

2014-2015 HCMS Scholarship

Question:

How can a HR professional achieve his/her very important role of nurturing human capital of his or her organization to support the dynamic and continuous growth of both the organization and human capital?

**1st Runner Up
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It is a people-oriented era of work. The human capital provides the most valuable contribution to the success of an organization by its professional efforts. Human capital is not narrowly defined as the people working in an organization but a broad integration of their experience, abilities, attitudes and culture. The organization's values are increasingly based on its human capital. The growth of an organization involves numerous purposeful work and strategic decision making. The function of human capital in achieving these work are indispensable. Therefore, the growth of an organization is highly dependent on the growth of the human capital. For example, referring to the research article of Shane and Venkatrama, they explain that human capital helps to increase the ability of employees to perform the entrepreneurial tasks of discovering and developing business opportunities. When it comes to the human capital, people will think about the function of HR. HR professionals have been good advocates for their employees by helping and motivating them to be as productive as possible in their current role, encouraging retention, and setting them up for career opportunities. There are many roles an HR professional can take to support the growth of the human capital and the

organization. In my opinion, there are four roles to answer this question.

A strategic partner to the managers

A strategic workforce planning provides distinct advantages in the new world of business where flexibility becomes one of the critical differentiators among organizations. For example, a HR professional can work closely with the managers to ensure the alignment of strategic goals with the organizational activities by regularly meeting with the managers to identify, review and develop strategic talents for personnel change preparation. A good practice of the strategic workforce planning by HR professionals will drive all talents thrive both now and in the future. It draws a clear pipeline or a map of talent succession that optimizes the workforce and helps anticipate the potential changes in the workforce, thus supporting the growth of the organization with the right talent at the right place in the right time. Apart from this, there are also a lot HR professionals can do to help the organization anticipate the changes.

Over the last decades, HR professionals in IBM have helped managers established a global teamwork for a highly integrated talent allocation. For example, they took the top people in mature markets and assigned them to help people in the growth markets, which leverage the core competences from the mature markets to nurture the growth of its relatively weak areas.

A facilitator of career management

A HR professional should be a strong facilitator to the growth of employees in achieving their professional objectives in the organization. A HR professional develops the human capital by providing employees opportunities to grow within the organization. Employees' career management is not only their personal responsibility but also the responsibility of HR professionals. A HR professional needs to help employees recognize the career path and adopt customized solutions to nurture the growth of human capital along their career paths within the organization. These customized solutions may include activities that facilitate individuals' employability and contribute to realize their career aspirations. As mentioned above, a HR professional is also a strategic partner to the managers so he or she can integrate the strategic goals with employees' own career path.

In Societe Generale, a French multinational bank where significant financial resources and efforts have been invested in training and development, HR

professionals set up the career mentoring programme by assigning the senior managers to be the mentors of their junior staff. One mentor will lead around three to five mentees, which stays small enough to be manageable. Mentees can nominate a question or topic they want to discuss with the mentors and mentors keep the focus on the reasons for meeting and track outcomes to ensure his or her mentees are gaining value to grow. Mentees are benefit from the ongoing career development: A mentor will help mentees set goals, plan how to achieve them and point mentees towards resources and techniques that sustain their career progress. Mentors gain more insights about their subordinates through the exchanging critiques and suggestions. In Societe Generale, to gain commitment from these senior managers as mentors, HR professionals have a strong communication message delivered repeatedly with credibility from the very top of the organization that the career mentoring programme is an important investment in productivity and it is of strategic value to the organization.

A champion of diversity and inclusion

Changing demographics indicate that workforce diversity will become an undeniable trend over the next few decades (PwC, 2014). Diversity in the workforce means embracing, respecting and valuing differences. It goes beyond age, gender and ethnics and opens to new ideas. Valuing diversity acknowledges people's difference and recognizing these differences as valuable. It prevents discrimination, increases morale and retains talents. Furthermore, it may enhance organizational reputation as an ideal workplace to gain access to a boarder talent pool. Valuing diversity will create a healthy working environment for the human capita¹ to grow. However, the existence of diversity does not work automatically. HR professionals need to pay a long-term effort to make diversity work. Promoting the inclusiveness is also important. An inclusive culture requires the organization to empower, value and harness the contribution of each individual towards a set of shared goals. It is the combination of diversity and inclusion that drives success. Being a champion of diversity and inclusion, HR professionals need to create a respectful and inclusive culture and ensure that the corporate advertising and communication are based on a strong message of valuing the diversity. In Goldman Sachs, employees have the opportunity to join a one-hour anonymous call chaired by HR professionals. This call is committed to help anyone who has a concern regarding the Lesbian, Gay, Bisexual & Transgender (LGBT) initiatives, policies or regarding "coming out" in the

workplace. In addition, Goldman Sachs let new hires attend a one-hour awareness-raising session on diversity and inclusion. Every two years, HR professionals conduct a "People Survey" to employees about how inclusive they feel their workplace is. This information will track how organizational activities and policies impact employees' feelings. As a result, Goldman Sachs has been successful in creating an inclusive environment, which leads to a higher employee engagement that unites employees from different background.

An active learner of the organization and industry

Today's HR function must adapt to the changing need of the business environment. HR function does not live in a vacuum. When an organization reaches a certain size, the key challenges for HR would be how to manage employee engagement and provide meanings for the day-to-day activities that everyone involves. HR professional needs to handle many hard questions like "Why are we doing this?" A HR professional should actively enhance his or her knowledge and understanding of the organization and the industry. For example, he or she needs to know what training programmes should be provided to the talents, what skills are lagging compared to the competitors, what the external labour market is, and what new labour regulations may affect the organization policy.

According to Baum and Wally (2003), most firms set the growth of organization as a top strategic priority yet only few of them achieve growth and ever fewer in maintaining it. Still, HR professionals need to try their best to demonstrate that HR practices can be linked to the growth of organization by nurturing its human capital. To sum up, in order to support the growth of both the human capital and the organization, a HR professional can be a strategic partner to the managers in making informed personnel decisions, a facilitator of career management that provide customized solutions for employees to grow within the organization, a champion that lead to a culture of diversity and inclusion and an active learner of his or her organization and industry to continuously enhance the quality of what he or she can bring to the growth.

References

1. Baum, J., & Wally, S. (2003). Strategic Decision Speed and Firm Performance. *Strategic Management Journal*, 24(11), 1107-1129.
2. PwC. (2014). *Key Trends in Human Capital 2014: A New Vision for Growth*. Retrieved From <http://www.pwc.com/gx/en/services/people-organization/key-trends-in-human-capital.html>
3. Shane, S., & Venkataraman, S. (2000). The Promise of Entrepreneurship as a Field of Research. *The Academy of Management Review*, 25(1), 217-226.