

People tie organizations together, they are the resources that make up human resources.

Intimate resources = land and capital

Organizational success depends on careful attention to human resource.

Organizational Goals: The short and long term goals that human resources aim to support and enable the organization.

- Ex: economic goals
- Social goals
- Environmental goals

Organizations bring people together in a coordinated matter to accomplish goals/objectives that could not be done alone.

Human Resource Management: The leadership and management of people within an organization using *systems, methods, processes, and procedures*. That enables employees to optimize their contribution to the organization and its goals.

Objectives for HR department:

Assist the organization to attracting the "right" employees

- Orient and socialize new employees to the organization and place them in their job positions
 - Employee goals must **not** be ignored.
 - *Develop, disseminate, and use*: job descriptions, performance standards and evaluation criteria.
 - Help establish adequate compensation systems and administer them in an efficient, fair, and timely manner.
 - Foster a *safe, healthy, and productive* work environment.
 - Ensure compliance with all legal requirements insofar as they relate to the management of the workforce.
 - Help maintain a harmonious working relationship with employees and unions where present.
 - Foster a work environment which facilitates high employee performance, and establish disciplinary and counseling procedures.

Strategic HR Management: Systematically linked to **strategic needs** of an organization and to **integrate** HR management strategies and systems.

- To support the organizations overall; *mission, strategies* and *success*
- While meeting the needs of employees and stakeholders
- Value driven and proactive focus on how to best meet employees needs/wants.
- Strategies must be mutually consistent and reflect the larger organizations mission and strategy.

Proactive HR Management: Human resource problems are anticipated and strategic action begins before it impacts the organization.

Reactive HR Management: Dealing with the problems/situations as they occur.

- Managers must be understanding as to how the decisions they make regarding other members of the organization will influence and be influenced by the organization and the environment.

HR managers must *synthesize* and *integrate* information about an organization, to make the best decision they must assess it's;

- Environment
- Culture
- Strategies

Top strategic priorities mainly HR related:

1. Improving worker performance
2. Changing leadership and management behaviour
3. Changing organizational culture and environment
4. Increasing customer service

Customer Service is greatly linked to:

- Training
- Compensation
- Performance Management

Model of Strategic Human Resource Management

Steps:

1. Environmental Scan
2. Organizational Mission and Goal Analysis
3. Analysis of Organization Character and Culture
4. Analysis of Organizational Strategies
5. Choice and Implementation of HR strategies

Step 1: Environmental Scan – identify threats/opportunities and help formulate new action guidelines, made up of:

- Economic Forces
- Technological Forces
- Demographic Forces
- Cultural Forces

Economic Force:

1. *Economic Cycle* – economy goes through boom and bust cycles

- HR problems during recessions; planning/communicating/implementing layoffs
- During boom cycles, HR much consider how to recruit aggressively, develop talent

2. *Global Trade* – Increasing natural resources + decreasing population, results in Canada international trade advantage.

Increased competition

- Jobs and prosperity depend upon trade
- Must add value to Products or reduce production costs

3. *Productivity Improvement* – Ratio of Outputs/ Inputs

Inputs: people/materials/energies

Outputs: Goods and services

Maximizing – asking people to do more for less

Strategies to increase productivity ratio

Outsourcing: HR strategies to improve productivity ratios

- Reduces amount of employees on payroll
- Allows jobs to be contracted out

Problems:

- Reduced moral
- Help employees find jobs elsewhere (outplacement)
- Retaining for displaced workers (take up other jobs)

Part time employees (contract) or contingency workers can control labour costs while attaining skilled employees.

4. *Global Competitiveness* – problem; there is a gap in productivity between Canada and the USA, for Canada to improve we need a greater focus on;

- People Management
- Technology

Technological Forces:

- *Flexible work design*; telecommuting – is the information safe, jobs performed away from the office, do you trust your employees enough
 - To be successful you need; Careful planning, training, piloting

Information Sharing and Knowledge Management;

- Knowledge Management: Process of capturing organizational knowledge and making it available for sharing and building new knowledge
 - Ex: Intranets, store and access info
- Automation; Increased predictability and reliability in operations and higher quality products
 - need for speed/flexibility in production, displaces entry jobs
 - can take over dangerous jobs (OH&S) and boring ones!
 - may be stifled by union attitudes (threatens jobs)

Demographic Forces;

Gender Balance in the Workforce, implications for:

- Child care
- Employment equity
- Work-family demand/conflict
- Alternate work
- Arrangements (e.g., job-sharing)

Shift Toward Knowledge Workers

- Need to find and retain knowledge workers, essential for success!

Knowledge Workers: Occupations that; generate, process, analyze/synthesizing ideas and information

- Problems: with knowledge workers organizations face problems with employees hiding and withholding knowledge

Educational Attainment of Workers: highest educational level attained by an individual worker, employ

- 19% of men and 17% of women age ≥ 25 have University degree or better – expect interesting & challenging work
- Literacy problems persist; may contribute to productivity and safety issues
- Employability Skills – *basic skills, personal management skills and teamwork skills*

Aging population, "old age crisis";

- In 2016, those aged 65+ will form 16% of population

- Many may soon retire with no one to replace them
- If remain – job redesign, advancement issues for younger workers
- Have to retire later than 67 to claim old age security
- Mandatory retirement has been abolished

Generational Shift

- Baby Boomers, Gen X, and Gen Y are qualitatively different workers and have different expectations
- Baby Boomers:
 - Impressed by power and authority
 - Team/career oriented
 - Boomers instituted most businesses
- Xer's:
 - Un-phased by power and authority
 - Self reliant
 - More loyalty to profession
 - Premium on work like balance
- Gen Y:
 - Want, continuous learning
 - Teamwork
 - Security
 - Respect
 - Work-life balance
 - Updated technology

Cultural Forces (diversity)

- What motivates one worker may not motivate another
- Also different values, beliefs, expectations about work
- Train/select managers able to manage a diverse workforce

Cultural Mosaic: Canadian ideal of encouraging each ethnical race and social group to maintain its own cultural heritage.

Allophones: "other speaking", English is not first language.

Ethics: Moral principles that guide human behaviour's and are often based on societies cultural values, norms, customs and beliefs.

- Demand for ethical conduct/practices!
- Accountability!

AFTER SLIDES ENDED – REST OF CHAPTER

3 Types of Dealing with ethics:

1. Universalist – some moral standards are universal, no exception to “right and wrong”
2. Situational – depends on situation or surrounding culture
3. Subjectivist – determines what is “right and wrong” after considering all aspects of a situation

Kohlberg – stages we go through for moral development

Stage One: Obedience and Punishment

- Only reason you are doing the right thing is because someone else has power over you, ex: you are a small child and could be punished.

Stage Two: Reciprocity Stage

- Achieving ones own interest based on self interest

Stage Three: Interpersonal Conformity Stage

- What is “right” depends on what others view as “right”.

Stage Four: Law and Order Stage

- Obeying societal roles and one’s “duty”

Stage Five: Social Contract

- Own morals

Stage Six: Universal Ethical Principles Stage

- High moral code – most people do not reach this stage

Step 2: Organizational Mission and Goals Analysis:

Mission Statement: What activities organizations needs to pursue and what course is charted for the future.

- Long term objectives
 - “Who we are, what we do, and where we are headed”

Step 3: Analysis of Organization Character and Culture:

Organization Character: product of all an organizations features including; people, objectives, tech, size, age, unions, policies, success & failure.

Reflects the past and shapes the future

Equalifinity: Often many ways to get to an objective you need to find a path that best fits organizational character.

- Culture – “the way we do things around here”

- build on existing strengths
- Highly formal bureaucracy: HR's job is to preserve existing division of work through;
 - Clear job descriptions
 - Hiring specialists
 - Introducing training specialists that foster functional expertise

Organizational Culture: The core beliefs and assumptions that are widely shared by all organization members.

- Culture must be consistent with the overall mission strategy of the organization concerned.

Step Four: Analysis of Organizational Strategies

3 major strategies that a firm may pursue to achieve goals;

1. Cost Leader Strategy: Competitive advantage through low costs and lower production costs. Ex: Walmart, "rollback prices".

2. Differentiation Strategy: Distinctive product, offering a unique service, often higher than average prices. Ex: Apple

3. Focus Strategy: Focuses on segment of total market satisfies with low priced or highly distinctive product geography or specialized needs.

Ex: Only selling product where it will succeed.

Step 5: Choice and Implementation of HR Strategies

- Is it viable?
- Realistic?
- Do we have skills/resources?
- Is strategy internally consistent?
- Risks?
- What new actions must be taken?

HR strategies must reflect every change in the organizations strategy and support it.

5 Major Groups of Activities for an HR Manager:

1. Planning HR – gather info, required behaviour, performance standards and determining supply and demand.

2. Attaching HR – recruiting/selecting employees, maintain job requirements

3. *Placing, Developing and Evaluating HR* – orienting employees to workplace

4. *Motivating Employees* – must give compensation for good/bad behaviour

5. *Maintaining High Performance* – contribution from every member at max possible level. Good communication b/w managers and employees must negotiate well with unions.

Performance Appraisal: gives employees feedback on performances and can help identify future needs.

Step 6: Review, Evaluate and Audit of HR Strategies

- Organizations contextual factors that change constantly;
 - Technology
 - Environmental
 - Government Policies

- Need periodic strategic evaluation of internal factors such as;
 - Membership Characteristics
 - Role Definitions
 - Internal Procedures

Feedback: Information to help evaluate success or failure

HR Audit: Examination of HR policies, practices and systems of a firm. To eliminate deficiencies and improve ways to achieve goals

- Can include one division or entire company
- Evaluations and audits are necessary but can be backward looking
 - Need to work toward being proactive and “future oriented”

Scope of HR Audit

Employee Satisfaction — Managerial Compliance — Strategy Alignment



Choice of Research Approaches



Research Tools



Audit Report

Delegation: getting others to share the work, does not reduce managers responsibility.

- Reactive approach causes minor problems to become major
- As debt expands and specializes it may become organized into highly specialized sub-departments.

Staff Authority: Authority to advise but not direct

Ex: A department advising managers in other departments

Line Authority: Managers of operating departments can make decisions and take actions normally reserved for line managers.

HR Managers should have:

- Mastery of HR Management Basis – CHRP designation, MBA
- Change Mastery – need to be able to bring about change
- Personal Credibility – trustworthy/ethical/socially responsible