

**Business
environment is rapidly
changing and
bringing new
challenges**



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Bratton and Gold state that “ The role of HR is becoming more important if not more than any other executive leadership function (Bratton & Gold, 2003) in dealing with the challenges brought about by the changes in business environment. The changes affecting the OUDCE environment include; Globalisation, which has enabled the world to become one giant market place (Stiglitz, 2003), people are moving around and working in countries different to their own. Advance in technology which has made information preparation and dissemination inexpensive, hence time, space and other temporal constraints to information have been reduced and in many cases eliminated. Economic downturn or recession has had major impact on business, as consumers are spending less. Political changes like, recently the government has cut down funds to university, this has led to financial crisis. The new government has implemented strict immigration rules which have impacted HR Managers as they have to deal with these new policies. Increased competition between the leading universities. These environment changes have brought a lot of challenges to the University of Oxford HR department. As this is an academic institution, the challenges will slightly vary from those faced by retail shop, hospital, banks etc. The challenges are as follows:

Globalization has brought about diversity in the workplace. A diverse workforce includes individuals of different cultures, races, religions, gender, backgrounds and value working together towards a common goal. This leads to differences of opinions, discrimination and exclusion. Negative attitudes and behaviours can be barriers to organizational diversity because they can

harm working relationships and damage morale and work productivity (Esty, et al., 1995)

The Human Resource is faced with the challenge of maintaining high staff performance. The creation of performance culture can be quite tricky for HR managers as it is difficult to balance morale and productivity in the optimum way for HR department's success (Mackintosh, 2008) and as a result managers tend to turn a blind eye to poor staff performance, fearing that drawing attention to it will cause problems in the atmosphere and work environment. Another challenge that is closely linked to this is that there is high competition to hire leading scholars, researchers and Head of Departments. It's a challenge to ensure that right highly skilled individuals are selected. Maintaining and improving educational standards is only possible through highly skilled lecturers or professors and also support staff. And this brings out the pressure on HR manager to establish procedures for arranging the conditions which make possible greater self-direction by staff in the performance of their duties.

As a consequence of the Industrial Revolution and its emphasis on specialization (Paul et al, 2004), the OUDCE HR developed sub-departments that contained specialized functions. This organizational philosophy, known as departmentalization, was perceived by HR as a way to enhance the accumulation and dissemination of knowledge. However this structure has led to difficulties like rigidity, rising costs, and declining performance. To deal with this HR have to restructure the sub departments. This restructuring has led yet to another problem whereby ageing members of academic staff and head of departments are refusing to retire. According to the Employment <https://assignbuster.com/business-environment-is-rapidly-changing-and-bringing-new-challenges/>

Equality (Age) Regulations 2006 it states that “ employees will have the right to request to work beyond the date on which their employer intends them to retire. Where requests are made, employers have a duty to consider the request under a procedure set out in the Regulations” Ageing academics and other member of staff are demanding to stay past their retirement ages, this is a burden to HR department as they know that the staff have a right to sue them if they are forced to retire.

The impact of the information revolution and demand for a technological environment (Howell, 1995) is a challenge to HR as the managers have to ensure that technology a viable, productive part of the work environment. Most employees who have been working for long are still quite reluctant to adapt to the new technologies. It’s difficult for the HR to foresee and anticipate requirements and develop suitable IT training so that staff are up to date with the technology.

Due to the recession and funds cuts, the HR department has to look for areas to control cost. It’s quite difficult for HR managers to decide which areas need cost cutting and how the control will have an impact on staff. It’s likely that staff will feel that their jobs are not secure hence starts looking at other areas for work.

The HR Department can overcome these challenges by applying the following strategies:

HR managers can manage diversity by promoting a safe place for staff to communicate (Koonce, 2001). Creating dialogues through Intercultural seminars in which members of staff listen and are given a chance to voice
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their concerns. Managers can also implement policies such as mentoring programmes to provide staff access to information and opportunities. Staff should not be denied necessary, constructive, critical feedback for learning about mistakes and successes (Flag, 2002)

HR managers should show that they trust their staff by letting have job ownership, as staff will feel responsible and have a high sense of accountability; this in turn will lead to higher productivity in the organisation. There should also be motivational Workshops for staff as this leads to high performance, good working environment this will enable the staff achieve maximum flexibility, greater efficiency, and increased productivity.

Training and assessing the performance of employees, human resource management training is a worthwhile investment for most HR Department, (Samad, 2010) at the end of the day its people who make up an organization and without them there would be no organization. Basic training helps the staff to understand the responsibilities they will assume in their role. Those who work in HR have to develop their knowledge in every aspect of human resource management, including compensation and benefits, orientation, training, development, employee relations and performance management.

2. Comment on how HR activities contribute to the success of your chosen organisation. Use any 2 HRM Models to explain your answer.

HRM is particularly concerned with all the activities that contribute to successfully attracting, developing, motivating and maintaining a high performance workforce that result in organisational success. (Sims, 2008)

The OUDCE's HR functions include deciding what staffing needs are to be met and whether to use independent contractors or hire employees to fill these needs, recruiting and training the best employees, ensuring they are exceeding performance expectations, dealing with performance issues, and ensuring that personnel and management practices conform to various regulations. Other activities also include managing the approach to employee benefits and compensation, employee records and personnel policies. The Two models to be used here i. e. the Harvard analytical framework model and Warwick Model.

The Harvard Model

This model states that “ Without either a central philosophy or a strategic vision – which can be provided only by general managers – HRM is likely to remain a set of independent activities, each guided by its own practice tradition.” (Beer et al, 1990). In this framework stakeholders' interests and situational factors act as constraints on HRM policy choices. These policies directly affect immediate human resource outcomes, such as employee commitment and competence. The achievement of these results will lead to favourable long-term consequences like individual well-being and organisational effectiveness. This model also adopts an open systems perspective, since long-term HRM consequences can in turn have feedback effects on the context in which HRM decisions are adopted (stakeholder interests and situational factors). The main aim of HR is to utilise the University academic and support staff's abilities as a whole to the benefit of the institution. This model presents HRM as a “ broad set of policy choices” (Nankervis et al, 2002) of an organisation to respond to the changing

demands of organisational characteristics. The characteristics compose of a variety of stakeholders having different interests. Stakeholders could be Millionaires who fund the university, shareholders, management, student unions and employees. The model recognises the legitimate interests of these groups and suggests that HRM policies should be created to address these interests. Staff influence ensures that there is “ delegated level of authority, responsibility and power of employees in the organisation” (Price, 2004).

HRM policies take into account the situational factors of an organisation as well. These factors could be internal (e. g. workforce characteristics, business strategy, management philosophy and task technology) as well as external (e. g. Universities market conditions, labour market, immigration law and societal values) and are subjected to continuous changes. HRM policies need to accommodate these changes to achieve better organisational outcomes. These outcomes could be higher commitment from university’s staff, cost effectiveness and competence within OUDCE HR Department. And all these will ultimately lead to long term consequences like individual and societal well-being besides organisational effectiveness.

The situational factors influence management’s choice of HRM strategy. This incorporates workforce characteristics, management philosophy, labour market, regulations, societal values and patterns of unionization. This model conforms to the reality of what the HRM know: ‘ the employment relationship entails a blending of business and societal expectations’ (Boxall, 1992 : 72).

Author's criticism of Harvard Model

This Model applies the soft approach of HRM, it does not differentiate between HR consequences of different strategies, types of organisation, situational factors and the like. Another weakness of the model is the absence of a coherent theoretical basis for measuring the relationship between HRM inputs, outcomes and performance. Commitments to bargaining are weak i. e. assumed stakeholders readily incorporated into one organisational agenda. The Model is very prescriptive i. e. it assumes certain outcomes rather than actual experience.

Warwick Model

This Model emanates from the centre for Corporate Strategy and change at the Warwick University and with two particular researchers i. e. Hendry and Pettigrew in the 1990's. This model draws heavily from Harvard framework. The model takes into account HRM business strategy and HRM practices, the external and internal context in which these activities take place, and the process by which such change takes place, including interactions between changes in both context. The strength of the model is that it identifies and classifies important environmental influence on HRM. Hendry and Pettigrew's research focused on mapping the context, identifying an inner (organizational) context and an external (wider environment) context and exploring how HRM adapted to changes in context.

This Model highlights the importance of OUDCE's stakeholders and situational factors. It also suggests the HRM Policy choices vary in relation to

these wider factor. It suggests coherence in practice and policy to be the key.

3. What role HR planning plays in your chosen organisation? Describe any 3 HR planning Methods that has been used to achieve organizational objectives.

HR Planning is the process which anticipates and maps out the consequences of business strategy on an organization's human resources (Price, 2003). HR planning is important for the University as this will ensure that uncertain changes are catered for, it provides scope for advancement and development of employees through training and development, it also helps to satisfy staff needs and helps in anticipating organisational costs, by foreseeing the need for redundancy. It also helps to take steps to improve human resource contribution in the form of increased productivity, sales and turnover. (Priyadarshini, 2009) It also facilitates the control of all functions, operations, contribution and costs of the University's Human Resource. Lastly it causes the development of various sources of human resource to meet organisation needs. Three HR planning methods/tools that will be discussed are: "Smoke" detectors (Predictors), Retention plan and Re deployment/Agility Plan

TALK ABOUT FORECASTING

OTHER PLANNING METHODS

"Smoke" Detector (predictors)

Just like a literal smoke detector warns people of potential fire and saves them, the same case applied to this method of HR Planning. If the University

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applies a smoke-detector system in place to notify managers before a talent fire gets out of hand, it will be much easier to minimize the potential damage. HR managers should develop programs and solutions before smoke turns into fire and before managers have to request them. These system of “ alerts” warn managers of minor problems (that they can rectify with little effort) before they turn into major problems. These detectors will allow HR managers to effectively mitigate their impact upon the university. HR should provide managers with sufficient lead-time and a “ heads up” on people issues that will/ do face them.

Retention Plan

Retention plays its part in building a capable workforce, and these same factors can contribute to its downfall too. (Lazar, 2009) The reality of hiring freezes and possibly even lay-offs during economic slowdowns means it is critical to focus on retaining and enabling the remaining staff to reach peak performance. Retention plan will indicate reason for employee turnover and show strategies to avoid wastage, through compensation policies, change in work requirement (Moman, 2010) Key employee retention is critical to the long term health and success of any organisation. HR Managers know that retaining the best employees ensures high productivity, satisfied members of staff, effective succession planning and deeply embedded organizational knowledge and learning.

Redeployment/Agility Plan

OU DCE has structured itself in teams with broader ownership than just individual tasks. This allows easy redeployment. HR considers talents from every part of the organization as a possible successor for the positions and <https://assignbuster.com/business-environment-is-rapidly-changing-and-bringing-new-challenges/>

builds a flexible team that allows for temporary redeployment, if the necessity arises. Proper project planning, robust processes, standardized quality control processes, and review mechanisms (Vembu, 2009) this helps HR managers to manage the situation with the given resources and available means.

4- Recruitment & Selection strategies ensure the deployment of a new human capital in the organisation. What Recruitment and Selection strategies are taken in your chosen organisation to recruit & select senior management staff to enhance organizational performance?

Recruitment and selection of senior managers is one of the activities that impact most critically on the performance of an organisation (Robbins, 2009) While it is understood and accepted that poor recruitment decisions continue to affect organisational performance and limit goal achievement, it is taking a long time for OUDCE in many jurisdictions to identify and implement new, effective hiring strategies. In some areas, existing laws inhibit change; in others, the inhibiting factor is managerial inertia.

The first strategy that OUDCE uses in recruitment is the promotion and transfer of existing personnel. This is quite advantageous as promotion of staff to senior level ensures that worker morale and motivation is enhanced, the organisation has a better opportunity to assess knowledge & skills of the candidate. This is also beneficial for OUDCE as the candidate has existing knowledge about the organisation and less time is spent on orientation.

The other strategy is by sending memo to staff. In house personnel have the first opportunity to apply for these senior vacancies that arise within the

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organization. OUDCE also uses the Intranet and internet to advertise for senior managers as the HR department realises that this medium is popular and is used by 76% of the global organizations surveyed. (Ddi, 2009)

Another recruitment strategy is to place the job advert on the university gazette. The advertisement itself contains adequate information about job content, qualifications and experience, compensations and other conditions of service.

OUDCE uses psychometrics test as this strategy provides a powerful way of ensuring the best candidates are selected by assessing their ability and preferred behavioural styles. It also ensures that more informed recruitment decisions are made by providing additional objective information about a candidate. This strategy has also been proven to work better than interview alone (Bryon, 2001) meaning that less emphasis is placed on the skill of the interviewer (who may not be a recruitment specialist)

The best practice in selection requires a comprehensive program that includes realistic tests of work practice and the use of validated psychometric instruments. Three of the most commonly used selection techniques by OUDCE are: Curriculum vitae / résumés and written applications, Interviews and most importantly Reference checks.

There is preliminary screening and interview of the selected candidates, this tends to lay emphasis on the experience and qualifications of the shortlisted candidate. Preliminary interview is commonly used by OUDCE especially when hiring senior personnel. This strategy enables the employer to see the applicants personally so that both physical and emotional disposition of

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applicant can be assessed. It also enables recruiting officers to evaluate the validity of information contained in the application forms or letters given by the applicants.

TALK ABOUT STRATEGIES AND THEN EXPLAIN THE METHODS

5- HRD interventions help organisation to develop highly competent staff and teams. Describe the use of at least 3 HR training & Development methods taken to enhance the competence of the senior management staff in your chosen organisation.

The significance of human resource development increases every day, so it is very important to promote and administer human resource development with a long-term perspective, and to integrate research into policies, turn vision into action, changing the curriculum, formal mentoring, informing about technological change, and involving the society in decision-making. (Khan, 2007) According to Peter F. Drucker, “ the prosperity, if not the survival of any business depends on the performance of its managers of tomorrow”. The human resource should be nurtured and used for the benefit of the organisation. The effective performance of an organization depends not just on the available resources, but its quality and competence as required by the organization from time to time. The difference in the level of performance of two organizations depends on utilization value of human resources. Moreover, the efficiency of production process and various areas of management depend to a greater extent on the level of human resources development. The more important aspects of human resources are aptitude, values, attitudes and beliefs. The vitality of HR to OUDCE depends upon the

level of its senior staff development. Though the positive personnel policies and programs motivate the employees by their commitment and loyalty but these efforts only cannot keep the organization dynamic. For OUDCE to be dynamic it should possess dynamic human resource, dynamic here means that Human resources should acquire capabilities continuously, adopt the values and beliefs and aptitude in accordance with changing requirements of the University. When OUDCE staff use their initiative, take risks, experiment, innovate and make things happen, then the organization will be said to have an enabling culture. Hence competent human resources can be said to be dynamic in an enabling culture. OUDCE can develop, change and excel, only if it possesses developed human resources. Thus, HRD plays significant role in making the human resources vital, useful and purposeful.

HUMAN RESOURCE MODEL

The three training methods that OUDCE HR department uses for its senior management are: On the Job training, Mentoring and coaching and Self Development

On the Job training

According to Edwin Flippo, training is “ the act of increasing the knowledge and skill of an employee for doing a particular job”. (Flippo, 2003) OUDCE HR department realises that effective on the Job training is important for the newly recruited senior manager and for the organisation as well. This will ensure that he/she will perform the job correctly and also with efficiency. A senior manager needs training for promotion and for his/her self-

improvement. Senior Managers are given training immediately after

appointment and thereafter from time to time. Training is necessary due to <https://assignbuster.com/business-environment-is-rapidly-changing-and-bringing-new-challenges/>

technological changes rapidly taking place in the industrial field. It is also essential along with the introduction of new techniques, new methods. It is necessary for developing overall personality of senior management and also for developing positive attitude towards fellow staff, job and organisation.

Managerial / Executive Development Programmes

Managerial talent is the most important asset that any organisation can possess. Management development ensures that as and when the demand for managers arises, suitably qualified persons will be ready and on hand to fill the vacancies. Managerial development consists of all means by which senior management learn to improve their performance. According to P. N. Singh, “ Management development is an activity designed to improve the performance of existing managers, provide a supply of managers to meet the need of organisations in future and extend the understanding of the management activity by drawing from the following three resource areas: (a) Knowledge, (b) Experience, and (c) Trainee himself. (Singh, 2007) It is designed to improve the effectiveness of managers in their present jobs and to prepare them for higher jobs in future. Managerial development aims at helping the managers to realise their full potential.

Management development is a way to improving the culture of the Organisation so that it could be geared to excellence. “ People move organisations-not machines.”

Training for promotion is given after the promotion but before joining the post at the higher level. The purpose is to enable an employee to adjust with the work assignment at the higher level. The purpose of refresher training is

to update the professional skills, information and experience of persons occupying important executive positions. Training for managerial development is given to managers so as to raise their efficiency and thereby to enable them to accept higher positions. A company has to make provision for providing all types of training.

Joseph Stiglitz (2003) Globalization and its discontent

<http://www.expresscomputeronline.com/20090928/technologylife01.shtml> (

Joe Lazar, 2009)