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among a set of  
internal



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Part A: Literature Review This literature review will seek to outline and explain features of organisational typologies while comparing and contrasting the frameworks presented by Miles and Snow to that of Burns and Stalker. Introduction Human Resources Management (HRM) may be defined broadly in terms of all management activities impacting the relationship between an organisation and its employees (reference) or more explicitly as a system of operational functions in the three phases of the employment cycle (reference). In an era where innovation is imperative to the sustainability of an organisation, and the ability to achieve coherence among a set of internal and external competitive factors is fundamental to success, the Human Resources (HR) of organisations are a matter of growing significance. To achieve excellence, Human Resources Management needs to be incorporated into the total strategic management process of the organisation (Hartel, Fujimoto, Strybosch & Fitzpatrick, 2007).

Strategic human resources management (SHRM) is the pattern of planned human resource deployments and activities intended to enable an organisation to achieve its goals (De Cieri, Kramar, Noe, Hollenbeck, Gerhart & Wright, 2008). Therefore to consider a strategic approach to HRM, the role that HRM has in the strategic management process must be understood. There are two schools of thought that outline SHRM; the external market oriented approach is the first school that states that HR practices need to be developed so they blend well with the external market, societal and organisational contexts. The second school of thought is based on the resource-based view (RBV) of the firm. This school highlights that an organisation can outperform its competitors in its industry by focusing on its

keys internal strategic resources – knowledge management, assets, capabilities, technological and organisational processes- to gain competitive advantage (Hitt, Ireland & Hoskisson, 1995).

The role that HRM can play in strategy formation could be segmented into four categories which are administrative linkage (the lowest level of integration), one-way linkage (where the strategists develop the strategic plan and advice the HR functions about the plan), two-way linkage (the human aspect issues are heard during the strategic planning process) and the lastly, the integrative linkage. Literature within the area of HR abounds with a number of frameworks and methodologies for identification and classification of human resource management practices. Theorists Miles and Snow proposed a framework of four strategic archetypes – defender, prospector, analyser and reactor – which can be used to classify organisations (Graetz, Rimmer, Lawrence, & Smith, 2006). Based on specific characteristics of organisational innovation, Burns and Stalker (1961), suggests that organisations can either be mechanistic or organic.

Nankervis, Compton, Baird and Coffey (2011) likewise assign two frames of reference, Pluralist and Unitarist, which they describe as the real culture exhibited and espoused within power structures and employee relations by organisations. Hoy and Miskel goes further to suggest that culture is “ the unwritten, feeling part of the organisation” that grants individuals of an organisation a scheme of values and beliefs that sets them in a group “ larger than themselves” (Hoy & Miskel, 2008, p. 39). Schuler and Jackson (1987), suggest a ‘ best fit’ model which links employee behaviour with the HRM practices of innovation, quality enhancement and cost reduction.

Morgan (2011) on the other hand, proposes eight metaphors – Machines, Brains, Cultures, Psychic prisons, Instruments of domination, organisms, Political Systems and Flux and transformation- which offer a way of understanding HRM strategies used by organisations through the analysis of the characteristics presented by each metaphor. Organisational Typologies

Miles and Snow The strategic typology posited by Miles and Snow, is widely accredited as one of the most influential generic strategic management theories of the past three decades owing to its industry-independence and relevance to real-world situations (Hambrick, 2003). It takes into consideration such aspects as performance incentives, employee skills, training and development, and career succession, in addition to the volatility of the competitive market. Whilst there is no mention of organisational culture, and little on processes pertaining to employee retention, it recognises the benefits of knowledge management and today's "reality of mobile, short term employees" (Nankervis et al, 2011, p. 285)

Miles and Snow postulate four strategic orientations – defenders, prospectors, analysers and reactors by which organisations are classified.

This taxonomy is based on the assessment and dynamic process of how and by which an organisation adjusts and responds to the administration, entrepreneurial and engineering challenges it faces. The entrepreneurial challenge addresses management strategies pertaining to the domain in which the company will compete, while allocating apposite resources to the identified market. It is predominantly concentrated on the actual products and/or services brought to the market. The engineering challenge on the other hand, encompasses the systems and processes that operationalise the

organisation's approach to the entrepreneurial problem. The administrative problem rationalises the activities to manage the implementation of the solutions and considers how an organisation should effectively structure itself to solve problems faced by the organisation during the entrepreneurial and engineering phases as well as formulating processes that allow the organisation to innovate.

While organisations select diverse solutions to these challenges, Miles and Snow suggests that numerous organisations will develop comparable solutions. It is noted that Organisations that are consistent in their methodology to the various challenges, outperform those whose approach is less consistent. Defenders are organisations that know how to uphold a constant share in the market by contending on price and quality with a focus on improving efficiency, while taking a conservative view of new product development. Defender organisations encounter the administrative problem of efficiency which calls for centralisation and formal procedures. A prospector organisation on the other hand, emphasizes on innovation and the constant need to explore new markets and services, making them the pioneers in their respective industry. Although more innovative, they face the entrepreneurial problem of sourcing and exploiting new opportunities. Analysers display the characteristics of both the aforementioned classifications. Organisations as such will seek a balance between stable and changing domains.

They are in evidently confronted with the entrepreneurial problem of how to maintain their shares in existing markets, in addition to identifying ways to exploit new market and product opportunities. Reactors, on the other hand,

respond incoherently to challenges, wait for cues or instructions from powerful stakeholders in its environment and exhibit a short-term orientation driven by environmental dependence. Change and uncertainty is perceived but their structure-process configuration is not aligned with the desired strategy and creates organisational instability that can result in its collapse over time.

Miles and Snow (1978) further posit that organisations become reactors for three compelling reasons. The first of which, is the fact that senior management may not have clearly articulated the organisation's strategy. Secondly, they do not fully shape the organisation's structure and processes to fit a chosen strategy. Lastly, there is a tendency for management to maintain the organisation's current strategy-structure relationship despite overwhelming changes in environmental conditions. Also the failure to execute defender, prospector or analyser strategy can lead the organisation actual strategy to be a reactor approach. Miles and Snow (1978) postulate that the first three archetypes can be successful if the organisation matches its strategy to the competitive environment, and develops and deploys appropriate capabilities. Reactors, on the other hand, will tend to be the least successful due to their apparent inability to align their strategy with the competitive environment.

Burns and Stalker The theorists argued that organizations need different kinds of structure to control their activities that will allow the company to adapt and react to changes and uncertainties in the environmentAs Burns and Stalker argued, where the market and technological conditions are stable it is appropriate and cost-effective to use a mechanistic or hierarchical

organisation structure; where these conditions are unstable an organic or more flexible, decentralised structure is more likely to lead to success for the company. Mechanistic organisations Organismic organisation Compare and Contrast Although strategy-environment fit is an important element in the Miles and Snow model, it receives comparatively less attention than the alignment of strategy with internal structures and processes. Nevertheless, it is clear that Miles and Snow believe that organisations have the discretion to adopt the strategy that is best suited to the circumstances that they face. They follow Burns and Stalker (1961) in claiming that an organic structure is required in an uncertain environment, whereas a mechanistic structure is better in a predictable and stable environment.

It is the only typology that characterizes an organisation as a complete system, with a focus on the organisation's strategic orientation (Croteau et al., 1999; Evans and Green, 2000; Karimi et al., 1996; Snow and Hrebiniak, 1980). To date, no study has taken the Miles and Snow variables and operationalised them in a model that can test whether all the contingencies they posit in theory hold up in practice. Part B: Application to workplace Founded in 1983, with one teacher, 19 students and basic facilities, this non-denominational, co-educational, parent-controlled, independent Christian school is affiliated with the Christian Education National Ltd (CEN).

Located on four separate geographical sites on the outskirts of Melbourne's South Eastern suburbs, the school (School A) today, boasts facilities to cater pre- kinder to Year 12 with total enrolments of 1227 and an attendance rate of 94% across campuses. (ACARA, 2016) School A Index of Community Socio-Educational Advantage (ICSEA) value is 1033 which describes the <https://assignbuster.com/part-coherence-among-a-set-of-internal/>

community as having a medium socio-economic background. (ACARA, 2016) While the school's population comprises 1% indigenous students, with 11% of students with a language background other than English (ACARA, 2016), the school's ethnography, culture and behaviour encourage excellence and embraces diversity, resulting in 85% of students graduating Year 12 pursuing university studies. The curriculum is Christ centred and is developed in line with the Australian Curriculum, Assessment and Reporting Authority (ACARA) and the Victorian Curriculum and Assessment Authority (VCAA) to promote the academic, spiritual and social development of its students. The school's mission is to “ provide excellence in Christ-centred education in partnership with families within a caring Christian community”. As such, School A seeks to maintain a predominantly Christian community and to provide an environment in which the beliefs and values of Christian families are supported in the context of a thoroughly and distinctively Christian education. School A also seeks to support non-Christian parents/guardians who are supportive of the Christian identity and ethos of the school and desire a Christian education for their children. The vision of School A is to “ Maintain an uncompromising biblical foundation and Christian stand in all endeavours of the Association, serve families by providing accessible Christ-centred education, aim for excellence by providing an environment in which students and staff are encouraged to reach their full God-given potential, cultivate community that reflects the love of Christ and actively support the provision and extension of a Christ-centred education.

” As a global premium organisation, Diageo has five core shared values that they placed at the heart of their enterprise. These values are a key element



in their corporate strategy which influences the way they work, every day and everywhere and it is their dominant cultures. · Diageo exudes a passion about consumers through their curiosity and consumer insights to drive their growth. They cherish their brands and are innovative in the quest for new ideas.

· They embrace diversity, value each other and try all avenues to build fulfilling relationships and partnerships. Diageo have a culture where success is celebrated no matter what is the size of the price. · Their employees give themselves the freedom to succeed through trust each other and value openness in their working environment.

· As a multinational company they are proud of what they do and how they do it, and display the highest standards of integrity responsibly in their behaviours. · They aim to be the best and are continuously learning and improving their market position. To ensure that each and every one of its employees are living the Diageo's values to build that organisational culture, each year Diageo runs an employee values survey to ascertain the leadership across the company. As such, leadership drives organisational culture and organisational culture drives the company bottom line and maximises profitability. Part C: Evaluation Conclusion References

De Cieri, Kramar, Noe, Hollenbeck, Gerhart & Wright, 2008. Hartel, Fujimoto, Strybosch & Fitzpatrick, 2007 Hambrick, D. C.

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