

The place of HR Strategy in Corporate Strategy - The Missing Link

People Strategy

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What is Corporate Strategy?

The overall scope and direction of a **corporation** and the way in which its various **business** operations work together to achieve particular goals.

Corporate Strategy is concerned with how companies, like Disney, create value across different businesses. It takes as given the RC lessons on **competitive strategy**, and asks how the **corporation** can add value over and above that which a business unit creates by itself.

CORPORATE STRATEGY is the direction an organization takes with the objective of achieving business success in the long term. Recent approaches have focused on the need for companies to adapt to and anticipate changes in the business environment, i.e. a **flexible strategy**.

What is HR Strategy?

Human resources is the department that finds and trains employees. They also help with conflict resolution and employee benefits. **Human resource strategy** is taking those responsibilities and making sure they meet the goals, mission and future needs of the company.

What is a People Strategy?

THE DESIGN OF A PEOPLE STRATEGY

Mitigating Talent Risk and Building Organisational Capability

People Strategy

Most Admired Companies (MAC's) employ a systemic approach to growing human capital.

This approach:

- Clearly describes what successful human capital management is and how it connects to business results;
- Measures and manages human capital with the same discipline as financial capital;
- Enables managers and leaders to learn from experience to make progressively better human capital decisions.

What is Talent Management?

Talent Management is the **SCIENCE** of using **STRATEGIC HUMAN RESOURCE PLANNING** to improve **BUSINESS VALUE** and to make it possible for organisations to reach their goals.

Everything done to **recruit, retain, develop, reward** and make **PEOPLE PERFORM** forms a part of talent management as well as **STRATEGIC WORKFORCE PLANNING**

Integrated Talent Management

Talent management is integrated when the following HC programmes holistically interrelate with each.



Business and Talent Management Priorities

STRATEGIC OBJECTIVES

GROWTH

CUSTOMER CENTRICITY

PRODUCTIVITY

COMPETENT & EMPOWERED
EMPLOYEES

MANAGEMENT OF RISK

VALUES

IMPARTIALITY

INNOVATION

ACCOUNTABILITY

INTEGRITY

QUALITY

DIVERSITY

Talent Management Strategy

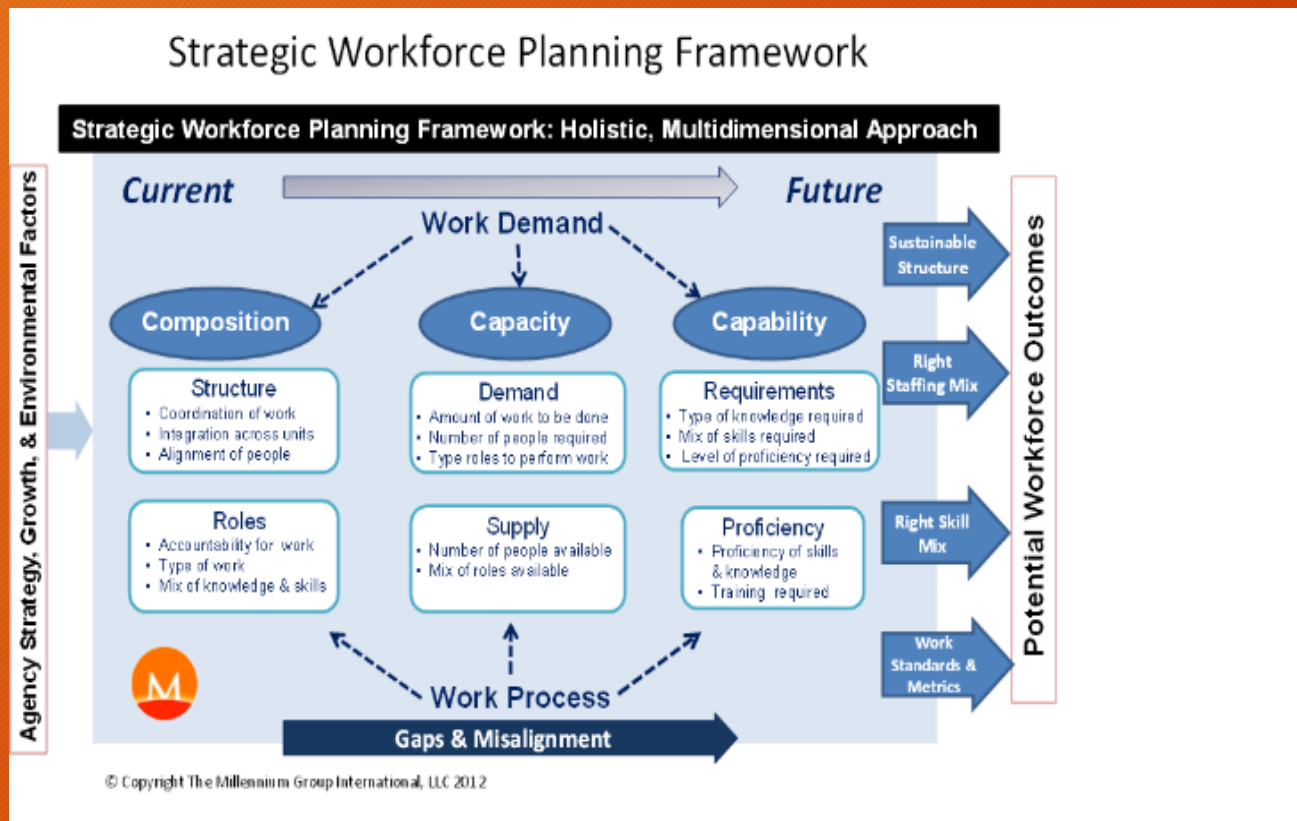
Talent Management Objectives

Talent management is the science of using strategic HC planning to improve business value and to make it possible for the Company to reach its objectives & goals.

- 1 To ensure appropriate planning and forecasting for future talent requirements through workforce planning process
- 2 To ensure attraction, recruitment and deployment of appropriately skilled people to the right roles, in the right place, at the right time
- 3 To develop and retain critical talent required for now and in the future
- 4 To embed a high performance culture to ensure appropriate reward of required behaviours and correction of poor behaviours
- 5 To retain critical SABS institutional memory by developing and embedding a culture of knowledge transfer and management
- 6 To reward and recognise high performing people with critical skills, knowledge and experience

Workforce Planning

Workforce planning is the process to follow to get the right number of people with the right skills, experiences, and competencies in the right jobs at the right time.



Talent Attraction & Acquisition

The process of attracting key talent to the Company. Application of competencies and rigorous assessment processes to source & recruit.

BBC one

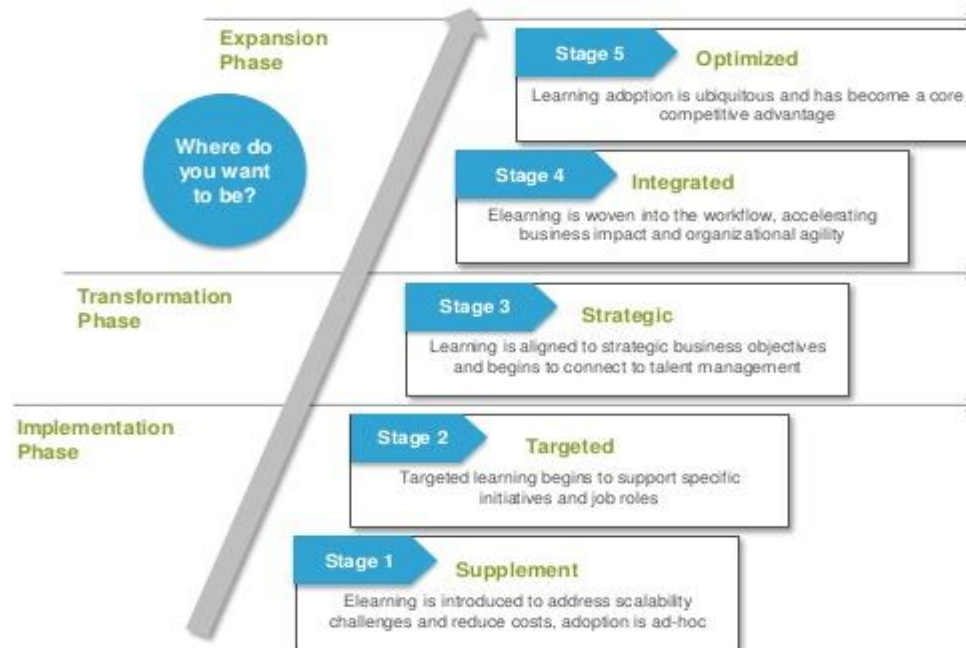
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Workforce Development

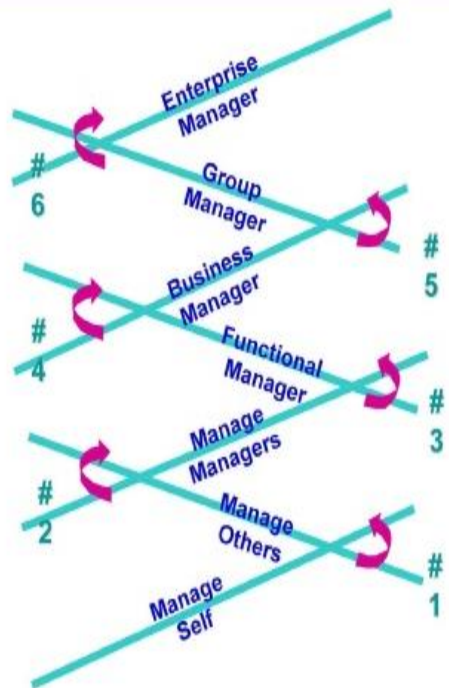
Workforce Development - process by which the skills and knowledge required for staff to perform their jobs and grow their careers is in alignment with the objectives of the organisation, today and in the future.

Skillsoft Learning Growth Model™



Workforce Development

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Leadership Pipeline Model

Source: Ram Charan, Stephen Drotter, James Noel

Our interventions are designed to build the leadership pipeline and develop leadership capability across levels.

Our approach is to map the challenges at each level and design appropriate Leadership interventions to bridge the gap.

Our Developmental approach is a combination of Behavioral Assessments Developmental experiences & Coaching.

Manage Others

- Letting go of work which defined previous successes
- Effectively managing the performance of other people
- Focusing on the team agenda rather than individual agenda
- Putting trust in other people to deliver results

Manage Managers

- Creating time for less tangible activities (e.g. coaching or mentoring)
- Managing through other managers rather than directly
- Communicating and influencing with a wider circle of stakeholders
- Broader knowledge of the organisation and how to get things done

Manage Function

- Communicating through two levels of management
- Learn about and value aspects of the business that are not within their direct experience
- Monumental shift in thinking - longer timeframes, different trade-offs have to be made
- Emotional fortitude and personal authenticity become as equally important as business skills and knowledge

Manage Business

- Going from running own show to running a number of shows
- Valuing the success of other people - can be difficult for results-oriented people need to be able to take hard decisions
- Shift in a way of thinking from a functional perspective to profit generation

Leadership Levels	POL Levels	Behaviours	Performance Standards	Training	Academics	Qualification	Experiences	
Purpose Leadership	Strategic	Group Leadership Executive POL 1-2	02. Dealing with Ambiguity	Group Leadership Excellence. Time: Set Direction. Drive quarterly performance. Shift from strategic to visionary thinking. Global perspective. Assemble high performing ambitious team. Skills: Ability to manage list of external stakeholders proactively. Work Values: Value Trade offs.	Coaching - Managing business functions, Managing across functions, Managing a group, Managing Managers	Executive Education Programmes. (Executive Leadership and CDP analysis - Stanford GSB, Oxford/Insead Bus. School, Harvard Bus. School)	Degree or National Diploma Leadership management-related qualification or studying towards one	10 years related work experience > 5 years experience in management 3 years in general/senior management position
			09 Command Skills					
			12. Conflict Management					
			13. Confronting DR's					
			48. Political Savvy					
			52. Process Management					
			58. Strategic Agility					
65. Manage Vision & Purpose								
Process Leadership	Strategic	Business Leadership Executive POL 3-5	12. Conflict Management	From Business Leadership to Group Leadership. Time: Managing & developing several businesses & bus. mgrs. Skills: Evaluate strategy & deploy capital. Develop Bus. Mgrs. Develop & implement Portfolio strategy. Assess core capabilities to win. Work Values: Value success of other people's business.	Coaching - Managing business functions, Managing across functions, Managing a group, Managing Managers. African Leadership.	Executive Education Programmes. (Executive Leadership and CDP analysis - Stanford GSB, Oxford/Insead Bus. School, Harvard Bus. School)	Degree or National Diploma	8 years work related experience = 5 years experience in management 2 years in senior/ middle management
			17. Decision Delegation					
			35. Managing & Measuring					
			37. Negotiating					
			38. Organisational Agility					
			47. Planning					
			52. Process Management					
	63. TQM/Re-engineering							
	Tactical	Function Leadership Senior/General Management POL 4-7	05. Business Acumen	From Functional Leadership to Business Leadership. Time: Mgrs. stop doing things every moment of the day. Become more creative, thinker & analytical. Skills: Responsible for the bottom line. Consider short- & long term profit feasibility. Work Values: Value success of own business.	Courageous Leadership and Coaching	Executive Development Programme.	Degree or National Diploma	6 years relevant work experience 1 year experience in middle/ junior management must show potential
			18. Delegation.					
			28 Innovation Management					
			38. Organisational Agility					
			46. Perspective					
			50. Priority Setting					
58.Strategic Agility								
People Leadership	Tactical	Manager Leadership Middle/Senior Management POL 5&6	19. Developing Dr's	From Manager Leadership to Functional Leadership. Time: Participate in Bus. Team meeting & w ork with other functional mgrs. Create strategy and competitive edge. Skills: Develop Comms. skills & manage unfamiliar areas. Learn about functional needs & concerns. Learn to teamwork with functional mgrs & compete for resources on bus. needs. Work Values: Adopt long term perspective.	Situational Leadership and Mentoring	Manager Development Programme.	Degree or National Diploma	6 years relevant work experience 1 year experience in middle/ junior management must show potential
			23 Fairness to Dr's					
			25. Hiring & Staffing					
			31. Interpersonal Savvy					
			56. Sizing People Up.					
	60. Building Effective Teams							
	Operational	Leadership of Others Junior Management Specialists POL 7&8	20. Directing Others	From Leading Others to Manager Leadership. Time: Must only manager. Dive st time form ind. Tasks. Skills: Selecting people, Measuring progress & Coaching. Work Values: Learn to hold 1st line mgrs. accountable.	Team Leadership/Team Dynamics (Belbin)	Supervisory Development Programme.	Degree or National Diploma	P7-9 3 years exp P10-11 1 year exp P12 0 years exp
			27. Informing					
			36. Motivating Others					
			47. Planning					
50. Priority Setting								
62. Time Management								
Personal Leadership	Operational	Self Leadership Specialists Administrators Operators POL 7-15	01. Action Oriented	From Self Leadership to Leading Others. Time: Must learn to reallocate time so that not only their assigned work is completed, but also they help others perform effectively. Skills: Shift from doing work to getting work done through others. Work Values: From valuing ind. work to valuing man. work.	To be the BEST I can be Personal Mastery	Internal Courses. SABS Training Centre	Matric + Diploma or relevant Certificate	At least 1 year working experience
			15. Customer Focus					
			24. Functional/Technical Skills					
			43. Perseverance					
			51. Problem Solving					
			61. Technical Learning					

Performance Management

Performance management refers to the tools, metrics, processes and communication channels that facilitate the measurement and alignment of employee performance to organisational objectives

TEAM WORK (DIVERSITY) MULTIPLIES TALENT – TEAM PERFORMANCE



Jamaican mens 4x100m relay team
smashed the OR (37.10) and WR
(37.04) Winning team include Bolt,
Blake, Frater & Carter.

NWR 36.84

4 x Bolts at his best of 9.58 would
have completed the relay in 38.32

4 different individuals working as a
team breaks the WR record.

Reverse the Mathematics

***$36.84/4 = 9.21$ per 100m per
athlete.***

Performance Management



- Men's 4x100m freestyle swimming team.
- Roland Schoeman, Ryk Neethling, Lyndon Ferns darian Townsend
- In a time of 3:13.17, a *new world record*'
- *1st Place and Gold medals*

- 2008 Olympics
- Time of 3:12:66
- The same team
- End in 7th Place

Performance Management

Do the Math *CLC benchmark

Average manager yearly time spend on PM activities:-
210 Hours

Average individual contributor yearly time spend on PM activities:-
40 Hours

- Average manager hourly rate:- R394.38
- Average IC hourly rate:- R73.21
- $R394.38 \times 210 \text{ hours} = \mathbf{R82,819.80}$
- $R73.21 \times 40 \text{ hours} = \mathbf{R2,928.40}$
- *Data from PMS*
 - *Employees - 2781*
 - *486 managers*
 - *2295 IC's*

Typical PM Activities in Company

Manager Training
PM Technology
Pay for Performance
KPI Framework
360 Feedback
Goal Alignment
Identifying High Performers
Identifying Poor Performers
IDP's

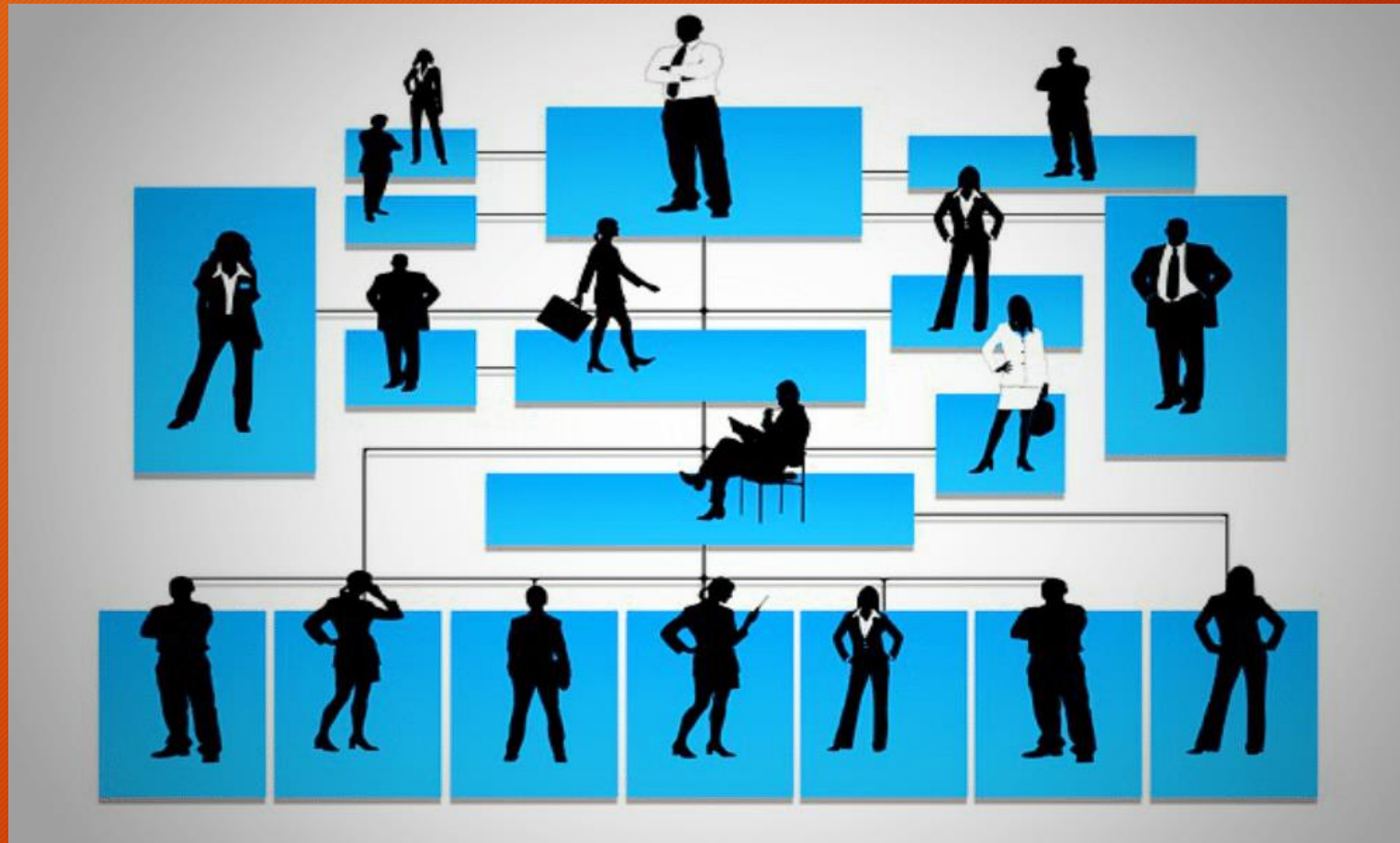


Manager Time on PM activities - R 40,250,422.80
+
IC time on PM activities - R 6,719,760.00
+
Average yearly budget for PMS - R125,000,000.00

Company will spend **R171,970,182.80**
on Performance related activities.

Workforce Movement - Succession Planning

Workforce movement encompasses retaining, redeploying and separating employees based on organisational strategies and goals





Talent Supply	People	Scarce Skills Leadership Pipeline All			
Talent Demand	Success Profiles	High Technical Proficiency	Business Critical Positions	Development Positions	Values
Purpose		Mitigate Risk	Operational Excellence	Meet future needs	Change Culture
Priorities		Retain Recruit Develop	Develop Retain Recruit	Recruit Develop Retain	Communicate Develop Reward
Questions		<ol style="list-style-type: none"> 1. Have we identified the scarce skills? 2. Do we know the retention risk of each person? 3. Have we identified possible successors? 4. Is there a program in place to reward them for transferring skills? 5. Is there a retention plan in place? 6. Have we aligned our pay strategy to this group? 	<ol style="list-style-type: none"> 1. Have we identified core/critical talent requirements? 2. What are our future talent requirements and can we meet them? 3. Do we have a development strategy for each of the key people in these positions? 4. Have we identified successors and do we have a development plan for them? 	<ol style="list-style-type: none"> 1. Have we identified our hi-potentials and are we managing their development? 2. Do we know how to select to build a pipeline? 3. Are we managing "promotability"/readiness to move? 4. Have we prepared managers to develop this group? 	<ol style="list-style-type: none"> 1. Do we have the competencies we need to drive strategic change? 2. How are we acquiring these competencies (B4)? 3. How are we rewarding/recognizing this behaviour?

Knowledge Transfer & Management

Knowledge transfer refers to the creation, capture, organising, access and use of an enterprise's information assets. This includes databases, but most importantly, the un-captured tacit expertise of individual workers.

Knowledge Management Strategy



People

- Knowledge managers
- Communities of Practice
- Training and communications
- Measurement and reward systems
- Knowledge sharing culture
- Knowledge Advisors
- Employee Satisfaction surveys

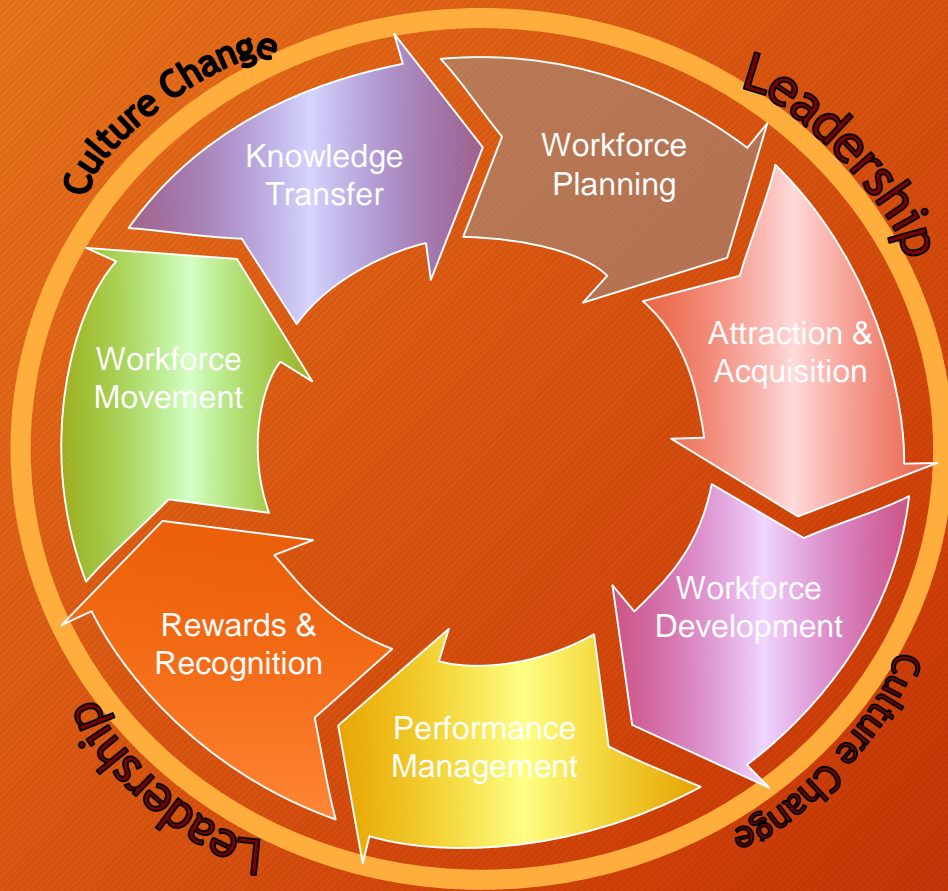
Process

- Knowledge Capture and Reuse
- Communities of Practice
- Best Practice selection and replication
- Project Team Collaboration
- Content management and governance
- Metrics and reporting
- Management of Change

Technology

- User interface
- Team collaboration spaces
- Community portals
- Knowledge repositories
- Threaded discussions
- Expertise locators
- Search
- Support
- Archiving

The Missing Link(s)



1. Culture
2. Change Management
3. Leadership

Culture Types

		INDIVIDUALITY & FLEXIBILITY			
INTERNAL POSITIONING	Culture Type: Clan	Orientation: Collaborate Leader Type: Facilitator, mentor, team builder Value Drivers: Commitment Communication Development Theory of Effectiveness: Human development + high commitment = effectiveness	Culture Type: Adhocracy	Orientation: Create Leader Type: Innovator, entrepreneur, visionary Value Drivers: Transformation Agility Innovative outputs Theory of Effectiveness: Innovation + vision + consistent change = effectiveness	EXTERNAL POSITIONING
	Culture Type: Hierarchy	Orientation: Control Leader Type: Coordinator, monitor, organizer Value Drivers: Efficiency Timeliness Consistency/uniformity Theory of Effectiveness: Control + efficiency + capable processes = effectiveness	Culture Type: Market	Orientation: Compete Leader Type: Hard driver, competitor, producer Value Drivers: Market share Goal achievement Profitability Theory of Effectiveness: Aggressive competition + customer focus = effectiveness	
		STABILITY & CONTROL			

Change Management vs. Change Leadership



THANK YOU.



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