

An HR Business Model That Made as Much Sense Last Year as It Does This Year

What is fractional HR?

Fractional human resources (HR) is sometimes referred to as *part-time HR*, *outsourced HR* or *interim HR*. The term “fractional” implies that you are getting all the benefits of a regular head of HR or team tailored to the needs of a small to medium-sized organization. Is the fractional model right for all businesses? Most likely, this model will work for most small to mid-sized companies.

Why HR should be core to any organization.

HR should always be an integral part of a leadership team. Businesses of this size may not always commit to a full-time resource, either from a cost or volume of work perspective. Or the small to mid-sized companies have a non-HR person or a less experienced individual leading the HR function and need a more seasoned HR expert to identify risks and provide solutions. Other business needs include special projects for which additional bandwidth is needed to support HR. These situations are where the fractional HR model provides the best solution.

Fractional HR consultants are immediately available to an organization.

When someone thinks of an HR consultant, they often think of someone who may not be fully engaged with an organization. That's not the case. A fractional HR consultant acts as a readily available, flexible and seamless part of a leadership team, a driving force to the success of your business and promptly accessible to you.

HR and dealing with the *New Normal*.

This pandemic has brought a new dynamic to business. Agility is key. You must have the ability to be flexible or pivot your business quickly and effectively. As businesses ramp back up, the new norm is trending towards increased usage of fractional staff members.

Three advantages of fractional HR.

Fractional HR services can be well suited to your current and rapidly changing future business environment by providing the following benefits:

1. **Flexibility** – Increase or decrease HR services to match the needs of the business. Many smaller businesses do not need full-time support on a regular basis. That support many ebb and flow, fractional HR allows you that flexibility.
2. **Cost Effectiveness** – Regular full-time staff can be expensive especially if not fully used to full capacity. Fractional HR, as it implies, is a fraction of the cost. A quick example, a full-time HR leader including base salary and benefits can easily exceed \$200,000 per year. The fractional

model typically is 40% of that expense. Of course, that expense varies based on services necessary.

3. **Subject Matter Expertise:** Our HR Consultants are seasoned HR leaders and practitioners who typically have a minimum of 8-10 years of experience as in-house HR and can bring the needed expertise to your business.

People Vantage HR is a proven solutions provider clients experiencing a constantly evolving HR landscape.

Give us a call – we have resources that are readily available.

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