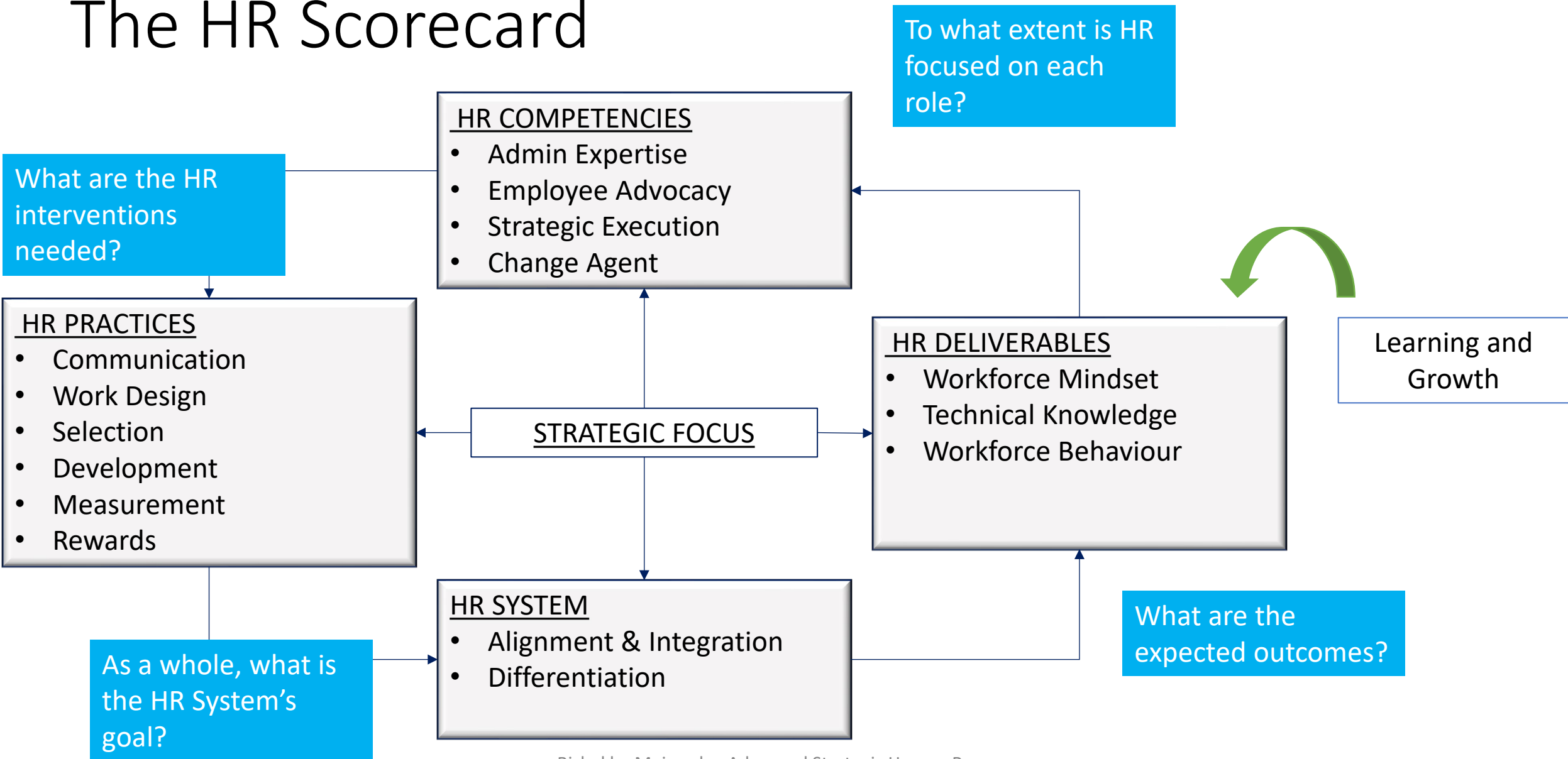


# Advanced Strategic Human Resource Management

A row of wooden figures, with one red figure standing out in the center. The figures are arranged in a line, receding into the background. The red figure is the only one of its color, making it the focal point.

## Session 3-4

# The HR Scorecard



## HR Scorecard

KPI	Current score	Target
<ul style="list-style-type: none"> <li>Position in the sector-wide innovation benchmark</li> </ul>	5	Top 3
<ul style="list-style-type: none"> <li>Time to market of last 5 new products in days</li> </ul>	121	95
<ul style="list-style-type: none"> <li>Satisfaction score of manager after 1 year (<i>quality of hire</i>)</li> </ul>	0.70	0.85
<ul style="list-style-type: none"> <li>Recruitment cost in Dollars</li> </ul>	4 MM	3.5 MM
<ul style="list-style-type: none"> <li>Time to hire in days</li> <li>Acceptance ratio in %</li> <li>Top employer benchmark</li> </ul>	38 70% Top 40%	25 90% Top 20%



# Approaches to Strategic Human Resource Management

## BEST PRACTICES APPROACH

Certain HR activities universally help firms reach competitive advantage regardless of the firm setting or environment.

Pfeffer (1994) identified 7 best Practices:

- Employment security**
- Selective hiring**
- Teamwork**
- Performance-based pay**
- Training**
- Reduction of status differences**
- Information sharing**

## BEST FIT APPROACH

HR strategies should be firm-specific, facilitating the achievement of business strategies.

Vertical Integration

E.g.: If the firm aims at 'Cost Leadership', HR should be 'no-frills'

## 'HR BUNDLES' APPROACH

HR practices should be complementary to one another and should be internally consistent

Horizontal Integration

E.g.: Performance-based pay should be accompanied by transparent and objective appraisal, need-based training, management by objectives, and merit-based promotion policies



# Alignment and Integration

Strategic Choices and Traditional HR Alignment						
	Work Design	Performance Measures	Selection of Competencies	Competency Development	Rewards	Communication
	<ul style="list-style-type: none"> <li>• Right Work</li> <li>• Key Processes</li> <li>• Job Design</li> <li>• Organizational Design</li> </ul>	<ul style="list-style-type: none"> <li>• Culture</li> <li>• Expectations</li> <li>• Feedback</li> <li>• Levels</li> </ul>	<ul style="list-style-type: none"> <li>• Hire</li> <li>• Move</li> <li>• Exit</li> </ul>	<ul style="list-style-type: none"> <li>• Orientation</li> <li>• Current Job</li> <li>• Career Level</li> </ul>	<ul style="list-style-type: none"> <li>• Behavior</li> <li>• Consequences</li> <li>• Reward Levels</li> </ul>	<ul style="list-style-type: none"> <li>• Strategy</li> <li>• Mindset</li> <li>• Status</li> </ul>
Operational Excellence	<ul style="list-style-type: none"> <li>• Centralized/controlled</li> <li>• Strict policies/procedures</li> </ul>	<ul style="list-style-type: none"> <li>• Total cost productivity</li> <li>• Errors</li> <li>• Waste</li> <li>• Abandoned calls</li> <li>• Lost customers/accounts</li> <li>• Net sales → head count</li> <li>• Times/deadlines met</li> </ul>	<ul style="list-style-type: none"> <li>• Strong basic education:               <ul style="list-style-type: none"> <li>– Quantitative</li> <li>– Verbal                   <ul style="list-style-type: none"> <li>* Written</li> <li>* Oral</li> </ul> </li> </ul> </li> <li>• Process competencies</li> <li>• Passive learners</li> </ul>	<ul style="list-style-type: none"> <li>• Strong orientation on expectations, rules</li> <li>• Predictable career ladder</li> <li>• Learning structured</li> </ul>	<ul style="list-style-type: none"> <li>• Team productivity awards</li> <li>• Profit sharing tied to performance criteria</li> <li>• Skill-based pay</li> </ul>	<ul style="list-style-type: none"> <li>• Strategic choice</li> <li>• Teamwork</li> <li>• Encourage process improvement</li> <li>• Productivity improvement feedback</li> </ul>
Product Leadership	<ul style="list-style-type: none"> <li>• More autonomy</li> <li>• Teams (cross functional)</li> </ul>	<ul style="list-style-type: none"> <li>• % Sales from new products (e.g., last 3 years)</li> <li>• Margin</li> <li>• New sales growth</li> <li>• Customer growth</li> <li>• Industry accolades/recognition</li> <li>• Copyrights</li> <li>• Patents</li> </ul>	<ul style="list-style-type: none"> <li>• Technical/research competencies</li> <li>• Outside-the-box thinkers</li> <li>• Active learners</li> </ul>	<ul style="list-style-type: none"> <li>• Employees responsible for learning</li> <li>• Mandatory competency growth</li> <li>• Feedback on professional competency growth</li> </ul>	<ul style="list-style-type: none"> <li>• Team innovation awards</li> <li>• Competency-based pay</li> </ul>	<ul style="list-style-type: none"> <li>• Strategic choice</li> <li>• Antibureaucratic</li> <li>• Candor</li> <li>• Humble</li> <li>• Encourage ideas/problem-solving</li> <li>• Let employees know what a winner "looks like"</li> <li>• Feedback on new product sales</li> </ul>
Customer Intimacy	<ul style="list-style-type: none"> <li>• Coordinated</li> <li>• Know the customers' needs</li> </ul>	<ul style="list-style-type: none"> <li>• Customer guarantees</li> <li>• Customer retention rate</li> <li>• No. referrals from current customers</li> </ul>	<ul style="list-style-type: none"> <li>• Active learners</li> <li>• Networking competencies</li> <li>• Resourcefulness</li> </ul>	<ul style="list-style-type: none"> <li>• Oriented toward long-term relationship with customer</li> <li>• Not a lot of ladders</li> <li>• Acts as a consultant to customer/partner</li> </ul>	<ul style="list-style-type: none"> <li>• Individual awards</li> <li>• System awards</li> <li>• Nonfinancial awards</li> <li>• "Fee for Service" awards</li> </ul>	<ul style="list-style-type: none"> <li>• Strategic choice</li> <li>• Customer advocates</li> <li>• Know your customers' needs</li> </ul>

HR practices should be complementary to one another and should be internally consistent

# Differentiation

HR strategies should be context-specific, facilitating the achievement of business strategies

Lower importance than Strategic capabilities, paid at market average

Lowest in importance; Focus on least expensive options while ensuring quality

<i>High</i>	<b>Professional Partners</b>	<b>Strategic Capabilities</b>
	<ul style="list-style-type: none"> <li>• Not readily available</li> <li>• Low strategic leverage</li> <li>• E.g., non-core operational managers and executives</li> </ul>	<ul style="list-style-type: none"> <li>• Not readily available</li> <li>• Significant strategic leverage</li> <li>• E.g., core operational managers, directors</li> </ul>
<i>Low</i>	<b>Contract Services</b>	<b>Operational Partners</b>
	<ul style="list-style-type: none"> <li>• Readily available</li> <li>• Little strategic leverage</li> <li>• E.g., Canteen staff</li> </ul>	<ul style="list-style-type: none"> <li>• Readily available</li> <li>• High strategic leverage</li> <li>• E.g., core operational staff</li> </ul>

Focus on selection, competitive pay, development, retention, engagement, & innovation. Most important group

Lower in importance than Strategic capabilities, competitive pay

*Low*

**Competitive Advantage Value of Human Capital**

*High*

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Management. IIM Visakhapatnam. December 2024 - June

2025. bishakha@iimv.ac.in

**Lepak & Snell, 1999**





# Job Analysis

# Job Analysis

Tasks involved:  
Firefighting, rescue work

Lifting weights,  
climbing ladders,  
driving

Tools: Hose pipes, fire  
trucks, wireless com.

Work conditions,  
schedule, no. of  
coworkers: Hazardous,  
team work, shift

Quantity or quality: zero  
error

Job  
Activities

Human  
Behaviour

Equipment

Job context

Performance  
Standards

*List of responsibilities,  
work conditions,  
reporting  
relationships*

Job  
Description

*Rating of the job in  
terms of compensable  
factors, indicating its  
importance to the  
organization*

Job  
Evaluation

Job  
Specification

Competency  
Mapping

*Human requirements:  
KSA needed to do the job,  
certification, physical and  
mental health standards*

Sourcing

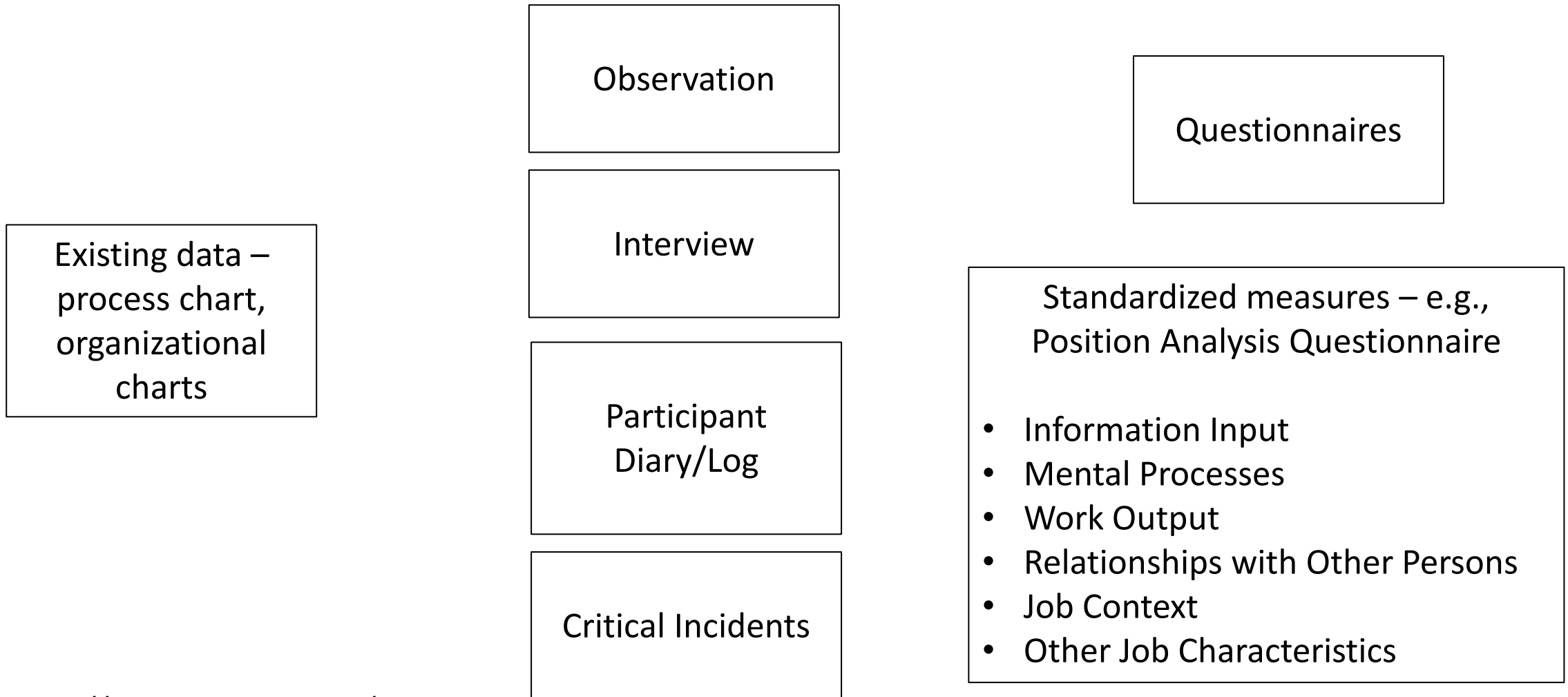
Training

Performance  
Appraisal

Compensation

Welfare and  
Compliance

# Job Analysis: Collecting Data



<https://www.youtube.com/watch?v=sbe2VSymRdg&t=541s>

# Writing Job Descriptions

1. Job Identification – title & category
2. Job Summary
3. Responsibilities
4. Authority
5. Performance standards
6. Working conditions
7. Job specifications

Job Analysis Templates

[Simple Template](#)

[Detailed Template](#)

## Online Resources: O\*NET

<https://www.onetonline.org>

<https://www.payscale.com/>

# Writing Job Specifications

- Judgment
- Job Requirements Matrix

<b>Job duties</b>	<b>Task statements</b>	<b>Relative importance</b>	<b>Time spent</b>	<b>KSA</b>

JOB DUTIES	TASKS	RELATIVE IMPORTANCE	RELATIVE TIME SPENT	KSAO	IMPORTANCE OF KSAO (1 – LOW, 10 – HIGH) (E – ESSENTIAL)
PROJECT MANAGEMENT	Develop & implement plans, schedules, and responsibility charts to ensure adherence to the timeline	35%	20%	Ability to develop plans & schedules	8.2
	Report the project's progress and results to the superiors			Time management skills	9.1 E
				Knowledge of project management reporting software	7.6
SUPERVISION	Schedule & track team members' work assignment to ensure apt. progress	35%	30%	Ability to work with diverse people	6.5
	Acquire the resources the team needs to function			Ability to delegate	7.4
				Negotiation Skills	8.3
				Leadership Skills	9.1 E
			Prioritization Skills	8.9 E	

