: Unique Cultural and Social Structures

Despite living in a world that has, for centuries, been dominated by Western practices and approaches we have been witnessing a growing emphasis on practices

that respond to its immediate context rather than purely replicating others. It must also be no surprise that in the realm of HR, understanding the unique cultural and social structures of a region is crucial for the effective implementation and adaptation of HR consulting practices. Reflecting on the

African market for Organisational Development Sula challenges the notion that HR practices in Africa can just blindly follow established international approaches, emphasising the need to understand and adapt to unique cultural and social structures that inform human behavior and expectations. Sula speaks of the need to be agile, "Understanding and adapting to the local culture is crucial. What works in one country or region may not necessarily work in another. It's important to be flexible and tailor HR practices accordingly."

Priyanshi through her experience in HR outsourcing confirms how this also holds true when outsourcing parts of an HR function of an HR department and highlights how it has a bearing on the conditions of employment that clients should be aware of. She reminds us that, for example, "The informal work culture prevalent in some African countries fosters a more relaxed atmosphere with flexible working arrangements and extended breaks. Additionally, HR practices in some regions of the continent demonstrate a heightened focus on employee welfare and support, with initiatives like mandatory allowances for housing, transport, and lunch, as well as the introduction of mandatory gratuity/severance pay."

As a people's business HR consulting must be reactive to its social and cultural context. This is needed to ensure measures are implemented in response to the socio-economic challenges faced by employees in their respective countries as such measures form part of an investment in productivity, and thus a development pathway.[1] In addition, we have witnessed clients making costly mistakes when entering or growing their businesses in countries where they do not consider the variations of local labour laws and requirements.

Limited Skills and Expertise of HR Professionals

When considering the availability of skilled HR consultants and the vitality of the HR environment on the continent in general it becomes clear that it is faced with two major issues. The first is a context where HR functions are not always prioritised by organisations for a range of reasons. These reasons include but are not limited to:

- Limited resources: Companies might have limited resources and may not prioritise HR functions.
- Misconceptions: Some businesses may view HR as primarily an administrative function, overlooking its strategic value in organisational growth.

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- Focus on other priorities: In fast-paced industries or during times of crisis, HR initiatives might take a backseat to immediate business challenges.
- Lack of alignment: HR goals and objectives may not be well-aligned with the overall business strategy, leading to deprioritisation.
- Short-term focus: Companies may prioritise short-term financial gains over long-term investments in HR, which can impact employee retention and engagement.

For example, the startup scene has been critical to the acceleration of economic development in the region – attracting investors, creating jobs, and serving the unique and unmet needs of African markets. But expectedly they simultaneously lack the resources, insight, and experience to effectively manage their human capital.[2] The lack of prioritisation of HR by companies can have significant repercussions on the growth of the HR industry and the influx of new professionals.

This can be identified as the second major issue faced by our sector. With underinvestment in HR initiatives, the industry may experience limited expansion and reduced job opportunities. Moreover, companies' neglect of HR may lead to a skills and knowledge gap, hampering innovation and development within the field. This not only hinders the growth of such organisations but, as Emma confirms, also exacerbates the slow growth of skilled HR professionals entering the market perpetuating the current skills shortage.

There have, however, been monumental shifts across the region since 2010 with the establishment, recognition and expansion of professional HR bodies and their mandate to professionalise and standardise HR practices

in their jurisdictions. These include the expansion of the authority of the Zambia Institute of Human Resources through the Zambia Institute Human Resource Management Act of 2022,[3] the development



of the continent's first national HR Standards and Audit framework by the South African Board of People Practices in 2014,[4] and the implementation of the Human Resource Professionals Act No.52 of 2012 by the Kenyan government.[5]

When discussing these shifts Emma highlights her own experience in Organisational Development projects in Zambia which clearly illustrates that HR professionals in Africa, though in short supply, possess diverse and valuable skill sets. These developments in professionalising the HR space enable HR practitioners to navigate the

unique challenges and complexities of the region while delivering effective HR solutions and driving organisational success.

This is further confirmed by her department's track record in managing change, implementing organisational development initiatives, and leading successful training programs for clients. The pro-active establishment of a reputable profession help further develop the HR market in the region by building trust in the added value of professional HR consultants and the resulting mutually beneficial relationships. Priyashi expands on this reality when pointing out the increasing number of African businesses that prioritise well-established HR departments, whether internal or outsourced, with qualified professionals who strive to align their practices with industry standards and adapt to changes and best practices. She does however add a word of advice, "It is essential for companies to invest in continuous professional development and engage in professional networks to enhance HR talent and navigate the realities of limited skills and expertise where it exists."



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Prospects of HR Outsourcing in Africa

Despite the very real skill shortage and development shortfalls of the HR industry our conversation also reflects positive prospects for the HR consultancy industry in Africa. Sula's active involvement in strategy overhauls, acting as an outsourced Organisational Development consultant, and receiving additional requests from clients demonstrate an increasing openness to the benefits of using HR consulting services. "For one of our clients in the retail industry we started off our relationship with a training session they requested for their ground staff."

She further elaborates that "The training was so successfully received that we ended up preparing and leading their training schedule for an entire year. We had amazing feedback from both the salespeople and sales managers. They felt that things are progressing, people are more confident on the sales floor, and most importantly, the relationships between coworkers have improved. Fast forward to today where we are leading a complete strategy overhaul as an outsourced consultant to their internal HR team."

For Priyanshi it is the emerging trends, such as increased demand for HR technology solutions - these include Human Resource Information System (HRIS), Applicant Tracking System (ATS) and HR Analytics and Reporting Tools to name a few - and specialised HR services, that point towards a promising future for the HR consulting industry in Africa. She elaborates that "As technology continues to advance, there is a growing need for HR outsourcing providers to offer technology-driven solutions. This includes cloud-based HR management systems, applicant tracking systems, employee self-service portals, and data analytics tools."

She also draws attention to the unfolding shift towards more specialised HR outsourcing services in Africa. Instead of opting to outsource the entire HR function, organisations might prefer to delegate specific HR processes such as payroll administration, recruitment, performance management, or talent development. This approach enables companies to harness the expertise of specialised providers and streamline their HR operations, signalling an HR industry that is maturing into the next phase.

Beyond Administrative Tasks: Adding Value and Focusing on People

As part of the developing business landscape in Africa, HR consulting is stepping beyond its traditional role of administrative tasks to add strategic value and prioritise the well-being of employees. By shifting its focus towards people-centric initiatives, HR departments are driving organisational success through enhanced engagement, talent development, and creating a positive work culture. Emma quickly dismissed the perception that HR departments are primarily administrative and not strategic, emphasising that the Organisational Development they are involved in encompasses the entire employee journey and experience, from policies, attraction and recruitment to onboarding, and performance management.

Throughout the employee lifecycle, HR plays various pivotal roles. They conduct job analyses, manage recruitment, onboarding, and training. HR facilitates performance management, employee engagement, and career advancement, including succession planning. Additionally, they handle offboarding with care, conduct exit interviews and manage necessary procedures. HR's involvement is vital for attracting, developing, and retaining talent, ensuring a positive employee experience, and

contributing to organisational success through policy and practice.

She underscores this when elaborating, “I understand the importance of providing measurable deliverables that make a meaningful impact within the organisation. In fact, I cannot stress enough the significance of this aspect. That being said, it is essential to view Organisational Development as a continuous process, constantly adapting and evolving to meet the organisation's needs and challenges.” Sula echoes this reality in the



context of Organisational Development, “I think L&D is definitely something that is taking up more space” as she speaks of a realisation that HR solutions lie not only in recruitment but also in upskilling and developing an existing workforce.

Priyanshi expands on this topic by making it clear that “African HR practices are involved beyond administrative tasks, considering the region faces unique challenges in recruitment and talent development.” This is a clear reference to the familiar challenging factors such as limited access to skilled labour, brain drain, or inadequate educational systems that pose significant obstacles. These region-

specific challenges require HR departments that are instrumental in shaping a company's strategic direction to navigate these obstacles. [6]

This would explain why an increasing number of companies are actively working with organisations such as PRI to address these challenges by implementing HR strategies that prioritise the development and retention of local talent. This shift in perspective acknowledges that HR consulting extends beyond administrative tasks. It encompasses comprehensive learning and development programs that empower organisations to train their current staff to attain the required skill levels. Not only does this approach offer a potential cost advantage, but it also ensures that companies thrive in the face of talent scarcity.

African HR Potential: Partner with Africa's Trusted People Partner

Our expertise in HR consulting transcends the traditional focus on the bottom line, effectively contributing to it while championing a people-centric approach. Our first-hand experience continues to debunk prevailing myths surrounding HR outsourcing and Organisational Development in the African market, underscoring the significance of cultural understanding and challenging assumptions about the capabilities of African HR professionals. These insights highlight PRI as an undisputed leader in this dynamic and evolving landscape.

For organisations seeking a fruitful partnership in HR solutions, our guidance on building strong relationships, engaging employees, and fostering emotional investment in projects is paramount. These factors are the cornerstones of our ongoing success in the HR space, and by embracing our people-centric approach, your organisation can harness the vast potential

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By embracing a people-centric approach, organisations can forge successful partnerships in HR outsourcing, leveraging the vast potential for growth and development within the African market.
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for growth and development within the African market. We invite you to embark on this transformative journey with us. **Don't hesitate; reach out to us and embrace success in the HR space.**



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