

Strategic success through people

Strategic success requires more than a strategic plan, it requires the right employees with the right skills, in the right place, at the right time.

The essence of the Strategic Plan is the set of strategies that will be used to fulfill the organization's mission. However, documenting the strategy is not enough for successful implementation. The financial components (capital & expense) are an obvious component of the plan. But financial resources are insufficient without people to drive the strategy toward success. This requires a personnel plan so the right people are identified, are equipped with the right skills, are in the right positions, and everybody is in place at the right time. This requires some analysis of the current workforce relative to what is required to implement the plan.

The depth of the HR plan can range from a minimal personnel budget to a more extensive Human Capital Plan that is proactive in addressing HR issues such as:

- Personnel headcount and expense associated with growth or resource reallocation. Special attention may need to be directed to positions that are not easy to fill either internally or in the external job market.
- Impact a changing business environment and/or strategy is likely to have on the required competencies and performance culture going forward.
- Analysis of what, if any, impact the different planning scenarios have on people requirements to drive the altered strategy forward.

Some companies do an even more extensive Human Capital Plan as part of their strategic planning process. Areas of enhancement that might be considered include the following components, most of which are directed toward being more proactive in dealing with HR issues.

- Understanding how the business cycle (both the global economy and the industry) impacts employee retention and difficulty in recruiting qualified job candidates. Proactive companies alter their HR programs and practices in anticipation of likely impacts inherent in the next phase of their business cycle.
- Strategic alignment between people and business strategies: determining the mix of technical and managerial competencies critical to competitive success and an associated risk assessment.
- Workforce planning, identifying developmental positions and learning objectives associated with these positions.
- The 1st wave of Baby Boomers will be hitting retirement age within the current planning horizon. Demographic analysis and turnover simulation using past patterns can assist in identifying areas where new HR programs and practices might be beneficial. Some high level simulations and reports can be produced for review and discussion.

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- Many companies are moving their diversity perspective beyond the legal orientation to one that embraces different approaches to thinking about and solving business problems. This approach seeks to maximize alternatives when adapting to a changing business environment that places a premium on quick response and where small changes can have a big impact on the bottom line.
- Culture is ever present and can significantly impact workforce performance. While impossible to mandate, culture can be influenced through encouraging desired behaviors and establishing barriers to what is undesirable. Some cultural issues are consistent across the company and others are more local to the work unit.

The perfect strategy fully funded will not be successful without the right people with the right skills in the right place at the right time.