Strategic human resource management

Business, Management



Strategic human resource management is a branch of the general Human Resource Management or HRM. Strategic human resource management is therefore defined as the linkage of the human resources (people) of the organization with the set strategic goals and objectives of the organization so as to improve on the performance and development of a culture that enhances creativity, innovation, flexibility and maintaining competitive advantage (Storey, 2008).

By the definition of SHRM, it is clear that all organizations value the human resources (people) since they determine the success or failure of the organization. The formulation and implementation of the organization's strategies is done by the human resources that are qualified to make prudent decisions. This is a strategic partnership which involves activities such as recruiting, selecting, staffing, training and remunerating the worker (Charles, 2006).

The primary goal of SHRM is to motivate employees so as to improve on the productivity despite the challenges or obstacles on the course of discharging their duties. Increased productivity can be known by the company's increased profit margins, increased price earning ratio and the reduced cost production. It also aims at improving communication and coordination between the staff, subordinate and the top management of the company. This is very important in that, it ensures there is cooperation and active participation by all, because everybody is consulted before decisions are made (Storey, 2008).

The ABC Company has made sure that the staffs employed have the skills and competences required for the company to compete favorably with other companies in the market. Strategic Human Resource Management is characterized by the responsibility which is spread in a beauracratic manner for easy management of the human resource (Charles, 2006). There is the linking between the human resource practices, procedures, policies and the general organizational strategic objectives, aims and the surrounding environment.

Strategic human resource management focuses on the long term objectives as opposed to human resource which focuses on internal issues only. Its main aim is to address and solve problems that affect people's management policies and programs (Charles, 2006). In ABC Company, the human resource management professionals have been facing major issues or challenges such as lack of commitment by the employees, stiff competition due to globalization, performance management and handling reward systems.

Other challenges include the cross cultural issues, rapid technology change, internationalization of the market integration and the financial crisis.

Selecting, interviewing and recruiting the most qualified staff is a major challenge because in most organizations, there is the high rate of employee turnover which has been costly. With the shift of human resource management to the strategic human resource management, ABC Company top management can adapt and implement its policies and programs so as to improve on its productivity and performance (Storey, 2008).

The similarity between this paper and other research papers is that, the main aim of human resource managers is to maintain productive employees that have the skills, competences, knowledge and total commitment towards the accomplishment of the set objectives of the organization. In contrast, this paper is summarized to only highlight the major issues in strategic human resources management as opposed to the wider research gives the details of all the issues. In conclusion, SHRM tries to align the human resources with the core business strategies, integrating the required skills, adapting to the dynamic employment and the labor market.