

The Strategic Approach to HR

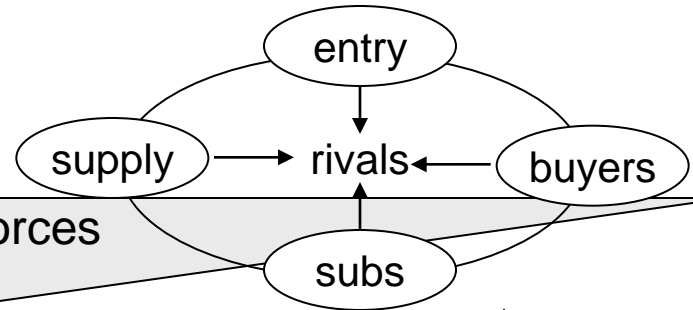


**DIAGNOSING AND SOLVING BUSINESS
PROBLEMS THROUGH HR AND EMPLOYEE
INTERVENTIONS**

Diagnosing the Problem



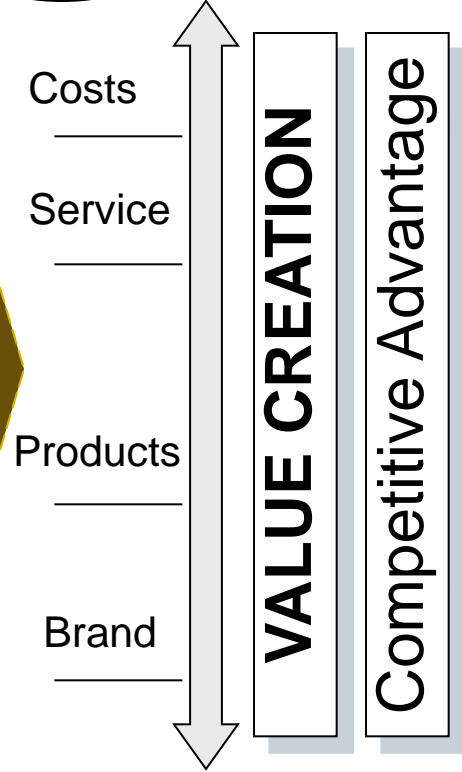
- Identify causal map to understand problem
 - Look backwards from future desired state to identify needs for new objective
 - Map against current state to identify gaps
- Keep the process simple
- Measure success of the process through the richness of the dialogue
- Focus on the few themes that will make a real difference



- Workforce Requirements**
- Competencies
 - Behaviors
 - Abilities
 - Attitudes
 - Networks
 - Retention

Organizational Competencies based on:

People
Processes
Technologies
Other Resources



Company Tools and Techniques to Supports Workforce Requirements



Case Study: Hershey's

External Factors
Societal pressures on snacks industry
Large competitors with greater scale
Tight margins with large buyers
Opportunities in global markets

What are the workforce requirements to support global growth:

Knowledge of markets
Global brand mgmt.
Global supply chain

Capabilities

- innovation/new product development
- consumer insights
- brand management

Strategy

Grow global markets by \$1.5B

HR system/intervention to drive workforce to support capabilities

How to Operationalize?



- Start with a specific business – difficult to do at corporate level
- Identify underlying external factors, organizational competencies, and business strategy
 - What is changing in external market?
 - How is organization trying to win in this market – what is the strategy?
 - How will company support this strategy?

How to Operationalize?

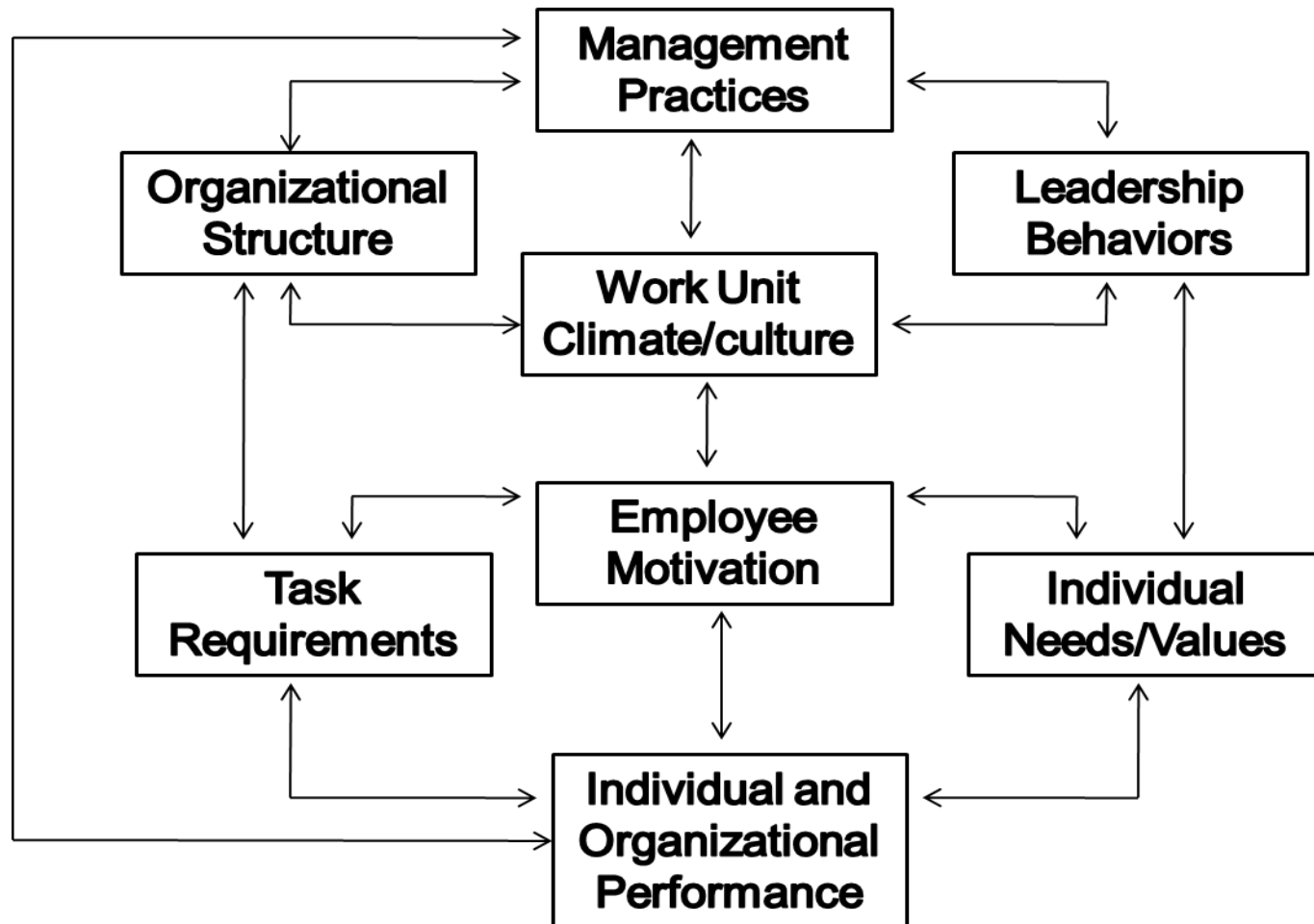


- Identify required employee behaviors, knowledge, and capabilities to support
 - What is missing that is preventing company from driving current strategy
 - What is missing that is preventing company from driving future strategy
- Design the HR interventions that will correct missing employee requirements

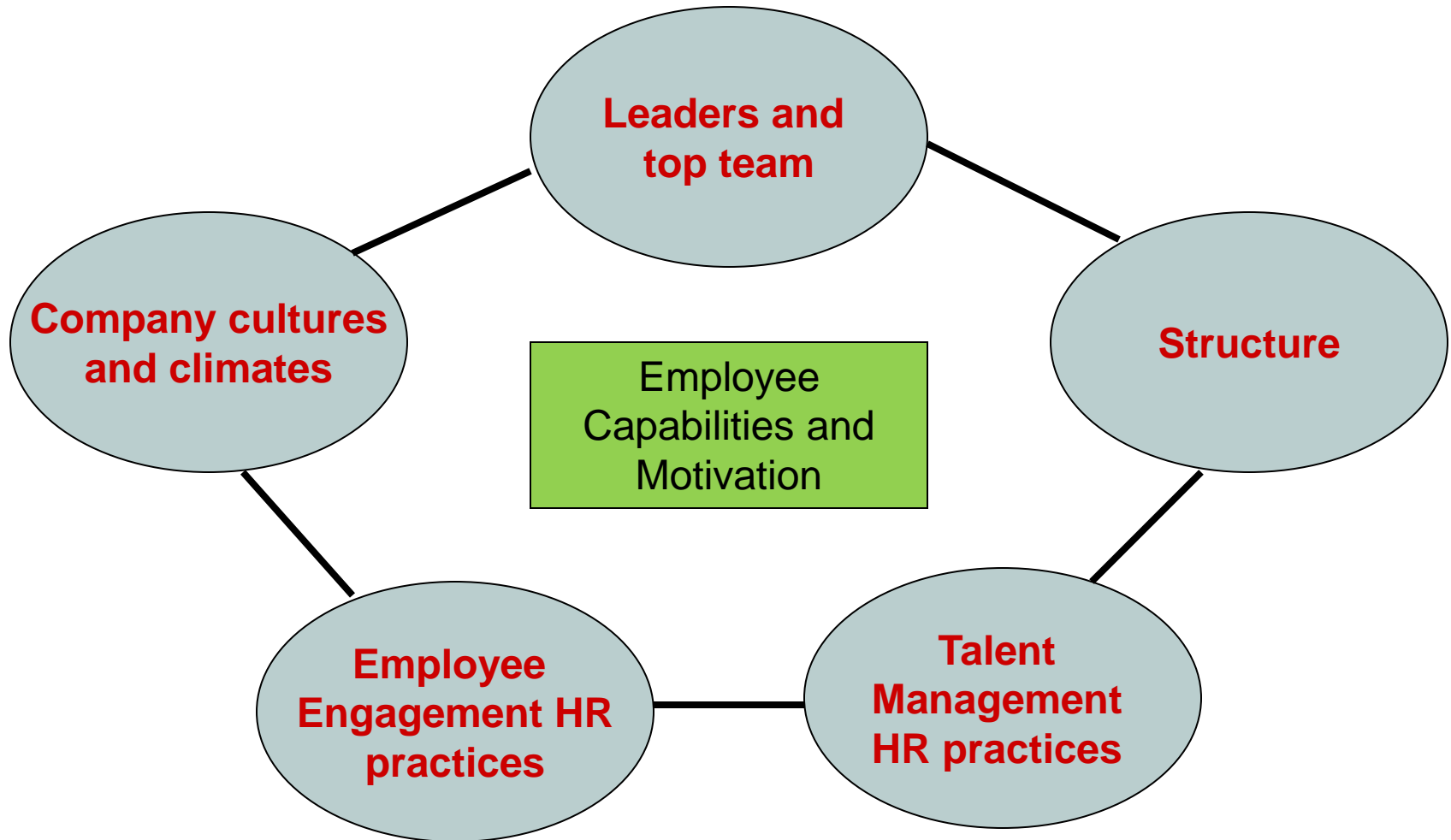
Systems Perspective to Influencing the Workforce



OD Model of Performance



5 Key Factors to Influencing Workforce Requirements



Leaders and Top Team



- Charismatic style
 - Sets vision
 - Employee involvement
 - Feedback/development
- Style and degree of communication
- Resource allocation
- Personal commitment

Structure



- **Organizational structure**
 - Formal design
 - Informal structure and processes
- **Work design**
 - Flow of work
 - Degree of specialization and division of labor
 - Key processes and systems for completing work
 - Teams versus individualized jobs

Talent Management HR Practices



- **Bringing in Talent**
 - Employer of choice
 - Recruiting
 - Selection
- **Developing talent**
 - Identification
 - Short-term and immediate job training
 - Long-term growth and development

Employee Engagement HR



- **Compensation**
 - tied to individual
 - tied to company or unit
- **Rewards and recognition**
- **Performance management**
 - set goals
 - provide feedback
- **Meaningful work/line of sight**
- **Personal growth**

Company Culture



- Core beliefs of the organization
- Norms of behavior
 - company
 - unit/division
- Management philosophy
- Operating style
 - how do people work together
 - how do people interact with one another

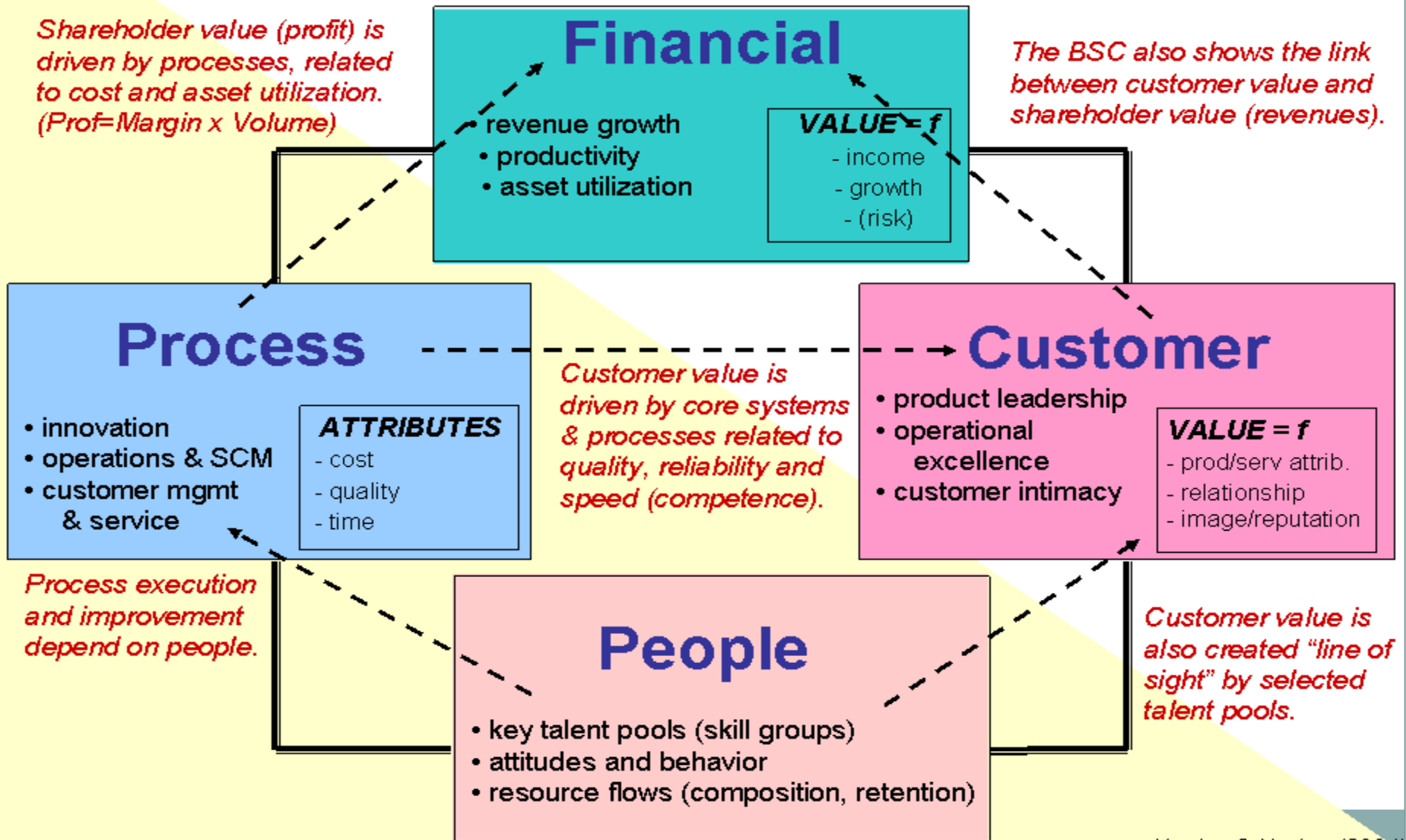
**HR Analytics:
Building the Business Case for an
HR Intervention and Measuring the
Impact of HR on the Organization**

Balanced Scorecard and Analytics

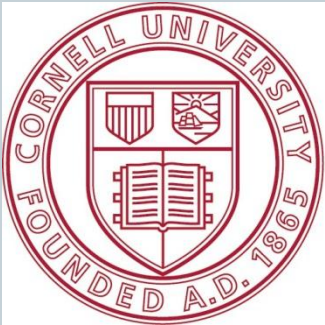


- **Data driven research** – is a change in an employee outcome impacting the organization?
- **Linkage Analysis** – can you diagnose the problem and make the case for an HR investment?
- **Dashboard metrics and monitoring** – can we track the impact of the HR solution and observe continuous improvement

Balanced Scorecard: Strategy Mapping

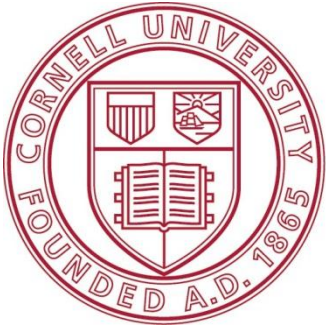


Example at Cornell



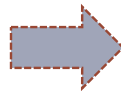
Cornell University
ILR School





Cornell University ILR School

Shrinking state funding
Smaller grant pool
Escalating salaries



Seamless student
experience
Highest quality
education



Increase alumni giving
to balance budget

What We Found



- Interviews with largest donors, alums who give right away
- Expected – faculty
- Unexpected - advisor in the office of student services
- What are the capability gaps
 - Not enough time
 - Too focused on classes but not the student as a “whole”
- Need more of them and different profile
- How to build business case?

Business Case for HR Interventions – Advisor Role

Financial

Objectives

- Higher alumni giving
- Increase in discretionary funds
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Logical Connections

- give first year out
- more frequent giving
- larger donations

Customer

Objectives

- Commitment to the school
- High satisfaction with experience
- More points of connection

Logical Connections

- delight with experience
- relationship with trusted advisor
- reduced stress

Process

Objectives

- reduced number of incidents
- higher frequency of visits/student
- cover more checkpoints

Logical Connections

- diagnose kids in trouble
- interactions increase
- time for deeper discussions

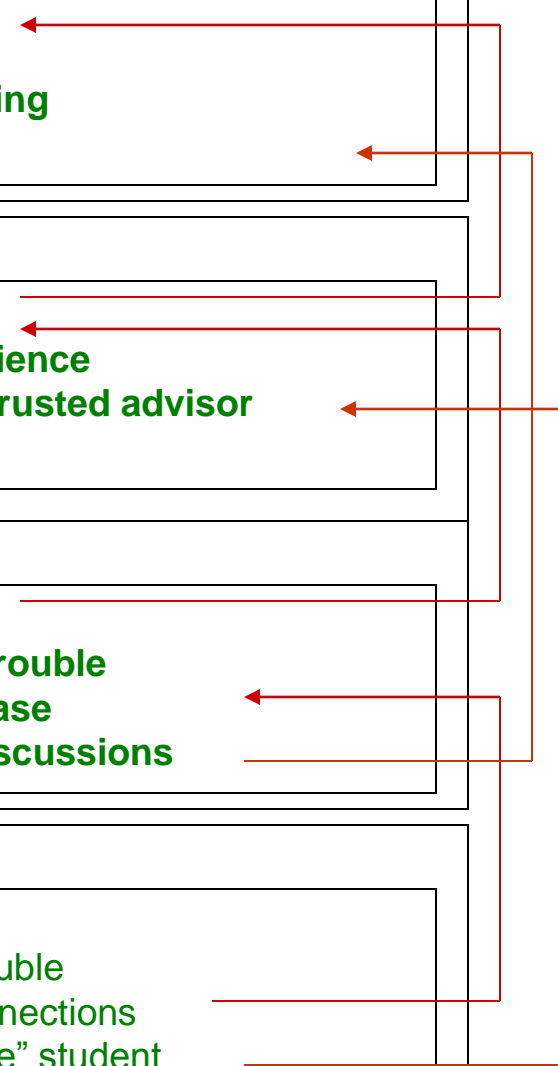
Employees

Objectives

- Lower turnover
- More time per student
- Employee knowledge of counseling

Logical Connections

- help students in trouble
- deeper student connections
- work with the “whole” student



Creating an HR Strategy

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- What is your role and level within the organization?
- What is your level of influence?
- Where can you have maximum impact?
- What resources are available?
- How severe is the change?
- Is there a business case for an HR change or intervention?
- How can you measure the impact of the change?
- Can you or someone else on the team stick with the change effort?

Final Thoughts on Creating an HR Strategy

