

# MANAGEMENT & CONCERNS REPORT

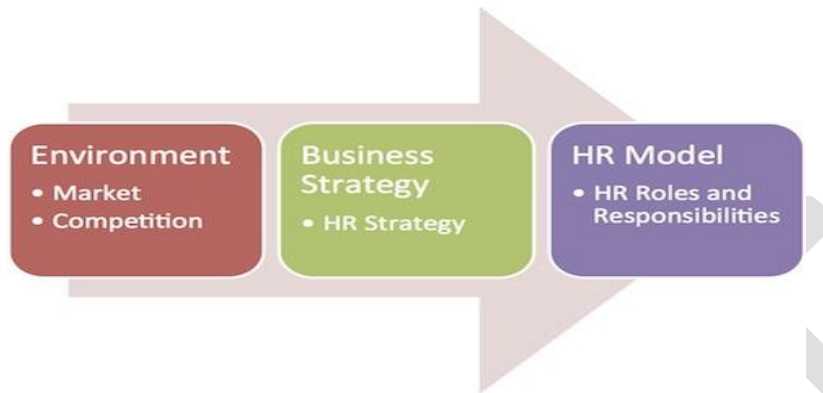


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## Human Resource Management's Role

Although human resource's organizational roles are relatively broad, human resource management has two basic functions: overseeing company operations in relation to human capital and managing employees. Therefore, it is critical HR professionals be competent in a variety of human resource disciplines; e.g.: training and development, employee relations, and compensation and benefits. Human Resources play a vital role in the strategic design of an organization, as the primary objective is to generate and support innovative methods to enhance

employee and organizational performance. Please refer to the following diagram:



Human Resources also helps establish effective policies and procedures that assist in optimizing personnel costs by using cost-effective compensation and benefits practices. Human resources is a prominent factor in determining the success or failure of an organization. It does not matter how large or small or what industry, a company is only as strong as its employees.

# Management & Concerns Report

## HUMAN RESOURCE MANAGEMENT'S ROLE

Senior management at Watson Technologies understands the importance of risk management by taking into account both internal and external concerns. For that reason, Senior Management at Watson Technologies, a successful software development company, has requested a report from its Operational Management Committee, OPMC, identifying and addressing administrative concerns that may threaten or impeded a healthy and productive work environment.

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The purpose of this report is to accurately identify and effectively address management concerns in an effort to foster a healthy and productive workforce. The following information will highlight Watson's Technologies most prevalent concerns as well as define the cause and provide effective recommendations to alleviate or reduce, to the lowest possible level, the adverse impact of these concerns.

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### **Developing the Next Generation of Corporate Leaders: Succession Planning**

#### *Overview:*

With a considerable number of key leaders approaching retirement, Baby Boomers, Generation Y has fast become the majority of the workforce over the past decade (Kerry, 2013). This will require Watson Technologies HR personnel to be very strategic in order to attract, retain, and develop the right employees for leadership. Organizations benefit when they develop and retain talented leaders, which is why human resources considers performance management a chief priority. Watson HRM believes that talent identification and retention plays a vital role in the long-term viability of a business. Recruiting and retaining top talent is the key to maintaining a competitive advantage.

***Cause and Concern:***

Watson Technologies OPMC realizes that with the generational shift, the organization will soon be losing primary employees to retirement, leaving key positions vacant, specifically in management. Not having employees groomed and prepared to immediately move into these positions can lead to a never-ending stream of unsuccessful and expensive recruitment campaigns which can adversely affect organizational culture and impede company efficiency and profitability.

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***Recommendations***

A new approach to management is needed, where executives empower, inspire and strengthen the future leadership of the company. This will enable the executives of the future to build strong sustainable organizations that are held in trust for future workplace generations. These practices, unlike the conventional command and control leadership styles, will center on reducing costs and generating profit ("Three Management Approaches"). Watson OPMC recommends, in conjunction to implementing management classes and training for present and future executives, revising the company succession plan to ensure proper preparation of the organization's future leaders.

The succession plan will enforce three key principals to ensure cost effectiveness and workplace equivalence: (1) Incorporate Human Resource Planning (HRP) as this helps to project the company's needs for personnel at executive levels; (2) Evaluate organizational needs and create a potential replacement chart; as this will assist in defining and measuring individual qualifications needed for each targeted position; and (3) Develop employees that have potential and interest in management. This can be achieved by having the employee engage in developmental activities; e.g.: Job rotation; this entails the individual work in different executive positions throughout the organization. This method provides insight into the overall strategic

operations of the company. Succession plans also incorporate a strategy for external recruitment, however, the OPMC believes this option should be utilized as a last resort; when all internal avenues have been exhausted (Simmering, 2004).

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## **Creating an Attractive Corporate Culture: Diversity and Inclusion**

### ***Overview:***

Watson Technologies understands organizational success and competitiveness hinges on its ability to cultivate and resourcefully manage diversity. Diversity encompasses a variety of challenges; however, it is essential to understand and efficiently manage these challenges. Workplace diversity highlights the array of differences involving people in an organization. This appears relatively simple, however diversity includes but not limited to age, gender, ethnicity, race, religion, etc. (Greenberg, 2009). For instance, varying generations in the workplace create unique communication and leadership challenges. Diversity not only entails how we view ourselves but it also influences our perception of others.

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### ***Cause and Concerns:***

The benefits of a diverse work culture is not without its challenges, e.g.: communication barriers, changes in technology, resistance to change, etc. (Greenberg, 2009). There are two factors that play a large part in creating the aforementioned concerns: (1) Failure to effectively communicate key organizational objectives; and (2) Poor leadership and assessment of workforce needs and concerns. These business practices breed confusion, lack of team collaboration and diminishing employee morale.

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### *Recommendations*

The OPMC recommends developing and implementing effective leadership diversity training and policies in conjunction with the Managing by Walking Around method, (MBWA). The committee has researched and compiled a list of the top three companies that provide effective management diversity training along with providing assistance with ongoing monitoring, **(OPMC's decision is pending per executive management's review and approval)** (Greenberg, 2009).

The MBWA is an informal, underused, and sometimes misused, management practice. MBWA places managers in touch with the people of the organization to gain firsthand knowledge of the workplace culture, as well as promotes productivity while encouraging total quality management of the company (Greenberg, 2009). It also emphasizes the significance of interpersonal contact, appreciation, and acknowledgement. If properly used, it can help build respect and trust between employees and management, while optimizing performance in the workplace. It is recommended to conduct the walk through alone, as this will help build trust and encourage open honest communication. This is a fundamental step in promoting and improving Watson Technologies workforce culture by demonstrating to employees that not only is their hard work a significant contribution to the ongoing success of the organization, but what they think and feel in relation to the company is equally important.

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In order for Watson Technologies to achieve optimum benefits of the OPMC's recommendations, executive management must be committed to being consistent. Consistency is vital as this provides insight to managements true intentions and perception of its workforce. Furthermore, in combination with working with a third party agency to ensure proficiency of our new process, the OPMC will initiate periodic internal employee surveys to accurately monitor the efficiency and benefits of these recommended initiatives.