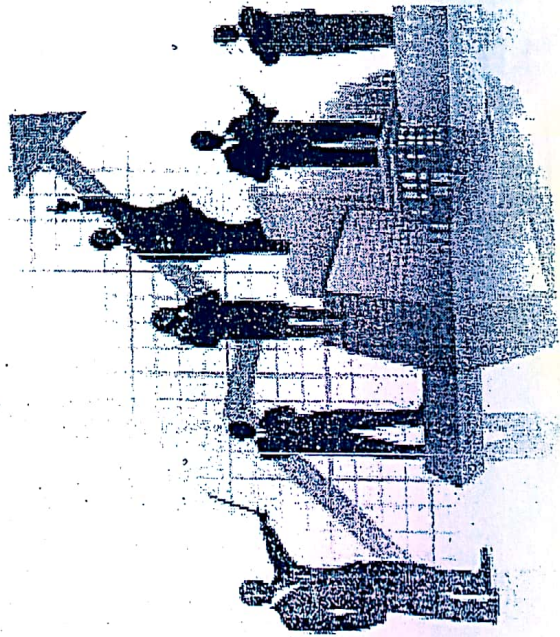


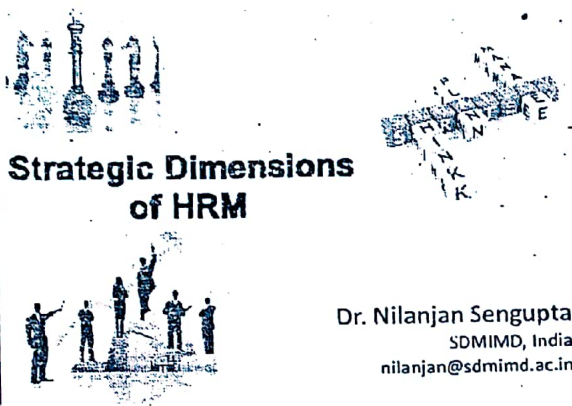
Strategic Dimensions of HRM



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Emerging Trends in Business Environment

- Highly competitive business environment
- Greatest challenge is to create Sustainable Business Organizations

For sustainable business four important criteria:

- a) offering good quality products and services
- b) affordable and competitive pricing
- c) Reducing delivery time
- d) Efficient and timely after-sales service

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SHRM

- Return on Investment (ROI)
- Return on Relationship (ROR)
- Sustainable Business
- Linking HR with business strategies
- Investing in people
- Talent Management

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Aligning HRM with Business

The pattern of planned human resource deployment and activities intended to help the firm achieve its goals.

Components of SHRM:

- *People / human resource* – the primary source of competitive advantage of the organization
- *HR Activities* – HR policies and practices which help people in gaining competitive advantage
- Fit between HR strategy and organization's business strategy (vertical fit) and between all HR activities (horizontal fit)

The ultimate goal of SHRM is to have a fit between HR and Business Strategy

The investment perspective of HR

Organizations which view human resources as asset take an investment perspective. Mellow (2003) identifies 5 factors that affect how investment-oriented a company is in its management of human factors:

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Developing and nurturing Talent

- Developing people capabilities are important in building sustainable source of competitive advantage
- Talent acquisition
- Talent development through segregation:
 - Super keeper
 - Keeper
 - Maintainer
 - (weeding out) Deadwood

Investment in people for :

- Current performance (remedial training)
- Future ready (Developmental training)

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Strategic Role of HRM

- HR as internal consultants
- HR and outsourcing
- Strategic Recruiting
- Instituting Performance Management system (PMS)
- Managing strategic alliances

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HR as internal consultants

- *HR Functional Knowledge*- (Administrative expert, and have transactional skills)
- T& D, Comp. & Ben., HR info. systems, legal compliance, etc. (Line managers involvement)
- *Business Knowledge*- (Empl. Relations Expert) customers, partners competitors, industry , financial acumen, business savvy
- *Strategic Change Agent*- linking business strategy with HR strategy, orgn. capability, innovation, orgn. culture, renewal & growth, talent mgt.
- *TCS* - CEO himself will solve clients' problem



If a client calls the CEO, i.e., direct availability of CEO

(BS, 2014)

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HR and Outsourcing


- HR planners need to increase their involvement and leadership in the outsourcing process.
- The outsourcing process contains 4 stages:
 1. Analysis and evaluation
 2. Contracting and negotiation
 3. Transitioning
 4. Stabilization and maintenance of the outsourced relationship
- Example : Outsource2india (O2I) is wholly owned by Flatworld Solutions, serving the global market since 1999
- Specialized in managing outsourcing ventures

O2I's Outsourcing Process - to ensure smooth transition and completion of project



1. Establish Contact
2. Requirement Analysis
3. Pricing and Contracting
4. Project Initiation
5. Project steady state

Source: http://www.outsource2india.com/how_it_works.asp




Strategic Recruitment

- Recruitment and selection should be in line with business strategy of a firm.
- Employee resourcing should be integrated with three elements:
 1. Primary features: strategic integration, long term perspective HRP (mechanism for translating HR demands into recruitment and selection specifications)
 2. Secondary features: rigorous evaluation, sophisticated selection methods, multi-stakeholder approach, investment approach (cost and effort on ensuring effective SR&S preferable to the costs incurred due to managing poor performance of employees)
 3. HRD activities : HRD, employee relations, performance management, downsizing, reward management, etc.

Skills sets determination through strategic selection- Make or Buy Decision

- Hiring goals first need to be set- engineering growth, innovation, cutting operating costs, manpower diversity for better customer positioning, from individual-centric management process to cross-functional team skills, etc.
- After broad goals are set next, identify skills or personal characteristics of candidates who can broadly achieve the set goals
- Skills sets sought through strategic selection are:
 - Diagnostic skills
 - Problem-solving skills
 - Administrative skills
 - Organizational leadership skills



Examples of Strategic Recruiting

- Social recruiting-through linkedin and Facebook
- Top 10 Facebook Recruitment Strategies
- 1- Heroes Work Here
- An initiative from Walt Disney Company on their careers Facebook page where they highlight the veterans that work for the company. That shows they value Veterans recruitment.
- 2- Use of Apps
- Verizon uses different apps on their careers Facebook page to reach different groups: Military, Experienced & Students. Yes, we know when you click on the app, the layout could be a bit better, but again, the idea of focusing the message to the different audiences counts.
- Job Search Apps
- Some companies offering such apps re Work4Labs, Jobvite, BranchOut and others.



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Social Recruiting Benefits,

- Find hard-to-reach candidates
- Reach higher-quality candidates
- Increase ROI
- Be the employer of choice



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HRM ...getting ahead!!

- Every organization currently needs to focus on creating sustainable business
- Sustainability can be created through differentiators
- People as assets can be considered as differentiators with unique KSAs to propel sustainable growth
- People Capability Maturity (PCM) required



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