

HRM Experience



Customizing HR for Different Types of Human Capital

Part of strategic planning is mapping an organization's human capital. When we look at the strategic value of a person's skills as well as their uniqueness, we soon discover that organizations are comprised of different kinds of workers who have very different kinds of skills. Some are core knowledge workers; some are more traditional job-based employees; some are contract workers; and some are external partners. It is unlikely a firm would manage all of these employees the same way. There are differences in HR practices for different groups. That is not bad, but it makes the job of HR managers more difficult.

Assignment

The following are descriptions of three different employees. How would you characterize each worker? What role does each play when it comes to the organization's strategy?

Sobadia Bascomb is a highly talented computer programmer for Applied Software Solutions. She is among an elite set of engineers in the computer industry doing leading-edge work on advanced computer modeling. The firm's CEO, Bill Ding, believes the future of the company rests on the innovative work that Sobadia and her team are doing. He worries that someone might lure her away to work for

them, so he wants to give her all the room she needs to grow and stay committed to the firm.

Calvin Duff is a salesperson on the retail side of the firm. He has daily contact with customers and is responsible for making sales and communicating with service personnel. Make no mistake: To many customers, Calvin and his co-workers are the "face" of the company. Always on the lookout for a better position, Calvin has thought about working for PeachTree Computing, Applied Software Solution's main competitor. Other salespeople have found that they can leave Applied Software Solutions and get "up to speed" easily at other firms. Their skills are very transferable, and the transition is not difficult. Bill Ding and other managers at the company recognize this fact, so they try to keep salespeople loyal and productive, recognizing that many of them do eventually leave.

Chandra Singh is a part-time administrative assistant for Applied Software Solutions. She handles routine typing and filing work for the company, particularly in peak periods in the summer and around the holidays. She usually works for a few weeks at a time and then takes time off. The executives at the company have considered either outsourcing her job to an agency or automating it through a new computer system. But for now things are steady.

Case Study 1 Domino's Tries to Get Its Strategic Recipe Right

Believe it or not, years ago it was normal for people to have wait an hour or more to get their pizzas delivered. But those were the years B.D.—before Domino's. Started by Tom Monahan and his brother in Ypsilanti, Michigan, in the 1960s, Domino's created a value proposition people were hungering for: Pizza delivered in 30 minutes or less. Better yet, if a Domino's pizza *wasn't* delivered in 30 minutes, it was free. That was unheard of in the pizza business.

Monahan changed the pizza industry not because Domino's created a better product but because it was able to offer a different value proposition than anyone else was offering and as well as align its people, processes, and systems to deliver against that promise. Domino's used assembly line-based systems

and standardized processes to improve efficiency and reduce pizza preparation times. For example, it was the first to use conveyor-belt oven technology to ensure uniform temperatures and reduce baking times. Domino's also translated its strategy into HR deliverables by emphasizing and encouraging fast pizza-making and delivery. Annually the company holds a "World's Fastest Pizza Maker" competition in which its pizza makers compete for cash and other prizes.

As important as what Domino's did is what it did *not* do. Strategy is about making choices. Domino's did not focus on great pizza—it focused on fast pizza. It did not customize every order but prepared them all in advance. It didn't hire premiere pizza chefs who tossed pizza dough into the air to make lighter crusts.