

HRCI vs SHRM: Which certification is right for you?

GPHR, SPHR, SHRM-CP . . . to the untrained eye, human resource certifications look like alphabet soup. To people within the HR community, however, these distinctions convey a great deal about an individual's knowledge, skill set, and commitment to an HR career.

Earning certification involves study time, exam costs, and application fees. Thus, smart HR professionals think carefully before pursuing an HR certification program. They examine their background, interests, and goals to determine the best match.

While credentials from other places exist, the HR Certification Institute (<u>HRCI</u>) and the Society for Human Resource Management (<u>SHRM</u>) award the majority of industry certifications. Employers know and respect both, so recognition from either carries weight.

Here, we take a look at each one's offerings and provide HR practitioners with food for thought when choosing a route.

HRCI certifications

HRCI offers eight different certifications. Each involves first meeting specific educational and/or work experience requirements. Eligibility fulfillment then allows taking a competency exam. HRCI awards the credential upon passing the certification exam.

Knowledge certifications

Associate Professional in Human Resources (aPHR)

A good choice for individuals just beginning their HR career, taking this HRCI exam does not require HR experience in the workforce. The test covers basic HR concepts such as employee relations and talent acquisition.

Associate Professional in Human Resources - International (aPHRi)

This credential proves an understanding of foundational human resources in any locale. Like the aPHR, it does not require any years of experience, and the exam tests knowledge of standard HR topics.

Professional certifications

Professional in Human Resources (PHR)

For decades, the PHR was the only certification option that existed in the HR industry. To qualify for the exam nowadays, you must either have at least one year of experience in a professional-level HR position and a master's degree or higher; have at least two years of experience and a bachelor's degree; or have at least four

years of experience.

The PHR certification demonstrates mastery of technical and operational aspects of HR management, including U.S. laws and regulations. Subjects covered on the PHR exam include employee and labor relations, business management, talent planning and acquisition, total rewards, and learning and development.

Professional in Human Resources — International (PHRi)

The PHRi is for practitioners based outside of the United States. Like the PHR, it demonstrates competency regarding generally accepted technical and operational HR principles. The PHRi also has the same eligibility requirements as the PHR (a global equivalent to a bachelor's or master's degree is acceptable).

Professional in Human Resources — California (PHRca)

California possesses many laws, regulations, and HR management practices of its own. Thus, California-based employers value the PHRca as a sign of understanding the state's uniqueness. While you do not need California residency to earn the PHRca, you do need to meet the education and/or experience conditions mentioned earlier for the PHR.

Strategic certifications

Senior Professional in Human Resources (SPHR)

HRCI designed this credential for leaders responsible for planning rather than implementing HR policy. These professionals tend to be accountable for HR department goals and the business strategies necessary to achieve them. Roughly 40 percent of the questions on the SPHR exam deal with leadership and strategy. Eligibility to sit for the test involves meeting one of these conditions: 4+ years of experience in a professional-level HR position and a master's degree or higher; 5+ years of experience and a bachelor's degree; or 7+ years of relevant experience.

Senior Professional in Human Resources — International (SPHRI)

The SPHRi is for HR leaders based outside of the United States. The eligibility requirements are the same as for the SPHR (a global equivalent to a bachelor's or master's degree is acceptable). Topics presented on the exam include business leadership, talent development and management, HR service delivery, and measurement and analysis.

Global Professional in Human Resources (GPHR)

The GPHR demonstrates expertise in multinational HR responsibilities and the development of HR initiatives that support organizational global growth. Candidates must have at least two years of experience in a professional-level HR position and a master's degree or higher, have at least three years of experience and a bachelor's degree, or have at least four years of experience. The exam tests competency in areas such as strategic global human resources, global talent management, global mobility, workplace culture, total rewards, and risk management and compliance.

Recertification

Note that all HRCI certifications are good for three years. In order to maintain a distinction, a holder must do one of two things. The first option is to retake the test before the period expires. The more popular option is to earn a specified number of recertification credits. Individuals receive these credits for completing approved professional development opportunities, such as attending webinars or on-site conferences. They also can earn them through various HR-related professional achievements, such as leading a special project at work or

conducting industry research.

SHRM certifications

SHRM offers the two certifications described below. As with HRCI certifications, earning requires passing the corresponding exam. Also like HRCI, certificants must recertify every three years to keep the distinction. SHRM recertification can be accomplished by retaking the test or earning 60 Professional Development Credits (PDCs) before the expiration date.

SHRM Certified Professional (SHRM-CP)

People who perform general HR duties or desire a career in human resource management often opt for a SHRM-CP. The exam assesses the competency level of those who wish to work in HR at the operational level — implementing policies, supporting everyday HR functions, and serving as a point of contact for staff members.

Requirements do not exist in terms of educational level or work experience. That said, SHRM does recommend "a basic working knowledge of HR practices and principles or a degree from an <u>Academically Aligned</u> program."

SHRM Senior Certified Professional (SHRM-SCP)

The SHRM-SCP demonstrates aptitude for strategic HR. It is for people who hold (or aspire to) positions that involve developing HR policies and procedures, overseeing the execution of integrated HR operations, or leading the alignment of HR strategies to organizational goals.

To sit for the exam, your work history must include at least three years of performing strategic-level HR duties. Or, alternately, you must be a SHRM-CP who has held that credential for at least three years and be working in (or in the process of transitioning to) a strategic-level role. Applicants must be able to demonstrate that they devoted at least 1,000 hours per calendar year to strategic-level HR-related work.

Deciding on a certification

No one-size-fits-all answer exists as to which certification to pursue. Location may influence choice, such as going for a PHRca or a PHRi. Career goals weigh heavily. For instance, senior-level HR professionals looking to distinguish themselves as strategists would likely pick the SHRM-SCP or the SPHR. Colleagues wishing to display their mastery of carrying out HR practices would probably go for the SHRM-CP or the PHR.

If looking to advance within your organization, examine the certifications held by people in roles to which you aspire. Consider bringing up the issue when talking about career objectives during your annual review. If considering a move to a new employer, do some research through your network or by examining job postings for companies and/or roles of interest. Patterns may emerge that can guide your certification decision.

Likely, you will find a variety of perceptions on HRCI vs. SHRM certification.

What HR professionals are saying

According to Brian Wilcox, Chief Financial Officer at <u>Debt Bombshell</u>, "The HRCI certification is focused on general HR knowledge. It provides a broad overview of HR concepts and best practices. The SHRM certification, on the other hand, is more focused on the practical application of HR concepts. It is geared towards those who are already working in HR or who have a background in HR. One of the main differences between the HRCI and SHRM certifications is the focus on law. The HRCI certification covers employment law, while the SHRM certification does not. This can be an important factor to consider if you are interested in specializing in a particular area of HR."

Alex Mastin, CEO and founder of Home Grounds, contends, "HRCI has been offering HR training for over 40 years and has established a reputation for high standards, professionalism, and expertise. They offer a variety of courses, so are suitable for complete beginners and candidates who wish to increase their knowledge in specific areas. A certification from HRCI has gravitas. SHRM courses tend to be more expensive than HRCI ones, which can indicate that a candidate is taking their studies seriously. They focus heavily on people managing, networking, and building professional relationships. This person-centered approach often produces graduates who are very skilled at communicating, listening, and understanding. They also have a good working knowledge of how to apply their skills to the workplace, which can prove very useful."

As <u>Fundingo</u> CEO Henry Abenaim sees it, "HRCI is the more conservative and traditional certificate. It focuses on core HR values, whether you know your facts and figures and your risk prevention skills. SHRM is a slightly more modern certificate focusing on your ideals and how you intend to spearhead your company's HR progress in the future."

Choosing one, or both

In terms of the number of holders, the PHR slightly edges out the SHRM-CP as the <u>most prevalent HR</u> <u>certification</u>. The SPHR and the SHRM-SCP rank third and fourth.

Interestingly, many HR professionals opt to earn certifications through *both* HRCI and SHRM. Data shows that 50% of individuals with a SHRM-CP also have a PHR. Similarly, 62.5% of SHRM-SCPs also possess a SPHR.

Is one exam easier than the other? Looking at pass rates suggests not. <u>SHRM exam statistics</u> reveal a pass rate of 67 percent for the SHRM-CP and 51 percent for the SHRM-SCP. The corresponding <u>pass rates for HRCI exams</u> are 65 percent for the PHR and 58 percent for the SPHR.

Whichever route you choose, know that your HRCI or SHRM certification carries weight. Studies show <u>HR</u> certifications increase the chance of promotion at almost every job level — along with raises ranging from 2.9 to 28 percent!