

Human Resource Management

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Executive summary

Employees are an essential part of every business and their performance can be considered as an asset of the company. The human resource department of a business organisation handles all aspects related to its employees. HRM Conducts recruitment analysis, job interviews, provide training, knowledge, tools, legal advice, talent management and many other activities that are crucial to ensure organisational success. Due to their unmatched contribution, the HRM department nowadays is considered as one of the essential parts of every business organisation. This report will share necessary details about the functions of the HRM department in a reputed international technology company.

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1. Introduction

Human Resource Management (HRM) is a development baes modern approach to maintaining the human capital of an organisation. It focuses on staffing, developing, utilisation and retaining human resources. HRM has become an important aspect in several companies as it provides required employee motivation and thus helps the employees to become engaged with the organisation. This report will deliver knowledge about the HRM department of Microsoft Corporation. The staffing and retention strategies will be defined by the researcher followed by its impact on the organisation. Similarly, the learning, development and compensation strategies of the company will also be declared in the report. Additionally, the impact of the chosen strategies on the employees' mindset will also be highlighted in the report.

2. Detailed discussion of appropriate Human Resource Strategies

2.1 Staffing and Retention

2.1.1 Definition with theory and impact of Staffing and Retention

Staffing refers to the hiring process of the employees in a company. According to Toppr (2022), in Microsoft, the meaning of staffing operation is to hire employees by evaluating their knowledge and skills. Additionally, assigning the newly recruited staff to specific roles in the company is also a part of the staffing operation. Retention is the operation of the HRM department in Microsoft, which ensures that the employees of the company do not quit their jobs. Increasing employee retention directly impacts the company's performance (Holliday, 2021). In 1950, Frederick Herzberg developed the dual dimensional job satisfaction theory (Nickerson, 2021). According to this theory, employee retention in Microsoft can be enhanced by reducing the dissatisfiers like

working conditions, supervision, salary and relationships. The satisfying factors in this context are promotion, achievement, recognition and responsibility.

Impacts of staffings and retention

Optimal utilisation of resources: The resources such as money, material and machine are used by the employees of Microsoft to meet the organisational goals. Hence, by recruiting the appropriate employees the HRM department of this company ensures the optimal utilisation of its resources (Singh, 2016).

Proper functioning: Recruitment in Microsoft has been done to ensure that every department can effectively contribute to their allocated responsibilities. The organisation by doing that ensures a collaborating and smooth functioning workplace.

Cost reduction: Microsoft considers their employees as an important part of their success. The company tries their best to retain their employees. Microsoft, by doing that, saves the expenses of the recruitment and training of the new employees.

Enhanced productivity: Employees retain policies of Microsoft such as employee discounts, paid time offs, flexible work opportunities help the employees to understand that the company values them which makes the employees happy. According to Forbes (2021), happy employees are 13% more productive.

2.1.2 Strategies to develop Staffing and Retention

Identify the staffing needs: Microsoft needs to analyse their staffing needs in the first place. It includes the number of employees they need, the skills and experience they are looking for, and the time and expenses they need to invest to fulfil the need (Achievers, 2021). Once these requirements will become clear the staffing process will become easier and error-free.

Offer exceptional onboarding experience: Microsoft can offer an exceptional onboarding experience to their newly recruited employees by providing them a comfortable and collaborative work environment. According to Achievers (2021), it will help to enhance the employees' productivity. Educating them about their responsibilities and providing the required resources to complete their goals may help in this context.

Create a positive workplace culture: Microsoft needs to look beyond their premises for getting innovative ideas. The company might influence their employees to take part in this aspect. In this way, they will become interested to share their ideas which can help to create a positive work culture in the company.

2.2 Learning and Development

2.2.1 Definition with theory and impact

Definition of Learning and Development with a theoretical concept

Learning and development mainly refer to the development and training programs arranged by an organisation in order to align and achieve employment goals as well as performance within the organisational practices effectively (Mbaknol, 2021). Additionally, the learning and development process within Microsoft allows it to implement and develop lots of learning strategies for meeting its business needs as well. According to the theory of Reinforcement, Microsoft allows their HRM leader to sufficiently observe over every employee which will help in emphasising their learning behaviour positively (Mbaknol, 2021). As in Gagne's theory of learning types, learning and development skill allows employees of Microsoft to emphasise their intellectual skills in their workforce planning whereas the theory of social learning by Albert Bandura addresses the learning capabilities of employees within Microsoft through collaboration working. Additionally, the

theory of Experiential learning followed by Microsoft helps it in developing employees' knowledge and performances by engaging maturity and experiences with time effectively (Mbaknol, 2021).

Impact of Learning and Development

Higher demand of learning opportunities from the employees' side: According to the report of Gallup, 2016, 87% of every million employees are commenting positively on the workplace learning and development process. However, 59% of Microsoft employees also think of the positive impacts of learning opportunities within the workplace effectively (Vinikas, 2022).

Expensive recruitment process: It is highly observed that the new recruitment process of Microsoft is too costly to perform whereas the arrangement of training programs for their existing employees is cost-efficient to the organisation.

The risk associated with untrained employees: Due to the untrained employment within the workplace of Microsoft, it can be affected by its poor productivity (Vinikas, 2022). Thus, Microsoft is always concerned with learning and training programs for their existing employees along with their live projects.

Improved customer satisfaction and services: Effectively trained employees will be more efficient in providing perfect customer care services and customers' satisfaction in their outlets or any other processes too (Vinikas, 2022).

2.2.2 Strategies to develop

Strategies to specify learning objectives

Microsoft has to monitor every step of their projects carefully in order to realise specific objectives in terms. As an example, the HR professionals or HR manager needs to be able to know about

every need of their existing employees for higher workforce planning by fulfilling their needs. Additionally, fixing measurable and specific goals throughout a training program will help Microsoft in resolving any issues by double-checking the method according to the theory of Experiential learning (Vulpen, 2022).

Strategies to analyse training needs of Microsoft

Microsoft at first needs to analyse their starting situation for identifying proper training needs of their existing employees in different departments. Otherwise, they can offer employees a pottery course to increase their accuracy on new skill development, learning opportunities and relevant future implementation of skills (Vulpen, 2022). This strategy will help Microsoft in creating new business concepts by three stages including employee learning through HR efforts, competency and organisational capabilities or business impact effectively.

Strategies to design the method and training content

According to this strategy of designing training content, Microsoft will be helpful by determining learning materials and methods used in their workplace activities. Additionally, external trainers will be more efficient for the employees of Microsoft by trainee centred or trainer centred methods significantly. The trainer-centred methods need to be accepted by Microsoft effectively to improve their interactions with every employee through seminars, lectures, presentations and many more (Vulpen, 2022).

2.3 Compensation

2.3.1 Definition with theory and impact

Definition of Compensation with a theoretical concept

Compensation in the organisational context can be defined as the remuneration that the workforce acquires in return for their services. Managing compensation is an integral aspect of Human Resource Management. Salaries, benefits, allowances, and other similar elements are a few compensation strategies used by organisations (Hosain, 2016). Compensation helps organisations like Microsoft to increase employee motivation and further improve organisational effectiveness. The concept of compensation in motivating employees can be explained through Herzberg's dual-factor theory. According to the theory, there are some factors called motivation factors that are responsible for increasing job satisfaction while absence of a few factors called hygiene factors cause job dissatisfaction in employees (Alshmemri *et al.*, 2017). Compensation is one of the major hygiene factors that is responsible for boosting employee job satisfaction.



Figure 1: Herzberg's two-factor theory

(Source: EPM, 2022)

Impact of Compensation on employees

Enhances job satisfaction: Effective compensation strategies are directly associated with a stronger level of employee job satisfaction. It involves benefits along with other bonuses which invest the workforce into the task being done properly (Leonard, 2019). This further creates a sense of satisfaction in the success of Microsoft while ensuring job satisfaction.

Increase employee productivity: It is often witnessed that happy employees lead to a productive workforce. Productivity associated with compensation starts with the workforce feel valued in the organisation. This is further connected with the increase in employee motivation (Leonard, 2019). Effective compensation restricts employees from leaving the company which reduces the risk of employee turnover, further enhancing the overall profitability of Microsoft.

Boost employee loyalty: Compensation in Microsoft has enabled the company to develop positive employee-employer relations, further boosting employee loyalty. Employees are more likely to continue their work with Microsoft when they are being paid well and are happy with the facilities provided to them. Compensation programs such as allowances, benefits, and salaries tend to create a positive relationship between employees and employers (Leonard, 2019).

2.3.2 Strategies to develop

Improving compensation and benefits strategies in Microsoft will enable the company to enhance employee performance and efficiency. Microsoft can adopt a few strategies for enhancing employee compensation.

Long-term work-from-home: Most of the technology-based global organisations have switched to work-from-home due to the Covid-19 outbreak. Microsoft has also implemented this strategy; however, as a compensation strategy, the company can implement this strategy in the long run. Work-from-home, in the long run, will provide flexibility to the workforce.

Childcare facilities: Microsoft can provide childcare facilities that will help the company to reduce the pressure on working parents. The company can sponsor childcare programs, enhance the childcare space, and implement a plan for sharing child education expenses.

Profit-Sharing: Microsoft can implement a compensation program for awarding eligible employees a small share of the profit acquired by the company. This will enable the workforce to boost their performance as the higher the organisational profit, the higher will be the share.

Mental health facilities: According to Hope (2017), about 88% of the workforce revealed that the options and quality of health benefits are crucial for them. Though Microsoft provides health benefits and plans, the company can enhance its mental health benefits by providing therapy or counselling sessions. These therapies will help employees to deal with work pressure and stress.

3. Demonstration of selected strategies that can help employees feel valued, respected, and a sense of connection to the company

All these strategies are chosen for the Microsoft organisation to assist their employees to feel valued as well as respected. After feeling valued and respected, the strategies also enhance their connection with their company (Microsoft.com. 2022).

Strategies of staffing and retention

Employees feel valued and respected after implementing these strategies for improving their staffing and retention. While Microsoft takes the initiative in determining and identifying their employees' needs through communicating with them regularly, it enhances the connection between employees and authorities (Nickerson, 2021). As a result the employees also feel that the organisation gives value and shows respect to them. Offering exceptional onboarding experience can satisfy their employees by living comfortably, as a result, the employees of According to

Achievers (2021), Microsoft felt better to engage with this organisation. In this case, informing them of their duties and giving them the tools they need to achieve their objectives help their employees to feel that they are valuable for their organisation and the authority gives respect to them. Microsoft can think about the strategy of providing a safe workplace culture, while the employees feel that the organisation provides a safe and healthy workplace for them, then the employees become very satisfied and that increases their engagement with this organisation (Microsoft.com. 2022). Such strategies are very essential for satisfying the employees and motivating them. Hence, by getting motivation and satisfaction the employees feel they are valuable and respectable for their organisation, which improves their attachment with their organisation in future. Using Herzberg's dual-factor theory by Microsoft helps to motivate their employees to retain them, which creates value for them and engages them effectively.

Strategies of Learning and Development

Microsoft's initiative on the arrangement of training or learning development programs are assisting their employees (Mbaknol, 2021). Furthermore, establishing quantifiable and defined goals during a training programme will assist Microsoft in correcting any flaws by double-checking the process in accordance with the Experiential learning theory. As per Vulpen, (2022), it creates value for their employees. During the training session, the employees feel respected by their guidance. As per Vulpen, (2022), the learning development improves the employees' working ability which enhances their engagement towards the organisation. The strategies for identifying the training needs help Microsoft to show their respect towards their employees and while employees felt that the organisation is concerned about skill gaps that make them feel that they are valuable. After implementing the Gagne's hierarchy of learning theory it makes their employees feel that their valuable and respectable for their organisation.

Strategies of Compensation

Microsoft took the initiative to improve their compensation strategies. The strategies taken by Microsoft for improving their compensation can enhance job satisfaction of their employees; the employees are also motivated by these strategies. As a result they feel respected and valued. In addition, their engagement with this organisation also developed after implementing this strategy. According to Hope (2017), long-term work-from-home strategies helps Microsoft's employees to work effectively during the covid 19 situation. As a result they are motivated and feel that the Organisation is very concerned about their health during the pandemic situation. It increases their engagement with their organisation. Microsoft provides health benefits and plans, the company can enhance its mental health benefits by providing therapy or counselling sessions. These therapies will help employees to deal with work pressure and stress. It enhances their engagement with their organisation and makes them feel that they are valued and respected by their organisation (Leonard, 2019). Once again using Herzberg's dual-factor theory can help Microsoft to create value and respect for their employees. The strategy of implementing a compensation program for awarding eligible employees a small share of the profit acquired by the company will enhance the employees engagement with their organisation.

4. Conclusion

From the above discussion, it can be concluded that the effectiveness of HRM strategies is essential for organisations in order to boost employee productivity which will, in turn, enhance organisational profitability. Microsoft, being an international organisation, strategies of IHRM have become crucial for gaining a competitive edge in the market. The report revealed that the company is required to focus on employee retention, learning & development, and compensation strategies. The report has provided a few strategies for Microsoft while focusing on these three elements of IHRM. Moreover, a few theories such as Herzberg's dual-factor, Bandura's social learning, Reinforcement theory, Gagne's theory, and Experimental learning have helped in understanding HRM concepts in Microsoft.

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