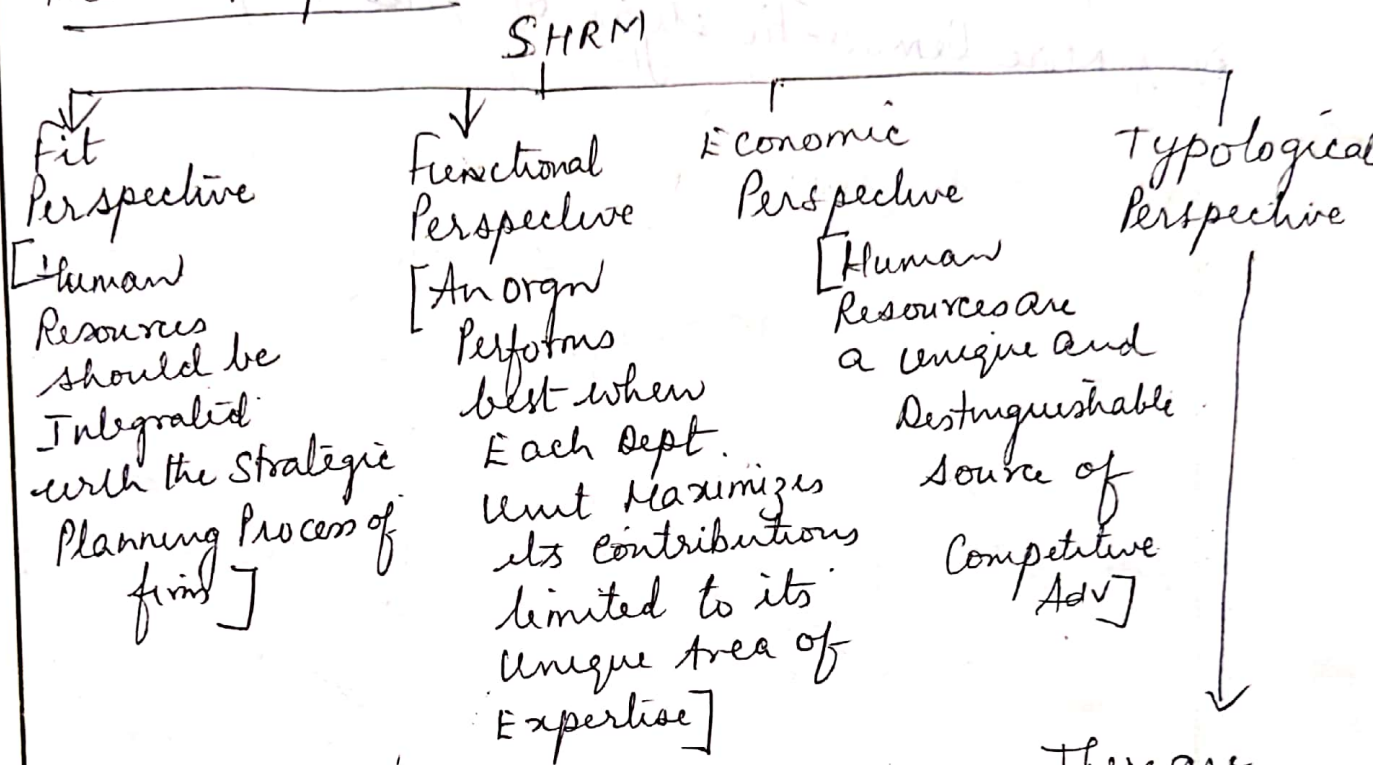


Strategic Role of Human Resource Mgmt:- Theoretical Perspectives of SHRM - Benefits of Strategic Approach to HR - Barriers of SHRM • MPP - Importance - Need - obstacles - Forecasting  
 Theoretical Perspective: CEO Succession - Mentoring



There are "three distinct types" of HR strategies.

- \* Inducement
- \* Investment
- \* Involvement.

Inducement Strategy:

- \* It is used by firms to support business environment that is highly competitive with respect to Price/quantity.
- \* In this strategy, decision making power is highly centralized. Supervisors accepting only moderate amount of employee initiative and discouraging creativity innovation.
- \* The focus is on cost and expected is high performance with minimal staff.
- \* Loyalty & Commitment are rewarded.

## Investment Strategy:

- x This is followed in Orgn where Business strategy is based on Differentiation (Quality, Features, Service and not on Price).
- x Tall Orgn structure is followed.
- x Power is centralised.
- x Tech is Modern and adaptable.
- x HR strategy encourages people to be creative, initiative.
- x Formal Rules & Procedures are Minimal.

## Involvement Strategy:

- x It is found in Orgn where Business strategy is based on Innovation, Flexibility and Orgn faces a market which is highly competitive in Price/Quality.
- x These type of Orgn uses Innovation to continuously provide Differentiated Products/Services.
- x These Orgn responds fast when there is a change in the market.

## Strategic Human Resource Mgmt (SHRM) - Approaches:

There are Two approaches to SHRM

- a) \* Attempt to Link HR Activities with Competency based performance Measures
- b) \* Attempt to Link HR Activities with business Surpluses or Profit.

a:-  
\* This Approach highlights the human factor, their Performance and Competency.  
\* This Approach of people is based on the belief that human Resources are uniquely Important in business.

b:- This Approach highlights the business surplus.

- \* So Integration of Business surplus to human Competency and performance require strategy ..
- \* So strategy has an Important Role in the way people are managed, motivated & Deployed, Availability of skills and knowledge and their utilisation.

### Benefits of Strategic Approach to HR

- (1) Identify and Analyze External opportunities and threat
- (2) Provides a clear vision and business strategy for future
- (3) To Recruit, retain & Motivate People.
- (4) To Develop and retain highly Competent People

- (5) To Ensure that people Development issues are addressed Systematically
- 6) To Meet the Expectations of customers effectively
- 7) To Ensure high Productivity
- 8) Facilitates cost effective utilisation of Labour
- 9) Strategic HR depends on systematic and analytical mindset
- 10) Employee Participation is critical to Linking Strategy and HR Practices.

### Barriers to Strategic Human Resource Mgmt:

- (1) Short term mentality
- (2) Strategic Inability
- (3) Lack of appreciation
- (4) Failure to understand the Role
- (5) Difficulty in quantifying outcomes.
- (6) Wrong perception of human Assets
- (7) Resistance.

HR planning / Manpower planning  
Def: It is a strategy for Acquisition, utilisation, Improvement and retention of an enterprise's human Resources

## Explanation for Definition)

Human Resources planning is concern with flow of people into and out of the Orgn.

It involves Anticipating the Need for Labour, supply of labour, plan the programmes which is necessary that Orgn will have Right Mix of employees and skills, when and where they are needed

HR planning involves creating a link between Strategy, structure and people

### Feature of HR planning

- (1) It is a Dynamic Activity
- (2) It has well Defined objectives
- (3) Determines personnel Needs
- (4) Consists of current Manpower Inventory
- (5) Adjusting Demand and supply
- (6) Creating proper work Environment

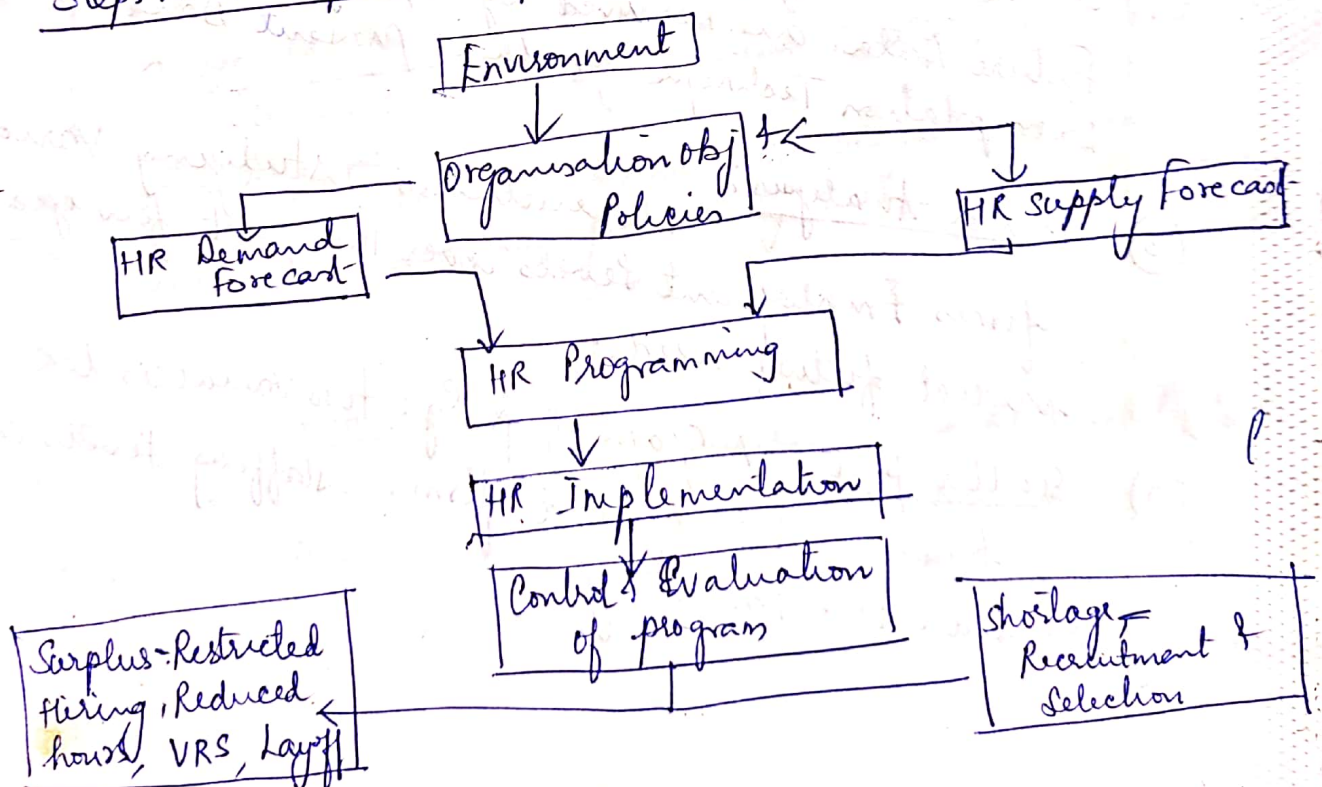
### Need of HR planning

- (1) Un Employment situation
- (2) Technological changes.
- (3) Organisation changes
- (4) Demographic changes
- (5) Skill shortages
- (6) Governmental Influences
- (7) Impact of pressure Group.

## Problems of HR planning / obstacles :-

- (1) Accuracy of forecasts
- (2) Support of Top mgmt
- (3) Insufficient Initial efforts
- (4) Uncertainties
- (5) Co-ordination with other Managerial Function
- (6) Identity crisis
- (7) Resistance from Employees
- (8) Management Information system
- (9) Expensive and Time Consuming
- (10)

## Steps in HR planning / Process of HRP



# HR Demand Forecasting Techniques

- ① Managerial Judgement
- ② Ratio Analysis
- ③ Trend Analysis
- ④ Scatter plot
- ⑤ use of Softwares
- ⑥ Mathematical Models
- ⑦ work-study Techniques
- ⑧ Delphi Technique

## ① Managerial Judgement:

Experienced Managers using their Experience, Estimate their future Manpower Requirements and skill Levels for their Dept.

This is done on the bases of Experience, Expected Future workload & Employee efficiency.

- ## ② Ratio Analysis:
- Ratios like output/number of workers, Total Sales Volume/Number of Sales Person, are calculated on the bases of past Data.
- Future Data are derived by apply Time Series, Extrapolation Technique for their present Data.

- ## ③ Trend Analysis:
- This includes studying variations in firms Employment Levels over the past few years to predict future Needs.

- ## ④ Scatter plot:
- A Graph of for Eg: two variables like Level of business Activity and firm's staffing levels are considered for Forecasting

5 Use of Softwares

6 Mathematical Models:

This model uses the Relationship between independent variable (Investment, sales, Prod'n etc) and dependent variable (Number of workers required) are used. Models like Regression, optimisation and probabilistic Models are used.

7 Work Study Technique: It is based on Volume of operation and work efficiency of personnel. Volume of operation - From orgn's plan documents. Work efficiency - Measured by Time & Motion study.

8 Delphi Technique: It is Technique used to determine the forecasting personnel needs.

- \* Group of Experts express estimate about Personnel Needs are collected.
- \* They are summarized, and Experts are informed about it.
- \* This process continues until opinion of Experts begins to Agree.
- \* This Agreement is the forecast of personnel Needs.

9 Econometric Methods: use of Simple & Multiple Regression Analysis are used in Econometric Analysis. This includes finding a relationship between man power requirements and measures of investment, profitability, sales, quality of product etc.

HR Supply forecast:

It measures the number of people likely to be available from within and outside the orgn after making allowances for Absenteeism, Promotion, Condition of work and Turnover.



Sources of Supply: There are Two Sources -  
Internal And External

Internal:

a) Staffing Tables: This table gives a Pictorial representation of all Orgn's jobs along with number of Employees currently occupying those jobs & future Employment Requirements.

b) Markov Analysis: <sup>discrete</sup> <sup>continuous</sup>  
It shows the Percentage & Actual number of Employees who remain in each Job from one year to Next also the proportion of those who are Promoted, Transferred / Exit from Orgn.

(used to predict a system's state in future.  
Each state is independent of previous state & each state is not influenced by those preceding state)

Ex (Google - Predicting the next word in a sentence based on your previous entry)

Mentoring

It is an ongoing Relationship that is developed between a Senior and Junior Employee. Mentoring provides guidelines and clear understanding of how the Organisation goes to achieve its vision & Mission.

~~Executive Mentoring~~  
It is a on-the-job approach to training in which the trainee is given an opportunity to learn on one-to-one Basis from more experienced persons of Orgn.

The Mentor is usually an older, experienced executive who serves as a host, friend, confident and advisor to new member of the firm. Mentor is given the charge of helping the new employee.

The mentoring process to be productive the parties (Mentee) must be compatible and understand each other learning styles and personalities.

A successful Mentor-Protege relationship might create a feeling of Feb Jealousy among other colleagues.