Strategic Human Resource Management & Digitisation of HR for Sustainable Development

P. Janakiram¹, Lakshmi Narayanamma²

¹Research Scholar of Vignan's Foundation For Science, Technology & Research & Working as Senior Knowledge Manager in Centre for Good Governance.
²Associate Professor - Vignan's Foundation For Science, Technology & Research

E mail : ¹pippallaram@gmail.com, ²lakshmipathi.mba@gmail.com

https://doi.org/10.26782/jmcms.2019.10.00055

Abstract

In the competitive world that is driven by sheer quality and performance, building a business that is sustainable and growth oriented requires strong strategic management practices coupled with continual improvement of 4Ps namely, Policies, Processes, Practices and People, which drive the sustainability and growth. With robust strategic management practices; the organisational policies, processes and systems strengthen the business from within and enable the business to face challenges posed by external environment. Human Resources (people) are the most critical resources for the Business. Whatever be the level of modernisation and mechanisation the Processes might have undergone, the Human competencies for managing the processes is always critical, like that of formulating policies. To strengthen the organisation from within, the Strategic Human Resource Management is critical. SHRM can be effective only when it undergoes modernisation according to times. For sustainable business growth, the HR Practices also need to be robust and flexible. One of the critical aspects is Digitisation of HR Practices. As it is known “What cannot be recorded cannot be measured and what cannot be measured cannot be improved”, Digitisation of Human Resource function serves the purpose of recording the information and provides the analytics, paving a way for continual improvement. Only caution being, the IT shall be used only as a decision and process enabling tool for Human Resource Management and benevolence aspect shall not be lost in digitisation of Human Resource Management. With SHRM getting digitised, it provides required inherent strength to the business to be successful. Hence required focus needs to be laid on SHRM and its digitisation with added caution to ensure continual growth of the business for sustainable development.

Keywords: Strategy, Business Strategy, Technical Human Resource Management, Strategic Human Resource Management, Sustainable Competitive Advantage
I. Introduction

An organisation’s sustainability depends on continuous achievement of the set objectives of the organisation in sustainable manner through sustainable processes and systems. In the highly competitive business environment, for a business to achieve sustainable growth and development, it is required that the services provided are qualitative and provide value for money[I].

The Organisational business sustenance and growth purely depends on the way of functioning of business, that is driven mainly by 4Ps namely: Policies, Processes, Practices and People these are the components that enable an organisation to be sustainable and enable continual improvement[II].

The 4Ps need to be used as tools in the Strategic Management of the organisation including at Governance level and Management level[III]. Governance level is defining the objectives and high level strategies and monitoring the same at periodical intervals, whereas, management is about implementation of the strategies for achievement of defined objectives[IV].

The Management implements the strategies defined by infusing 4Ps for sustainable development and growth of the business[V]. Of the all 4Ps most critical one is People and the competencies of the People drive excellence in other Ps[VI]. For efficient people’s management digitisation of Human Resources helps. Considering the importance attached, the Management’s shall focus on People’s management for ultimate sustainable development.

II. Method

An Organisation’s sustainable development depends on the organisation continuously achieving its objectives. The continuous achievement of the objectives in an incremental manner can sustain the business for long periods.

For the organisation to achieve the objectives, the Governance of the organisation is very critical. The Governance of the organisation is carried out by the highest authority of the organisation. The dictionary meaning of Governance is “Establishment of policies, and continuous monitoring of their proper implementation, by the members of the governing body of an organization. It includes the mechanisms required to balance the powers of the members (with the associated accountability), and their primary duty of enhancing the prosperity and viability of the organization.

While Management is a function of implementing the strategies to achieve the objective set by the Governing Body for the organisation. Management derives the required strategies for successful achievement of the objectives most important of those is 4Ps. The same are depicted below:
III. Policies

Corporate Policy is usually a documented set of broad guidelines formulated after an analysis of all internal and external factors that can affect a firm's objective, operations & plans[VII]. Corporate policy lays down the firm’s response to know and knowable situations and circumstances. It also determines the formulation and implementation of strategy and directs and restricts the plans, decisions and actions of the firm in achievement of its objectives[IX]. Corporate Policy, that is comparatively rigid in nature, is the guideline which helps the management to carry out its activities in an efficient and effective manner so that the objectives of the organization are met[VIII].

Policy directs the way the organisation functions and determines the boundaries within which the organisation can operate and also determines its values and ethics. Once framed unless amended not even governing body can override the policy framed for the organisation[XI]. Policy imbibes discipline in achievement of the objectives in a pragmatic way and usually restricts unlawful or immoral activities to achieve the objectives. Policy works as constitution for the organisation that can enable achievement of goals and also sustenance of the organisation resulting in sustainable development of the organisation as Policy takes into consideration the long-term goals of the organisation and the policies are framed for sustainability of the organisation. Hence, the policy is very critical for planning sustainable development of the perpetual organisation.

III.1. Process

Business Process is a structured way of defined Activities, Tasks and the positions that would need to perform the tasks for achievement of the objectives. For defining the process, the Broad Organisational goals are further split into short-term objectives that further get divided into activities to be performed by different departments or sections in the organisation[XII]. Process is usually defined to give a guideline on how a particular activity is required to be accomplished and the process would involve involvement of different
departments within the organization[XIII]. The ultimate objective of the process is to integrate the efforts of different departments that are working to achieve a collective goal of the organisation[XIV]. Defining the process is to integrate different stakeholders within the organisation to bring about a collaborative effort by clearly defining roles, authority and responsibilities of the department so that all the departments functioning within the organisation are well aware about their role in achieving the objectives of the organisation[XV].

Objectives Activities Tasks

III.ii. Objectives

Objectives are the broad goals defined for the organisation by the governing body and for achievement of these objectives the involvement of various departments within the organisation is essential. For the purpose of deriving a common objective process documentation creates an enabling environment.

III.iii. Activities

For achievement of objectives few activities would be required to be performed. These activities may have to be carried out by a specific department independently or working in tandem with other department. These activities are further divided into tasks which again might be required to be performed by different departments together. Process document defines the flow of activities and the role of different departments[XVI].

III.iv. Tasks

The work that is required to be carried out to achieve activities and thereby achieve objectives are called tasks and these tasks are defined in such a way that what is to be done and when it is required to be done by different departments so that there is no repetition of work or conflicts regarding the authorities or responsibilities thereof in achieving the larger objectives of the organisation[XVII].

III.v. Procedures

Every organisation for smooth sailing of different departments that work for a common goal shall have defined and written procedures so that the tasks that are being carried out within the organisation are productive and there is optimum utilisation of the resources by avoiding the re-work[XVIII]. The procedures define the ambit of the routine jobs that are required to be carried out to fulfil the tasks defined in the process, so that there is a systematic flow of the
following the process more importantly it would define the documentation requirements.
The procedures would define the timelines, who is required to carry out the job. The procedures are usually the practices that are followed in fulfilling requirement of a task thereby achieving the objectives as per the process defined in the organisation.

**III.vi. People (Human Resources)**

People are a critical aspect of 4 Ps and entire organisation’s success or failure depends on this factor. As the other 3 important Ps such as policy, process and procedure are defined and framed by the People of the organisation.

People become key for the organisation as the Competencies of the people defines the level of achievement of the defined tasks of the organisation. The Organisation shall define the Human Resources that are required to fulfil the tasks and activities so that the organisation can achieve its objectives[XIX].

Every position in the organisation shall have a job description along with the objectives of that position defined in the form of Key Result Areas or Key Performance Indicators as the case may be and the same shall be derived from the Organisational objectives further drilled down to each role within the organisation.

As specified, for every position that is existing or created in the organisation there shall be a purpose. Each positions / designation’s purpose shall be linked to the ultimate objective of the organisation. While creating a position, it is required that the role of the position is clearly defined through a job description, coupled with the competencies required for that position.

The Competencies of the people define the success of failure of a task on which the ultimate objectives are dependent. Competencies required for fulfilling a specific responsibility in the task can be grouped into Knowledge, Skill and Behaviour.

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Knowledge    Skill    Bbehaviour
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**III.v. Knowledge**

Knowledge is defined as the cognitive processed information that is suitable for performing the specified job within the organisation.

**III.vi. Skill**

Skill is the ability to apply the knowledge with precision and at the right time of its applicability for achievement of the purpose of the task
III.vii. Behaviour

Also popularly known as Attitude. Every position requires different level of behaviour for achievement of the objective of the specific task. The definition of competencies becomes very important for an organisation to achieve the objectives as based on these defined competencies, persons would be either recruited or placed in the positions that contribute to the achievement of objectives by defining or following the Policies, Process and Procedures. People component is very important considering that for the person being deployed in the specific position is required to follow, adhere to and deliver based on the policies, process and procedures. If a person without required competencies is placed in a specific position, the organisation would ultimately miss out in achieving its defined set objectives, jeopardising the sustainable development of the organisation. Hence, for all the defined, un-defined systems to work its quite essential that the organisation focuses on placing the “Right People in Right Job at Right time” for sustainable development and growth of the Organisation.

As detailed, what is not recorded cannot be measured what is not measured cannot be improved, the principle applies People (Human Resources) as well. For improving the capacities of the human resources, it is essential that their competencies are improved. A plan for improvement of competencies can be prepared only when the current competencies are mapped.

For the purpose of recording the data and also for continual review of the data pertaining to human resources, it is highly recommended that the Human Resources practices are digitised and that can enable sustainable HR Practices that in turn contributes to the sustainability of the Organisation.

III.viii. Digitisation of HR Practices

Digitisation of HR Practices has huge impact on the organisational sustainability and growth. The digitalization transforms the way things are done. As per the studies, the digitisation of HR impacts Process Acceleration, Increases Transparency, Collaborate and connect with ease, Help find better fitment of resources and more importantly Mapping of competencies and performance of the individuals. On mapping of the performance, the analysis of the performance improvement or otherwise can be identified and a correlation between the competencies of the individuals with that of the performance can be drawn.

On identification of the competencies and the gaps upon competency mapping, the organisation gets the data regarding the competency gaps and the competency enhancement plans can be drawn for each employee to enable performance of the employee contributing to the achievement of the larger goals of the organisation.
IV. Conclusion

For any organisation to be sustainable and growth oriented, it is required that the Organisation identifies and defines its objectives and devises strategies to achieve those objectives through important aspects such as Policy, Process, Procedure and People. Effectiveness of the Policies, Process and Procedures depends largely on the People (Human Resources) of the Organisation. Hence, it is required that the Organisation takes good care of the human resources not only in selection but also on continual capacity building of the employees which can be effective through digitisation of all the HR Practices.

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