



**ICE
2022**

**54TH INTERNATIONAL
CONFERENCE
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**LEADING PEOPLE;
GROWING NATIONS**



VENUE

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Making the Transition

from

Operational to Strategic HR

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Learning Objectives



At the end of this paper, participants will be able to:

1. Understand the competencies and capabilities required for Strategic HR Leadership.
2. Describe the concepts of strategic thinking, strategic acting, strategic influencing, and strategic partnering.
3. Lead a smooth transition from operational to strategic HR.
4. Describe the processes and initiatives involved in Strategic HR
5. Understand the difference between Operational and Strategic HR

Introduction



What is Strategic HR Management?

Strategic HRM is about creating a coherent planned framework for employees to be hired, managed and developed in ways that supports an organization's **long-term goals**.

It helps ensure that the various aspects of people management work together to drive the behaviour and climate needed to create value and meet performance targets. It focuses on longer-term people issues, matching resources to **future needs**.

...CIPD

Strategic HRM involves a **future-oriented** process of developing and implementing HR programs that address and solve business problems and directly contribute to major long-term business objectives.

Operational vs Strategic HRM



Operational HRM and strategic HRM are two sides of the same entity. Operational HR sees to the day-to-day operations essential to meeting the needs of the employees, while strategic HR concerns itself with predicting outcomes and ensuring that your company has enough of the most qualified

Operational	Strategic
<p>focused on the “day-to-day” administrative issues attributed to the ongoing needs of employees. These may include vital tasks such as recruitment, interviewing and hiring.</p> <p>resolving issues at hand or responding to problems that may arise in the cause of managing employee “pain points”. Fire fighting!</p>	<p>requires that HR professionals consider the overall picture, implementing ways to make a direct contribution to the long-term goals of the organization.</p> <p>It is integral to the future planning of the business as it relates to employees. The HR team projects the future business needs and work to develop current employees and programs to meet those needs.</p>

Operational vs Strategic HRM

BASIS FOR COMPARISON	OPERATIONAL	STRATEGIC
Focus	Employee Relations	Partnership with external and internal customers
Role of HR*	Transactional, Change follower	Transformational, Change leader
Initiatives	Slow, reactive, fragmented	Fast, proactive, integrated
Control	Bureaucratic, policies	Organic, flexible based on need
Time horizon	Short term	Short, Medium and Long term
Job design	Division of labour, Specialization	Broad, flexible
Key investments	Capital, products	People, knowledge based
Accountability	Cost center	Investment center

The need for transition – Dave Ulrich Model

Strategic / Long Term

Processes	<p>Strategic Partner</p> <ul style="list-style-type: none"> ○ HR strategies that align with business Objectives ○ Consultation in the development of goals ○ Workforce planning, Skills assessment & succession planning ○ Long term view (Going concern, sustainability) 	<p>Change Agent</p> <ul style="list-style-type: none"> ○ Change management facilitation ○ Organization design ○ Consulting for organization effectiveness ○ Team and management development ○ Performance Management 	People
	<p>Administrative Expert</p> <ul style="list-style-type: none"> ○ HR operational service accessibility ○ Wage review Requisition tracking ○ Promotion ○ Employee Benefits program ○ Data reporting and analysis 	<p>Employee Champion</p> <ul style="list-style-type: none"> ○ Promote inclusive environment ○ Work / Life balance ○ Corrective action with employees and managers ○ Communication 	
Operational / Day to Day			

The need for transition

HR needs to prove itself as an important and value adding function, that is not reactive but proactive.



- Cultural Alignment.
- Increased productivity.
- Enhanced customer loyalty.
- Greater focus on corporate goals.
- Better preparation for potential issues.
- Effective leadership in implementing strategic initiatives.

How to make the Transition



To transit from Operational to Strategic, HR Leaders must do the following:

1. Standardize HR processes around best practices. (Talent Management, Performance management, Employee engagement etc.)
2. Review the structure of the HR function.
3. Develop analytical (HR metrics) and consultative skills among HR staff.
4. Automate routine administrative processes.

HR transition involves changing, not only how HR operates, but also how Employees, Managers and Leaders do their jobs and access HR services. Therefore, the success of the

How to make the Transition



What are Competencies?

The combination of observable and measurable knowledge, skills, abilities and personal attributes that contribute to enhanced employee performance and ultimately result in organizational success.

- Knowledge is the cognizance of facts, truths and principles gained from formal training and/or experience. Application and sharing of one's knowledge base is critical to individual and organizational success.
- A skill is a developed proficiency or dexterity in mental operations or physical processes that is often acquired through specialized training; the execution of these skills results in successful performance.

How to make the Transition



- Ability is the power or aptitude to perform physical or mental activities that are often affiliated with a particular profession or trade.
- Individual attributes are properties, qualities or characteristics of individuals that reflect one's unique personal makeup. Individual attributes are viewed as genetically developed or acquired from one's accumulated life experiences.

SHRM Competency Model consists of nine (9) competencies:

- | | |
|------------------------------|----------------------------|
| 1. HR Expertise | 6. Critical Evaluation |
| 2. Ethical Practice | 7. Communication |
| 3. Leadership and Navigation | 8. Global & |
| Cultural Effectiveness | |
| 4. Business Acumen | 9. Relationship Management |
| 5. Consultation | |

How to make the Transition

The following Four (4) competency clusters and their sub-competencies are critical to a smooth transition to Strategic HR:

1. Leadership and Navigation

- Transformational and Functional Leadership
- Results and Goal Orientation
- Resource Management
- Succession Planning
- Project Management

2. Business Acumen

- HR Metrics, Analytics and Business Indicators
- Knowledge (and adoption) of Technology
- Knowledge of Business operations and Logistics
- Systems Thinking

3. HR Expertise

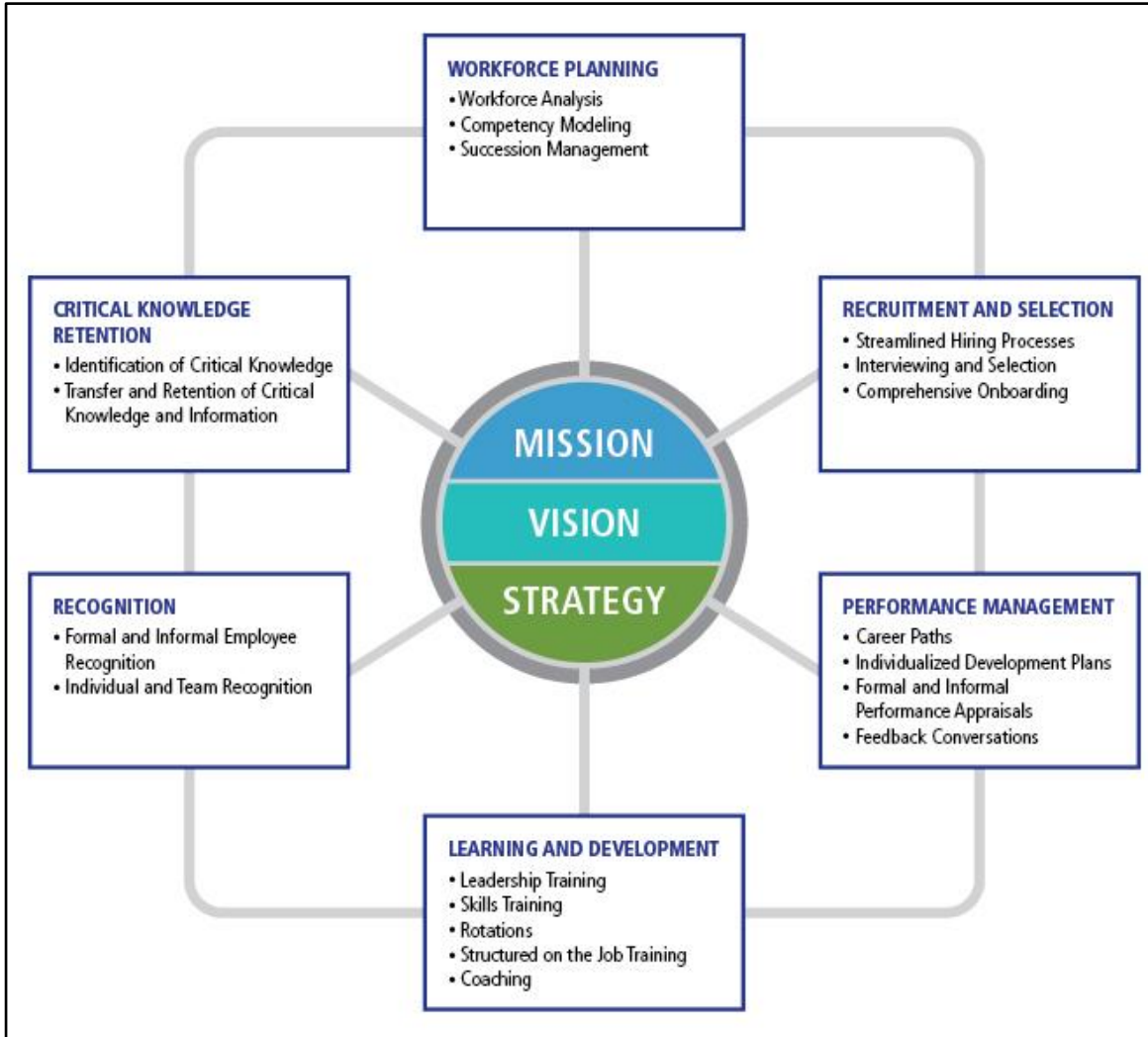
- Workforce Planning
- Human Resource Development
- Compensation and Benefits
- HR Technology
- Talent Management
- Change Management

4. Critical Evaluation

- Measurement and Assessment Skills
- Knowledge Management
- Critical Thinking
- Problem Solving
- Curiosity and Inquisitiveness
- Decision Making

Summary

Strategic HR Model:



❑ HR Managers are to anticipate and provide required talent for the immediate and future needs of the organization towards the achievement of its goal.

❑ All these functions are geared towards attracting, developing, retaining and transitioning talents; done in a seamless and integrated manner is Strategic HRM.

❑ Having done all these, the routine Administrative functions must be automated and free up time and resources.

❑ HR deliverables must be measurable

End



Questions & Comments?

Thank You!