

# Human resources management of e- commerce



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Introduction The increase in use of Internet among people all over the world has caused a major shift in lifestyle and buying pattern of consumers. In order to succeed, businesses' should be able to plan and adapt to rapid changes in the marketplace. An example of a company that failed to understand the digital revolution is Borders Bookstore. Borders filed bankruptcy because they did not plan for change and they struggled to create and maintain its online business.

It lagged behind from establishing a viable online book business, and over expanded its brick and mortar stores while other book business such as amazon continued to read current trends in e-books and began scaling back. Borders also made a mistake by not investing enough in research and development to compete with other popular counterparts such as Amazon's kindle and other electronic books and devices (Boshman, Merced). We can learn from Borders of the importance of forecasting future demand, based on current trends in the market. The bookstore industry is changing drastically and trends show increasing Internet sales.

Bookstores such as the Bojangles' Book and Music Company struggle for market share in the e-business while trying to sustain traditional brick and mortar stores. Some industry trends according to a 2005 study done by the Book Industry Study Group say that trade book business will decline because people are spending less time reading and more time using other media such as the Internet (Rodriguez). It is a good strategic move on the part of the CEO of Bojangles Book and Music Company (BBMC) to take the business onto the World Wide Web.

This paper will provide an HR Strategy for the BBMC to shift their existing storefront business into an e-commerce operation. The following is a SWOT Analysis of the current situation of BBMC. Strengths The company currently has a large range of books and services. BBMC has been able to expand to different states successfully by sticking to their motto and providing a high level of customer service. BBMC has capacity to handle large operations, including the thirty stores and they have a high efficient distribution system.

It has a great company culture, and has been able to provide local citizens with jobs (Fisher, Schoenfeldt, Shaw 89). Weaknesses The company has come to a dead-end in terms of expanding, and has not thought of a strategic plan for dealing with competition. Profits have been dropping (Fisher, Schoenfeldt, Shaw 89). Opportunities The company has a unique combination of selling books as well as music that is unique than most booksellers who focus on solely selling books. Using the Internet will allow BBMC to target a larger audience and market.

There is a possibility of selling more than books and music, selling a new line of accessories and gift items can be an option (Fisher, Schoenfeldt, Shaw 89). Threats There are already well-established companies like Amazon, which take a large portion of the market share. The new strategic plan to expand to the web might cause concern among employees in the brick and mortar stores, about having to lose their jobs. The company may face some resistance, and have to put forth new capital and investment in a time of declining profits to expand the company (Fisher, Schoenfeldt, Shaw 89).

Strategic Human Resources Plan The strategic Human Resources Plan should involve using the “ Strategic Best Fit” approach. This involves matching specific HR practices to the firm’s overall business strategy (Fisher, Schoenfeldt, Shaw 49). Being in the bookstore business with a motto such as “ You want it, we got – or we can get it fast” and its pride in customer service, it is clear that BBMC puts customers first. Management should have a clear vision of where they see the company going in the short and long term plan after expanding to the World Wide Web.

By choosing to expand business to the World Wide Web, The BBMC Company should be ready to face many challenges. In creating a Strategic Human Resources Plan, it should look at implementing a mix of horizontal, vertical and external fit. The horizontal fit focuses on keeping HR practices that complement each other, the vertical fit helps maintain consistency with firms overall strategy and the external fit makes sure the strategy is aligned with external factors such as customer buying patterns, increase in diversity etc. (Fisher, Schoenfeldt, Shaw 49).

Two main components of the proposed SHRM plan is transforming the people and transforming the structure of the organization (Fisher, Schoenfeldt, Shaw 55). Transforming the People Recruitment To keep up with the company’s motto of providing books on demand for its customers, the company will need highly qualified employees who can cope with the fast growth and change in the industry. Management should look at hiring employees who fit the culture of BBMC and those who are aligned with the growth strategy and providing the top most customer service experience.

By focusing on the customer needs, recruiting talent that adapts to those changing needs is a crucial step in the strategy (Hr Spectrum). Training and Development With the focus on customer service and hiring skilled employees, it is important to have a valid training and development program to help employees learn and grown within the organization. They should have appropriate language skills to deal with variety of customers, should know about the importance of quality of service, and have high participation and group orientation. Fostering Culture

Creating a company culture that fosters innovation and learning is critical to the continued success of the organization. By providing necessary resources and encouraging creativity, employees will be able to work on research and development to develop sustainable competitive products and services in the market. Skills and Qualifications With an online business, there would be a wider skill set and gap to fill. For example, there would be a need for IT professionals, network designers, website designers, antivirus, theft protection specialists, supply chain managers, marketing specialists, and customer service representatives.

Hiring would have to be done through online forums, and staffing agencies rather than filing positions with word of mouth and local high school students. Performance Appraisal A strategic approach to appraisal that is different than traditional appraisals in store operations would be to look at the organization as a whole, it is important to make sure the appraisal system is consistent and evaluates the behaviors needed to achieve the strategic goals of the company (Fisher, Schoenfeldt, Shaw 68).

Compensation With a larger staff network spread over wider geographical area, it will be important to implement a reward structure that communicates the overall strategy of the organizational goal. An example is to focus on team productivity, profit sharing and skills based pay to enhance ability and motivation of employees to increase efficiency (Fisher, Schoenfeldt, Shaw 68). Transforming the Structure As of now BBMC will run its operations from its home site and use its existing distribution center.

However, with an increase in demand, the company must be ready to manage its supply chain to provide customers with what they need, fast. Transforming structure includes having a stable communications network, access to information technology hardware/software, a good supply chain on suppliers and distributors, transportation and storage facilities. By transforming from traditional personnel to SHRM, the BBMC will have to decide which activities should be centralized and which should be decentralized. A suggestion is to implement a central administrative service enter which meets all current service obligations, manages all ' transactional support processes', enable workforce access to information, apply information systems to automate all necessary services and consolidate activities to increases productivity (Fisher, Schoenfeldt, Shaw 60).

Integrating HR into Strategic Planning With the expansion to the World Wide Web, BBMC has a lot of planning ahead. For the HR aspect, it will involve anticipating the need for labour and ensuring the supply of that labour, and also implementing proper plans to make sure this supply is available when necessary.

It is recommended for the BBMC to use the Human Resource Planning Model, which involves five steps. First step is to collect external information about the industry, technology available to create structure for online business, how competition is doing business, about labour markets and social trends. They should also collect information already existing from within the organization such as current HR plans, and strategy (Fisher, Schoenfeldt, Shaw 97). Next step is to forecast demand for human resources for long term and short term.

This includes, number of positions and jobs that will arise. Following step is to forecast supply internal and external for the organization using labour market trends, demographic trends etc. Then plan and conduct the needed programs to increase or reduce workforce size, change skill mix and develop career plans. Last but not least it is important to take a feedback on the planning process to see if they forecasts were accurate and if the programs met the needs of the company (Fisher, Schoenfeldt, Shaw 97). Conclusion

Expanding to the World Wide Web requires planning, and strategic decision making in marketing, finance, and HR. It is important for BBMC to have a clear vision and short and long term growth strategy prepared to help create a path of success for the company. Reading trends in the market and creating and maintaining the human capital in the company with proper training, development, compensation and structure will ensure success. The HR strategy should fit the overall goals and objective of the organization and by applying a strategic best-fit approach to all policies and procedures, BBMC will be able to stay on the right track. Works Cited Boshman, Merced, Julie, Michael. " Borders' Bankruptcy Shakes Industry ." Media and

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