ARTICLE IN PRESS

Business Horizons (2015) xxx, xxx-xxx



Available online at www.sciencedirect.com

ScienceDirect

EXECUTIVE FOCUS

KELLEY SCHOOL OF BUSINESS

Ψ

INDIANA UNIVERSITY www.elsevier.com/locate/bushor

The changing landscape of human resource management certification: An interview with Dr. Amy Dufrane, Ed.D., SPHR, CAE, CEO, Human Resource Certification Institute (HRCI)

John F. Kells, Sandy Jeanquart Miles*

Arthur J. Bauernfeind College of Business, Murray State University, Murray, KY 42071, U.S.A.



* Corresponding author *E-mail addresses*: jkells@murraystate.edu (J.F. Kells), smiles@murraystate.edu (S.J. Miles) Dr. Amy Dufrane was selected as the chief operating officer for the Human Resource Certification Institute (HRCI) in January 2011, and subsequently began leading HRCI in December 2012 as its executive director. She became the CEO in September of 2014. Dr. Dufrane offers over 20 years of experience in the human resource management profession and has developed a reputation as an innovative, performance-focused senior executive for both profit and nonprofit organizations. She has been the chief human resources and administrative officer for the Municipal Securities Rulemaking Board and the senior director of human resources and administration for The Optical Society; she has also held human resources positions at Bloomingdales and Marymount University. Dr. Dufrane has served as an adjunct faculty member in the school of business at Marymount University, Arlington, Virginia, since 1998. She holds a doctorate in education from The George Washington University in Washington, DC; a Master of Business Administration and a Master of Arts in human resources from Marymount University; and a bachelor's degree in management from Hood College in Frederick. MD. Dr. Dufrane also holds the HR Certification Institute designation of senior professional in human resources (SPHR) and is a certified association executive. She is the 2003 Leadership Non-Profit Award winner from HR Leadership Awards of Greater Washington.

0007-6813/\$ — see front matter © 2015 Kelley School of Business, Indiana University. Published by Elsevier Inc. All rights reserved. http://dx.doi.org/10.1016/j.bushor.2015.01.009

2

ARTICLE IN PRESS

At the time of this interview, Dr. Dufrane became the CEO, leading both HRCI and its nearly 140,000 certified professionals in more than 100 countries. It is a privilege to have an opportunity to speak with the executive director for the organization that has had the reputation for the 'gold standard' in HR certifications to offer insight into the landscape of human resource management certification.

John Kells (JK): Welcome, Dr. Dufrane. Would you please provide our readers with a brief overview and a little history of human resource management certification?

Amy Dufrane: Thank you. I appreciate the opportunity to talk about HRCI. At a glance, HRCI is the largest independent credentialing organization in the field of human resources. More than 135,000 HR professionals in 100 countries carry our credentials, and our certificants can be found in 98% of Fortune 500 companies. Our certifications are accredited by the National Commission for Certifying Agencies, which requires a rigorous demonstration of validity and reliability in our credentials' development, implementation, maintenance, and governance.

It may surprise you to know that the roots of certification in human resources go back to 1948, when Herbert Heneman, Jr., Ph.D., published the article, "Qualifying the Professional Industrial Relations Worker," which focused on the need for certifying what were then called personnel professionals. Then in 1967, the School of Industrial Relations at Cornell University and the ASPA (American Society for Personnel Administration) cosponsored a 3-day conference to discuss definitions of the HR profession and its common body of knowledge. But it wasn't until 1973 when the board of American Society of Personnel Administration, which later became SHRM (Society for Human Resource Management), formally approved the creation of what was then called the ASPA Accreditation Institute. The accreditation institute was formally incorporated in 1975 as an independently governed, but ASPA-affiliated, entity.

The first certification program in 1976 bore little resemblance to that of today. It included specialty certifications as well as generalist credentials; and an executive-level certification based on a portfolio review was offered as a way to establish credibility and raise seed money. In 1988, the Institute dropped its series of specialty certifications to focus solely on two levels of generalist certifications: the PHR (Professional in Human Resources) and the SPHR (Senior Professional in Human Resources).

In 1989, in conjunction with the American Society of Personnel Administration changing its name to the Society for Human Resource Management (SHRM), the Institute changed its name to the Human Resource Certification Institute (HRCI), better reflecting the role we play in the HR community.

We introduced the GPHR (Global Professional in Human Resources) in 2004 in response to the globalization of business and HR. While originally a credential that focused on expatriate practices and offshoring, it evolved into a truly global certification for those whose HR work crosses national borders.

In 2007 we added a state-specific certification for HR professionals who face the unique requirements of doing business in California. HR professionals must hold a current PHR or SPHR to sit for this exam.

We launched one of our most ambitious projects in 2012. Deepening our commitment to the global human resources profession, we introduced the HRBP (HR Business Professional) and HRMP (HR Management Professional) certifications. Both of these credentials are truly universal in content and are intended for non-U.S. HR practitioners. They are similar to the PHR and SPHR without the U.S. compliance and practice content.

That brings us to 2014, and I suppose the big news this year is our formal separation from SHRM. While we always viewed our affiliation as beneficial to the HR profession and its practitioners, SHRM's decision to launch its own certifications made that affiliation impossible.

JK: Why was the human resources 'industry' such a latecomer to the concept of certification?

Human resources is a fairly young profession. Unlike medicine, law, sales, and accounting, human resources barely existed before the 20th century, and in its earliest decades focused almost exclusively on labor issues. It wasn't until after World War II that HR began to take shape as encompassing recruiting, employee relations, training, compensation, and organizational development. The profession needed to mature before a reasonably stable body of knowledge could be established as a basis for certification. Even now we perform a new practice analysis every 5 years to ensure that our exams reflect the most current HR competencies and thinking on employee development, total rewards, etc. It is exciting to serve a profession that moves guickly and reinvents itself continually. It's what attracts so many gifted young people to our field and makes our work at HRCI both challenging and rewarding.

ARTICLE IN PRESS

EXECUTIVE FOCUS

Sandy Miles (SM): What impact does HR certification have on an individual's career?

HRCI certifications have an unquestionably positive impact on careers. A study by the research firm Payscale just last year found that professionals with either a PHR or SPHR attain promotion more frequently and move into higher positions more often than those without either certification. This pattern holds across all industries as well as in the largest metropolitan areas.

HR professionals who hold these certifications also tend to earn more money than their non-certified peers. According to Payscale, an HR generalist with a PHR earns \$6,100 more per year than a noncertified peer, and an HR director with an SPHR earns an impressive \$22,100 more than a non-certified peer.

We have also seen a substantial increase in the number of companies who either prefer or require HRCI certifications for job applicants. And in a 2010 study, 96% of employers said that a certified job applicant has an advantage in being hired over a non-certified job applicant.

We also know that many organizations use HRCI certifications as an essential component to being promoted within their organizations.

SM: Has there been any research to determine the impact an HRCI certification has on an organization's perception of an employee who is certified?

Several studies have looked at organizations' perceptions of HRCI certified HR professionals. The most recent was a 2011 paper by Scott W. Lester, Jason Fertig, and Dale J. Dwyer in the *Journal of Leadership & Organizational Studies*. It showed that business leaders believed that HRCI certifications provided more credibility for their organization, reduced the vulnerability to non-compliance, gave them more confidence in hiring practices, and lent more confidence in their HR departments' decisions. HRCI has hired an independent firm to conduct a study on the value of certification.

JK: Where do you think the most significant growth will occur in the HR certification area in the next few years?

HR is one of the fastest growing professions in terms of new openings and positions. Businesses recognize the value of seeking out and hiring HRCI certified professionals for their organizations. According to a recent summarization of the U.S. Bureau of Labor Statistics growth report by *Harvard Business Review*—October 2014, management jobs in human resources will grow by 13.2% through 2022. As the profession grows, we will certainly see expansion of certification overall.

My firm belief is that a tremendous area of future growth potential for HRCI certifications will also be in the non-U.S. global market. While some countries, such as Great Britain and Canada, have mature certification programs analogous to the U.S., most do not. Meanwhile, the practice of human resources worldwide has become increasingly advanced as business growth has taken hold in emerging economies. Also, the concept of certification is highly valued in numerous cultures.

We have only been marketing certifications actively across the globe for the past 2 years, and we are very pleased with our success. Latin America has been a particular focus for us, and we have seen an increase in applications of 34% in those countries in just the last year. With our suite of certifications specifically designed to complement local HR practices, we believe we are perfectly poised to serve this growing demand.

JK: How do you expect to manage that growth?

We have not been naïve in approaching the global market, nor have we been presumptuous. When we first got serious about going global in 2009, we began building the onboard capabilities we knew we would need to serve non-U.S. professionals with the same level of customer service and professionalism that our domestic certificants enjoy. That meant revamping our IT, accounting, service, and market development platforms. We more than doubled our staff and trained ourselves in a less idiomatic 'global English' in order to improve our communications.

In our current phase, we have begun to develop formal alliances with HR associations and other organizations across the globe to approach each country in a respectful and appropriate way. Our goal is to create sustainable benefits for the HR profession wherever we go. While we are certainly business-like, we remain a nonprofit entity with a mission to improve the practice of HR and help HR professionals in their development and careers. For us, success has always been about impact over numbers.

SM: What do you see as the biggest challenge for human resource professionals in selecting a

ARTICLE IN PRESS

certification to pursue, and what advice do you have for them?

First, an HR professional needs to decide whether to choose an HRCI certification or another certification. We think that is an easy choice. HRCI is accredited, independent, and delivers documented benefits to organizations and to practitioners' careers. Our eligibility requirements are rigorous, which increases the inherent value of our credentials. And for those who practice HR across national borders, in California, or offshore, HRCI is the only provider of specific, targeted certifications. HRCI's core competence is certification, not membership or training, and that has been established over our nearly 40-year history of developing credentials for HR professionals, by HR professionals.

The challenge is to choose the level of HRCI certification that meets his or her level in the profession. My advice has always been to look at each credential's eligibility requirements as an

indicator. We see that pass rates for our exams go up as work experience increases. A practitioner who barely meets the requirements for a senior certification may be better served by selecting the entry level credential. Another metric is how the professional functions in the organization. I like to say that if the practitioner's customer is another employee or another HR professional, the PHR is probably the best certification. If the practitioner primarily serves the business or senior management, then the SPHR is probably right.

JK and SM: Dr. Dufrane, we thank you for your time and sharing with us the history and credentialing as well as mapping out the future for human resource management certifications. This information will certainly assist organizational leaders and human resource management professionals in navigating the choices in human resource certifications.