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**“ORGANIZATIONS FOR GROWTH: THE HUMAN  
RESOURCE CONTRIBUTION.”**

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# “Organizations for Growth: The Human Resource Contribution.”

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**Abstract –** *The traditional style mainly focuses on supportive personnel activities for a company, for example, collecting employee information, monitoring individual performance, and implementing organization policies. It is a passive, submissive execution, without self-motivated participation into strategic issue to foresee the challenges of tomorrow. Therefore, there comes a demand for the new HRM that should understand the business strategy, formulate the corresponding management strategy on human resources to improve delivered service, and act as a strategy partner with top management team. To meet the demand, there is an increasing pressure on HRM to support strategic objectives and to focus on value-adding activities, which consequently leads to the change in the job content and the expectations on Human Resource (HR) professionals. Note that one of such changes is that the wide, contemporary use of Information Technology (IT) in supporting various HR activities. Moreover, the researchers expect that the increasing use of Human Resource Information Technology (HRIT) can improve the performance of HR professionals and makes them involved in the company internal consulting activities.*

**Keywords:** Organizations, Growth, Human, Resource, Contribution, Company, Information Technology, Activities, etc.

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## INTRODUCTION

The challenge of growth faces most companies in today's highly interdependent, competitive global economy. HR is staring at an incredible opportunity to increase its impact on organizational performance and become a true strategic partner by contributing to the organization and work design challenges that enable growth. This is an important focus for HR, because talent management is inextricably linked to organization and work systems design, in a way that each constrains the other [1]. By expanding its focus to include organization and work design, HR multiplies its influence on both people and business performance. Growth agendas present a compelling need for this expanded HR contribution. Whether seeking organic growth in new markets, expanding through developing innovative products, services, and business models, or growing through acquisitions and partnerships, companies face the need to find and integrate new resources, realign existing ones, and reconfigure core design features to handle the increased size and complexity that accompanies rapid growth [2]. Various growth scenarios present different challenges. Thus, gaining organization design expertise and leadership

is no easy task, but it can make an appreciable difference in organization effectiveness.

## REVIEW OF LITERATURE:

Human resource functions naturally have honed in on the formidable talent issues inherent in growth, including hiring and assimilating large numbers of people, reaching new talent pools, developing existing employees to provide required new knowledge and skills and addressing the needs for a rapid expansion of leadership capability [3]. Particularly in the era of current and predicted talent shortages, the talent strategies associated with growth must be robust. To truly carry out a role as a strategic business partner and to proactively manage talent, HR must push beyond its comfort zone and traditional functional domains to help fashion the changing contexts in which talent carries out its work [4]. Providing leadership in designing the organization for growth is an appropriate role for HR because the organization's design provides the context in which the human resources of the firm functions. A poorly designed organization is like a colander: you can pour top level talent and hours of effort into it, but

much of this capacity will leak through the holes and/or be used up trying to plug the holes. A well-designed organization uses its talent effectively. It limits the waste that occurs when valuable talent hours are used poorly and the frustration, cynicism and unnecessary withdrawal of the talent that HR works so hard to build. Assuming a leadership role in organization and work design is not a natural extension of the current roles of many HR departments. In fact, most HR functions have been bystanders over the past decades, as this critical component of organizational functioning and talent utilization has unfolded and new designs have been put in place to address the challenges of the quality revolution, information technology evolution, and unfolding of the global economy. The vast majority of HR professionals have not learned the essential knowledge to be players on this field of organization design. Yet, rapid change has made organizational agility essential, and demanding shareholders have made growth imperative [5]. Growth has become more difficult to achieve and manage, and people are often the passive recipients of what is left after the “experts” have come in to help with the restructuring, or the new design has been drawn on a napkin by line executives. HR then scurries to pick up the pieces and address the talent needs. Much of the time, this just doesn’t work. HR must learn how to view the organization through the lens of organization design for growth, and contribute to and proactively influence it.

This article describes the domain of organization and work design expertise, and describes the breadth of design challenges that HR must address to support different kinds of growth strategies. It then describes the competencies that HR needs to be a major player in this domain, as well as some of the approaches that can be used to build the foundation for this capability.

### 1- Organization Design:

Jay Galbraith’s “star model” (see Figure 1) is one of the most influential organizational design frameworks available. It delineates the elements of design that should be configured to fit with each other in support of the strategy of the firm. Since it was originally presented it in 1973, Galbraith and others have tailored it and used it to guide redesign activities at hundreds of firms that have faced different challenges, such as achieving lateral flexibility (1994), global functioning (2000), and customer centricity/ solutions generation capability (2005). Several underlying messages of this approach are apparent:

- 1) An organization’s design consists of far more than its structure. The boxes and lines, although the focus of a great deal of attention from executive management, are merely the skeleton upon which the critical activities of the firm must occur. Growth and agility require flexibility in using all the elements of the star to support the new capabilities. In fact, two of the points on the star, the rewards design and the design of people systems, are squarely in

the arena of human resource responsibility, and they cannot be designed out of context of other design elements.

- 2) There is no single design recipe for success. Designs can’t be copied from other firms that appear successful. Each firm must design and implement features that support its strategy, including chosen paths to growth, and it must change those features as the strategy changes.

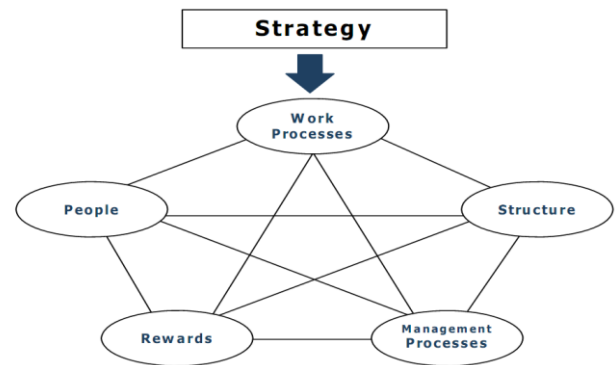


Figure -1

### 2- Work System Design:

The design of effective work systems is a related and equally important focus, often overlooked by HR professionals. The organization’s design provides the architecture to house effective work systems, but these work systems also have to be carefully architected [6]. Whereas organization design tends to take a top down, strategy driven perspective that focuses on alignment for business performance and control, work system design configures the work activities of the organization to deliver value to the customer. For example, in Procter and Gamble and other organizations that develop and sell products, the new product development process is carried out in an intentionally designed work system with individual and team roles and responsibilities, communication and information-sharing processes, and other lateral linkages across the units that play a role in the process [7].

### 3- Growth Strategies, Design Challenges:

Today, most organizations find that competitive conditions, technological capabilities, fashion and customer preferences change so dramatically and quickly that growth strategies involve a combination of organic and externally fueled growth. Growth strategies often are conceived in an uncertain environment, one that requires organizational flexibility and agility. Organizations must be “built to change” [8]. To get a sense for the substantive and process expertise entailed in helping design an organization for growth, we will look at a number of ways in which organizations grow and their associated design challenges. We will start with the foundational

processes involved in business life-cycle growth and then address: growth that builds on the core business model and capabilities of the firm; growth by developing new capabilities; growth through innovation; and growth through mergers and acquisitions [9]. Clearly these are not mutually exclusive; a company may use all of these approaches to grow. But, each offers its own design challenges and requires that the process of growth is built into the routines of the organization. Furthermore, the challenges and problems of talent acquisition, development, and management differ.

#### **4- Growing the Business Model:**

Many highly successful organizations grow by expanding their business model to more markets, customers, products, services and geographies. Some, such as Starbucks and Washington Mutual, have done this with such astounding rapidity that the yearly start-ups of hundreds of stores and branches, with the associated processes of real estate development, facilities planning, new market entry processes, and talent acquisition and development have become major organizational focuses [10]. Other companies have grown more slowly because of the combination of market and cost structure conditions that are required to underpin their business models. Southwest Airlines has grown steadily but carefully, finding expansion routes where its business model is a clear competitive advantage [11]. This makes it even more important that HR develop the credibility and expertise to contribute substantively to organizational design decisions and prevent problems that may disrupt the culture.

#### **CONCLUSION:**

All members under certain authorization can communicate with each other on line, and representatives can promptly provide strategy and suggestion to their "customers", both top managers and line managers. The strategic partner with the line manager refers to HR professionals as the leaders on managing the HR issues within the organization. Although HR professionals have to move out from routine tasks and leave the basic function to line managers and employees, the HR professionals are still responsible for the employee management from the higher level. For example, the HR professionals need to make out the overall plan of human resources, and download the tasks to line managers. They need to master and familiar with the information of their workforce, in order to make the best use of their employees. The HRIT puts the information on HR professionals' desks and makes those data easily accessible, which enables the function of HR professionals and keeps the function strategic and controllable under decentralized situation.

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