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HRM in perspective

seminar

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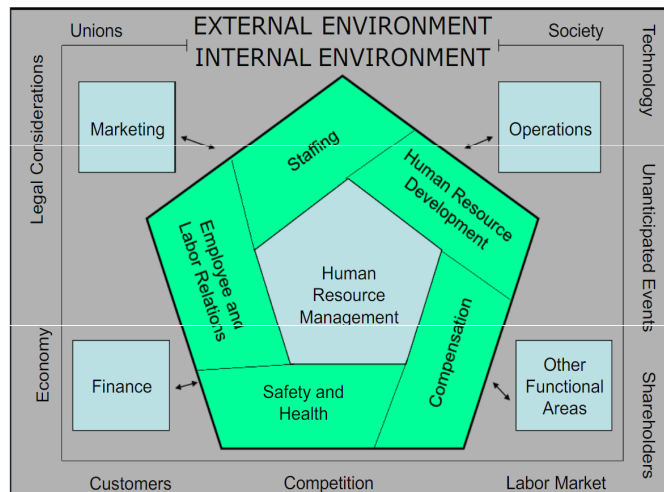
Agenda for today

- What is HRM and why is it important?
- Perspective 1: STRATEGIC
- Perspective 2: ORGANIZATIONAL
- Perspective 2: CULTURAL and BEHAVIORAL
- HRM for better PERFORMANCE
- Q & A

What is HRM and why is it important?

... everything associated with employment relations in an organization.

Why have people/employees become (arguably) the most important asset of a company?



Perspective 1: STRATEGIC

There are two competing perspectives of SHRM

- best practice (universalistic) approach
- best fit (contingency) approach

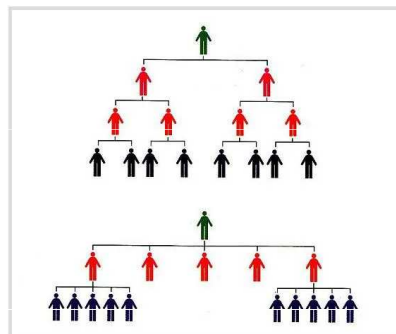
Some people argue that „best fit“ model is better than „best practice“ model.

- **What does the concept of „best fit“ mean?**
- **Are there any potential problems with the concept of „best fit“? If so, what are they?**

Perspective 2: ORGANIZATIONAL (1/2)

Span of Control

= the number of employees (who can be effectively and efficiently) directly supervised by a manager.



Organizational Level	Members at Each Level	
	(Highest) Assuming Span of 4	Assuming Span of 8
1	1	1
2	4	8
3	16	64
4	64	512
5	256	4,096
6	1,024	32,768
(Lowest)	4,096	262,144

Span of 4:
Employees: = 4,096
Managers (level 1-6) = 1,365

Span of 8:
Employees: = 4,096
Managers (level 1-4) = 585

What is the current trend in org. design: towards tall (narrow span of control) or flat (wide span of control) organizational structures?

Perspective 2: ORGANIZATIONAL (2/2)

The trend is towards flatter organizations (wider span of control).

How does this influence human resource management in companies?



Perspective 3: CULTURAL and BEHAVIORAL

Organizational culture influences how people, teams and organisations behave.



Some people suggest that the most effective organizations have the strongest cultures.

- What do we mean by the „strength“ of org. culture?
- What factors affect it?
- What possible problems are there with a strong org. culture?
- What are the implications for HRM?

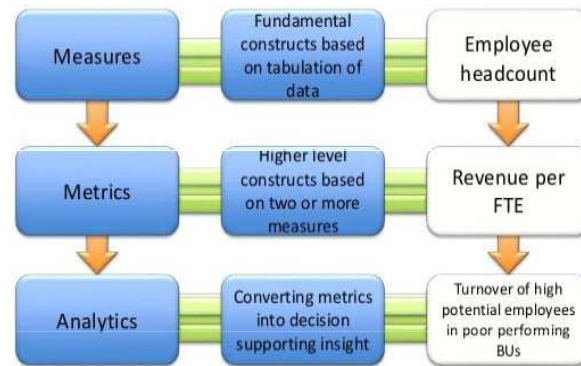
HRM for better PERFORMANCE (1/2)

Progress and performance need to be measured.

That allows for evidence-based decisions.

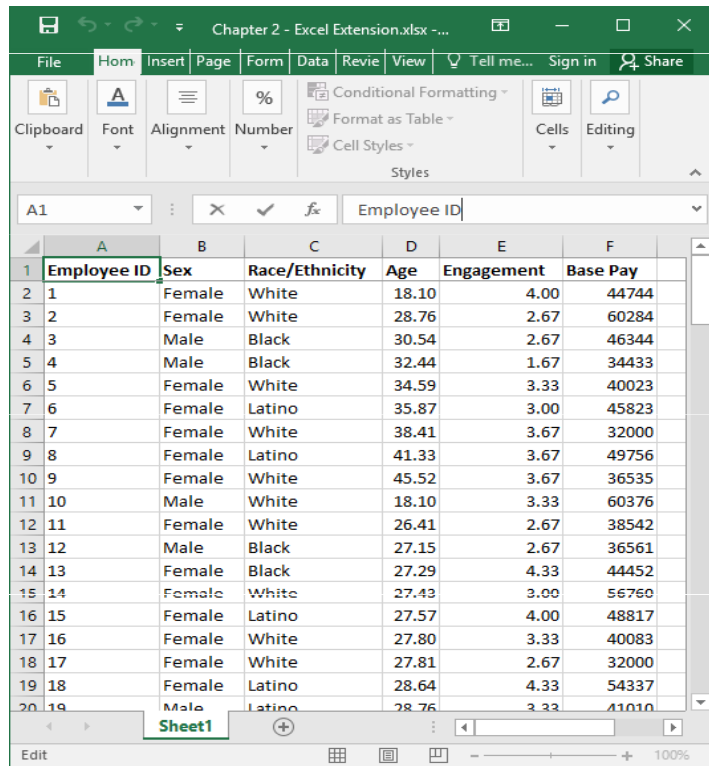
That requires data to be collected in a regular and systematic ways.

Data-driven analyses can support decision making and strategy formulation.



Employee ID	Sex	Race/Ethnicity	Age	Engagement	Base Pay
1	Female	White	18.10	4.00	44744
2	Female	White	28.76	2.67	60284
3	Male	Black	30.54	2.67	46344
4	Male	Black	32.44	1.67	34433
5	Female	White	34.59	3.33	40023
6	Female	Latino	35.87	3.00	45823
7	Female	White	38.41	3.67	32000
8	Female	Latino	41.33	3.67	49756
9	Female	White	45.52	3.67	36535
10	Male	White	18.10	3.33	60376
11	Female	White	26.41	2.67	38542
12	Male	Black	27.15	2.67	36561
13	Female	Black	27.29	4.33	44452
14	Female	White	27.43	3.00	56760
15	Female	Latino	27.57	4.00	48817
16	Female	White	27.80	3.33	40083
17	Female	White	27.81	2.67	32000
18	Female	Latino	28.64	4.33	54337
19	Male	Latino	28.76	3.33	41010

HRM for better PERFORMANCE (2/2)



	A	B	C	D	E	F
1	Employee ID	Sex	Race/Ethnicity	Age	Engagement	Base Pay
2	1	Female	White	18.10	4.00	44744
3	2	Female	White	28.76	2.67	60284
4	3	Male	Black	30.54	2.67	46344
5	4	Male	Black	32.44	1.67	34433
6	5	Female	White	34.59	3.33	40023
7	6	Female	Latino	35.87	3.00	45823
8	7	Female	White	38.41	3.67	32000
9	8	Female	Latino	41.33	3.67	49756
10	9	Female	White	45.52	3.67	36535
11	10	Male	White	18.10	3.33	60376
12	11	Female	White	26.41	2.67	38542
13	12	Male	Black	27.15	2.67	36561
14	13	Female	Black	27.29	4.33	44452
15	14	Female	White	27.43	3.00	56760
16	15	Female	Latino	27.57	4.00	48817
17	16	Female	White	27.80	3.33	40083
18	17	Female	White	27.81	2.67	32000
19	18	Female	Latino	28.64	4.33	54337
20	19	Male	Latino	28.76	3.33	41010

With the sample data structure on the left:

- Which measures can you construct?
- Which metrics can you derive?
- How can the metrics be used:
 - for analysis to facilitate decision making and/or strategy formulation processes?
 - to demonstrate HRM performance?

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Q & A

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THANK YOU

