

KNOWLEDGE BEANS

a human resource newsletter



HIGHLIGHTS OF THIS ISSUE

- Y.G. Chouksey emphasizes on impact of human resource management on organizational performance
- Abhinav Srivastava proposes the idea of HR as the organization's arbitrator
- Prachi Joshi opines on 'Outsourcing' for Strategic Human Resource Management
- Rajat Gupta gives insights on 'Strategy Management', the workshop way

THE EDITOR'S COLUMN

Deeksha Jawa

Deeksha Jawa, Head – Project Management, Atyaasaa Consulting Private Limited, is a post graduate in Management HR and Green Belt in Six Sigma with a background in Psychology. She has a passion for behavioural sciences and combines her knowledge of psychometric testing with her management expertise to manage projects end to end and design & develop workshops in order to meet the changing needs of businesses.



Strategic HR plays an important role in achieving the optimum use of human resources and to have the correct number and types of employees needed to meet organisational goals. Thus, it is a double edged weapon. If used properly, it leads not only to proper utilization, but also reduces excessive labour turnover and high absenteeism, and improves productivity.

This edition reveals the pros of strategic human resource management and gazes at the importance of strategic HR in any organization. It determines how HR can add to quantitative and qualitative contribution in organizations.

EDITOR'S BEAN TIP

Strategic Human Resource Management Tips

- Quantify job for producing product/service
- Quantify people and positions required
- Determine future staff mix
- Assess staffing levels to avoid unnecessary costs
- Reduce delays in procuring staff
- Prevent shortage/excess of staff
- Comply with legal requirements

Write to us

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Atyaasaa Consulting Private Limited is a leading Human Resource Training & Consulting Organization partnering with some of the best brands in the country and overseas. Atyaasaa has been a catalyst & a contributor in their quest for people development and business excellence. The core differentiator of Atyaasaa process is continual innovation, unique customization and use of state of the art technology tools implemented through ethical and experienced operations and human resource facilitators having contribution as their core value.



OD CONNOISSEUR'S ORATE

Y. G. Chouksey

DOES HUMAN RESOURCE MANAGEMENT IMPACT ORGANISATIONAL PERFORMANCE?

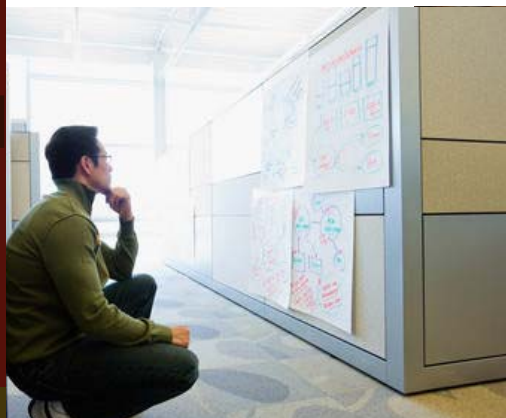
Y. G. Chouksey is a post-graduate in Mathematics with degrees in Law and Economics and a PGDSW from Calcutta. He has 50 years work experience - 37 years managerial experience in the industry both in the public sector (30 years) and private sector (7 years) followed by 13 years as faculty in human resource management, organisational behaviour and industrial relations.



No, if you listen to the users of HR services-the line managers-who regard it as a "spending and constraining" department and, in line with Robert Townsend of "Up the Organisation" fame, think that the best way to improve organisational performance is to fire their H R professionals!

The answer to the captioned question is an emphatic YES, if, and only if, the HR practitioners align their HR strategy and activities with the business strategy of the organisation and convince the top management that they are doing so effectively. This means that they have to argue their contribution in a language the top management understands—the

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language of quantitative metrics which translates HR performance into business results in financial terms. Thus, if the company is following cost reduction strategy, it is not enough to show that HR initiatives reduced turnover of high-performing employees from 15% to 6%, but also to establish how much cost savings it led to by quantifying savings in replacement costs, continuous high performance and preserving high talent. A good knowledge and application of HR accounting concepts is a pre-requisite for HR managers now.

Besides, the HR people should be up-to-date and alive to change the HR practices in tune with the change in business strategy. Say, if the strategic business unit is moving from cost leadership strategy to innovation strategy, almost every HR system will also change—rigid standardisation and individual job analysis will make room for autonomy and team jobs. This will mean changes in other fields of HR like recruitment and selection, reward management. A research study has established that a change in one HR lever can cause a domino effect throughout an organizational system. For example, HR practices aimed at increasing workforce skill levels can cause turnover because highly trained employees become more mobile. ■



OD ENTHUSIAST'S ORATE

Abhinav Srivastava

STRATEGIC HRM

Human Resource Management (HRM) is a faith grounded in the belief that every person counts. HRM has two focal objectives - Achieving the operational objectives of the organization - Ensuring that the individual employee is satisfied and happy

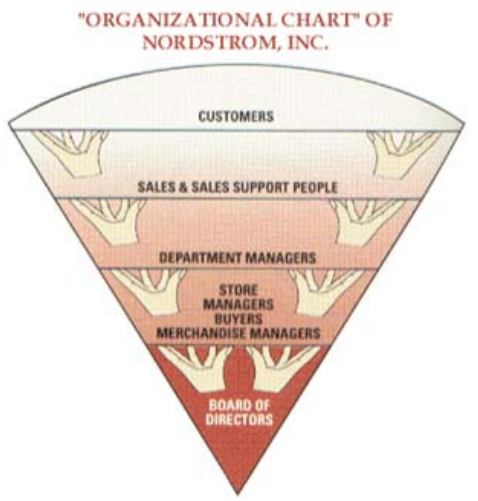
Often, the two main functions of HRM seem to be at odds with one another and the HR has to find a resolution that protects the interests of both.

HR needs to be the organisation's arbitrator and alleviate inequalities and suspicions. We simply cannot leave people guessing and feeling 'you know - what?' they need to walk out saying 'At least I know -'.

This brings me to the credo of having a 'shared information system' installed in the organization. Gone are the days when the mission, vision and strategies were kept under lock and keys and opened once a year to revisit. Today, the organisation's strategies are devised based on the feedback given by the front liners. That is why

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Abhinav Srivastava is actively involved in practicing, implementing and institutionalizing the concepts of the Strategic Human Resource Management (SHRM) at Varroc Engineering Pvt. Ltd. He has enriching experience of setting up entire HR department from scratch for various organizations. He is achiever of many prestigious awards in the field of HR and enjoys teaching upcoming concepts in HR.



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OD ENTHUSIAST'S ORATE - STRATEGIC HRM

the organizational structures today have taken a 180 degree shift. The classic example is of Nordstrom Inc. (see figure) which has implemented an upside structure approach.

HRM is also about redesigning the two old age work-systems.

- New talent acquisition after scientifically assessing on person - organization fit and person - job fit through an assessment centre
- Managing performance of the employees

Ultimate result being productivity enhancement (Pe) by enhancing the ability (A) of the workforce, motivating (M) them and providing them encouraging environment (E) to think and innovate for the organisation {Pe = f (A, M, E)}.

As HR function, we are moving from 'employee delight' to 'employee enthusiasm' & finally to the 'employee wow' and to achieve this we have to redefine the traditional HR and become more strategic. ■



OD FOLLOWER'S ORATE

Prachi Joshi

OUTSOURCING INTELLIGENCE FOR STRATEGIC HUMAN RESOURCE MANAGEMENT



Prachi is working as an executive in Atyaasaa Consulting Pvt Ltd and also pursuing her Masters in Personnel Management (MPM). She has completed three levels in German from Max Mueller Bhavan, Pune. She is extremely enthusiastic about working while constantly updating herself, and has a compelling emotion towards learning and developing skills.



WHY ORGANISATIONS SHOULD OUTSOURCE:

Reducing costs

Key determinant in many outsourcing decisions

Focus on your core business

Every business has limited resources, and every manager has limited time and attention. Outsourcing can help your business to shift its focus from peripheral activities toward work that serves the customer, and it can help managers set their priorities more clearly

Outsourcing, generally, is the act of subcontracting a process to a third-party organisation. This means that instead of hiring people that the organisation will pay regularly to train their internal customers or employees, they would just hire the services of an outsider that has gained much expertise in training people.

Organizations go for outsourcing to save training costs, gain access to practical and technical proficiency, concentrate on core competencies and offer an overall enhanced training to their employees.

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OD ENTHUSIAST'S ORATE - OUTSOURCING INTELLIGENCE FOR STRATEGIC HUMAN RESOURCE MANAGEMENT

Increasing effectiveness of HR delivery

Experienced outsourcing providers can often deal with HR processes more effectively.

Providing greater expertise

External providers may offer greater levels of specialist knowledge or experience than affordably available in-house.

Reduce labour costs

Hiring and training staff for short-term or peripheral projects can be very expensive, and temporary employees don't always live up to your expectations. Outsourcing lets you focus your human resources where you need them most.

Start new projects quickly

A good outsourcing firm has the resources to start a project right away. Handling the same project in-house might involve taking weeks or months to hire the right people, train them, and provide the support they need. And if a project requires major capital investments (such as building a series of distribution centres), the start up process can be even more difficult.

Moving HR up the value chain

Outsourcing human resource administration can lead to a shift in HR focus towards policy and decision making.

To aid organizational growth

Fast-growing organizations can lack the HR capacity to deliver business objectives, making HR outsourcing an attractive solution. ■



THE WORKSHOP WAY

Rajat Gupta

STRATEGY MANAGEMENT

Rajat Gupta Senior Executive - Training, Atyaasaa Consulting Private Limited, is post graduate in Management HR and Masters in Labour Laws & Labour Welfare with a background in Business Administration. He loves to follow his passion for bringing a creative edge to the designing of training programmes. He also believes in the mantra of exploring through continuous learning.



Strategy refers to a plan of action designed to achieve a particular goal. Atyaasaa through its effective training program strives to help the management to develop, implement and measure the effectiveness of a strategy in the organization, which will help the organizations to compete and gain sustainable competitive advantage.

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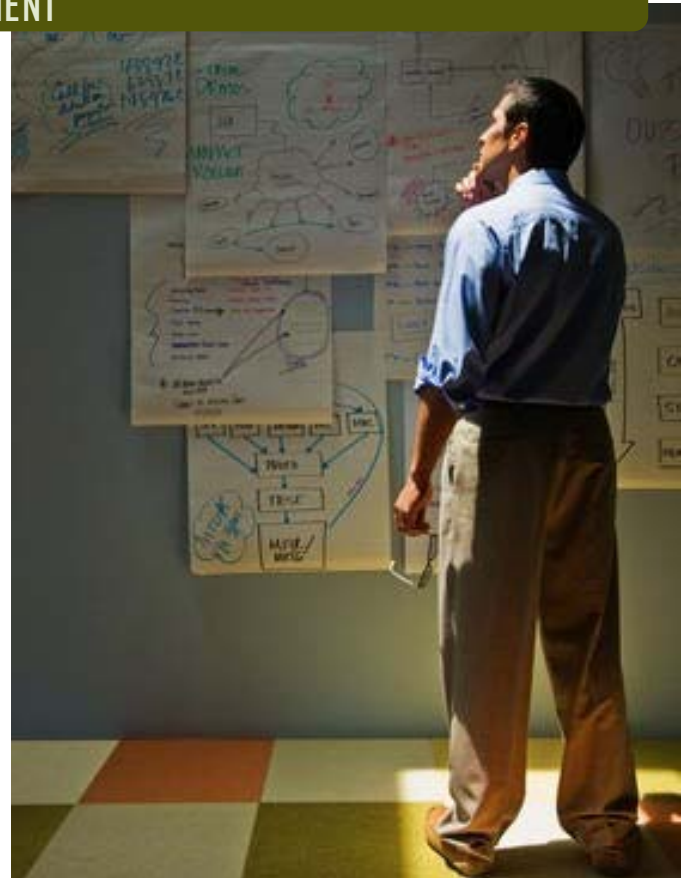
THE WORKSHOP WAY - STRATEGY MANAGEMENT

Strategy management, a two day workshop begins with a multimedia tool on world class companies which identifies seven attributes and one rule that is key to surviving in and ultimately winning in world class race. Workshop would help the participants to understand the concept and importance of strategy management and make mission, vision, values, goals and objectives for the organization.

They would learn how to scan the internal and external environment through PESTEL, Porter's five forces, Value chain, SWOT and TOWS matrix and design a strategy that would give sustainable competitive advantage. Participants would learn strategic clock model helpful in designing business level strategy and BCG matrix and Ansoff matrix in designing corporate level strategy.

With the help of Mckinsey's 7S model participants would learn how to implement and evaluate that strategy effectively. In the end, with the help of multimedia they would gain knowledge of how to improve overall work performance by introducing a Balanced Scorecard.

Learning's in the whole workshop would be facilitated by a case study on developing a strategy for further increasing the market share of a reputed airline in the turbulent times, by applying the knowledge of models covered in the workshop. ■



TOOLKIT

An organisation should invest in the following toolkit for Strategic Human Resource Management

- ❑ Mission statement
- ❑ Environmental analysis
- ❑ Organisational self assessment
- ❑ Establishing goals and objectives

BEANSTATEMENT

"The only way forward is a combination of strategic HR processes and competent people"