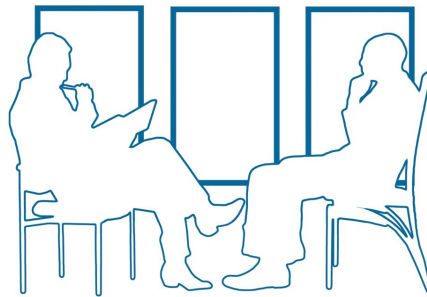


2.2: Organizational Strategic Planning

Learning Outcomes

- Describe the role of human resource management in organizational strategic planning
- Describe the HR implications of different organizational strategies

Human resource management plays an instrumental role in both the development and implementation of organizational strategy. In the development phase, HR management is responsible for providing the human capital insight to support analysis of the organization's strengths and weaknesses, including identifying areas of expertise and sources of competitive advantage as well as identifying and assessing critical skills and knowledge gaps, leadership development issues. Human resources also provides insight into external human capital risks and opportunities based on their evaluation of legal, market, societal, technological and geopolitical factors.



Key HR initiatives in support of organizational strategy include:^[1]

- Attracting, Retaining & Developing Critical Talent
 - Recruiting and selecting scarce talent with critical skills
 - Developing the required capabilities in the current talent
 - Addressing the needs/interests of multigenerational workforce
- Building high performance work organizations
 - Establishing accountability for achieving business results
 - Aligning reward systems with changing priorities
 - Building values and principles to sustain long-term growth
- Aligning people with the business
 - Involving employees in the business planning process
 - Building more effective communications and coaching systems
 - Focusing efforts on growth, market share, new markets, and customer retention

HR Implications of Organizational Strategies

As mentioned above, an organization's go-to-market strategy has implications for the organization's structure and human resources systems, policies and practices. For example, human resource management at a company such as Apple will design compensation and incentive systems that reward creativity and innovation. A company such as Nordstrom that differentiates itself based on its level of customer service will design recruitment, training and reward systems based on dimensions of customer service. HR management at a company such as WalMart will design compensation and incentive systems that reward adaptability, efficiency and cost and waste reduction.

Practice Questions

<https://assessments.lumenlearning.co...essments/18110>

<https://assessments.lumenlearning.co...essments/18111>

1. Bawany, Sattar. "[The Role and Future of HR: Today's Challenges & Tomorrow's Vision](#)." HR.com. January 6, 2015. Accessed July 30, 2019. ↵
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