

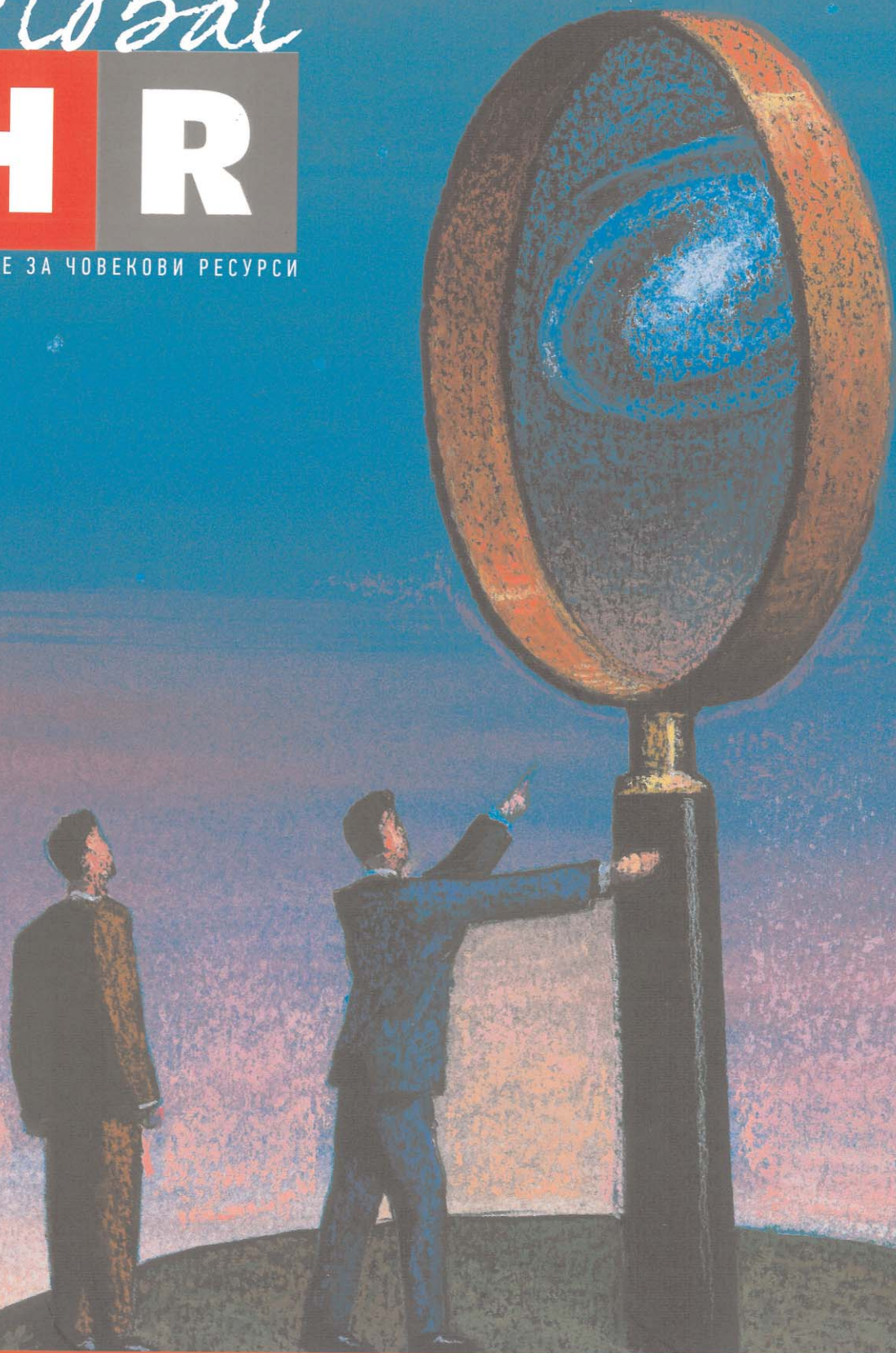
# Global

# HR

СПИСАНИЕ ЗА ЧОВЕКОВИ РЕСУРСИ

150 денари

Број 16 | ЈУНИ | 2015



## HR Актуелно



**Dr Tony Miller** and his views on the new role of today HR  
**Colin Coulson-Thomas** speaking at the first Balkan HR Summit in Kosovo

## HR Професии



**Дана Шушиновска Димовска**  
Менаџер за таленти (MTV)

## HR Истражување



Истражување на сèваој на студентите во однос на практикантството, можностите за вработување и развојот на кариера



# Dr Tony Miller

Millers focus on HR added value has seen him being a popular chat show guest on international TV, having given attended two guest show appearances on international TV prior to traveling to the conference and two interviews for our own Balkans TV station.

His views on the new role of today HR are summarized in this exclusive article.

Dr Tony Miller was a key note speaker at the HR Balkans conference in Kosovo, delivering two powerful key note speeches of the importance of HR and training with specific emphasis on the bottom line results that can be expected from focused HR activities. During the two day post conference workshop Dr Miller demonstrated many techniques that could be used to upgrade HR efficiency. Delegates were able for themselves to master business process re engineering and to use some of Dr. Millers efficiency formulas to improve workflow. In the exercise all participants were able to increase productivity by a staggering 30%.

**HRM (human resource management)**, the strategic arm of HR which encompasses budgeting, strategy, legal, compliance and HR policy. A recent add - on is human capital management, sometimes referred to as human asset management (American terminology) and of course pay and rewards. The new focus here is HR strategy and a new model has been developed specifically for HR professional to use.

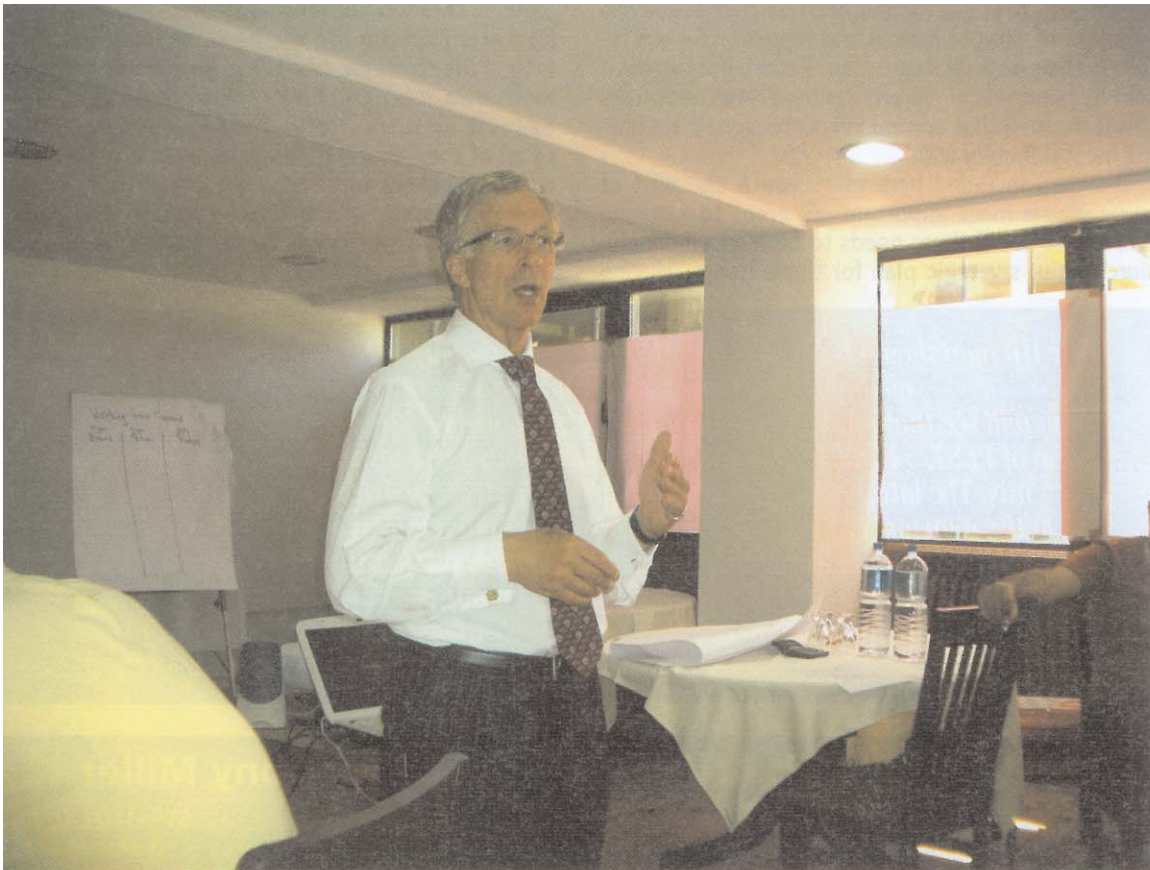
Strategic involvement for HR seems the inevitable development of this important function. To date many HR professionals have found increased difficulty in trying to get to grips with current HR strategic

**HR** has to change due to two major influences, the changing quality of people and a growing need to measure human capital and to develop that capital into a measurable strategic business advantage.

People are constantly improving, we have higher education standards, greater literacy and a high level of competence with work related IT. This makes today's employee vastly superior that at any other time in history. Today's employee therefore needs less management control and less process control to work effectively. Given that backdrop it's essential that HR in all its facets alters to reflect these changes.

Businesses now want a human resource department that can add value. A profit centre rather than a burdensome cost.

The roles within HR have formed into three new areas



Dr T briefing delegates prior to the re engineering exercise

models. Most of their design-although well-meaning, is over simplistic and in the main does not provide the amount of critical information needed to collect and produce high-level strategic information. This article is specifically focused on providing you with a complete map for not only putting together the HR strategy but ensuring full integration with the business requirements.

Before getting to grips with the map, let's just spend a moment looking at timelines for the formulation of HR strategy. There are three timelines we need to be aware of. First, what we can learn from previous experience looking retrospectively at what we have done. The second strategic timeline relates to current issues and information which needs to be resolved in the future. The third and most important timeline is that of the future. It is only the future that we really have control of; from a strategic viewpoint this is the most important. Often this timeline comprises both retrospective and current issues.

Most of the current strategic models which are being put forward for HR use are over simplistic, par-

ticularly for those of us who are only involved in strategic planning occasionally. Most businesses today use a model of some sort to ensure continuity and for putting strategic plans together. The majority of these models consist of a combination of best practice in strategic planning and therefore use established strategic models such as PEST and FIVE FORCES. These models with their integrated approach were discussed in detail in an earlier issue back in 2005. In addition to those two models there is the LAND model which looks specifically at productivity over time. This model is essentially an HR model but tends to be reviewed by the majority of the other strategic partners. The LAND model, although being a strategic HR model, is specifically aimed at detecting when organisations need to change or reinvent themselves. Therefore it has added importance for use in HR departments as it is HR's responsibility to point out strategically when change in the organisation needs to be triggered.

The additional information not covered in the aforementioned three models is that of the strategic partners' specific area of expertise. As well as



using these strategic models each partner will have a checklist of what to look at and report on for the future in their next strategic plan. From what I've been told by hundreds of HR professionals internationally this is the area that current HR professionals are having most difficulty with.

The map included here gives you a checklist of some of the most important HR areas to examine and use to see if there needs to be a specific inclusion in your strategic plan for those items. Having

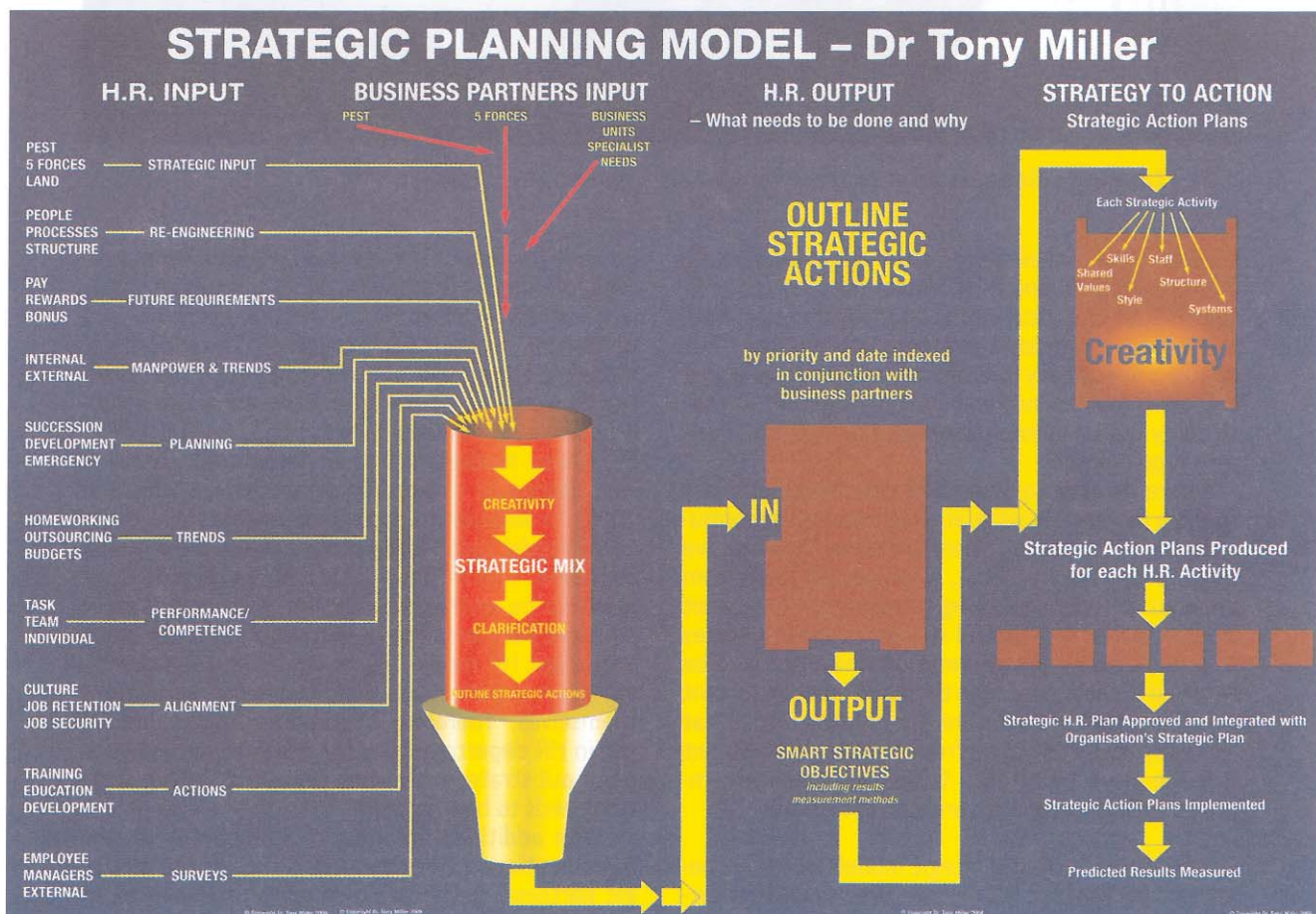
worked through the checklist and drawn up your strategic plan you can see from the map that there is then the **strategic mix**, HR strategy does not stand on its own. It is part of a far more complicated strategy as it has to integrate with the corporate strategy of all of the other business partners. It is therefore extremely likely and from my experience inevitable that HR strategy will need to be reworked a number of times before it is ready for full integration into the overall business strategy.

*Our HR map shown here, may at first sight very complicated. It is in three parts, Strategic Input, Strategic output and Business plans for action.*

*You will see that all of the business partners input their strategic requirements in the form of PEST, 5 FORCES and their individual strategic requirements, into the strategic mix. The latter are extremely specific to the strategic partners' own function.*

*On the map you will notice that we have highlighted the areas that are the specific function of the human resources professional. We hope that this will help you with the requirements needed to formulate your human resources strategic plan.*

*The specific input for human resources into the strategic plan takes the form of the 10 indicators.*







**Team 2 amazed by the efficiency they have created**

**Delegate getting to grips with business process mapping**



## HR INPUT - 10 steps

### 1. Strategic input

- this consists all three strategic models, PEST, 5 FORCES & LAND

#### PEST

The PEST analysis is a long-range tool. It is used to identify:

- Political/ legal issues
- Economic
- Social trends and changes
- Technology – innovations and change

#### 5 FORCES

- Competition among existing firms
- The threat of new entrants
- The threat of substitute products or services
- Bargaining power of customers
- Bargaining power of suppliers

#### LAND

The LAND model simply looks at organisational maturity over time. Because organisations grow and productivity increases with time, this happens up to a point, after which the organisation goes into decline. At that point the organisation typically employs too many people, is too procedure - bound and does not produce enough output.

The position of the organisation or department is found by using a questionnaire which gives a plot on the LAND curve.

### 2. Reengineering

Details of reengineering for human resources were covered in the September 2006 magazine - issue 10.

- What HR processes need to be changed- what will be necessary and what will be the impact be.
- What HR actions in the strategic plan there that might require process change, what are they and what their impact is.
- Will the reengineering impact on any of the following:

**PEOPLE** - will we need to change the organisation numbers of people we employ to fit the new process? What is the value of the saving?

**PROCESS** - the physical process. How we implement the process change and how it will be carried out. What is its value?

**STRUCTURE** - organisational structure needed to support reengineering and either people, process or changes brought about by the indicators in the LAND model

### 3. Future requirements

**PAY** - what pay levels are likely to be in the market place? What do we need to do? What are the financial projections?

**REWARDS** - is the allowance and benefits scheme competitive, what actions are needed to change? What is the cost and the real value to the individual and organisation. Would rewards be better consolidated into either higher pay or bigger bonus schemes?

**BONUS** - projected cost. Is the scheme right for our business-are we getting the productivity we need? If the bonus scheme is to be changed then what is the cost, projected productivity improvement and an indication of our position against our direct competitors.

### 4. Manpower and Trends

- These need to be predictive trends which will cover things such as sickness, inclusion, productivity, demographic, skills shortages, turnover, longevity in employment, speed to competency, organisational shape etc.

### 5. Planning

- **SUCCESSION** - key personnel succession plans, desirable succession plans.

**DEVELOPMENT** - trend/cost - speed competence, speed to performance, training needs

**EMERGENCY** - contingency plans for people in an organisational emergency, involvement of retired people, universities, other resources

### 6. Trends

- **HOME WORKING** - what are the current trends and how they will impact on organisational structure, pay and conditions and productivity.

**OUTSOURCING** - identification of areas of the business, activities and processes which could be outsourced. ROI and organisational implications

**BUDGETS** - forecasting for HR budgetary requirements to meet strategic objectives for Manpower. To include salary, training, allowances and bonus payments.

### 7. Performance/competence

- **TASK** - business performance trends via a Monte Carlo simulation, staff turnover, project approach impact on productivity, initiatives to improve productivity, competent trends projected, competency strengths and weaknesses by department.

**INDIVIDUAL** - competency/performance trends

**TEAM** - introduction/expansion of teams/team types and productivity projected gains.

### 8. Alignment

**CULTURE** - progress with the alignment of the corporate culture template will stop suggested actions/amendments needed depending on the suggested strategic objectives and the final strategy

**JOB RETENTION** - effects of job retention in the future, market trends, change in organisational shape, use of talented development techniques.

**JOB SECURITY** - techniques needed to give employees security and connectivity with the organisation. May include share options, development programmes long-term contracts.

### 9. Actions

**TRAINING** - training budget required for future, ROI on training, training efficiency relating to productivity. Training efficiency relating to competencies. External and internal trends on training.

**EDUCATION** - educational standards required for the future, need to invest in education and second degrees. Link between educational standards and performance at work.

**DEVELOPMENT** - career development needed for the company. Internal and external trends in development. Development strategies for succession planning within the company. ROI figures for development effectiveness

### 10. Surveys

**EMPLOYEE** - satisfaction surveys relating to be linked between current state and future state of the corporate culture.

**MANAGERS** - surveys with the managers of the company to check cultural alignment and satisfaction with the working environment in the company. Any actions which may be necessary to take for the future.

**EXTERNAL** - any evidence where external surveys have been conducted may show an impact on HR strategy e.g.2 diabetes, smoking, longevity of employment etc. What actions are necessary for the future.

*These 10 subject headings provide a sound basis for the organisation input needed from human resources. The 10 subject headings provide the initial human resources input for the first part of the strategic input.*

Продолжува во следниот број на **Global HR™**