Strategic Human Resource Management

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Introduction

This paper will summarize and outline the first two PowerPoint presentations which consist of a SWOT analysis of the HR department at Reyes Fitness Center as well as the recommendations from the department on how it can assist the organization to achieve its strategic goals. The PowerPoint summaries will be incorporated in this paper together with an action plan of major tasks, persons or departments accountable for the actions, time to complete. The time line with be explained in a narrative manner but will also include an action plan in graphic plan such as a Gantt chart, PERT chart, excel spread sheet or just a list of tasks with relevant information.. The paper will also identify metrics for the evaluation of the recommended transformation; explain the risks for not implementing the changes, the significance of the strategic and administrative role of Human Resources, and description of the resources needed for the transformation.

Summary of Previous Presentations

Reye's fitness Center was launched in May, 1999 by John Reyes and offers work out services such as exercise classes, an outdoor pool, personal trainers and even a small restaurant. The company has embarked on a strategy that putting a halt on establishing new fitness clubs and focusing on growing the profitability of existing clubs by increasing member enrollments and retention. RFC's strategy is to attract families by providing a wide variety of fitness services such as cardio equipment, personal training, free weights and circuit training weight machines.

Currently, the corporation is looking for techniques in which the assessment of HR can assist the corporation meet its present strategic goals as well as gain a competitive benefit of serving i a

bazaar where the complete family can come towards enjoy health and social deeds. RFC wants to focus mostly on serving the needs of a particular market segment to gain competitive environment rather than opening new facilities. Below are the results of a S.W.O.T analysis

- **Strength**

  Talent acquisition, business experts, Human resource development and succession planning and total rewards.

- **Weaknesses**

  Risk management, employee and labor relations, safety, and security, credible activists, and culture and change champion.

- **Opportunities**

  Human resource development and succession planning, proponents in HR and organizational technology and HR innovators and integrators.

- **Threats**

  Total rewards and strategic leaders.

Summary of the Recommended Action Plan of Major Tasks, Persons or Departments Accountable, Time to Complete

Lori and her department would develop a set of strategic HR initiatives within 45 days after which she would present a HR scorecard to the higher executives if RFC. The HR Scorecard would consist of a seven-step process namely;

- Defining the business strategy clearly.

- ❖ Building a business case for Human Resource as a strategic asset.
- ❖ Creating a strategy map.
- ❖ Identifying Human Resource deliverables within the strategy map.
- ❖ Aligning the HR architecture with HR deliverables.
- ❖ Designing the strategic measurement system/HR scorecard.
- ❖ Implementing management by measurement.

This processes were used as they would go beyond presenting a HR score card as they would be the beginning of repositioning HR into a strategic role at RFC. Lori meets up with Alex Garcia, RFC's vice president of sales and marketing who hopes to use advertising and special promotions to capture more members. The business strategy would need to be very descriptive so that each and every employee understood their role in the HR plan to ensure that they understood their role and measure the success of the strategy. Finance scenarios had shown that profits improved with increased member retention hence Lori and her team would use these numbers to support RFC's retention strategy by assisting in the building of a well-trained team who would provide excellent customer service to members as well as delivering member renewals.

HR deliverables called for an alignment of the performance management system with RFC's strategic plan which would see a shift from job description activities to a more result based strategy. Member retention, on the other hand, required that staff assigned primary responsibilities would have adequate training and customer service skills. Consequently, all RFC employees needed to accept member retention as part of their jobs and managers would have to

incorporate retention activities as part of employee's annual performance plans. Lastly, RFC's compensation system would need to be analyzed to ensure that incentive programs would improve performance on member retention and profitability.

Metrics for evaluating the Results of the transformation

The first metric would be used to evaluate employee engagement through a survey to measure employees understanding pertaining to their roles of developing strategic HR initiatives to help RFC to achieve its strategic objectives. The survey would be used before the transformation to get an opinion on how employees felt about the HR scorecard and after the transformation. This would show whether employees had become more or less engaged during the transformation.

Secondly, the second audit would involve carrying out a financial audit after the employees had been trained and notified of the compensation package. This would also show whether RFC had improved its member retention in the various training facilities as well as profits for the organization.

Thirdly, performance reviews would also be employed as a metric. This would be conducted for employees to determine whether they gave customers visiting the facilities for work out excellent service and whether there were any customer complaints. This metric would also be used to improve employee communication between supervisors and their employees and give them a chance to review their performance adequately. In addition, supervisors would have an opportunity to pass on information either positive or negative to their employees to determine how the employees were contributing to achievement of RFC's strategic objective.

Risks of Not Implementing the Changes

RFC cannot continue in its current state. The organization has a member retention problem. Failure to address this problem, would see RFC lose most of its clients and lose a lot in terms of profit. RFC's retention is already 20 percent below the industry average and going lower than this would be disastrous for the company and would lose sight of their competitors. RFC would need to look for a way to deal with its employee customer in which the future objectives of the HR section would link with the association's planned goals.

Furthermore, employees would begin to lose their jobs due to a low member retention capacity as a result of low profits. Other employees would even choose to resign and seek greener pastures elsewhere. Subsequently, RFC would receive a lot of lawsuits if they did not fulfil employees' benefits and compensation programs or when employees felt they had been treated unfairly.

Summary and conclusion

RFC's HR department plan would need to be clearly linked with the organizations strategic goals. The effective HR management is concerned with setting the right roles and responsibilities to the single team members as per the requirements of the HR departments (Sims, 2002). HR processes should aim at improving workflow, personal development and company growth. Also, it should try to build new and improve HR processes and procedures .Effective HR management is about recognition of employees and motivation to make them feel they can grow inside the organization. The organization has to provide a valuable HR Career Path for the new hires to ensure their personal growth is in line with the company growth and that they eventually fit in the organization's corporate culture.

The right HR Profiles are highly significant and should be open to all HR employees so that they ensure secure broadband payment and compensation. RFC through its HR department would need to look for a way to deal with its employee communal skills and poor associate retention rates by employing techniques in which the future objectives of the HR section would link with the association's planned goals. RFC would also need to focus on employee customer service delivery.

Appendix

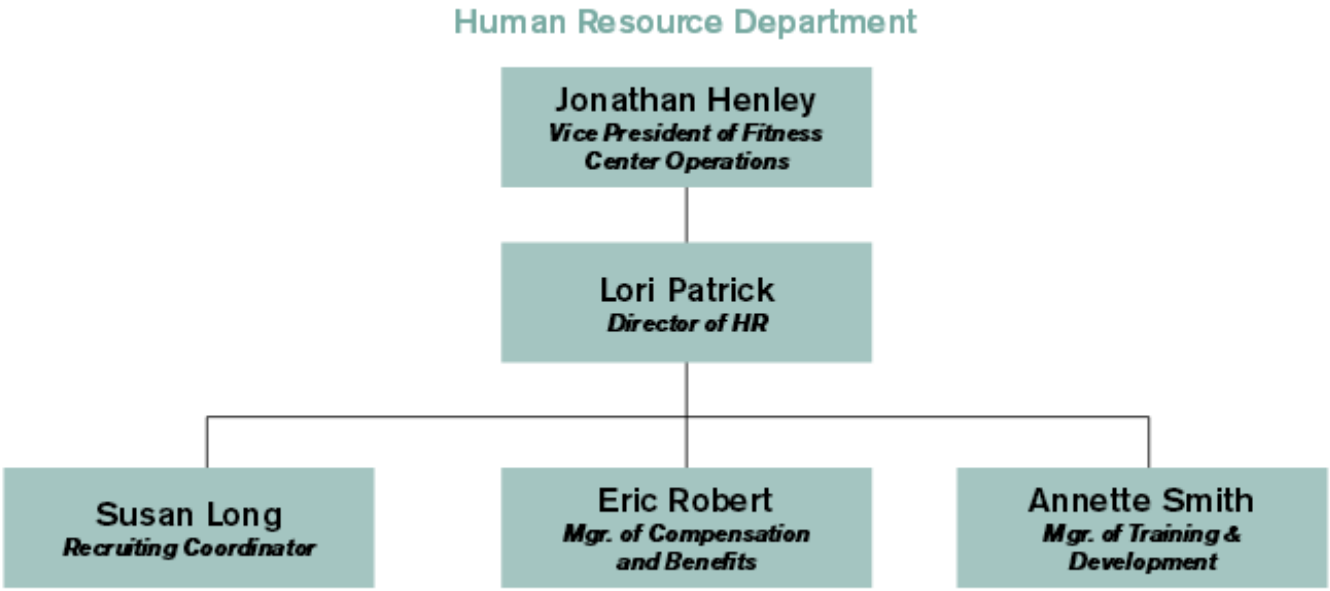
Appendix A: Action Plan

Strategic objective		Specific, measureable goal (HR deliverable)	HR scorecard progress
Have a minimum of 50 percent of adult members visit an RFC center two times per week.		Align the performance management system to clarify skills and behaviors required to increase member visit frequency by _____.	
Have 90 percent member satisfaction with RFC staff interactions.		Create and execute a customer service training program with 95 percent of staff completing training with satisfactory competency rating by _____.	
Improve profitability by a minimum of 10 percent annually.		Initiate a culture-building program by _____. Once implemented, achieve 90 percent agreement (through an employee survey) that culture promotes and recognizes excellence in customer satisfaction and organizational performance.	
Continue to achieve new member goals at current rate.		Align the incentive program for new member sales with retention program by _____.	

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Figure 1: Action Plan for RFC Organization

Appendix B: Revised Organization Chart



Appendix C: SWOT Assessment Chart