

Strategic Human Resources Management ...Leading toward....Excellent Working Platform

กลยุทธ์การบริหารทรัพยากรมนุษย์...ปัจจัยสู่....ผลการปฏิบัติงานที่เป็นเลิศ

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Abstract

Today world has changed rapidly in all aspects namely; social, economic, Political, and work place dimensions. Such changes affected to organization automatically. These circumstances caused strategic leaders included HRM specialists think different in working platform and sources of recruiting to have high competence staffs with right skills and expertise. When the right persons are placed the most important task is how to managing them to gain competitive advantage in business operation. Few more practices are focused such as talent management, new performance management system, and human potential utilization. Finding from literatures are found that effective performance appraisal system leads to well-accepted remuneration system that yield higher productive organizations. New HRM strategy is “HR from the outside in”. This approach pays attention to external factors that affected organizations by balancing internal and external factors properly. External factors; demographic changes, environmental changes, new technologies, innovations in all aspects are brought to attention of organization leaders. In the same time some new internal matters are concerned such as new human capital management that focused on employees knowledge, skills, capability, and also some soft skills namely engagement, adaptation, competency and so on.

Key words : Strategy; Working platform; competitive advantage, HRM Specialist

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Introduction

Human resources management to date is highly critical to management. Nonetheless, the current concept of human resources management has become more diversified than the past. Earlier, when someone mentioned human resources management, we often look as if being the internal organization expenses. Not until human have become the organization asset, so-called, “human capital”, the management started to pay more attention to human resources management in order to extract knowledge, skills and competence of the organization employee as much as possible. Thus, human resources management became more challenge. Besides managing human resources in the organization, another important issue is managing employee’s performance, whereas the most preferred concept is the integrative expectation, organization stakeholder’s needs in order to response to the need effectively such as the stakeholders desire to make higher dividend, consumers’ desire good quality services, including good delivery at price reduction. As for employees, they wanted higher compensation, opportunity for training and good career advancement, pollution-free society. For the organization stakeholders, their need involved the goal in organizational operation that the organization must response. In order to accomplish the organization management accomplish the organization management objectives, the organization should apply the concept of strategic human resources management integrating with performance in the organization management. Nevertheless, strategic human resources management of numerous organization revealed the ineffectiveness in integrating employee’s performance, divisions and organization in the same direction. Such problem would impact overall organization performance until unable to achieve the set goal mission and vision. Therefore, Performance Management which considered as the strategy or continuous process to improve performance, consistent by mixing the employee’s performance in 2 key elements 1) Vertical as the connection of vision, mission, goal of the organization, including divisions and employees to move in the same direction through the performance process that need to apply knowledge, capability and skills of employee and 2) Horizontal is the application of performance to benefit the human resources management activities such as development, training, remuneration, career planning and promotion.

Strategic Human Resources Management

Human resources management is considered one of the organizational strategies, which could make the organization landing with success and competitiveness because employees are the key factors to lead the organization to success in building opportunity for

the competition. Somehow, the organization could apply the strategic human resources management by connecting between human resources management and the organization goal to improve business performance and develop organization cultures until deriving at new innovation or changes as the plan for expansion and human resources activities which intended for the organization to accomplish as planned and widely accepted. So far, the duty of human resources is as comparable as a partnership or key element in the organization strategic process.

The rapid changes in the environment, social and economy, the world advance itself to the management era that focused mainly knowledge Economy. Other organizations are also facing equally intense competition. As a consequence, the organization pays more attention to competitive advantage in various angles, especially, human management because “Man” as being the important investment of the company or so called “Human Capital” which could create tremendous “Value Creation” and build competitive Advantage for such organization. In the past period, majority of the organization had not concern about the significance of human resources that how it contributed to the organization achievement because the work of human resources in the past focused on the process and complex regulation, harsh, inelastic, watch attentively for a mistake, which is unfavorable and not supportive with the direction or goal or the organization strategy, considering delay the organizational progress. To date, the concept has been changed “Human Management “to be able to response to organizational needs; there is the belief that man could harsh and develop creativity leading to developing product, output including created value added to the organization and being better than the competition by managing man to match other management in the organization, which gave rise to the concept of strategic Human Resource Management (SHRM). Human Resources Management that focused on “built and developed” the employee’s Proficiency level, incentive for work as well as identify the direction for human resources management to lean toward the mission of that organization. Therefore, Personnel Administration in early period put the emphasis on daily activities based on the process, steps, rules or regulations, The next era is the period of Personnel Management and Human Resource Management that regards Man in the organization as the resource expected to bring the organization maximum benefit as if “Man” is the Human cost of organization, not just the capital that could build organizational value. At present, the point of view on human resources management had changed, human respire is considered as “capital” of the organization that could add more tremendous value to the organization than assets or other capital. Human is no longer the “expenses” of the organization (Office of the Civil Service Commission:

<http://brd.ocsc.go.th/hrscorecard/?p=681>). Therefore, human resource management in the new era is the proactive which different from traditional human resource that managed Personnel offensively and focused on duties or work process. The present human resources in the organization is quite different than the past where personnel management focused on the operation and employee documents only. At present, personal management has changed for the better, so many organization changed from personnel management to human resource management in which the human resource management focused on developing skills, knowledge, expertise and highly effective work performance. The differences between personnel management and human resource management are shown on Table 1(Torrington et al, 2005, p.11).

Table 1: Differences between "personnel management" and "human resource management" (Torrington et al, 2005, p.11).

	Personnel management	Human resource management
Time and planning perspective	Short term, reactive, ad hoc, marginal	Long term, proactive, strategic, integrated
Psychological contract	Compliance	Commitment
Control systems	External controls	Self-control
Employee relations perspective	Pluralist, collective, low trust	Unitarist, individual, high trust
Preferred structures/systems	Bureaucratic/mechanistic, centralized, formal defined roles	Organic, devolved, flexible roles
Roles	Specialist/professional	Largely integrated into line management
Evaluation criteria	Cost minimization	Maximum utilization (human asset accounting)

Table 1 reveals the differences between personnel management and human resource management. Therefore, the executive should be able to separate between "personnel" and " human resources". Many organizations failed to manage because they are so attached to the conventional personnel management, even though the human resource management is far more sophisticated and able to build true competitive advantage.

Furthermore, Armstrong, (2009, p. 12) had presented the concept of Human resource management system to manage human resource management in the organization more effective as being shown in chart 1:

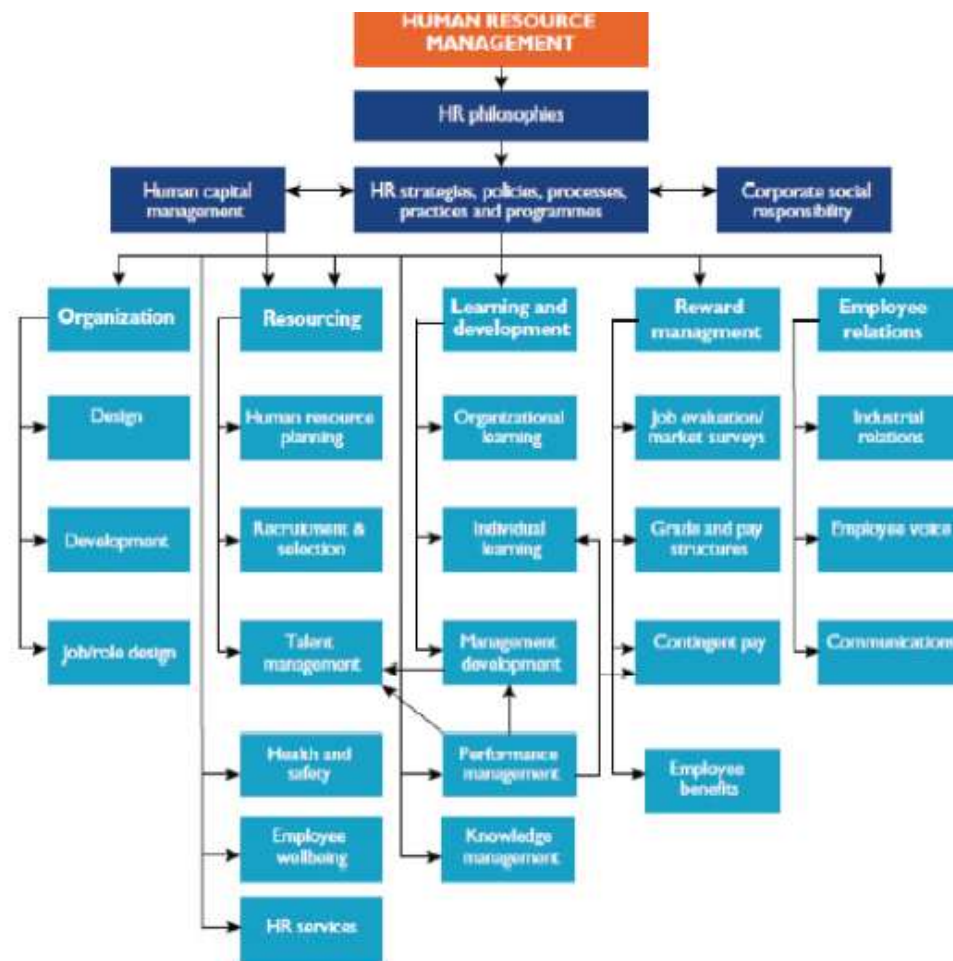


Chart 1: Human resource management system (Armstrong, 2009, p. 12).

In chart 1 as being seen that the current sophisticated performance believed in “human” investment as good thing as believed that investment in “Man” is one form of business, enabled the organization to become effective and unique from other organizations. Therefore, the management must put priority on assigning the work position to match each person ability and expert, as well as having the right to be legitimized, necessary for the organization to survive in the turbulence competitive surroundings, having the employment that both employee and employer share similar benefits , including arranging the human resource function that to focus mainly on the management and staffs became business alliances. Furthermore, the executive should have the notion that human resource management is a form of Art the management needed to balance between the need of employee and organization needs in which a good organization yielded not only high compensation, but also providing the opportunity for the employees by encouraging the

employees to develop themselves to use skills, knowledge, capability and creative thinking more effectively. As soon as the employee applied those quantities effectively for them to produce the best performance.

Performance Concept

The review of literature, documents, text and relevant documents related to the concept of practice, many technocrats, Thai and foreigners had offered numbers of explanations, but the interesting concept is the concept of Mathis and Jackson (2003), who had given quite interesting concept that performance is the work outcome in one time span for assessing the performance, judging from numerous angles comprise of work efficiency, quality of work and job competency. In addition, Mathis and Jackson (2003) proposed model of performance by stating that performance is comprised of work efficiency, work quality and work capability in which the work efficiency is the success of number of performance as assigned by the superior or as the superior setting standard. As for the quality of work, it is the ability to do accurate and complete work, following the set standard and the work ability involved knowledge, understanding in the steps and approach to work, which currently the competition had turned more intense between organizations. Therefore, it is crucial for each organization to increase performance and competence in order to move the organization forward. Therefore, best performance is what all organization desire. As a matter of fact, best practice would reflect the competence, devotion and work attentiveness. As for Armstrong (2009), he had identified performance in four components as follows: 1) relationships between the organization strategy and human resource management 2) organization resources 3) rewarding and 4) employee commitment to organization. According to Zepeda Abdul Hamid (2011), there are 3 performance components as follows: 1) plan performance 2) performance process and 3) performance outcome, whereas, Bidayatul Akmal Mustafa Kamil (2013) stated that the component of performance as follows: 1) amount of work 2) work quality 3) worthy of performance and 4) Employee satisfaction, Ojokuku, R.M. (2013) divided performance component as follows: 1) employee motivation 2) performance efficiency. Besides, Atari Chiral (2013) had named three components of performance as follows: 1) performance skills and capability 2) training and developing and 3) quality of work in which all of these concepts are key contributors to the employee's performance management process which could be done through integrated organization goal into the division purpose and employee, formulating the acceptance of flaws in each employee performance. Therefore, the human resource management is being considered as one of the strategies of the organization leading the

employee to best practice. Therefore, human resource management is considered as one of the strategies leading to employee's best performance and when employee performed at their best, the organization would gain its competitive advantage.

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The key component for human resource management is the performance management in which it requires thorough explanation on the decision to remunerate and human resource management. Nonetheless, performance management is the border concept than performance assessment since the performance management aims to improve the organization and employee's teamwork. Therefore, performance management certainly affected the success of the organization. However, in order to arrange the performance management system effectively for work, it requires the support from the strong leader (senior management support) and the organization culture that focused on improving the performance.

The chart below reveals the relationships between performance management and human resources management and other activities in the organizations and those activities must be managed effectively because it would directly impact the performance process and the organization success (Australian Human Resources Institute, 2016 www.ahri.com.au/about-us/contact).

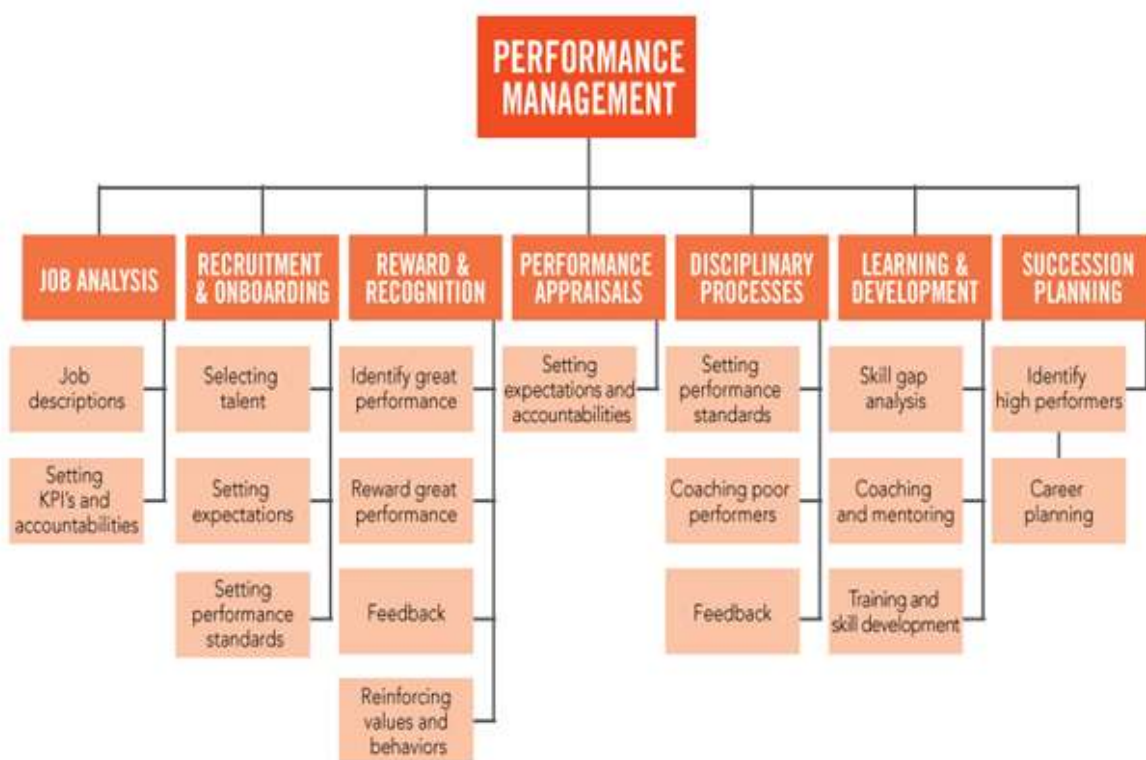


Chart 2: Link with other Human Resource activities. (Australian Human Resources Institute, 2016www.ahri.com.au/about-us/contact)

Furthermore, the research study of David Worland and Karen Manning (2005) who had conducted the research entitled, “Strategic Human Resource Development and Performance” reviewed the literature and the considerable discussion and deconstruction of various elements of human resource management, strategy and the links between these elements. While there is considerable discussion in relation to organizations using HRM strategically with a view to enhancing their organization performance the actual implementation seems variable. The literature would seem to suggest that there is some evidence for the private sector experiencing better outcomes under certain conditions but seemingly less evidence or investigation of the public sector. With the public sector seemingly being recast through the influence of new managerialism , it is timely to consider whether organizations in this sector see HRM differently to how they have viewed it in the past. Further, research as to whether HRM is viewed as strategic within a public sector organization and how it might be linked to that organization’s business strategy should be undertaken to establish whether approaches to human resource management and performance management taken in the private sector are replicated within a public sector setting.

The review of the literature also suggests there is a multilayer framework in which human resource management and performance is located. First, many different contexts both influence and constrain the construction differentiated by international, national and organization contexts. To this can be added the institutional arrangements in any particular national system and the public and private sectors.

Second, is the relationship between organizations and workers, increasingly secured through different modes and forms of involvement and attachment, ranging from an alternative to a moral involvement and from compliance to commitment as the basis for the ongoing attachment.

Third, the employment relationship and the interaction between the worker and employer has focused attention on outcomes. At one level, these outcomes can be perceived in terms of whether they are processes, procedures or practices, but at another they can be seen to be a mechanism for securing the objectives of the parties. The research study of Natalia García - Carbonell (2014) the relationship between strategic human resource management and performance found the in-depth relationship between the two items. According to Natalia García-Carbonell (2014), she had mentioned the components of strategic human resource management affecting good performance of the organizational employees as follows: (1) environmental scanning, (2) strategic issues identification, (3) critical human resources identification, (4) strategy development and, (5) communication in which all five components assisted the organization employee to improve performance. In addition, this research suggests the crucial findings on the success of strategic human resource management that the following four basic activities contributed to such success, namely, 1) Strategic analysis 2) Strategic planning 3) Strategic implementation and 4) Strategic control and evaluation. Moreover, the organization must formulate the best direction for developing skills and employees' performance to guarantees that the organization would reach its goal through Human Resource Development (HRD). The method derives is the mixture between training, developing line of process to improve employee's performance, whether being individual or a group, currently practice or plan to do in the future. Such management and development require planning and strategy to cover the entire activities as the organization assigned, including the organizational resource, especially, communication equipment that would aid the management to decide human resource management effectively. As being seen, strategic human resource management aims for the best performance as the human capital, not only making employee knowledgeable, competent and able to work effectively for now , but also develop capability to deal and match future activities in the ever changing environment and

the concept method and management must include strategic planning. Therefore, the organization must train each employee capable of performing task until achieving the assigned organization goal and manage the employee to become the organization asset and key principle in human resource management, which consider as the duties of the management and supervisors at all levels. And knowing whether the employee value to the organization judging from the organization operation. If the organization makes profit, the employee capable of working and having the best performance (Pravet Maharattanasakul, 2008). However, the key principal of strategic human resource management is to develop knowledgeable and skillful employees, capable of working in different working environment and contexts. According to Kesorn Eungswan (2016) who had conducted the research entitled motivation to increase work efficiency in elders. The research found that The motivation patterns to increase efficiency of elder's work performance will be successful, by resulting from good organization management knowledge, which is ability to seek for opportunities as well as foresee organization's advantages and disadvantages. Human Resource is very essential to organization success or failure. Elderly persons are experienced persons and most of them still energetic, good physical condition and intelligence, in addition to looking forward to the future rather than counting their own ages, also ready to work as proactive elderly. Furthermore, "Human" is one of intellectual property; and express their values through personal behavior and work performance. And Chatahai Kasivanityakun (2014) who had conducted the research entitled Enhancement of Happiness at Work for the University Staff : A Case Study of Silpakorn University at Sanamchandra Campus. The research found that overall workplace happiness of the Silpakorn University staff was high in all aspects; namely, society, family and recreation activities, relationship with co-workers and working environment, welfare and job payment, as well as job security and career progress. When the happiness level of the staff was compared based on their different personal factors, such as their age, status, salary, and working period, the findings revealed that the happiness level was significantly different at 0.05. Moreover, some suggestions that could increase the happiness level were reported as follows: 1) The staff should be provided with working out or recreation zones, which could increase their happiness level; 2) Extra activities should be initiated or organized for the staff to exchange their ideas, experiences, and at the same time to strengthen their relationship; 3) The staff payment and general welfare should be adjusted to be at a higher level, which would increase morale and workplace happiness for the staff; and 4) A friendly-working environment should be encouraged to promote both management cooperation and a better relationship among the university staff.

Conclusion

At present, strategic human resource management would focus mainly on developing employee with competence, commitment and contribution which could be done by empirical performance, enabled the strategic management in line with the organization goal, leading to the emphasis on the connection with environment and outside network with the HR from the Outside-In. Under this context, HR must be business wise, creative and able to networking until being accepted in the profession. Furthermore, the management must carefully observe that any employee has high competency and good performance in order to make them work for to organization to the best of their abilities. More important, employee must be happy at work, having the management to develop career path systematically with gild business management and work rotation, including delegating the challenge project so they could build strong portfolio until reaching the best performance as the work objective and rganization goal.

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