

Strategic Human Resources Planning

**The role of HR in creating
transformational cultures** **By Ronald F. Smedley**

Traditionally, human resources (HR) departments have had limited success in becoming key players on executive teams. Executives struggle visualizing what could happen if HR strategically supported a ministry's key objectives. They miss how the HR department could help transform organizational culture from transactional to transformational. Why? Ministry HR departments have too often focused on HR transactions instead of organizational transformation.

/// Strategic Human Resource Planning (SHRP) brings together a ministry's management practices and HR systems. The goal of SHRP is to move HR departments from transactional to transformational people management, resulting in focused and motivated employees.

The SHRP process helps ministries to effectively manage people, develop growth strategies, and employ futuristic thinking. It includes six key result-focused areas (see chart below). Each area is strategically vital to meeting ministry objectives and goals. All HR processes, initiatives, and actions ultimately fall under one of these six areas.



The SHRP process directly supports the strategic alignment of the organization.

Once the SHRP process and mindset is adopted by the HR department, it can become the roadmap for transforming ministry culture, with every decision, action, and initiative undertaken by HR focusing directly or indirectly on supporting the fulfillment of the ministry's goals.

Note: The key focus of SHRP and quality HR is not personnel administration, but growing and building relationships. Our Lord created us "for his good pleasure" and to have a relationship with him. Without a relationally-focused approach to HR, we won't achieve ministry that transforms from the "inside out." Who determines the quality of relationships within any organization? The employee.

What is a "transaction" and what is "transformation"?

"Transaction" means to "go through" or complete an action. For the purpose of human resources management (HRM), a transaction is taking content, either internal or legal, and placing it in a process or system that is necessary for the legal and/or administrative compliance of your HR programs. Transactions could include payroll, attendance, benefits, hiring, feedback, discipline, performance monitoring, terminations, workers' compensation, and safety.

Any process or system is transactional by definition. The real question is, What was the quality of the process when the transaction took place? Was it transformational, promoting a change in the quality of a person? A transformational process betters not only individual employees, but also entire teams, departments, and/or organizations. Transformation always involves enhanced relationship awareness.

One key responsibility of HRM is to present all transactional processes, actions, or comments in a transformational manner. They must focus on both the employee and key departmental initiatives and/or organizational objectives. That makes the process both transformational and strategic in nature.

The six key result-focused areas of the Strategic Human Resource Process are as follows:

1. DETERMINING THE ORGANIZATIONAL CLIMATE

When evaluating the climate, or attitude, an organization has towards HR, four key questions should be asked:

- Does my ministry have a clear vision, mission, and set of principles or values promoted from the top down, with every employee sharing them from memory?
- Does my ministry regularly conduct a strengths, weaknesses, opportunities, threats (SWOT) analysis on the health of the ministry and its departments?
- Does my ministry set both organizational and departmental objectives with defined metrics to show progress?
- Does my ministry demonstrate a culture that makes HR vital to

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MISSION SRA provides people development and stewardship solutions for organizations with a continual focus on strategy, integrity, courage, and relationships.

KEY SERVICES The foundation for successful human resource management and development is creating a workplace culture of transparent communication. It is easy to fix a broken HR system. It is a challenge to grow a workplace culture that allows the HR fix to take hold. SRA can do both.

EMPLOYEES 3

CLIENTS Turning Point Ministries, Forest Home Christian Camp and Ministries, Orange County Rescue Mission, Open Doors USA, Faith and Philanthropy Institute, Trinity Financial Partners, First Evangelical Free Church of Fullerton, Evangelical Christian Credit Union, Harvest Rock Church, and more.

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its short and long-term growth and success?

These questions help clarify the attitude an organization has towards its HR department. If it is positive, HR can move forward with a transformational strategy. If there are past issues of poor human relations or ineffective processes demonstrated by HR, the department should move forward by *doing* rather than simply *talking*. How can HR build trust? By being consistent in both actions and relationships.

Question to consider: What is the climate towards HR in your ministry? How do you know?

2. FULFILLING HUMAN CAPITAL (EMPLOYEES') NEEDS

HR departments today are responsible for so many areas of support that they have often been referred to as the last professional generalists. Assessing how an organization fulfills its human capital needs is a key focus within any HR department. Once assessed, it allows HR to determine if they are fulfilling or failing the current administrative and functional needs of the organization. If HR is to align and support the ministry, it is critical to fulfill HR needs in three key areas:

- **Promoting** the growth, satisfaction, and development of one's employees.

- **Aligning** synergistically the ministry mission, objectives, and strategies with solid human resource systems and planning, bringing about effective and satisfied employees for the purpose of ministry growth.

- **Providing** support to ensure legal compliance in the labor-related arenas of the law within the day-to-day employee processes such as hiring, onboarding, feedback, counseling, performance monitoring, termination, and safety.

Question to consider: If your HR department was audited, would it be deemed as meeting the needs of the ministry?

3. ACQUIRING HUMAN CAPITAL

Organizations with better selection capabilities report a 20 percent increase in organizational and employee performance.

Many HR departments indicate the most frustrating part of their job is finding and retaining good people. Most new employees spend the first year in a position acclimating to the ministry and the position; the second year experimenting in efforts to increase their effectiveness; and finally, in their third year, they begin operating at a level of higher performance. It is easy to conclude that it is more cost-effective to spend significant time screening and selecting employees in an effort to identify those who will find personal success and yield fruitful service to the ministry, making it a win-win situation. How does your ministry determine who will be your employees?

Question to consider: Are you hiring those you believe to be the most qualified person for any open position? How do you know?

4. ONBOARDING HUMAN CAPITAL

The new employee's orientation is the key to effectively onboarding them into the organization.

The goals of onboarding are:

- Orienting or familiarizing an employee into the organization.
- Removing "new employee" fears on the first day (such as where to park, restrooms, best places to eat, etc.).
- Acclimating the employee to their new role.

Question to consider: Do you have a clear strategic plan for onboarding new employees that exercises minimum effort for maximum results?

5. DEVELOPING HUMAN CAPITAL

Benchmark studies by the American Society for Training and Development show that successful organizations have a strong commitment to employee training and development.

Solid training and talent development programs have a 40-plus percentage positive impact on organizational performance and retention. Growing others builds trust that leads to closer relationships and longevity, and budgeting for personal, team, department, and ministry development demonstrates a commitment to growing one's people. That leads to a culture of positive change and innovation.

Question to consider: Do you train and develop your employees because it is the right thing to do or because you have a specific need?

6. RETAINING HUMAN CAPITAL

Turnover indicates the value a ministry places on its people. High turnover typically indicates low morale and a de-motivating environment. It is a myth to think that you can motivate someone, but you can provide a work environment in which an employee will choose to be motivated. Ask employees what is needed for that type of workplace rather than assuming what motivates them. When employees are being holistically developed and have challenging fun in the process, retention always follows.

What are the components of retention? A sense of engagement, personal challenge, interesting work, and the knowledge the boss cares about who employees are and what they do. Other aspects include a clear vision, mission, and set of principles or values that are the cornerstones of the ministry. These are coupled with challenging well-defined objectives, initiatives, and metrics. Lastly, cultures that have high retention emphasize the three-team "Cs": character, competency, and chemistry.

Question to consider: Why would anyone want to stay long-term with your ministry without pressuring people to stay for the sake of the ministry?

PULLING IT ALL TOGETHER

When the HR department is a strategic partner to the executive team, they focus on meeting the objectives of the organization within the six key result areas of the Strategic Human Resource Process. Effective relationships are top priority. HR should always be able to demonstrate the transformational aspects of any system, action, or process that is strategically assisting the ministry to achieve its objectives. If this does not occur, the result is relational conflict, chaos, miscommunication, and distrust. When it does take place, HR helps to build a healthy culture that moves the ministry from good to great. ●

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