

## **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?**

### **Champion**

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"I am convinced that nothing we do is more important than hiring and developing people. At the end of the day you bet on people, not on strategies."  
- Lawrence Bossidy, former COO of General Electric. Facing the dynamic and continuous growth of both organization and human capital, HR professionals have an essential role of nurturing human capital, from recruiting to developing and retaining. Justifying how HR professionals can achieve their very important role. This essay is mainly based on my learning experience as a one-year internship in the HR Department of CLP Power. I was involved in activities such as coordinating corporate cultural strategic programme and Senior Executive Immersion Programme, and the learning from Human Resources Management Lectures in HKUST.

In the function of Human Resources strategic planning, first of all, it is of paramount importance for a HR professionals to actively involve in corporates' strategic planning and review. The reasons are two-fold. On one hand, they could gain insight in what direction to be taken for the future personnel planning which must align with corporate strategies. This includes the size and

skills of additional workforce needed, the possible consideration of departmental restructuring, and the budget required for future remuneration and training. On the other hand, they could provide feedback to the other departments from the human resources perspective such as the effectiveness of some initiatives relative to cost. Getting knowledge of the corporate or business level strategies, the HR Director or Managers, as the leader of HR Department, should communicate them clearly to their HR teammates for planning and execution of the HR strategies.

As strategic planners, HR practitioners should be able to be both good listeners and communicators, i.e. listening and socializing with the colleagues, so as to understand their needs. As mentioned by Richard Branson, the founder of Virgin Group, in an interview in "Entrepreneur", "A good leader must know the team, its strengths and weaknesses... One main reason people leave a job is that they are not listened to. They feel frustrated. It is rarely just about money." Also, as suggested by Mr. Andy Luk during my internship, the Senior HR Manager of CLP Power, a good HR professional should learn more about the operations of different departments so that HR strategic planning could gain insights not only from HR perspective, but also from the colleagues with different backgrounds. He or she should also be a detailed minded person so as to minimize the possible mistakes potentially leading to company loss and to maximize the effectiveness of HR contributions.

In the function of recruitment, employee analysis and recruitment process are essential skills a HR professional should possess to find the right persons for implementation of particular strategies. A HR professional should first conduct analysis to identify skills, talents and personalities needed to support the corporate or business strategies. For instance, if a retailer plans to expand the distribution channel to the Internet, it is expected that people with some programming skills are to be recruited to manage the operation of the online platform. Some people with online social media marketing skills and innovation for promoting the product are needed. Aside from an attractive design of job advertisement, an objective recruitment process is also important so as to have the right persons hired. For instance, job interviews for the position of "Social Media Specialist" of the above retailer should be conducted both in the form of technical aptitude test for ensuring the skills meet the basic IT skills requirement; and also panel interviews from the "Head of Marketing or Public Relations" for testing whether the applicant is innovative.

Training and development are inter-related, both of which aims at making the recruited human capital more capable of implementing corporate or business strategies for company's sustainability. Training is a mean of human capital development, and human capital development involves initiatives for talent and culture development.

In the function of talent and culture development, HR professionals often act as the agent between the senior managers and the trainees. Better still, they could act as the career advisor of the employees. The following instances, drawn from CLP Power, may help explain such an agency and career advisor role in training and development.

Concerning talent development, apart from arranging basic training programs for the new employees or "Graduate Trainees", HR Department of particular Business Units, for instance "Marketing and Customer Services", is also responsible for developing a training programme for low-to-middle Managers, which is called "People Development Programme". On one side, HR Department coordinates to set up a "Talent Development Committee" and works closely with the Senior Management and Department Heads to set goals, develop different levels of training programmes as well as nominate the eligible employees for the programmes. On the other side, HR Department helps to communicate the schedule and arrange the programmes to particular employees, receive feedbacks from them, review if the training objectives are achieved. That is, whether the employee learns the required skills, applies them at work and has the expected outcome of performance that helps the company execute particular strategies. HR also acts as career advisor to discuss with trainees their strengths and weaknesses, the areas for improvement and career prospects after the training.

Similar to talent development and in accordance to corporate strategies, HR Department plays an essential agency role for culture development, which involves setting some particular behavior as the image or standard of the company. Internally, HR Department coordinates to set up the corporate-wide Culture Team for designing related training programmes and discussing the progress of different initiatives or important points to note, so as to engage the representatives from different departments and collect information from them. HR Department coordinates to hold communication sessions for general staff, to communicate the expectation from employees during the programmes and

help implement them. For instance, with the help of “Cultural Ambassador” who serves as role models, the appropriate cultures are promoted through some team building activities. Externally, HR Department could seek the help from external consultants to fine-tune the training programmes. For instance, when the company discovered some ambiguity from a survey concerning culture assessment, an external management consultant firm, instead of the senior management, was hired to take charge of a focus group discussion to ensure the findings to be objective that is without the subjective interference of the internal colleagues.

As such, to perform the agency and career advisory role efficiently in both talent and culture development, a HR professional internally is expected to clearly understand the corporate or business strategies and goals. He or she is also expected to be knowledgeable about what training programmes or new initiatives, both the technical and soft ones, are effectively suited to what kind or which levels of employees. He or she needs to know how to organize the programmes and who in HR Department is the “Person In Charge” for coordinating the programs. Therefore, HR professional should also have good organizing, communication and interpersonal skills as well as being innovative to encourage employees to do their best during the programme. More importantly, there should be a comprehensive performance review system for senior management’s reference. When making the succession plan, both HR Department and Senior Management would take the performance of talent and culture development programme, as indicators, into consideration to see if the trainees’ performance fits particular management positions. Externally, HR professionals are expected to have good language and communications skills and be detail minded when seeking help from external parties, so as to avoid messages being misunderstood and subsequent failures of the implementations, and make sure the advice suits the corporate practice.

Based on the performance review system, a HR professional should be able to design an attractive reward system, so that employees are encouraged to perform well for culture and talent development initiatives. A good reward system should include the following elements: an open recognition of high performers to targeted audience, creation of role models and enhancement of employees’ job satisfaction.

Southwest Airline, a low fare flight provider in the US, is famous for its good

service culture. One of the motivations for the employees' high performance is its reward system, mostly intrinsic ones. To emphasize the importance of the culture, the high performance employees are openly recognized with a trophy, designed like the one of the Oscar Award, during the annual dinners and in front of all the employees. This is believed to be the key to encourage employees to learn from the role models and promote the important value of the company. For example, the Winning Spirit Award recognizes employees for going above and beyond their job responsibilities, for consistently displaying their can-do attitudes and for Living the Southwest Way, i.e. Safety and Reliability, Friendly Customer Service and Low Cost.

In CLP Power, similarly, in order to promote the coaching culture of the employees, the winning "best coaches", nominated by employees and from different levels of employees, is recognized with not only trophies, but also a video broadcast of their own sharing of feelings during the annual dinner.

Recruiting the right person, designing appropriate training and making succession planning consistently is not enough. HR professionals should be able to develop strategies to retain talents. Joseph Romano, a partner at the New York accounting firm of Presti & Naegele specializing in corporate, partnership and individual taxation, has suggested some ways to retain talented employees. First, HR professionals need to understand the real cost of losing great people, i.e. the loss of that employee's contribution, damage to customer and vendor relationships, and the loss of organizational knowledge or intellectual property.

Second, based on the real cost of loss of talents, HR professionals should develop a recipe of benefits and incentives that make an employee feel the company can help them achieve their personal and professional goals. This includes a fair income system, appropriate training and advice, medical benefits and work-life balance. For instance, Southwest Airline allows the employees to have a certain extent of flexibility in work schedule and CLP Power organized fitness courses for employees during lunchtime and after work.

Third, HR professionals should cultivate a culture leading to happiness and motivation, just like the intrinsic motivation of rewarding culture advocates in Southwest Airline and CLP Power as mentioned above. Another good example

are the legendary parties of Virgin Group which held and organized in Richard Branson's house to engage and entertain the staff who worked as a team to contribute to the company's good service culture.

Last but not least, HR professionals should keep track of the external development of the business or even predict the future HR development as a company grows. These include globalization and technological advancement. As analyzed in Forbes by Josh Bersin, a corporate HR consultant and founder of the Bersin and Associates, there are "dynamic differences, i.e. some countries have huge labour shortages; cultural differences, i.e. some countries require individual motivation, others thrive on group motivation; and skills differences." Therefore, HR professionals should learn more about the differences of the potential employees they are taking care of, and analyze what kinds of policies and systems that should be standardized and localized. Josh also emphasized the importance of the technology, like external cloud-based analytic tools such as Work Day's "Big Data Analytics" that analyze the employees' work performance and capacities through the Cloud Service. These technologies can provide much help for training and development. He also pointed out the increasing use of social media platforms like LinkedIn, video interviewing, video assessment, video employment branding, video training, and video employee communications to make recruitment beyond geographical boundaries, and lower the recruitment cost and enhance overall efficiency.

In conclusion, a good HR professional should have the technical knowledge about recruitment, training and development, performance appraisal and succession planning. More importantly, he or she should be an analytical, detail-minded and open-minded agent between the internal and external parties, or between senior management and general staff. At the same time, he or she should be skillful at interpersonal communications and innovation.

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## Acknowledgement

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