# Developing Effective HR Strategy

An Effective Human Resources Strategy is not one which provides the best employee welfare in terms of giving employees anything and everything they want. No. An Effective Human Resources Strategy is one which provides the best employee experience while supporting the organization to meet its Business objectives.

In order for the HR Strategy to achieve this the Human Resource staff and department must be configured in such a way that they are responsive to the needs of the Business. This in itself may require up skilling the HR Staff so that they are better able to understand business requirements and translate them into human resource interventions. Some organisations believe that the solution to all people related and productivity problems is Training. The HR professional can therefore be forgiven for thinking that the translation of business requirements into HR needs as a consequence means identifying and mounting suitable training programs.

In order to show the fundamental shift between training and other techniques aimed at addressing performance gaps in an organization, some have started using the term Learning and Development. This term goes beyond the use of standard classroom based-learning to the understanding and implementation of adult learning methodologies as well as exploring other non-training interventions which could address performance and productivity challenges.

There have been organisations which have used surveys as a way of obtaining feedback from employees on the challenges they experience in the workplace and on aspects they feel could be improved. These surveys which carry various names including employee opinion surveys or employee engagement surveys serve a useful purpose of providing a forum through which the employees can not only air their grievances but also get their voices heard in how the organization transacts its business. This crucial input is usually reduced to a set of short term interventions which when implemented have an immediate impact on morale but the effect is lost in the long term.

When an employee who is perceived as being key to the performance of the organization tenders his resignation, the organization quickly offers that employee improved remuneration without considering the key metric of Human capital return on investment which is the rate of return of each shilling invested in employee pay and benefits based on pre-tax profit. This intervention may result in the employee reconsidering his resignation but should the trend continue the Labour cost per FTE will rise to an unacceptable level.

Human Resources departments are faced with similar challenges and at times their response might be short-term and result in adverse effects in other aspects of the business. A well-crafted HR Strategy ensures that the Human resource function is aligned to the Business requirements while also taking into account Customer needs, market forces and trends; Business Strategy and Strategic priorities as well as the implications of overall business strategy and market environment on governance, compliance and risk. A Human Resource Strategy that meets these characteristics is bound to be proactive and support an organization in achieving its strategic objectives.