Strategic job family and strategic values model: a long term perspective

Strategy comes with a long-term perspective and a vision that demands careful steps be taken towards realizing organisational goals. Rogers (1995) discusses how long term strategy that combines effective negotiation, morale building and job clarity has been the cornerstone of organisational success across centuries. Peters and waterman discuss how the most successful companies in the United States of America have been so because of their long term vision coupled with an emphasis on values.

In the context of developing human capital, which in a knowledge driven economy is by far the most valuable factor of production, it is important to look at how firms envision their growth. The job family construct is the typical organisation structure concept that groups together similar job descriptions. This is done so as to create a synergy that would enable maximal output from any group of workers. The Strategic vision here would demand that the firm plan this family in a long run perspective.

This would enable an osmotic relationship that allows for specialization and team spirit to bring about an organisational ethic and environment that enables productivity and efficiency. The Strategic job family construct is what one sees in most large organizations where job families are defines and though these may exist across the breath of the firm, they constitute a clearly defined organism that is seen and treated as one unit. The Strategic component allows for the firm and the job family then shares a vision. The Strategic job family idea therefore is a problem solving approach over a long term horizon that most effectively ensures organisational stability and growth.

In contrast the Strategic value approach is not a reactionary way of handling a problem that exists. It instead looks at value generation and aims at building a value structure through strengthening existing values and concepts that firms thrive on. These values are then nurtured in a long term perspective to be able to grow progressively into ingrained ideas that enable growth and innovation. In learning organizations, it is essential for strategy to guide development and give clarity to leadership on how to best leverage human capital through careful building up of value structures and ethical practices. Changing environmentIn a fast changing corporate environment, firms must indeed breed cultures that can alter and adapt to changes in the outside world.

A large number of robust firms have realized that change is the biggest threat to a well ensconced manner of doing business. Firm in their stability, firms do not build in external change in their strategic calculations and neither do they orient their employees to nurture and build systems that enable an understanding of change and the need to evolve value systems that would feed into this change in the external environment. Large corporations that have survived, including General Motors, have been able to build strategic of change that have inbuilt alarms that allow employees to learn from the manner in which markets change due to change in technology, customer preferences, government regulation and competition. The value proposition that a firm offers is one where the organisation, through a long term strategy, is able to monitor changes in the environment and build in mid course corrections that would enable an offer that best meets market demand. There are various strategic that are adopted by organizations to retain customer loyalty.

Lock ins, coercive monopolies and high switching costs could indeed hold customers loyalty. This has been seen in its best form in the case of Microsoft where the shift to a new software provider comes with rather high costs. However this approach is at best a tactical short-term vision that does not build into the model the rapid changes in technology and the fall in prices that are inherent in high technology markets. Therefore the need for a Value based strategy that would indeed work in the long run.

Improving Human capitalIn the modern context how does a firm improve its human capital? In the traditional flow chart, Kaplan and Norton had discussed a four-step approach that would build on a strategy map and then would enable the firm to identify job families first where work is of a homogenous nature. Then the firm would develop what is referred to as a competency profile that builds a template incorporating all the skills that are required by this job family. This would be followed with a clear assessment of human capital and its readiness in taking on the job. When this is clearly measured it becomes possible to identify the gaps and therefore develop an approach that would develop human capital to address the new needs of the organisation.

In this strategic job family approach, the importance would be on the strategy map and on the assessment of human capital. The focus then shifts to training and learning mechanisms that incorporate the firm long-term vision. Examples of this can be seen in the manner in which firms with large multi national presence, like McDonalds have trained their human capital in acquiring the skills to deliver homogenous, standardized products of average quality but high reliability across continents. Working ion clear job families, workers have been given the requisite skills to tend to an image of reliability that now is strong across the world. From Strategic Job families to Strategic ValuesThe Strategic Job Family approach has a built in focus that lays its emphasis on a few key roles that define an organisation. In technology centric organizations, the Strategic job families are those comprising researchers and engineers.

In consumer markets, it is often the marketing division that is seen as a key job family and the entire strategy is leveraged around the development of human dcapital in these critical departments. However, this approach suffers when extraneous forces like mutating technologies or new regulations play havoc with set ideas for the future. This then becomes the reason companies collapse as there is usually no time to reorient or to build an entirely new set of human capital. The Strategic Value approach therefore transfers the onus of change and keeping up with change on the entire organisation. It is the responsibility of the strategist to ensure that each link in the chain is powerful and is evolving based on certain organisational values that are strategic.

These strategic values are not to be confused with ethical principles of honesty and diligence, which in any case are fundamental to good performance. Strategic Values are those strengths that are identified within firms to differentiate their strengths from what is indeed irrelevant to the firm’s success. This strategic value could be innovation, as in the case of 3M.

It could be distribution as in the case of Dell computers. IBM could keep the reliability and robustness of its solutions as the strategic value that would be leveraged in the future.

However in all these values, the key step is the need to involve the entire organisation in keeping these values alive and in ensuring it is the entire workforce that imbibes these values. Most corporations that do not strategize on their competitive values would lose out to external forces or to external agencies that threaten the basic business that a firm deals in. In designing a strategic value process, it is important for firms to identify their strengths, changes possible in the environment, market mechanisms, regulatory issues and technological growth. It is indeed the management of this change that keeps the strategic value approach alive and ensures the successful innovation and incubation of strategic values; especially in an environment that is fast globalizing and threats that could come from entirely foreign sources.