



PRESENTATION TITLE: HR EFFECTIVENESS MEASUREMENT-
GROUP 1

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INTRODUCTION

Nike is a global brand recognized for its high-quality sportswear and athletic gear. The company offers a wide range of products for various sports, including running, basketball, soccer, and training. Nike is committed to innovation and sustainability, incorporating new technology and eco-friendly materials into its products. With its iconic logo and well-known slogan, "Just Do It," Nike has become synonymous with the sports industry and is a popular choice for athletes and fitness enthusiasts worldwide.

AIMS AND OBJECTIVES

The aims and objectives of Nike Sport can be summarized as follows:

- To design and produce innovative, high-quality sportswear and equipment that enhances the performance of athletes.
- To encourage and inspire people to be more active, lead a healthy lifestyle, and pursue their athletic goals.
- To foster a culture of sustainability by reducing waste, promote recycling, and create products with sustainable materials.
- To create a diverse and inclusive workplace that empowers employees, fosters creativity, and promotes equality.
- To build strong relationships with athletes, sports teams, and communities to support their success and promote positive social impact.
- To continuously innovate and improve their products and services to stay ahead of the competition and meet the evolving needs of customers.

ORGANISATION BACKGROUND

Nike is an American multinational corporation that designs, develops, and sells athletic footwear, apparel, equipment, and accessories. Founded in 1964 by Bill Bowerman and Phil Knight as Blue Ribbon Sports, the company changed its name to Nike in 1971 (Nike, n.d.). Headquartered in Beaverton, Oregon, Nike operates in over 190 countries, with revenues exceeding \$44 billion in 2021 (Nike, 2021). The brand is known for its innovative designs, marketing campaigns, and partnerships with athletes and teams worldwide. Nike's commitment to sustainability has also been a focus in recent years, with the company incorporating eco-friendly materials and technologies into its products (Nike, 2021).

POLICIES AND PROCEDURES OF NIKE SPORT

Code of Conduct: Nike has a Code of Conduct that outlines the company's commitment to ethical and responsible business practices. These includes Labour Practices, Human Rights, Environmental Sustainability, and Fair Competition (Nike, n.d.a).

Sustainability: Nike has a comprehensive sustainability strategy that includes goals for reducing waste, carbon emissions, and water usage, as well as increasing the use of sustainable materials in its products. The company also has a program called "Move to Zero," which aimed at achieving a zero-carbon and zero-waste future (Nike, n.d.b).

Human Rights: Nike has a Human Rights policy that outlines the company's commitment to uphold and respect human rights in its operations and supply chain. This policy covers areas such as labour practices, worker safety, and freedom of association (Nike, n.d.c).

Diversity and Inclusion: Nike has a Diversity and Inclusion policy that emphasizes the company's commitment in creating a diverse and inclusive workplace. This policy covers areas such as equal opportunity, respect, and inclusion for all employees (Nike, n.d.d).

HR EFFECTIVENESS MEASURE (1913883 S WILLIAMS)

- HR effectiveness measures are matrices applied to evaluate the impact and value of HR practices and initiatives in an organisation (McCartney and Fu, 2022)
- The measures are aligned with the strategic goals and objectives of Nike.
- A few HR effectiveness measures that Nike can implement are engagement, recruitment, and retention, training and development, diversity and inclusion, and HR efficiency (Saks, 2022)



WHY SHOULD HR EFFECTIVENESS MEASURE

- Tracking the human capital can assist Nike to find the weak areas (Boon *et al.*, 2019)
- Measure the effectiveness of resources is a way to find the time and money investment by Nike is effective or needs change
- Nike can Attract and retain talent by developing attractive HR practices



WHY SHOULD HR EFFECTIVENESS MEASURE

- Improving employee engagement (Cuéllar-Molina *et al.*, 2019)
- Enhancing employee performance can be achieved by keeping effective resources
- The HR effectiveness measure will help to ensure compliance



WHY IT IS IMPORTANT TO MEASURE HR EFFECTIVENESS?

- Measuring the HR effectiveness by Nike will align the HR with business goals.
- The impact of the HR activities on overall all departments can be assessed by measuring effectiveness (Saks, 2022)
- The costs and investment can be saved and these can be used in the right place
- Decision-making of the leaders is dependent on better HR practices (McCartney and Fu, 2022)



THE INDICATORS OF HR EFFECTIVENESS (MOHAMMED ABRAR 2213718)

- The effectiveness of HR practices and policies within an organisation is measured by HR metrics
- HR metrics help to generate value by collecting key data points so that the organisation can track the current performance of the human capital and how effective HR strategies have been in influencing the performance of human capital (Trivedi, 2015).
- Following are some of the HR Effectiveness Indicators-
- Turnover Rate
- Retention of talent
- Dismissal rate
- Absenteeism
- Employee satisfaction
- Employee productivity and others



CHARACTERISTICS OF AN HR PROFESSIONAL

- HR experts can carry out important duties with the use of their HR expertise.
- Especially in the digital age, HR managers' roles are also being revolutionised (Chytiri, 2019).
- Following are some of the characteristics and skills that an HR professional should acquire:
- Enhanced Interpersonal skills
- High Emotional intelligence
- Maintain Confidentiality
- Active listening
- Recruiting Skill
- Conflict resolution
- Effective Communication skill
- Critical thinking
- Analytical capabilities



HRM ISSUES IN NIKE SPORTS

- It is unfortunate that a reputed organisation like Nike Sports, facing HRM issues which are hampering its brand reputation.
- “Nike is alleged of the culture of sexism, bullying and fear of retaliation” (The Guardian, 2023)
- Persisting sexual harassment and gender discrimination
- Horrible workplace

Nike lawsuit records allege culture of sexism, bullying and fear of retaliation

5,000 pages of records detail how female employees were concerned management were unlikely to address concerns



HRM ISSUES IN NIKE SPORTS (MOIN VHOA 2227860)

- No respect for Women employee
- Ill-treatment and sexual harassment (VOX, 2018)
- Catcalling
- HR Department's ignorance



IHRM ISSUES IN NIKE SPORTS

- Nike was accused of ethical labor practices publicly because of which its brand reputation was also hampered.
- In 1991, Nike was accused of providing poor wages and poor working conditions in Indonesia (Business Insider, 2013)
- In 1992, Harper's article showed that Indonesian workers used to work for 14 cents an hour only, which is lower than Indonesia's minimum wage
- “Low wages, long hours and poor working conditions” were common at Nike (News Week, 2018)



IHRM ISSUES IN NIKE SPORTS

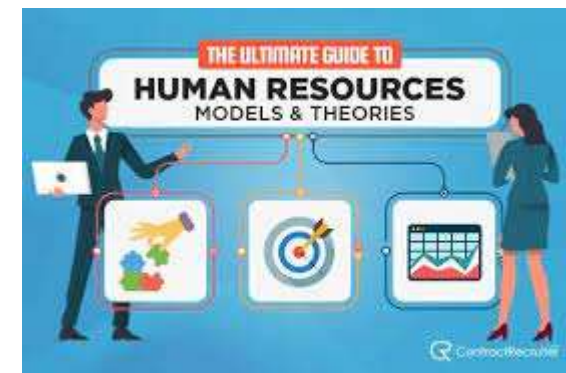
- Issues related to “slave wages, forced overtime and arbitrary abuse” (Mallen Baker, 2016)
- The scandal started to circulate regarding “below-minimum wages, child labor and appalling conditions likened to a sweatshop” (New Idea, 2019)
- Inhumane production practices



THEORETICAL PERSPECTIVES OF HRM EFFECTIVE MEASUREMENT. (BENSON 1909011)

Definition:

Effective Measurement in Human Resource is the process of Evaluating and Assessing the various Aspects of the Workforce, such as Employee Performance, Engagement, Training and Developmental Needs, and the Overall Organizational Effectiveness of the Company. (Goldstein, 2013).



THE FIVE MAIN THEORIES OF HRM

- Organizational Lifecycle Theory.
- Strategic Contingency Theory.
- General Systems Theory.
- Transaction Cost Theory.



NIKE SPORT THEORETICAL HRM EFFECTIVE MEASUREMENT.

- Strategic *Contingency Theory*.
- Social Exchange Theory
- Resource-Based View (RBV)



FIVE IMPORTANT FACTORS WHEN IMPLEMENTING THE STRATEGIC CONTINGENCY THEORY.



- Understanding the Organization's Strategy and Goals.
- Identifying the Key External and Internal Factors of the Organization's HRM practices.
- How to Align HRM Practices with the Goals of the organization.
- Constant Monitoring and Evaluating the Effectiveness of HRM Practices.
- Adapting HRM Practices to the Changing Needs of the Organization.

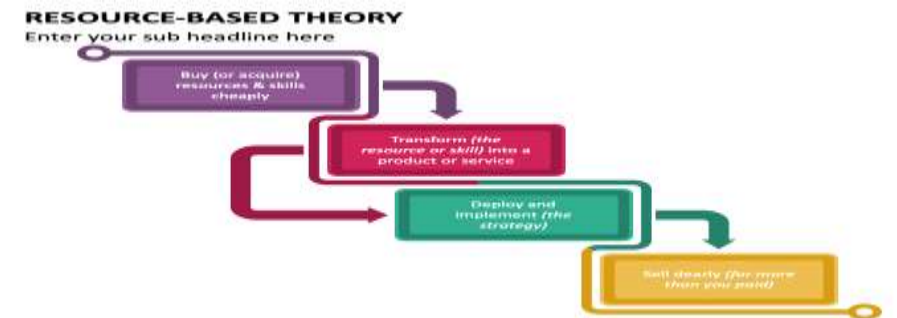
FIVE IMPORTANT FACTORS WHEN IMPLEMENTING THE SOCIAL EXCHANGE THEORY.

- Trust
- Reciprocity
- Effective Communication
- Fairness
- Relationship quality.
- Blau, P. (1964). Exchange and power in social life. John Wiley & Sons.



RESOURCE-BASED VIEW (RBV)

Resource-Based View (RBV). According to Barney J. B. (1991). “The competitive advantage of a company, comes from its unique bundle of resources and capabilities.” Nike Sport uses this theory to identify the HRM resources and capabilities that give them a competitive advantage over their competitors, to develop metrics that measure the effectiveness of their resources in achieving their HRM goals.



CONTRAST BETWEEN THE THREE THEORIES

- Contingency theory suggests that there is no one-size-fits-all approach to management. It emphasises flexibility.
- Social exchange theory emphasizes the importance of social relationships, and emphasises more on motivation.
- Resource-based view focuses on leveraging unique resources and capabilities to achieve a competitive advantage. It highlights the importance of valuable resources in achieving a competitive advantage.
- (See speaker notes for more)



THEORETICAL PERSPECTIVES OF IHRM EFFECTIVE MEASUREMENT.



- Talent Acquisition and Retention:
- Diversity and Inclusion.
- Securing Visas and work Permit for Foreign Employees.
- Legal and Regulatory Environment.
- Eliminating Language Barriers.
- Maintaining International Quality Control.
- Placing Compliance Managers in contracted Partner Companies.
- Organising Social programs among the divers workforce.

CONCLUSION

Nike Sport is a the worlds' leader in the production of sport wears and shoes. They are improving their products and expanding the customer base yearly. The adoption of these three theories (Strategic Contingency, Social exchange, and Review based theories) has given a huge competitive edge over their competitors like Adidas, Puma, ETC. However Nike Sport need to show its customers base the companies position in eliminating carbon more clearly. Nike Sport needs to show its position in the fight against child labour especially with its partner companies in South-east Asia. (See speaker's note).

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