

What's All This Buzz about Strategic HR?

After working with many human resource leaders, it is apparent that each desires to be more strategic in his or her role. Many though, are unsure what being strategic is all about or how to get started supporting strategic initiatives in their organization. Webster defines strategic as "of great importance within an integrated whole or to a planned effect." Strategy is an adaptation that serves or appears to serve an important function in achieving evolutionary success. This involves identifying areas of business improvement, assessing how to address areas, and implementing initiatives to achieve business success.

To fully understand strategic HR management, it is important to contrast it with functional management. Contributing functionally relates to the development or maintenance of the larger whole. One of the signs of a functional perspective is a sense of disconnectedness from the mission, vision, values and strategy of the organization.

There are many functional areas in organizations, including human resources, that operate in a disconnected fashion from the strategy of the organization. For example, to be truly strategic, human resources must be integrated into the mission, vision, values, strategy, and structure of the organization - and ultimately give input that feeds back into redefining mission, vision, values, strategy, and structure.

At a very high level, HR leaders must be aware of the following factors, trends, and expectations:

1. Environmental factors: these factors include government regulations, technology, communication, and transportation.
2. Business trends: these factors include globalization and competition.
3. Stakeholder expectations: these factors include employees, communities, customers, and shareholders.
4. Capabilities: these factors include productivity, low cost, speed, service, mergers, alliances, innovation, collaboration, synergy, branding, and quality.

In other words, a strategic mindset is a whole-to-part approach rather than a part-to-whole. Taken to the highest level of integration, business functions should become a sheath wrapped around and attached to business strategy and supporting at its core the mission, vision, and values of the organization.