

HR

Strategic HR Management (HRM) – what is it?

The primary aim of strategic HRM is to integrate relevant HR strategies into an organisation's broader business strategies. Furthermore, it seeks to prioritise a series of HR actions designed to maximise the effectiveness and performance of the organisation.

It is concerned with longer-term people issues and macro-concerns about the structure, quality, culture, values, and commitment of the workforce.

It is about continuous refinement of the organization's plans concerning the employment relationship with staff. It focuses on such issues as recruitment, training, development, performance management, reward and employee relations strategies, policies and practices.

The key characteristic of strategic HRM is that it is an integrated approach to HR across these multiple HR disciplines, so that they complement each other in helping an organisation achieve its goals through its people.

HR strategies address broad organizational issues relating to organizational effectiveness and performance, changes in structure and culture, and the development of distinctive people capabilities, knowledge management and the management of change.

The overall aim of creating an effective HR Strategy is to focus on actions that differentiate the firm from its competitors through its people, as they are often the key differentiator between competitor firms in the delivery of similar products and services.

It therefore aims **to generate strategic capability by ensuring that the organization has skilled, committed and well-motivated employees needed to achieve sustained competitive advantage.** This is achieved by the development and implementation of coherent and practical HR policies and programmes.

There are three models of strategic HRM that describe various approaches to its development and implementation, and all three can operate effectively together:

- **high performance management** - the starting point is leadership, vision and benchmarking. High performance management practices include rigorous recruitment and selection procedures, extensive and relevant training and management development activities, incentive pay systems and performance management processes
- **high commitment management** - here the emphasis is on enhancing mutual trust and commitment
- **high involvement management** - this involves treating employees as partners and is concerned with communication and involvement

If you would like to understand more about how 3HR can help you design an appropriate HR Strategy to help you achieve your business goals then please contact Mel Northfield, Director – HR Services on 0207 194 8132 or mel.northfield@3hracs.com



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