



Human Resource Strategy

making the most of people

Do we need an HR Strategy?

Many organisations say they do not have an HR Strategy and some say they cannot see why they need one. In practice they probably all have one, but it has not been articulated as such. It is a 'de-facto' HR Strategy. The different policies, plans and practices that deal with people issues have been built up gradually over time, in response to events or crises, and some elements may have been borrowed from elsewhere. The problem is that each element may have slightly different goals, objectives and success criteria and may be based on different assumptions. The resultant inconsistency undermines the necessary strategic direction.

Today's policies are often responses to yesterday's problems. They are frequently a logical extension of precedents set in an earlier period when circumstances were different. The principles on which each policy is built may not be consistent and the overall strategy may not enable the organisation to achieve its business strategy or operational goals.

An HR strategy built on this basis will look inconsistent or contradictory. The values underpinning it may not be clear, or they may have changed. The result is confusion when the goal of a strategy should be clarity. In such an environment the energy that should go into organising and managing people is dissipated through trying to achieve too many different divergent objectives. Clarity of purpose and strategic direction is lost. The momentum of the organisation falters.

The point about a clear and coherent strategy is that it provides guidance to people on what to do and how to respond when there is no more senior person around to ask. It also helps those more senior people to answer such questions constructively, reliably and consistently. It provides a framework that makes it possible to answer questions that have never been asked before.

Managers and employees need such a framework. In its absence, the temptation is to avoid making wrong decisions by ignoring the problem, postponing decisions, or becoming bureaucratic and applying previous solutions literally, even when common sense suggests they are not appropriate. Some people, in desperation or frustration, simply make up the rules as they go along, and that reinforces the inconsistency of the totality.

So, there is a strong case for having an internally consistent HR Strategy designed to enable the organisation to find, keep and develop the talent it needs to be successful. If an organisation does not consciously design a relevant and consistent HR Strategy, it will have to put up with whatever poor, inconsistent strategy evolves in response to circumstances.

Human Resource Strategy Ltd

35 Piccadilly
London
W1J 0DW

Phone: +44 (0) 20 7734 7287

Fax: +44 (0) 20 7734 4561

Email: enquiries@HRStrategy.co.uk