

MANAGING PEOPLE

HRM Strategy of Sainsbury's

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INTRODUCTION

Human resource management (HRM) is defined as the management and planning of human resources within organisation (Veth and et.al.,2019). The HRM practices are of great importance as they affect the accomplishment of tasks and operational efficiency of the company. Different factors such as technology, globalisation and social factors which drive the HRM policies need to be progressive and robust so that companies can retain talent and employee turnover can be reduced. The essay discusses the role and contribution of progressive HRM policies and their impact on performance of organisation. It will analyse the case examples of Sainsbury whose robust HR system has allowed this UK based retailer to maintain its success in not only domestic UK market but in international market as well.

MAIN BODY

Robust and progressive HRM and their need

According to Chowhan, (2016) progressive HRM is defined as the adaptation and modification in the HRM practices as per changing business environment and organisational scenario. The recent development in the globalisation and digital technology has given a new competitive level to all industries especially retail. Thus organisations such as Sainsbury are facing huge challenges from the other competitors. In such circumstances the company can retain its success and growth only when its operational and functional team is capable to overcome those challenges. However retaining such as expertise team and employees is itself a challenge for the companies. The robust HRM framework helps companies to manage a well defined and standard framework to ensure that staff members understand the work policies, regulations, organisational and customer requirement.

In the same context Gurkov, Morgunov and Saidov, (2017) stated that contemporary HRM practices are not limited to only some basic functions such as payroll, recruitment and selection or planning. Instead HRM department of companies adopt various aspects which ease the operational and strategic requirements. For instance Sainsbury is multinational company operating in different cultures. Thus along with the selection and recruitment it also has responsibility to understand cultural sensitivity and need to emphasis on workplace culture which encourages improved performance and efficiency of employees. The HRM department of Sainsbury has not only included new progressive strategies but has also made progressions or improvement in the existing policies (Zhou, Fey and Yildiz, 2018). For example Sainsbury post job description on its official website and other job portals with clear job description. It help organisation to get response from plenty of talented candidates. Due to online recruitment process Sainsbury is able to perform initial screening without any additional cost.

There are several improvements in HRM practices which need to be implemented within organisation so that operational cost can be reduced as well as competitive advantage can be gained. When HRM practices of the organisation are effective then it attracts potential and talented candidates who are capable to achieve new heights of growth for organisation. Being a retailer customers of Sainsbury perceive brand value of organisation only by the ways through which employees interact with the customers. Hence responsibility of organisation is not limited to only

recruitment and resource management (Bryson and White, 2019). Instead it also demands for preparing a trained work force which can create a positive and remarkable impression on firms. Sainsbury faces tough competition in domestic as well as international market.

Thus if company will fail to retain loyal employees then it will also have adverse impact on the customers. If organisation will not have trained employees then it may result in dissatisfactory services to consumers. Various competitors of Sainsbury provide good work place environment, compensations and motivational rewards to retain and attract talented employees. As per the view of Tatoglu, Glaister and Demirbag, (2016) if organisation fails to retain progressive HR management practices then it can discourage employees and they may not work with optimum productivity. It is harmful for the growth and success of organisation. HR policies also affect the organisational culture and outcomes of team work. Thus companies must also emphasis on utilising HR practices which makes a positive work culture. The failure to do so can result in ineffective team outcomes, reduced productivity and increased operational expenses.

Key HRM strategies of Sainsbury

HRM practices of Sainsbury aims at enhancing the work culture and productivity of its employees. Thus organisation uses following robust strategies for management of its human resources:

Recruitment and selection: With time Sainsbury has adopted online recruitment methods to attracted talented candidate. As compare to traditional HRM approach, this method is used to be considered as more influential. With the integration of social media, websites and emails it has been very convenient for the organisation in terms of recruitment cost and available choices for the selection (Veth and et.al., 2019). If organisation does not use these contemporary and modern practices then it would have deprived organisations to recruit talented employees capable to drive organisation towards success. The strategic online recruitment process of Sainsbury makes its selection process less time consuming and more effective. Failure to adopt such modern practice could have lead to increased cost and time as well as selection of less appropriate individuals.

Training and development: To develop a productive work force HR practices of Sainsbury are very constructive. The training and development programs of organisation follow all health and safety regulations, foundation training for gaining expertise in job skills and programs for professional needs of employees. Sainsbury also provide training to its employees for developing job role specifications and leadership abilities (Vanhala and Ritala, 2016). These various types of training allow company to not only increase its efficiency in work but also give individuals an opportunity to go for professional development through employment career programs. Such programs are key reason which makes organisation first choice as the employer. This positive perspective among individuals also helps in increasing brand value and positive customer perspective.

Employee engagement: The developed and successful retailer Sainsbury understands the need of employee engagement and thus it is considered as an essential part of the HRM policies. For giving preference to need of employees Sainsbury adopt various progressive strategies like flexible working hours, e-learning opportunities and performance based incentives. These measures ensure that employees are always allowed to interact with the management openly and they can share their perspective or concerns. The increased employee engagement and open communication in Sainsbury

makes it work culture highly innovative and productive which is one of the reasons for the organisational success (Jirjahn, 2018). Contrary to this if organisation would not have prioritise employee engagement then unfavourable work condition or lack of training programs could have increased operational inefficiencies and poor employee retention.

Performance management through motivation and rewards: Most of the competitors of Sainsbury such as Marks & Spencer, Tesco and Aldi also give competition to organisation in UK. Thus talented employees also have opportunities to collaborate with other successful organisations. In such conditions it is necessary that Sainsbury must use appropriate motivation rewards which not only keeps employees productive and enthusiastic but also retain them for long term (Tatoglu, Glaister and Demirbag, 2016). Due to this reason Sainsbury gives performance based incentives and flexible working conditions as rewards to its staff members. Such kind of motivation is helpful for the organisation to enhance the productivity and manage human resources with reduced employee turnover cost.

Diversity management: Sainsbury works with different types of customers and in countries with diverse culture. This in the wake of this aspect organisation has adopted diversity management in its HRM policies. The giant retailer ensures that at workplace all cultures are given respect and value. It not only makes employees feel valuable but also helps organisation to understand the preference of consumers belonging to different culture (Bryson and White, 2017). For this purpose in all organisational activities Sainsbury ensure that no discrimination is carried on the basis of race, gender, culture or religion. All human resources or the organisation are given equal opportunities and respect. It creates a positive environment in the company and individuals are motivated to work with efficiency and innovative ideas. Contrary to this the companies who fail to manage diversity at work place suffer from the issue of ineffective team work and thus they always fail to meet diverse need of customers or international market.

Arguments on impact of HRM Practices on organisational performance

As per the view of Gurkov, Morgunov and Saidov, (2017) robust HRM practices such as flexible working conditions, training, motivation and modern recruitment practices play key role in the organisational performance. The companies which adopt these practices tend to have good rate of employee retention. When employees and employer have good professional relation then it also helps to build loyal customers which believe in brand value of the organisation. It has been also observed that many time talented and skilled human resources does not find good work culture at the companies and thus they choose other competitive organisations. It not only cause ineffective talent management but also increases HRM costs.

One of the reasons for such dissatisfaction among employees is that the work culture of companies does not seem to be supportive for the professional development (Zhou, Fey and Yildiz, 2018). Contrary to this work culture of Sainsbury also give equal priority to the professional development of employees. For accomplishing this purpose Sainsbury not only give training related to job skills but also develop leadership and management skills which are essential for the professional development and growth of the individuals.

The policies such as flexible working hours and induction and professional training encourages lot of individuals to choose Sainsbury as their preferred employer. This in turn also gives

a positive message to the targeted customers of the organisation that as work culture of the company is so impressive then its services must also be highly productive. When employees are given facilities such as flexibility, motivation, rewards and development opportunities then they are able to groom themselves as highly efficient and to bring creativity and efficiency in their operations and task (Zhou, Fey and Yildiz, 2018). Contrary to this if companies do not give preferences to cultural diversity or equality to their employees and their choices then it can lead to failure to some legal compliance like equality act.

It has adverse impact on organisational brand value and also influences the employee loyalty towards the company. In adverse situations when organisation requires support from its staff members then employees may not cooperate or work with full focus if company neglect their welfare. Such type of ineffective relation between employees and employer cannot be considered as good for the growth of organisational success. For the multinational organisations such as Sainsbury the situations become more critical as with multinational working more strong connection is required between teams working from different regions (Krishnaveni and Monica, 2018). If employees will not have faith or satisfaction on HRM policies then they will never open up about innovative ideas or the efforts required for the growth of organisation. Human resources are distinguishing feature which can influence the productivity and competitive advantage of the firm. Without adaptation of the progressive HR policies it can also become challenging for the Sainsbury to understand the diverse needs of its customers and to build a team which is capable to deliver satisfactory and quality services. Hence for gaining competitive advantage and long terms success organisations must adopt robust HR practices.

CONCLUSION

It can be concluded from the above report that for competitive advantage regular updates and progression is mandatory in HRM policies. The organisational efficiency and success greatly depends upon its employees and thus their management must be done in competitive way. It helps companies to achieve organisational goals with the help of skilled work force. It has been also analysed that lack robust HR system can affect the performance of firm in negative way. Thus it is required that companies must understand the role and importance of robust HR policies so that they can be implemented and sustainable growth can be maintained by firm.

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