

HUMAN RESOURCES TRANSFORMATION, POLICIES, STRATEGIES AND OPERATIONS: A TOOL FOR HIGH-LEVEL STRATEGIC DISCUSSION, MOTIVATION AND STRATEGIC THINKING.

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ABSTRACT

Human Resources transformation refers to the massive restructuring of corporate human resources (HR) departments. This department was generally been seen as administrators, not as people to be involved in high-level strategic discussions. The overall aim of this research was to identify and examine the transformation, policies, strategies and operations. The research discussed the rationales for transformation, merits and demerits of policies strategies and operations. Finally, recommendations were made that fast stream recruits destined for the top should spend time in (HR) as a matter of course along their carrier path.

Keyword: Human Resource, Transformation, Policies Strategies and Operations

INTRODUCTION

Transformation of Human Resource is a complete change in the way in which we work which has undergone a complete transformation in the past decade. Transformation from a dictatorship to democracy. With the growing appreciation of the value of a company's human assets, and a need to ensure that the talent that an organization requires is not just on board, but also properly motivated; the role of (HR) has more and more come to be seen as strategic. The old style Human Resource (HR) that dealt with strikes, bonuses and gripes was rarely suited to this task.

Influenced by the ideas of Ulrich, (1997), began to look at ways to revamp their (HR) departments. Starting with the widely accepted idea that human resources were becoming the most valuable asset in a knowledge-based economy where talent was at a premium, Ulrich argue that "Traditional Corporate (HR) Departments were entirely adequate for the task of ensuring that companies got the right talent when they needed it".

Ulrich also suggested that companies should transform their HR departments, Human Resources transformation was meant to have capacity to motivate, shape the organization culture, and create a climate favorable for organization change. Kanter, (1983), commented on the modernization of the personnel system at General Motors in 1970s in seminal work on organizational change. Ulrich (1997) also in his book titled "Human Resource Champions", brought the idea as part of transformation that the HR function should be divided into three:

- What are normally called shared service centres, groups that deliver the traditional HR service (and do jobs that can often be easily outsourced);

- Something described as centres of expertise which house the designers of remuneration packages that ensure an organization can attract the people that it needs;
- Business partners, HR people whose job it is to do high falutin strategic thinking.

The consequences of HR transformation have been dramatic, and in some cases painful on average, it has been reckoned that around 25-30% of HR staff lose their jobs in the transformation process, with another 20% or so following them over the next few years, as study by IBM's institute for business value estimated that some transformations eliminated up to 70% or more of the work load of the traditional HR generalist.

1.2 LITERATURE REVIEW (BACKGROUND TO THE DEBATE)

Human Resource (HR) refers to the specialist that makes or takes decisions about the deployment and treatment of personnel taken by line as well as personnel specialists. In practice, HRM cannot be considered different from a personnel management

IPM, (1983), stated this is part of management which is concerned with people at work and with their relationship within an enterprise; Personnel management aims to achieve both efficiency and justice... It seeks to bring together and develop into an effective organization the men and women who make his own best contribution to its success... It seeks to provide fair terms and conditions of employment, and satisfying work for those employed.

Notable aspects of this definition of the personnel HR function are its reference to practice as well as efficiency, implying a caring role for the management in its relations with its employees. As well as referring to fair terms of employment, including satisfying work, implying management's responsibility for enabling employees to experience job satisfaction. At the inception, the capacity for the senior management to introduce change and flexibility in operations was hampered at this time due to such factors as:

- Government economic policy was directed towards full employment.
- Industrial and public sector organizations were heavily unionized, often with a trade unions
- Employment legislation encouraged collective bargaining as the best means of (a) settling pay and conditions, and (b) resolving disputes between employees and their employers

Ulrich (1997) he suggests one four possible routes for HRM that it could aim for just a servicing functions, which he call the work organization approach. Second, he sets forth the idea of the HR practitioner acting as spokes person for the employees in situations when conflict is involved, the so-called employee champion. Ulrich's third possibility for HRM is that it could fulfill an active change management role in the organization, where personnel/HR practices bring added value to the business. The forth approach suggested is that, of business partner, where the HR practioner participates fully in the strategic processes of the organization, and is wholly committed to concepts of added value and competitive advantage.

Kanter (1983)³ in a seminal work on organizational change, commented on the modernization of the personnel system at General Motors in the 1970s, which was transformed from a series of multiple divisional systems lacking coherence and controls into a brand new, state-of-the-art human-resource-management (HRM) system' headed by a vice-president and a corporate

personnel administration and development unit, which both guided and worked with the line division on personnel matters.

Peters' and Waterman's' (1982)⁴ posited that the idea of developing simultaneous 'loose-tight' controls, empowering developed units to carry out personnel activities, but within the discipline of a coherent personnel strategy and its associated policies.

Purcell (1985)⁵ stated that, there were signs of a move in large organizations towards dismantling the corporate personnel department and devolving its duties to operational levels rather along the lines of a weekly supported HRM Model. He stated further that dismantling of the central personnel core has the effect of reducing personnel to a devolved servicing function. Purcell suggested that there were nevertheless a number of 'core' activities 'which could form the heart of the corporate personnel department's role'.

Purcell, Hunt (1984)⁶, in an article in personnel management, argued that if personnel specialists were to maintain any credibility in the organization they must associate themselves closely with the corporate image and culture of the organization:

... [So as] to relate personnel practices to beliefs to link each... process of the recruitment, induction, training, appraisal, rewarding of individuals to an overall set of articulated beliefs of that organization.

Storey (1992)⁸, In his analysis of Personnel Management roles, he looked at developments in what he termed the management of human resources, and considered two major dimensions of personnel management: (1) a strategic tactical dimension and (2) an intervention is non-interventionist dimension.

1.3 POLICIES, STRATEGIES AND OPERATIONS

Policy-making is a key part of strategic planning in an organization. A policy is an expression of the organization's values and beliefs concerning all the major function of the enterprise, stating not what the organization intends to do, but the manner in which the organization intends to achieve its objective.

This policy has to be distinguished from a strategy, which is essentially a statement of long-term objectives to be achieved, and the principal mechanisms intended to enable this, strategic objectives provide a framework within which detailed operational plans can be made while policies provide the ethical or behavioral context of this framework.

In general terms, a company or personnel may stipulate that:

- The company will conform to the spirit as well as the letter of the law in employment matters
- All vacancies will be advertised within the organization
- All posts will be filled on ground of merit only, and no one will be discriminated against in terms of sex, ethnic origin, age or any factor other than ability to fulfill the job competently
- The company will always negotiate in good faith with trade union representatives
- No organizational changes will be implemented without thorough consultation with all those directly affected by them
- Pay levels will be maintained so as to compete with the best in the industry
- Employees will be expected to participate in training and develop their skills
- Every employee will have the right to fair treatment in matters of discipline.

Policies such as the above express the organization's long-term view of how it tends to conduct its employee relations. Once these rules of behavior have been established, whether in written form or through custom and practice, it is possible to develop strategies that are consistent with them.

Strategies are goals for human resource personnel to follow strictly. Such strategic goals can only be evaluated in qualitative terms. A judgment has to be made as to the degree to which a strategy is successful. Strategic goals are stated very broadly because they are intended to express long-term aims and have to stand the test of time.

Operation is a follow-up of strategic goals which head of human, (HR) could seek agreement or approval for year-on-year operating plans designed to achieve the long-term objectives. Operating plans contain the detailed statements, including budgets, which set out the means by which the organization intends to achieve its strategic objectives. Such plans are intended to produce and resources the actions that are required for intentions to be turned into reality. They typically contain references to quantify, quality, time and cost, as well as identifying those responsible for achieving the required result.

1.3 CONCLUSION

As stated earlier in this paper, the consequences of HR transformation have been dramatic, and in some cases painful. The great expectations that HR transformation aroused were largely frustrated. After a decade, fewer than 5% of executives said they thought that their organization's management of people was not in need of improvement.

Part of the problem lay in making traditional HR people think strategically. It was also felt that, people who have never been strategic are suddenly going to become so-for some companies the answer was to look outside their own organization. Companies such as Microsoft and BT hired HR directors from outside the HR discipline and others built in the expectation that fast stream recruits destined for the top should spend time in HR as a matter of course along their career path.

1.4 RECOMMENDATION

From the foregoing Human Resource Transformation was to restructure corporate human resource department, as staff in HR department were generally seen as administrators, not as people to be involved in high-level strategic discussions.

In the light of this aforementioned, the paper recommends that HRM should be proactive, innovative.

HRM should focus on employee requirements in the light of business needs. Employees seen as investment to be nurtured as well as cost to be controlled.

The management-led planning of people resources and employment conditions should be adhered to. Emphasis on competitive pay and conditions to stay ahead of competitors be observed.

Finally, by contributing 'added value' to business, stimulating change and commitment to business goals be maintained.

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