Implementing an HR Audit
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Organisation description:
ActionAid is a global movement of people working together to further human rights for all and defeat poverty. We work in over 45 countries, and have our head office in Africa, because it’s important to us that the people whose lives we support and who we work with feel connected to us.

ActionAid’s International Secretariat underwent a restructure in 2011/2012 in order to enable us to deliver on our new international strategy. Through this restructure, HR became an integral part of Organisational Effectiveness; focusing on key projects to enhance the value of our HR capacity, systems, policies and processes. The HR Audit Tool was one such project.

Problem:
In many of the 45 countries where ActionAid operates, HR functions have either never undergone a full audit or they haven’t been audited for a number of years. As a result, the International Secretariat were unsure of the standard and quality of many HR policies, practices and procedures across the Federation. They needed to ensure that these were aligned to ActionAids Global HR Standards (which are themselves aligned to People in Aids Code of Good Practice), and that they adhered to local labour.

“For years, an Internal Audit has been involved when undertaking HR in countries. Although aware that this arrangement is not the most ideal, it appeared to be the best on offer. With the newly developed HR Audit Toolkit, we now have a structured and industry tested way of reviewing HR-related issues, which helps to create consistency and better accountability, in an area where risks have been prominent in recent times”
Head of Internal Audit

Solution:
To address this, while also working towards People In Aid Accreditation across the whole federation, ActionAid developed an HR Audit Toolkit.

“The People in Aid HR Audit Toolkit was a fabulous resource to use as a starting point on this project, it gave good instructions, clear questions and had a succinct layout for us to follow and adapt to our specific needs”
HR Project Coordinator.

ActionAid’s HR Audit Toolkit has four sections: an online questionnaire, a physical audit, an analytic tool and an action plan. These four aspects have ensured that all staff are able to confidentially feed into the process through the online questionnaire. The physical audit then allows the auditor to verify the responses to the questionnaire, undertake interviews with staff, and check HR records, policies, processes and systems that are in place using a set of pre-designed questions and checklists. The analytic tool is a mechanism for the auditor to collate both the results from the online questionnaire and the physical audit and generate a report, which is then used to substantiate the actions and recommendations made in the action plan. The action plan not only ensures that there is an identified action for improvement, and who is responsible for it and the timeline, but also includes a section for a management response with the aim of having Country Directors or Country Management Teams as a whole taking
responsibility for improving HR policies and procedures. Once the action plan has been agreed on and signed off then it is the responsibility of the HR and Organisational Development (HROD) manager in-country to roll it out in order to achieve the required changes.

What we have done to roll it out:
The initial pilot of the tool across 3 countries found that a means to link and analyze the results from both the questionnaire and the physical audit was needed and that the rating scale needed to be changed, along with some questions in the questionnaire.

“Looking at HR audit areas through staff surveys helps us to examine the HR practices in reality through the lenses of our employees. This HR audit tool uses different means of verifications by a professional HR auditor to come out with a final score that is based on factual evidence and can then be used for benchmarking of different countries and regions across ActionAid.”

HROD Country Coordinator, Asia.

During our annual regional HR meeting, the benefits of auditing were discussed as well as how HR could best utilise and implement this tool in their specific country. The HROD Managers have been very receptive of the HR Audit Toolkit.

“The need for an HR audit cannot be over-emphasized if we really believe that our human capital is the most cherished and valued resource of the organisation; and the HR Audit Toolkit is apt for the task as it ensures confidentiality and inclusiveness, authenticity and validity”

HROD Manager, Ghana.

In 2013, all ActionAid offices will be required to undertake an HR Audit using the new Toolkit, which will be completed using one of the following approaches:

- Cross-country audits by the ActionAid HROD Managers, which limits cost as the HROD Managers from neighboring countries can do the audit. In addition, it will encourage the sharing of HR practices, create an understanding of what ActionAid does and the challenges HR face, and will reward HROD Managers for good performance.

- The Internal Audit team or members of ActionAid International HR will be able to use this HR Audit Toolkit whenever they go to a country, spending an extra 3 to 4 days there to complete the full HR audit.

- Peer Review teams will also use this to look at the HR function of the country they are assessing, using the concept of peer reviews whereby a group of peers will visit a country to review. So they will look at every element of a programme, such as the programme work, partnerships, finance, governance and HR).

- The toolkit has been incorporated into the Membership Development Process; which means that it is something that a country has to do in order for it to move to the next level within the Federation.

Impact/the change in the organisation:
The HR Audit Toolkit has provided us with the means to systematically measure, in detail, the HR functions in each of our 45 countries. Not only does it constructively identify areas that require improvement within an HR function, and ultimately feed into the HROD Managers work plans, but it also ensures that the leadership across the federation is aware of the work of their HR department as they are required to be part of the process.
It will also be a means to measure and ensure that each HR function is continuously improving as it is a robust tool that will be used as part of the Membership Development Process.

“The HR Audit is a thorough tool that provides an extensive view of a country’s HR function. This is critical for our Membership Development Process as we review our country’s organisational health and readiness to progress through the stages of membership within the federation.”

Organisational Development Advisor

**The benefit of the HR Audit toolkit:**
The HR Audit Toolkit provides a mechanism that we can use to systematically collect and collate information about the ‘health’ of HR across the Federation on a bi-annual basis. It will highlight areas of both strength and weakness and encourage collaborative working among ActionAids HROD Managers. It will also feed into HR work plans and ensure that our Country Directors and Senior Management Teams are involved, and take responsibility for, in the management of our staff.