



TenStep Supplemental Paper

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The Right Strategic HR Focus

Formulating strategies through brainstorming and discussions is commonplace. However, when it comes to implementing the same, most functional heads turn mysteriously evasive. The situation is no different in HRM with grandiose plans that soon dwindle into nothingness. However, HRM could become a key contributor to organizational growth and success only if it integrates its strategies with those of other functions and that of the organization both at the planning and implementation phase. This has contributed to the success of all leading organizations.

Some measures that could be adopted in the various segments of HRM to effectively implement strategies include:

General Management

Leverage the collective performance of managers through metrics – Both functional and line managers often work on their own terms without sharing the best practices with each other. However, if the HR team could grant each individual manager an incentive subject to the overall performance of the management team, it would enhance the team spirit and coordination among managers. Linking managerial performance with a common bond would also encourage top-performing managers to enhance the performance of the below-average managers. If the HR team urges employees to rate the performance of their own management and then evaluate their managers' performance, the latter would be encouraged to have greater focus on their team management practices.

Spotting the flaw in management - One of the main factors responsible for employee turnover is the poor management practices of their immediate supervisor. To overcome this problem, the HR team should develop an appraisal system that could track 'bad managers' and then formulate strategies for correcting them, shifting them back to more technical jobs, or even relieving them.

Acknowledge and reward managers for good man management - Managers who adopt positive man management practices have the most productive employees. To encourage such positive attributes, the HR team should acknowledge and reward managers for good man management.

Off-cycle actions – There are times when unconventional actions may yield a distinct competitive advantage. To cite an example, if the economy is down and no organization is recruiting on college campuses, the smaller organizations might embark upon active recruitment to absorb top quality candidates who would have been very difficult to attract when everyone else was conducting campus placements in full swing. Though such an action may not yield immediate returns, it ensures that an organization, which takes up such action, is able to get a head start over its competitors when the economy improves. One emerging software developer has successfully implemented this strategy. Focusing on retaining the best manpower during turbulent times is another off-cycle HR action that would yield long-term benefits for the organization.



TenStep Supplemental Paper

Human Resources Administration

Reward top performances in human resources - HR managers should be given due recognition and reward for propelling their manpower to take a competitive edge over the organization's competitors. Integration of performance metrics across various HR functions with variable performance pay could have a significant impact on the overall human resources productivity. The performance benchmarks for the HR team should focus on the fulfillment of its overall goals. Recognition awards should be primarily focused on recruiters, generalists (if the respective division or organization attained its goals) and those involved in human resources and leadership development. Bonuses for HR executives and managers should be based on numerical outcomes, not subjective parameters such as 'merit' or leadership.

Optimal use of resources – The HR team should be encouraged and trained to prioritize programs, adhere to a viable human resources budget and time deadlines without compromising on efficiency and effectiveness of employees. It is critical to involve the line managers. They must be encouraged to play an active role in the organization's HR programs as they are the implementers or delivery modes of policy interpretations, performance evaluation and motivation programs.

Branding HR – HR executives execute a marketing role by attracting the best available talent to the organization by highlighting the concerned organization's favorable work culture and career prospects to the prospective employees. In the process, HR executives establish an HR 'brand' to get the edge (in terms of quality workforce) over its competitors.

Competitive intelligence – HR managers and executives should be always alert to the prevalent manpower trends in the industry. On the basis of the outcome of the trend analysis, ideas generated by HR teams are transformed into pilot and test programs to screen the great 'ideas' that can become great 'programs' later. For example, recruiters could identify the key executives from competing organizations who could be targeted for selection. This would be effective in creating a key competitive edge over the organization's market rivals. On-site seminars and 'invited open-house' programs framed on the basis of manpower requirements are other proven techniques of attracting the best talent.

Retention and employee relations

Manpower maintenance – It is essential that HR teams adopt a proactive stance to identify the employees who are prone to leaving. Possible ways of finding the same include searching the Net by an organization's HR team for finding its own employees' résumés; placing a fake ad to check if its own employees apply; or asking other employees to identify who is 'on the lookout'. The organization should also be open to pre-exit interviews and re-recruiting policies in addition to having an excellent reward structure (both tangible and intangible) to maintain the 'star' employees.



TenStep Supplemental Paper

Right man for the right job – It is always important to draft a career plan for each employee so that the right man is placed in the right job. Each job should provide enough scope for self-development both as a person and as a professional.

Avoiding strategic pitfalls

Some of the strategic pitfalls that could be avoided by HR teams include:

- Not tracking employee and management satisfaction with human resources
- Not framing HR strategies in line with strategic goals
- Lack of an effective feedback system
- Having an ineffective performance and capability management system
- Not providing a stimulating and exciting job environment
- Using only quantitative and not qualitative human resources metrics
- Not conducting human resources audit

In effect, implementation of strategies by the HR department necessitates a lot of meticulous planning and execution in consultation with the line goals and organizational objectives. This would ensure an optimal and successful role of HRM in the overall organizational business framework.