THE ROLE OF STRATEGIC MANAGEMENT IN HUMAN RESOURCES MANAGEMENT

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1. INTRODUCTION TO STRATEGIC MANAGEMENT AND HUMAN RESOURCES MANAGEMENT

Modern organizations are currently facing a business environment that is growing increasingly competitive. Rapid change is a constant phenomenon in the business environment, and growing affluence in global markets has shifted the business environment to one that is increasingly both global and more knowledge-intensive. The establishment of a strategic fit between the external and internal environment of an organization is considered imperative as a prerequisite for securing competitive success in today's business environment (Banmairuroy et al.2022)(Azeem et al., 2021). The human resources of an organization are considered a source of competitive advantage, and the investment in human resources has grown in importance. In essence, the strategic management of human resources enables an organization to leverage its human resources to exceed a treatment as a standard organizational resource and to more fully meet an organization's corporate and strategic goals. Strategic management is a process designed to help an organization both identify and execute a plan of action that takes advantage of its capability and resources under changing market conditions, and in particular changes in regional, national, and global economies. This is achieved through the effective positioning of products, services, customers, competitors, and most importantly, the organization's internal capabilities. Within the flow of strategic management, the sequence of policies, strategies, and actions is crucial, especially in taking full advantage of the synergies and contingencies among activities and organizational resources and competencies. These policies, strategies, and actions are driven by the interests and perspectives of key dispositions and strategies concerning the organization's long-term vision and mission, where the purpose is the organization's enduring commitment, vision, and mission to deliver value to the customer and other stakeholders. In total, the management of the organization's strategic leadership and the direction provided to the structural design, value chain activities, and corporate governance concern the organization's core values and competencies to strategically manage its stakeholders (Alzoubi et al.2022)(Ngoc and Tien2023).

2. THE IMPORTANCE OF STRATEGIC MANAGEMENT IN HUMAN RESOURCES MANAGEMENT

The definition of Human Resources Management describes it as the way of promoting the workforce for the purpose of achieving job perfection and satisfaction. Management ensures that the organization is running properly. This indicates that management is a method to assist the company in reaching its primary purpose. Human Resources Management is the way of determining how many workers you want in your organization, the type of workers you need, and

promoting them in a way that allows them to achieve your organization's purpose. Strategic Management is a method to help an organization improve by taking advantage of its functions and creating a future vision (Alfawaire & Atan, 2021)(Boselie & van der Heijden, 2024). Strategic Management is a systematic way of establishing major strategies and objectives clearly and flexibly. When discussing the role of management in human resources, it is important to consider the framework. These approaches are used to address the demands of the fast-moving business world. The role of strategic management in Human Resources involves attracting and promoting skilled workers for key positions and establishing essential market administration and commitment to ensure that personnel can achieve organizational objectives. Strategic Management also aids in identifying knowledge and skills that will be beneficial while maintaining internal resources when needed. Another aspect of strategic management is establishing essential predictability in job roles and managing surplus. Human Resources Management recognizes that some workers may struggle with job adjustments to the company and also focuses on developing and forecasting labor surplus (Ngoc and Tien2023).

3. STRATEGIC PLANNING AND ALIGNMENT IN HRM

As we view strategic management, we need to expand our definitions to include the full panorama of strategic planning, implementation, and review - strategic planning from formulation to review. If human resources are viewed in wider, present-day terms, encompassing where people are employed and how they can contribute to the success of an organization, it follows that strategically engaging people or employing them in support of business strategy is a viable approach to utilizing human resources (Liu, 2020). A significant characteristic of the operations of the world's gross earnings is the earnings created by organizations of exceptional quantifiable gross. Nonetheless, if we view the value of business in terms of its potential gross market worth, we observe a much larger challenge. This is, however, the reality for most businesspeople. Companies nurture a strategic plan and business, larger developers and growth, anti-dilutive mergers, entrance, and ultimately unity or termination (Camilleri, 2022).

HRM can maintain strategic planning functions or they can be functions through the company that are not required and determine when to be concluded, for example, the courageous accession of new administrators. Recently, it is adjusting to aggregate integrated functions, and newer visions of ISPPD add that as the most vital new component. The crucial basis

of a strategic management role from a performance preparation viewpoint is HRM's recognition of its human capital function with the approval to account for investment earnings and capital losses as disruptions to predicted operating outcomes. This is partly a performance provisionary job for aggregation models. These models help to keep attention on the few key human capital dimensions controlling enterprise productivity. This early method creates a meeting between business strategy and the assessment of a few qualities of endowment that are important for the enterprise to focus on so that they can help with planning and performing screenings (Sohel-Uz-Zaman et al.2022).

3.1. Defining Strategic Planning in HRM

Strategic planning and HRM are closely related, as strategic planning is one of the three key roles of HR professionals. The first role of an HR professional is to select and train appropriate employees; the second is to ensure that an organization complies with its employment-related laws and regulations; and the third is to ensure employees are committed to the organization's mission and objectives. The ability of human resources to link an organization's human capital with its strategic goals makes HR both a strategic asset and an important source of organizational competitiveness. Strategic human resource management is the link in the organization's hierarchy that runs horizontally and functions as a vehicle that carries an organization's marketing plan, together with the organizational business plan (Chakraborty & Biswas, 2020). If we were to compare this structure to that of an automobile, it would be driven by the external environment and headed by the CEO, joined by a parallel driver, the Executive Director. He or she would be navigating, functioning as the primary steering wheel, traveling through the executive floor and heading towards the second floor, where the numerous passengers are strategically engaged. These people are the senior managers and executives seated in their respective management car seats. The HR Department, sitting in its human resources car seat just behind those of the middle managers to the last managers on the third floor, is susceptible to disturbances and emanates interferences and conflicts. If the vehicle is not properly managed, the executive car will eventually stop moving. It is therefore important to keep the car running and ensure that any interference is rapidly resolved (Sara et al.2021).

Strategic HRM involves a process that integrates human resource practices with the strategic objectives of an organization. Since corporate strategy evolves as dependent on both human resources and capacity,

most organizations depend heavily on their HRM functions in guiding, creating, and carrying out strategic plans. Furthermore, HRM activities are critical to the strategic planning process, where HR strategies must be rooted in operational strategies and be integrated into operational HRM systems. They also play an important role in managing organizational change. However, complex tasks that threaten the traditional role of HR, such as addressing alternative employment arrangements, may present major problems (Castro et al.2020). The challenge is how HR functions can modernize HR and expand their role to become connected with and function as a key player in the overall corporate strategic plan. This would enable them to obtain a tangible business plan and clarify their role, purpose, and impact at all levels, but it requires a long-term dedication to the training, development, preparation, and deployment of human resources in a climate that is poised to develop innovative HR ideas. Moreover, human resources should not be seen as an alternative option; rather, operations should regard them as indispensable.

3.2. Aligning HRM with Organizational Goals
One of the prime objectives of strategic management is to ensure that human resource management activities are aligned with the organizational goals and values. To achieve this, HRM must engage in high-definition, selective hiring and adopt a long-term perspective. Strategic management, in concert with a high-level characterization of a few business values, is necessary to fashion an affirmative logic regarding the competitive advantage in which an organization claims to be a leader. In its quest to create competitive advantage, an organization is very likely to strategically differentiate its products and services and economic achievements. Crafting this positive logic requires the coordination of linked and aligned activities via policies, practices, and deliberate strategies, especially those concerning management-employee relations and the handling of human resource issues. If there is genuine market value in thoughtful HRM, that value should be reflected in the analysis during the strategy formulation process. HR has a significant role to play as a strategic business architecture function, not merely as a firm-specific or contextual factor. This is especially timely given the growth of awareness about the significance of human capital (Oehlhorn et al.2020).

4. STRATEGIC RECRUITMENT AND SELECTION
Individuals are at the core of any organization, and therefore, human resources management is central to organizational success. In order to maintain their competitive advantage in a constantly changing environment, organizations require robust and

adaptable HR strategies. Strategic human resource management involves the development and implementation of HR strategies and initiatives in accordance with the overall aims and needs of the organization, and allows for organizational needs to be incorporated into investments in HR. A key type of investment from an organizational perspective lies in policies and procedures directed at attracting and retaining the best quality employees (Al-Khaled and Fenn2020).

Employers undertake strategic recruitment and selection to enable the recruitment and selection function to effect the global and widespread plans encompassed by both corporate and HR strategy. In essence, these overarching strategies inform the main goals of the process. Corporate strategy is concerned with the broad direction of the organization and the allocation of resources that fuel the business. The HR strategy uses corporate strategy as a foundation to inform the ways in which human resources can be utilized. This includes hiring and job matching decisions regarding when organizations promote or transfer employees, and when they are eligible for and why they are assigned such rewards. It also includes investing in employee capabilities and improving employee retention, both of which have long-term organizational consequences (Abdalla et al.2021).

4.1. Talent Acquisition Strategies
Companies are expected to identify and attract the best candidates to help them reach their goals. There are various questions to be taken into consideration in talent acquisition, such as what kind of talent the company needs, where and how the company will find the talent, what methods will be used to attract the talent for application at the company, and under what contract terms such talent will be engaged. In order to acquire talent effectively and efficiently, a company must use the right methods to have the right person at the right time and at the right cost. Talent acquisition must precede efforts to retain, develop, and motivate talent at the company. This process results from strategic management efforts to define and reach the best goals and gain the resources needed (Ong et al.2022).

A survey conducted with Human Resources professionals indicated that a significant percentage of the respondents declared that their mission was to integrate talent programs from sourcing to engagement. Thus, the aim is to intertwine sourcing, retaining, developing, and maintaining talent involved in the development of the company of which it is a part. To source talent for a company is to strive to make a

group of the best professionals in the market awaken an interest and, consequently, apply for job positions available under terms offered so that the selection of the best candidates can take place. The term attract expresses everything that can be done to arouse in talented individuals the desire to join a company (Singh et al.2022).

4.2. Recruitment Channels and Techniques

Channels: Different jobs require different recruitment functions. It is, therefore, necessary to tap the various sources to get the required number of different types of recruits. The objective of any recruitment is to identify a good number of qualified candidates who are likely to meet the requirements of the selection process and will therefore be future employees. To increase the actual number of applications, it is necessary to tap the right sources. This is highlighted by the fact that the number of those who decide to apply in response to a recruitment message depends on the number of suitable candidates drawn into the selection process (Laurim et al., 2021). The communication should invite the candidates' involvement because the candidates continue throughout the process. Information about the nature of a job and the esteem and respect for the company stimulates the desire to be hired and retained. In the selection campaign, the communication should include the messages for which any specific audience for recruitment media may be enhanced. For general publications, the message should be adjusted to specific audiences in job titles and qualifications backgrounds resulting from the sources sought. Techniques: Recruitment techniques are the means or media by which management contacts or communicates with aspiring candidates to initiate the recruitment process. The number of suitable candidates attracted into the selection process depends largely on the communication designed and selected techniques utilized. The techniques that must be adopted to enhance the employment brand and streamline the recruitment process include analyzing recruitment techniques that produce qualified candidates currently inside and outside the organization, comparing and contrasting these techniques to establish the best recruitment techniques, and selecting multiple recruitment techniques to expand selection opportunities and to increase the actual number of qualified candidates who have initiated the recruitment phase because of incomplete performance of imagined and existing recruitment techniques (AlHamad et al.2022).

5. TRAINING AND DEVELOPMENT STRATEGIES

In an increasingly complex and rapidly developing world, business life is also in a strong competitive environment. For all these reasons, all organizations must be managed with a strategic approach. The organization aims to determine its goals for future business through these methods. Training and development strategy is a long-term process aimed at providing performance reliability and equipping employees with the necessary skills and knowledge to take responsibility for constant changes and to enhance them. Companies must determine what skills are needed, who requires these skills, and what the relationship will be between independent and dependent jobs, as well as salaries in relation to the needs of the organization. The human resources unit undertakes the task of establishing the necessary stages and develops the organizational management framework (Boselie & van der Heijden, 2024).

5.1. Identifying Training Needs

The first phase in the training program involves identification of training needs. The entire training program—the determination of its objectives, the structure of the sessions, the choice of instructional techniques and facilities, the selection and preparation of instructors, and the preparation of audiovisuals—all rely on this early determination of needs. Identifying training needs also benefits an organization by increasing the impact of training programs on employee job performance and thereby reducing operational costs. Management should determine the nature of training needs, the groups of staff to be trained, the reason for training, and the benefits to be achieved (Blanchard & Thacker, 2023).

By reviewing the manual, job descriptions, job specifications, and performance standards, and conducting a survey of staff competency and needs based on job responsibilities and duties, it is possible to identify training needs. These can then be discussed with job holders and modifications, if necessary, can be made. Training needs should be stated clearly and in terms of the knowledge, skills, and attitudes required by the job holder concerned. Additionally, management should consider a variety of other sources of information about employees' current and future training needs. It is essential to recognize early signs of change in an organization and any deficiencies in job performance that may appear to be related to inadequate training. This conclusion can be reached from day-to-day observation of the performance of duties and responsibilities (Seufert et al., 2021).

5.2. Designing Development Programs

The ultimate purpose of preparing a pool of high-potential candidates is for all individuals to be assigned top management positions within the organization. By

their designation as the cream of the crop, more is expected of this group than of other employees. Therefore, they must be offered more opportunities for professional and personal growth. Consequently, development programs for this group should be longer, employ a broader perspective, and more effectively produce changes in individuals' attitudes, behavior, and motivation than do regular employee programs. A sharply contrasting program offering offline managers is also a good idea. The organization must be kept in good hands now as well as for the future. The need to train, rotate, and develop on as broad a base as possible is particularly strong during stressful organizational maintenance, or as a consequence of frequently shifting environmental pressures. The long-run health of the enterprise usually demands identification, augmentation, appraisal, and employment of a well-qualified core management group. Regular employee programs today, offline manager programs tomorrow (Church et al., 2021).

A preliminary note will be made about each program before later discussion of specific content. Employee development programs are relatively short-term training activities, lasting only minutes, hours, days, or weeks (Balachander et al.2024). Employee development is designed to contribute to the personal and professional development of an employee by focusing on activities they could use now or in the relatively near future. For example, at one college, each member of the secretarial staff was given an opportunity to attend typing refresher courses. The courses ran for a dozen evenings and were aimed at improving secretarial skills for more pleasant and efficient job performance. Assistant management development programs are somewhat longer than regular employee programs, usually lasting weeks or months in duration. They reach future managers at several organizational levels, inside and outside the corporate hierarchy. The offline manager development program is designed to reach lower management aspirants wishing to better understand and perform in jobs different from their present supervisory slots. In such activities, offline managers gain a wider horizon in their learning process and the opportunity to align the two dimensions of concern, being appropriately enabled and disposed to become effective organization members. These programs usually last for several months or even a year, can be run for offline managers of different levels, and are aimed at providing a fuller ambidexterity of observation and experience. Full-time employees carry out the actual work in the different programs. Offline managers come into the organization mainly to listen, retro-speculate, and learn (Tawn & Browell, 2022).

6. PERFORMANCE MANAGEMENT AND APPRAISAL

Implementing a performance management system is a thoroughly design challenge, because many functions within the organization have critical roles to play in the management of the performance of individuals and groups. These functions include recruiting, selection, training and development, disciplining, compensation and benefits, collective bargaining, and strategic planning. Most organizations have centralized management control of some or all of these functions. The centralization and decentralization of elements of the performance management system depend on the maximum and minimum obways of the system and the potential costs of the performance management system. It follows that the HRM department will have as its major function the coordination and optimization of these functions (Masana et al.2022).

All organizational activities, including the careers of individual employees, need to be consistent with the total organizational performance strategy. Restructuring and changing the scope of HR activities are critical to positioning HR to better support and sustain improved organizational performance. In some instances, the costs seem prohibitive depending on the organization's strategy and the costs involved in correcting specific performance problems. However, the costs involved clearly indicate a departmentalization of some of the functions of the performance management system (Anwar and Abdullah2021).

6.1. Key Performance Indicators

28. Due to factors such as the increasing pressure on organizations to show their performance in the market as a single value and to measure their performance, to provide timely information to the stock market and the participants and/or investors, to show the organization's performance and to respond to the economic effects of changes in the international scene, a new approach to performance evaluation is emerging, which is expressed as the development and use of new performance measures or key performance indicators. The definition of performance situations should be monitored by senior management, business processes, and all departments in the context of their department. Examples of KPI characteristics in our countries include: financial managers/administrators aged 50; information technology - application design and development; information technology - application operations management; production and system development managers between the ages of 45 and 54 in different business units; experienced/competent; employee order/satisfaction star; precise inspection rate; cost to manufacture; machine setup time. The relationship with

the strategic planning process is obvious, since the determination and measurement of KPI is based on a well-defined strategic planning process, as well as the monitoring and evaluation of the strategic planning process (Kamble et al.2020).

6.2. Feedback and Improvement

The aim of this paper is to point out the importance of using the method of strategic management in human resources management. This method deals especially with long-term personal development, career management, human resources management, administration of staff department systems, improvement and establishment of new trends, conditions for the development of human resources planning, assessment, and training. The goal of this paper was to create a foundation for further research, invaluable for managing personnel. Strategic management of human resources is a perfect method that helps everyone in an organization—employees, working teams, and managing personnel—to perceive individual aims and contribute to the overall framework of team building. Such an approach will bring about a more efficient level of performance, increased opportunity, a sense of solidarity, recognition of team importance, and the added value of individual development (Doz, 2020).

Enhancement of career development opportunities will lead to efficient organizational management. In the open society of globalization, trust, respect, support, and orientation towards time dynamics, technological, and information changes encourage the company to perform through innovation and add more value. Feedback plays a very important role in system building. Inquiry into the motives of task fulfillment offers an opportunity to improve existing methods of examining success and motivation in order to find indicators to refine work procedures. As a result, motivation is directed towards earned points and success. Sluggishness and weak confidence in decision-making and actions are minimized. The work climate will improve. All people will become friendly, and their relationships will be more constructive. All non-motivated performances will be processed while the management system is being set up. Flexibility and creativity in the development of the working environment are enabled; the majority will get interested in influencing the work being handled, will get motivated, and will be interested in introducing more extensive changes. To ensure full realization of the set course and the purpose of its fulfillment, the managing personnel strongly support the members of the company (Sancar et al., 2021).

7. Compensation and Benefits Strategies

The way people perceive compensation is just as important as the compensation they actually receive. The competitive forces that affect other areas of human resource management also make their presence known reasonably directly in terms of compensation policy and practice. Compensation and benefits strategy encompasses these issues and also needs to consider the different groups to which compensation affects and the times when particular concerns have a more intense effect on behavior. Compensation levels are renowned for being of pivotal importance in economic models of labor supply and, for similarly obvious reasons, employment and retention strategies. However, the way in which compensation is perceived often makes this at least need to be addressed, at least as crucial as the levels. There are fewer metaphors than to indicate the various combinations of indirect compensation like fringe benefits, services, security, and continuity of income, as well as pure monetary payments associated with particular jobs. Recognizing that overall compensation policy is an important aspect of the human resource management process and not allowing the importance of perceived fairness to relate to the longest sword or the fastest gun is of supreme importance (Song et al.2022).

7.1. Salary Structures

The question of adequate salaries for workers and employees involves the concept of fairness at the same time. Salaries should be large enough to reward the worker for his or her input level, and this salary must rest on some objective foundation so that both equals and society as a whole consider it fair. To make it more objective, we need a scale of salaries, one that could clarify equal salary rules at work, which level of decision-making determines salary scales for different working points, etc. This can be achieved with the help of a comprehensive job evaluation. The compilation of salary structures is only a small segment of this comprehensive job evaluation. It is needed, however, because otherwise the salary scale would not be complete (Madeira et al., 2020).

In all probability, you have a certain salary scale at your work: there is one salary scale for workers, another for technical workers, a third for organization and economic workers, etc. Each of these scales comprises many tariff positions; for example, the tariff scale for workers comprises seven tariff scores and six tariff levels. The tariff system, with its relative relationship between the scores, is the form of salary scale, which is introduced in a collective bargaining agreement (Johnston, 2022).

7.2. Incentive Programs

The objectives of incentive programs are as follows: - To encourage personnel to contribute to the attainment of company objectives by emphasizing the relationship of individual contribution to objectives and by using the result as a standard for determining work efficiency. - To establish an overall remuneration system capable of determining the level of remuneration in response to knowledge, skill, achievement, and experience. - To maintain and improve morale and to promote vision and consciousness about their work. The point of emphasis in incentive programs is the separation of labor and results as an element of the management indices of the subordinate. The labor product, in a broad sense, indicates the contribution points of labor to the company, i.e., the value of working hours. If labor and results are inseparable, the employee becomes responsible for both results and labor, and the employee will desire to obtain good results. The company's approach to labor should provide a necessary level of responsibility for the results of the employee. In addition, a favorable work situation should be achieved (Latham2023). The company should provide opportunities with autonomy and authority, ensuring that employees feel their work is significant to the accomplishment of the company's objectives and to obtain superior results in their current work. Therefore, an appropriate result-oriented system for treating the employee's work should be established based on the following: 1) Such a system should be established. 2) Employee compensation should be commensurate with the degree to which the results differ. 3) Measuring and improving the quantity and quality of results provided should be possible. Several examples of specific incentive programs are provided below. I. Pay-For-Performance Systems Earnings are provided according to the value of the results of each individual. Management programs, including personnel such as sales and production, are employed as programs (Chien et al.2020). Profit-sharing: earnings are shared based on corporate profitability. II. Stock-Related Plans Stock purchase-type earnings are provided, or employee earnings are tied to corporate share values. Stock subscription: stock subscription is allowed at a reduced price. Stock bonus: shares are given free of charge. III. System for Support of Retirement Lifestyle Earnings are deposited in the retirement fund, and the payment of earnings is maintained as support for the retirement period. Pension: retirement earnings are supported, subject to salary increases or years of service. Annuity: the right to support for retirement life in the form of a monthly payment is secured prior to the employee's retirement from service. IV. Executive Stock and Performance Participating Systems Remuneration systems for executives. Deferred compensation: compensation can be received as support for retirement lifestyle. For this, a certain volume of compensation is hidden, with payment occurring at the time of retirement. Executive stock option: stock purchase rights are provided for the number of shares at market prices. Long-term award: stock or cash rewards can be received in the case of the accomplishment of long-term corporate objectives (Sitopu et al.2021).

8. EMPLOYEE RELATIONS AND ENGAGEMENT

One key relationship related to employees is that with trade unions. Employee relations will be discussed in more detail later. However, it is necessary to recognize at this stage that policies such as paternalism, personnel management, and human resources management may affect trade union aspirations and the underpinning of both the employer and trade union. The table below summarizes these differences. Trade union recognition and consultation processes are entrenched in legislation. The term human resources management was adopted because of the belief that there may be ways to operate the employment relationship that may not be detrimental to the organization, but still encourage workplace cooperation. These disagreements still exist, and the embedded practices of paternalism, personnel management, and human resources management are the underpinning of a wide range of beliefs held about employment relations at the workplace level (Napathorn, 2022).

8.1. Conflict Resolution

The role of strategic management of human resources involves strategic planning that necessitates five levels of activity and generates or discovers the need for change (in the environment, competitive strategy, organization, the people in the organization, the human resource management process, and evaluation with a view to reaching the long-range goals based on the interactions of those activities from situation to investigation to action). Because many of the activities associated with strategic human resource management are programs, it is essential to structure the programs and to identify and address areas of potential conflict and to diffuse resistance in order for the programs to be effective. Given the critical necessity of an informed and committed workforce, human resource management has a central role to play in the conflict resolution process. Introduction Conflict, or the work of managing conflictual behavior, is inherent in any occupation, and it is particularly pervasive in any area or discipline, such as human resources, which has a collective, humanitarian, socially visionary focus. In most cases, some conflicts must be resolved before an outsider such as a manager or supervisor can intervene. This implies that other parties must have the skills or

the commitment to resolve their problems themselves. Possible outcomes workers might seek, or assume, are creating positions without problems, increased innovation, and capacity for giving and receiving support (Al-Qudah et al.2020).

8.2. Employee Recognition Programs

An employee's job is extremely important to them, and there are no dangers of employee recognition going unheeded. These programs can be effective in both formal and informal awards. Praise is always an effective award, as well as rewards and incentives that should suit the individual who is complimented. There are many such programs that require a monetary investment. But even small investments often make people feel appreciated, recognized, and rewarded for their efforts. Cost is not a primary factor in total compensation in people's minds. The most effective programs focus on the interests of the people involved in the effort (Ali and Anwar2021).

Employee recognition programs have a powerful effect in rewarding desired behavior. Many recognition and incentive programs exist, many with humorous or clever names, but one simple classification has three categories. (1) Unsolicited years of service, because the purpose of the service was not intended to be recognized by the company. This can be done in many ways, such as lapel pins, certificates, or letters from the company president. Years of service programs are necessary, but they are not enough to create a motivated workforce. The first step of the program is the most important step. This is deserving recognition for years of service, support, and integrity. The true value behind these years of service rewards is that both participants produce something of value to the others. (2) Unsolicited unscheduled appropriate recognition. This designates a more personalized and more instantaneous recognition. Unsolicited recognition means that at the time the action occurs, the recognition is not expected to occur. Managers immediately identify, support, and reward subsidiary proposals and actions that improve employee morale and the bottom line. (3) Solicited reward for an accomplishment, competency improvement, improved effort, or on-time quality completion, as in the case where a surprise selection process rises to the top for consideration of an outstanding award. The manager's daily performance tracking, coupled with a full understanding of the subordinate's reward interests and specification of business objectives, are basic guidelines in the effective use of this program. This process requires more time because the manager has to solicit the subordinate's personal input concerning the most rewarding interests. The subordinate selects the most

challenging business objectives. Family participation adds extra support where desired. Maintaining a positive relationship, the manager and subordinate (and often family) work on the business objectives to ensure a high probability of their achievement, and only then are they able to participate in the successful completion and award celebration. The person receiving the forced recognition more than likely has been motivated to do so by anticipation, by trying to anticipate what it takes to achieve the internal and external benefits from a splendid celebration. Only when the achievement is shared between the employee and the manager does the team begin to receive personal support, respect, and mutual fulfillment (Martinr and Uribe2021).

9. DIVERSITY AND INCLUSION INITIATIVES

Some organizations have made a specific commitment to proactively managing diversity in the workplace. Many organizations believe that a diverse and inclusive workforce can help improve employment quality, creativity, and innovation. A distinctive workforce helps to provide a competitive advantage and multicultural sensitivity, allowing the best use of diverse customer markets. Training programs can be used to work against unconscious biases that lead to prejudice and discrimination. Special hiring programs can be used to target minorities, either under-represented or over-represented customer groups. Particular attention can also be paid to individuals' values and their professional and career development to foster individual inclusion. This commitment works at creating systems that help to engage a diverse group of workers. The general purpose of these programs should be to provide the opportunity for all employees to achieve higher levels of performance that they are capable of. After experiencing the challenges and leadership responsibilities described by the former, rather than simply coping with minimum work requirements, diversion and inclusion initiatives can thus affect behavior and provide the results of winning as well as high-performance individuals. Companies can benefit from their employees' energy, enthusiasm, creativity, and commitment to making the employees trust their judgments and value the contributions they make (Chaudhry et al.2021).

9.1. Creating a Diverse Workforce

For strategic human resources to be effective and support the business, a diverse workforce is needed. A diverse workforce includes characteristics such as age, sex, race/ethnicity, sexual orientation, education and skill level, and income. Diversity includes all traits and characteristics that make people different from each other. Despite its ever-changing nature, it is often agreed that diversity is becoming an essential and

integral part of the United States. First, the workforce is becoming increasingly gender-balanced. Second, as companies address the issue of diversity and the values and contexts of different generations, they may be facing the possibility of as many as four generations working within their organization, each with different expectations (Cooke et al., 2021).

Preparing for a diverse workforce requires companies to expand their knowledge and awareness of globalization opportunities and risks impacting their workforce. Responding to the issue of diversity will require that firms assess demographic information, identify and reinforce their understanding of the cultural category and how it impacts the customer, foster relationships with the target audience, and integrate efforts across the organization's structure. Conceptually, diversity is not just about race, gender, and age. It is about potential differences that are more profound, capabilities and disabilities, hobbies and avocations, education and training, and religion and nationality. In reality, its existence may have significant strategy-related implications for an organization (DESSALEGNE, 2021).

9.2. Promoting Inclusion

The strategic management of human capital requires that the full value of the talent, insight, knowledge, lifework, commitment, and goodwill of the staff be vested in the organization's mission and vision. This, in turn, requires that we create an environment and orientation that support the fullest participation of all the staff in all the elements of work life. Part of our orientation toward inclusion is reflected in our hiring and support of a workforce that mirrors the nation's diverse life space (Chowdhury et al.2023). We value and respect the diversity of our people, including differences in race, ethnicity, culture, gender, religion, age, ability, and family and marital status. Our need and collective obligation as a nation is to respect more action and genuinely inclusive policies and programs, especially in the workplace. Our commitment to harnessing the value of the nation's diversity to advance our mission is an ongoing and evolving process (Al-Swidi et al., 2021). We have learned that the full use of all nations includes the development of the skills and talents of all of our employees. One of the guiding principles is the recognition that our interaction with each other may be our richest source of learning and insight, as well as our most enduring legacy. Our collective efforts to realize goals are enhanced when we embrace various perspectives and when collective understandings are effectively advanced through discussion and knowledge exchange. Ways of inclusion are the collective process

of liberating work and culture from its current thinking (Chowdhury et al.2023).

10. CHANGE MANAGEMENT IN HRM

It is understood that the introduction of change creates uneasiness in individuals and the organization overall. This truth is generally accepted in every society and organization. Despite the different changes that take place in the business world, such as mergers and acquisitions, downsizing, subcontracting, technological change, reduction of industry or economic sector in a company, quality initiatives, total quality management implementation, and personnel management, its effect on HRM is clearly seen. For this reason, change management strategies are an important part of the strategic management process and play a critical role in human resources management. Since HRM is seen as a group of various functionalities transforming human capital into a volunteer force, HRM should fulfill these tasks in the face of changing competitive and economic conditions (Li et al., 2021). At this point, change management comes into play. While change management is perceived as the process of managing change, it also requires direct involvement and affects the employees of the organization and covers the influence and implementation mechanisms of change that impact an organization in an embracing manner. In other words, change management is the process of institutionalizing and establishing the status of change in the way management, teams, and individual relationships evolve. It also covers changes in the policies and procedures of the organization, the development of rules and principles, the efforts to create meaning and psychological rationality of change to help employees move through the process more efficiently, and take measures for possible resistance from certain organizations or specific individuals. So in this context, human resource managers are change leaders who manage change processes, organizational transformation experts capable of guiding and organizing employees through change, and actors who determine the internal policy, attitudes, climate, culture, and behavioral aspects of the organization that are all intertwined with organizational change and must be decided upon in management determination. This chapter points out the change management methods and models both at the upper level of the organization, as well as the HRM responsible at the lower level within the organization (Chillakuri, 2020).

10.1. Managing Organizational Change

Chapter objectives you should be able to:
- Identify circumstances that can lead to employees being resistant to change.
- Describe actions that managers can take to overcome resistant employees.

- Discuss the participation and empowerment suggestions that are part of building readiness to change.
- Compare the OD, TQM, and corporate change process models.
- Name and briefly describe the steps in each phase of the strategic HRM change model.
- Explain the difference between transition and non-transition issues.
- List the employee activities that can be undertaken during transition and the characteristics of successful change programs.
- Discuss the dilemmas and choices that line employees face when executing a change program.
- Describe the ten major conclusions on leading change.

10.2. Communicating Change

The basic function of communication is to share information with people. It is essential in developing the understanding and acceptance of ideas and viewpoints, in public opinion building, and in developing personal influence (Zerfass et al.2020). In achieving any management strategy, we find that people are the critical variable and that successful management strategies must first communicate the larger goal and purpose so that individuals can identify this larger goal with their personal values. 1) Define and communicate the larger goal or vision. In addition to understanding the emotional effects of change, we need to place people in the larger picture or vision that the company is striving to achieve. A vision is a statement about the future that conveys the importance and priority of the company and its products. It creates a mental image of a situation that is a solution and lets everyone know what victory will be like. This knowledge can often act as the catalyst to get people to support change. 2) Anticipate resistance and be prepared to deal with it. Resistance to change in growing companies often comes from the original occupants who have lost sight of the larger purpose of the change, from the new occupants of created jobs because they were attracted to the original picture, and from people through whose hands power will flow. 3) Be informed. Effective communications require that individuals are kept informed about the facts and decisions of the company, particularly such topics as changes in business results, divestitures, recessions, personnel changes, philosophies, and overall performance. 4) Make communications a two-way street. Companies aspire to a state of personal involvement of their employees but are intolerant of the very imperfections that transmit their message. Being tolerant of half-full glasses could mean hearing bad news, but this forum can be effective for staff meetings where employees are free to speak about mistakes, complaints, and suggestions. This could mean keeping surveys anonymous or hiring a company to conduct employee focus groups. Provide managers with the time and skills to engage their employees in face-to-face discussions (Newman & Ford, 2021).

11. EVALUATING THE EFFECTIVENESS OF HRM STRATEGIES

Methods of evaluation must accord fully with the existing objectives. It is a very good idea to construct operational measurement guidelines against which the practical effectiveness of human resources strategies can be measured. The application of quantitative measures to personnel outcomes may often be difficult, but such measures can be educational if inappropriate initial assumptions are regularly processed as resource policies are implemented. There are a number of methodological considerations in evaluating the effectiveness of personnel strategies, as follows: Measurable Outcomes: Quantitative and qualitative customer evaluations. On-the-job evaluation by subordinates, peers, and supervisors. Increased analytical accuracy with regular reviews of human resource processes and performance. Valid Personnel Evaluation Procedures: Overall goal of validity, reliability, and behaviorally oriented performance criteria. Periodic Environmental Scanning: Increased accuracy in coordinating existing with future requirements based on regular checks of environmental changes (Joseph et al.2022).

12. CHALLENGES AND FUTURE TRENDS IN STRATEGIC HRM

After analyzing the evolution of human resource management, a majority of authors consider that future trends, conditional on some challenges, should lead to a more strategic vision of HRM. Treating employees as partners, the concern for the orientation in the company's business and the change towards the nature of the jobs should be some aspects of a move from traditional HRM to a strategic, or even to a post-strategic human resource model. Therefore, the need to understand what is already happening in some companies promotes the externalization of traditional HR functions and services. The transformation that some companies have made in their HRM practices and policies is based on the concern to create and mobilize enormous reserves of employee capability and commitment. In the same context, the creation of networks and work teams seems to deliver improved product or service quality and provide the kind of flexibility needed in today's fast-moving business environment. Part of the HRM practices is still based on traditional philosophy. However, developments in the HR field are likely, and eleven challenges are proposed for the near future. Companies that succeed in facing

these challenges will define the strategic HRM of the future. They will be able to implement the standards of excellence by recognizing that success in today's rapidly changing business environments depends on a firm's ability to attract, develop, and retain capable, committed, and knowledgeable employees (Baluch and Ridder2021).

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