

pizza in a very disgusting way. In 2013, 20 Domino's workers in Manhattan were fired for taking part in a nationwide food strike. The workers claimed they were being paid less than the legal minimum wage. Recently, the company made news after it asked the European Union to relax immigration laws so the firm could bring in unskilled workers from abroad to meet its needs. An immigration official suggested Domino's could solve its problem by paying workers more.

Would paying hourly-wage employees a little more buy Domino's a little more loyalty and prevent negative publicity for the company—loyalty its CEO at one time didn't think was needed? And if so, would the costs have been worth the benefits? And who should incur these costs since most of the stores are privately owned? These questions are food for thought, ones that Domino's will have to resolve.

After all, even with the best technologies and systems, pizzas don't cook and deliver themselves. People do.

Questions

1. Explain how Domino's strategy differed from its competitors.
2. Has the firm been able to achieve a long-term strategic fit between its strategy and HR practices in your opinion? Why or why not?

Sources: William James, "Domino's Pizza Group PLC: UK Minister Tells Domino's to Pay Higher Wages to Attract Staff," 4-Traders (December 11, 2013), <http://www.4-traders.com>; David Kretzman, "Why Domino's Digital Component Is Important," Motley Fool (December 10, 2013), <http://motleyfool.com>; "Lawmaker: Domino's Employees Were Fired after Complaining about Conditions," CBS New York (December 8, 2013), <http://newyork.cbslocal.com>; Erin White, "To Keep Employees, Dominos Decides It's Not All about Pay," *The Wall Street Journal* (February 17, 2005), <http://online.wsj.com>.

Case Study 2 Staffing, Down to a Science at Capital One

When the financial services industry tumbled into crisis in June 2007, Capital One chairman and CEO Richard Fairbank issued a mandate to strip \$700 million out of the company's operating costs. The cost reduction plan included consolidating and streamlining functions, reducing layers of management, and eliminating approximately 2,000 jobs. The mandate did not set off a mad scramble in workforce planning, however. Instead, the planning staff simply added new defined variables to their simulations and modified their projections for the company's talent needs.

"The key to workforce planning is to start with the long-term vision of the organization and its future business goals and work back from there," explained Matthew Schuyler, chief human resources officer for Capital One. "We anticipate the strategic needs of the business and make sure that we have the workforce required to meet those needs. The \$700 million mandate gives us goals and boundaries that we didn't have before. We made the adjustments."

Capital One and other leading companies are developing a set of best practices for workforce planning that reach into the future for each business unit and evolve with corporate strategic planning. In an

increasingly unstable global business environment, the value of a long-term vision is clear, but effective workforce planning requires dedicated resources, heavy analytics, and, perhaps most important, the full engagement of business unit leaders and line managers.

Working Backward

The workforce planning at Capital One stems from a process executed by a metrics and analytics group of 20 people, plus hundreds of executives, managers, and analysts pulled from all the business lines and corporate functions. Leaders and analysts from the business lines work in blended teams with human-resources generalists and members of the metrics group to build models for each line and the entire workforce. The models flow to Schuyler, who reports directly to the CEO. "You have to garner your long-term vision of the organization from your seat at the table and from the time you spend with business leaders, immersed in places where you can get data," Schuyler says. "You have to probe the business leaders and know the business leaders and know what their endgame looks like." Planning varies by business line.