

Human Resource Strategies

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I. Human Resources Strategies

Strategic HRM, or 'people strategy', is about creating a coherent planned framework for employees to be hired, managed and developed in ways that supports an organisation's longterm goals. It helps ensure that the various aspects of people management work together to drive the behaviour and climate needed to create value and meet performance targets. It focuses on longerterm people issues, matching resources to future needs, and largescale concerns about structure, quality, culture, values and commitment. It must also be a response to the evolving nature of work itself.

There's no single HRM strategy that will deliver success in all cases. Organisations must define their own unique strategy according to their specific context, culture and objectives. People professionals are instrumental in applying their expertise to understanding organisational circumstances, and designing human capital value chains that reflect stakeholder demands.

In this report I will identify some human resources strategie that would improve following areas of a business:

- Staffingng: Retention
- Learning and development
- Compensation

I selected those three areas to develop strategies for because I found the m basic areas that make a business grow and develop.

II. Staffing: Retention

1. Reason for high rate of employee turnover

An actual problem of many companies that affect directly its business activity is the high employee turnover rate. Nowadays people are more likely to change their jobs in order to develop themselves, to feel more appreciated, or just to feel comfortable at their workplace. Retention is an very important part in the relations with the employees.

First of all, I want to mark the key points why are workers leaving, some of the most important reasons:

- Inadequate salary
- A perks and benefits package that isn't competitive
- Feeling overworked and/or unsupported
- Limited career advancement
- A need for better work-life balance
- Lack of recognition
- Boredom
- Unhappiness with management
- Concerns about the company's direction or financial health
- Dissatisfaction with the company culture
- The desire to make a change
- More compelling job opportunities at other companies

While the job market in some industries and regions favors employers, candidates with indemand skills likely won't have to wait long to find a new opportunity. Many companies never stopped recruiting talent during the pandemic, and many others have picked up the pace of hiring in recent months.

2. Retention strategies

In order to retain good workers and avoid their movement, companies should implement the next retention strategies:

❖ Onboarding and orientation

Every new hire should be set up for success from the start. The onboarding process should teach new employees not only about the job

but also about the company culture and how they can contribute to and thrive in it.

❖ **Mentorship programs**

Pairing a new employee with a mentor is a great component to add to the extended onboarding process, especially in a remote work environment. Mentors can welcome newcomers into the company, offer guidance and be a sounding board. And it's a winwin: New team members learn the ropes from experienced employees, and, in return, they offer a fresh viewpoint to their mentors.

❖ **Perks**

Perks can make the workplace stand out to potential new hires and re-engage current staff while boosting employee morale. Flexible schedules and remote work options are the perks many professionals value most.

❖ **Wellness offerings**

Keeping employees fit — mentally, physically and financially — is just good business. Many leading employers expanded and improved their wellness offerings during the pandemic to help employees feel supported and prioritize their wellbeing. Stress management programs, retirement planning services and reimbursement for fitness classes are just some examples of what a business might consider providing to employees

❖ **Communication**

The shift to hybrid and remote work has underscored the importance of good workplace communication. It is very important to make sure that the company proactively connects with each team member on a regular basis, too, to get a sense of their workload and job satisfaction.

❖ **Continuous feedback on performance**

Many employers are abandoning the annual performance review in favor of more frequent meetings with team members. In these one-on-one meetings, talk with the employees about their short- and long term professional goals and help them visualize their future with the company.

❖ **Recognition and rewards systems**

Every person wants to feel appreciated for the work they do. And in today's "anywhere workforce," an employer's gratitude can make an especially big impact. So be sure to thank your direct reports who go the extra mile and explain how their hard work helps the organization. Some companies set up formal rewards systems to incentivize great ideas and innovation, but it is possible to institute compelling recognition programs even for a small team or limited budget.

❖ **Work-life balance**

A healthy worklife balance is essential to job satisfaction. People need to know their managers understand they have lives outside of work — and recognize that maintaining balance can be even more challenging when working from home. Encourage employees to set boundaries and take their vacation time. And if late nights are necessary to wrap up a project, consider giving them extra time off to compensate.

❖ **Flexible work arrangements**

Many companies understand that even though they have reopened their offices, some of their employees still prefer to work remotely, at least part-time. Not having that option might even spur employees to resign.

III. Learning and development

A company should help employees identify areas for professional growth, such as the need to learn new skills. Upskilling employees is especially important today as technology continues to change how we work. When people upskill, they gain new abilities and competencies as business requirements evolve.

It is important to make it a priority to invest in workers' professional development. Giving them time to attend virtual conferences, providing tuition reimbursement or paying for continuing education.

❖ **Perform an assessment**

The first step is to assess where gaps are in areas such as productivity, quality assurance and employee satisfaction. Conduct interviews with, and surveys of, supervisors and workers.

❖ **Consult with experts**

If the company doesn't have inhouse training experts, it should consider consulting with outside professionals who can help to put together an employee training plan and produce appropriate materials.

❖ **Develop a targeted training and development plan**

The training and development plan should specify learning objectives that aim to strengthen weak points. The plan should include an analysis of problem areas and how the program will address each one. It should describe what the program will entail, a budget that shows all expenses, what kind of awards or certifications trainees will receive after completing the program, and how results will be measured.

❖ **Conduct a test program**

Once the plan has been approved but before the company set it into motion, it should conduct a pilot training session to see what works well and which areas need tweaking. It's much easier to identify and work out bugs at this stage than when the full program is underway. The company should have the participants fill in a survey to evaluate what parts they feel worked well and where they feel improvements are needed.

❖ **Measure training results**

Measuring the results of the program is likely the most important step. The company should interview and survey supervisors and workers to find out whether the desired changes are coming to fruition. Are managers seeing improved behaviors? Are employees feeling more successful?

IV. Compensation

1. Compensation strategies

A compensation strategy is the company's approach to compensating employees in terms of pay and benefits. A strong compensation strategy is required in order to attract and retain people who have the appropriate knowledge, skills, aptitudes, competencies and attitudes to get the job done.

Compensation strategy has to reinforce the culture, climate and behavior needed for the company to be successful. That being said, compensation can be an overwhelming task for many small and medium-sized businesses .

Compensation strategies can be used to:

- hire and retain top performer employees.
- increase the satisfaction level of employees.
- reward and recognition programs to inspire peak performance.
- achieve internal as well as external equity.
- lessen turnover and boost company loyalty.
- adapt practice of transparent payment policies.

There are three basic compensation strategies:

❖ Leading

A leading compensation strategy aggressively sets salary rates above the market. By paying employees more than the market rate, it's easier to attract qualified talent and retain your best employees. In order to go with a leading compensation strategy, the company should have the financial health to pay employees higher salaries.

❖ Lagging

A lagging compensation strategy is when the company sets salary rates below the market rate. There are several reasons to pay employees below the established market rate. Smaller organizations don't have the financial resources to devote to salaries. Others have non-monetary characteristics to recruit talent, like nonprofits and charitable organizations.

Opting for a lagging strategy can help lower costs and the company can use the money saved to offer benefits and incentives. Paying salaries below the market rate will make it difficult to attract good employees and well-trained employees may leave for higher-paying competitors.

❖ **Meeting the Market**

Meeting the market is a compensation strategy where the company pay employees the market rate. In this strategy, employees are paid fairly and expected to perform well.

As the most common compensation strategy, meeting the market ensures that the company's pay and costs match the competition. In strong financial environments, the company can share bonuses and short-term incentives with employees. Though employees are paid well, this strategy may make it hard to keep the best employees as they are recruited by companies offering more money.

2. Benefits

Benefits cover indirect pay. This can be health insurance, stock options, or any myriad of things offered to employees. All of these things are critical in any job offer. Two jobs that offer identical salaries may vary wildly in the benefits category, making one a better financial proposition than the other.

Many organizations use benefit packages, in addition to salary, to attract and retain employees.

Their goal is to be competitive with health, retirement, tuition reimbursement, and other benefits.

Businesses invest in generous benefits packages because they understand that those benefits may be the determining factor for a job candidate who is deciding whether to accept a position with an organization, or an employee who is considering leaving.

V. Conclusion

To conclude I can say that both, small and big business have to pay attention to the developing, improving and implementation of Human Resources Strategies in all business's areas. In this report I selected three areas that I consider most important for a good progress of any business, no matter what industry is operating in or how many years is on the market.

Effective management is required to manage the multi-talent and skills as firms desire to retain their multi-talented employees who play very vital role for success of business. Dissatisfaction and irritation is being widely witnessed amongst the employees and that reduce their productivity altogether and create disturbance amongst them. HR department first find-out the problems then make strategies to sort-out such problems through empathy and reward. HR department screamingly focuses on employee's performance and impartially makes sure the reward and punishment system. HR department has now become very efficient in reducing the turnover rate and thus conducts training and development programs for employees to make them productive and efficient enough for the organization. Another problem of employees is engagement and commitment towards their respective jobs. HR department, in turn, gets employee engaged. HR department also provides help in recognizing the leaders to create suitable friendly environment.

Last but certainly not the least at all, HR department also conducts job analysis to get and retain right people at the right place.

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