

# *Strategic Staffing*

## Chapter 1 – Strategic Staffing

Jean Phillips & Stanley Gully

# Learning Objectives

- After studying this chapter, you should be able to:
  - Understand why staffing is critical to an organization's performance
  - Define strategic staffing and contrast it with less strategic views of staffing
  - Describe the seven components of strategic staffing
  - Understand staffing goals
  - Describe how staffing influences and is affected by the other functional areas of human resource management

# Staffing for Competitive Advantage

- A *competitive advantage* is something that a company can do differently from its competitors that allows it to perform better, survive, and succeed in its industry
- Every company's employees create, enhance, or implement the company's competitive advantage
- Where do these employees come from? It all begins with the staffing process

# Why Is Staffing Important?

- Staffing outcomes determine who will work for and represent the firm, and what its employees will be willing and able to do.
- Staffing therefore influences the success of future training, performance management, and compensation programs as well as the organization's ability to execute its business strategy.

# What Is Strategic Staffing?

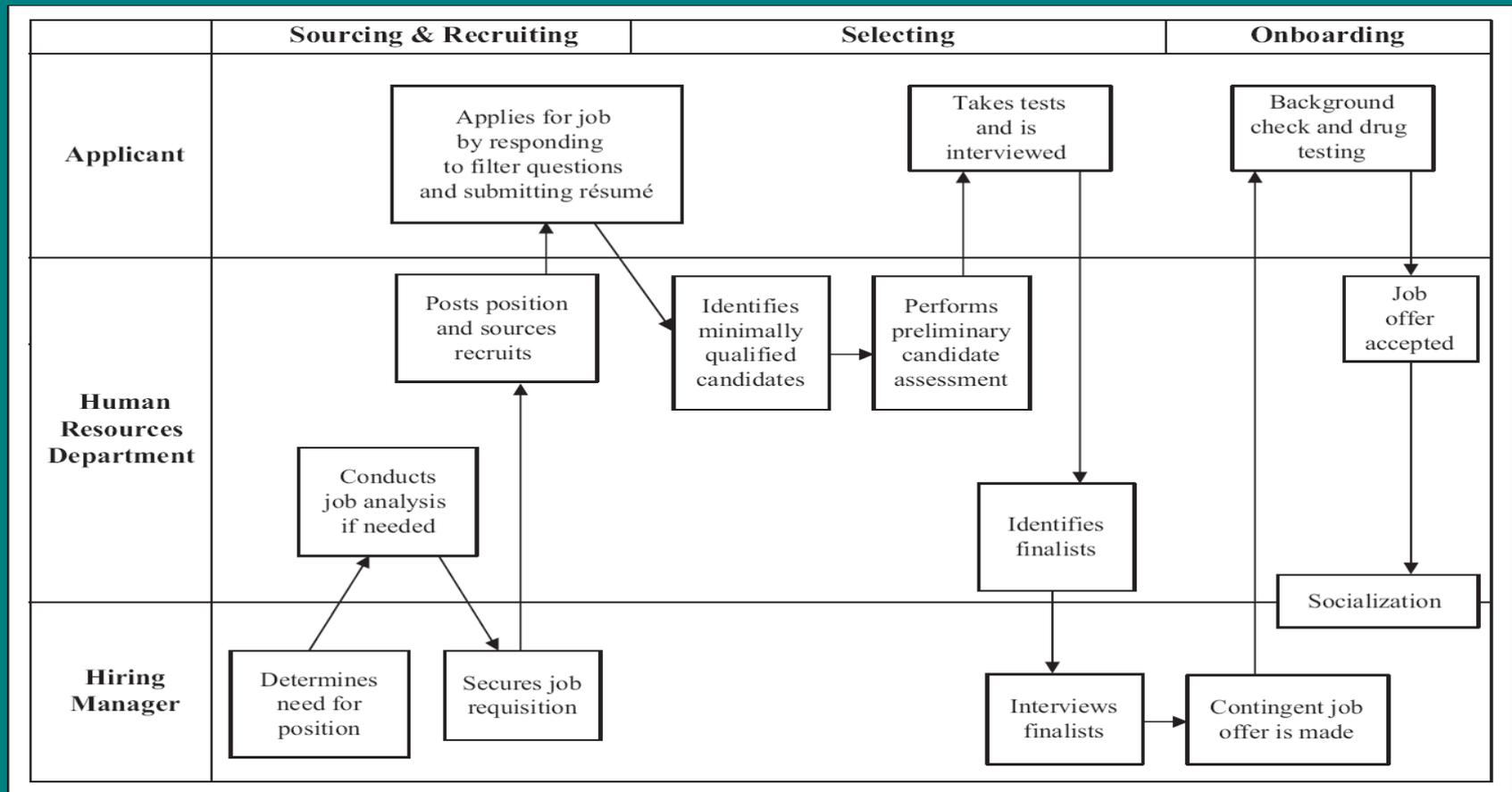
- *Definition:* The process of staffing an organization in future-oriented and goal-directed ways that support the organization's business strategy and enhance organizational effectiveness.
- This involves the movement of people into, through, and out of the organization.

# How Strategic Staffing Differs from Traditional Staffing

- Traditional staffing:
  - Less tied to strategy
  - More reactive and more likely to be done in response to an opening
  - Lacks continuous improvement effort
- Strategic staffing systems incorporate:
  - Longer-term planning
  - Alignment with the firm's business strategy
  - Alignment with the other areas of HR
  - Alignment with the labor market
  - Targeted recruiting
  - Sound candidate assessment on factors related to job success and longer-term potential
  - The evaluation of staffing outcomes against pre-identified goals

# Staffing Process

- Figure 1-1: A Flowchart of the Staffing Process



# Seven Components of Strategic Staffing

Table 1-1

1. *Workforce Planning*: strategically evaluating the company's current lines of business, new businesses it will be getting into, businesses it will be leaving, and the gaps between the current skills in the organization and the skills it will need to execute its business strategy
2. *Sourcing Talent*: locating qualified individuals and labor markets from which to recruit
3. *Recruiting Talent*: making decisions and engaging in practices that affect either the number or types of individuals willing to apply for and accept job offers
4. *Selecting Talent*: assessing job candidates and deciding who to hire
5. *Acquiring Talent*: putting together job offers that appeal to chosen candidates, and persuading job offer recipients to accept those job offers
6. *Deploying Talent*: assigning people to appropriate jobs and roles in the organization to best utilize their talents
7. *Retaining Talent*: keeping successful employees engaged and committed to the firm

# Workforce Planning

- *Definition:* The process of predicting an organization's future employment needs and the availability of current employees and external hires to meet those employment needs and execute the organization's business strategy.
- Usually involves both the hiring manager and a staffing specialist
- Can be *short-term* and focus on an immediate hiring need
- Can be *long-term* and focus on the organization's needs in the future. Workforce planning is better strategically the more it addresses both the firm's short- and long-term needs.

# Sourcing and Recruiting Talent

- *Sourcing*: locating qualified individuals and labor markets from which to recruit
- *Recruiting*: all organizational practices and decisions that affect either the number or types of individuals willing to apply for jobs and accept job offers
- Sourcing identifies people who would be good recruits. Recruiting activities entice them to apply to the organization and accept job offers, if extended.

# Selecting and Acquiring Talent

- *Selecting*: assessing job candidates and deciding whom to hire
  - Operates in a strong legal context
- *Acquiring*: involves putting together job offers that appeal to chosen candidates, and persuading job offer recipients to accept those job offers and to join the organization
  - *Negotiations* usually result in *employment contracts*

# Deploying Talent

- *Deploying*: assigning talent to appropriate jobs and roles in the organization
  - *Succession planning and career development* enhance deployment options
- *Socializing*: the process of familiarizing newly hired and promoted employees with their job, workgroup, and organization

# Retaining Talent

- Succession management and career development are effective tools
- Turnover of high performers can be expensive
- Turnover of low performers can be beneficial
- Retention saves money in recruiting and hiring replacements for those leaving

# Matchmaking Process

- Recruiting and selection are interdependent, two-way processes in which both employers and recruits try to look appealing to the other while learning as much as they can about their potential fit.
- Applicants and organizations choose each other.
- Recruitment continues throughout the selection and acquisition process until the person is no longer a viable job candidate, or until a job offer is accepted and the person reports for work.
- Some firms continuously “recruit” current employees to maintain their attractiveness as an employer and enhance retention.

# Staffing Goals

**Table 1-2**

## Process Goals

- Attracting sufficient numbers of appropriately qualified applicants
- Complying with the law and any organizational hiring policies
- Fulfilling any affirmative action obligations
- Meeting hiring timeline goals
- Staffing efficiently

## Outcome Goals

- Hiring individuals who succeed in their jobs
- Hiring individuals who will eventually be promoted
- Reducing turnover rates among high performers
- Hiring individuals for whom the other human resource functions will have the desired impact (e.g., who will benefit from training, and who will be motivated by the firm's compensation package)
- Meeting stakeholder needs
- Maximizing the financial return on the organization's staffing investment
- Enhancing the diversity of the organization
- Enabling organizational flexibility
- Enhancing the business's strategy execution

# Staffing Goals

- Should be aligned with improving the *strategic performance* of the staffing system.
- The primary staffing goal is to match the competencies, styles, values, and traits of job candidates with the requirements of the organization and its jobs.
- Strategic staffing goes even further and enables the organization to better execute its business strategy and attain its business goals.
- Staffing goals should be consistent with the goals and needs of all stakeholders in the staffing process, including applicants and hiring managers.

# Questions to Ask in Setting Staffing Goals

**Table 1-3**

- Is it more important to fill the position quickly or fill it with someone who closely matches a particular talent profile?
- What levels of which competencies, styles, values, and traits are really needed for job success and to execute the business strategy?
- What is the business's strategy and what types of people will it need 1, 5, and 10 years from now?
- What talents must new hires possess rather than be trained to develop?
- What are the organization's long-term talent needs? Is it important for the person hired to have the potential to assume leadership roles in the future?

# Integration With Other Areas of HR

- Training
- Performance management
- Compensation
- Succession planning
- Career development
- Recruitment impacts selection activities and the likelihood of successfully identifying good hires

# Discussion Questions

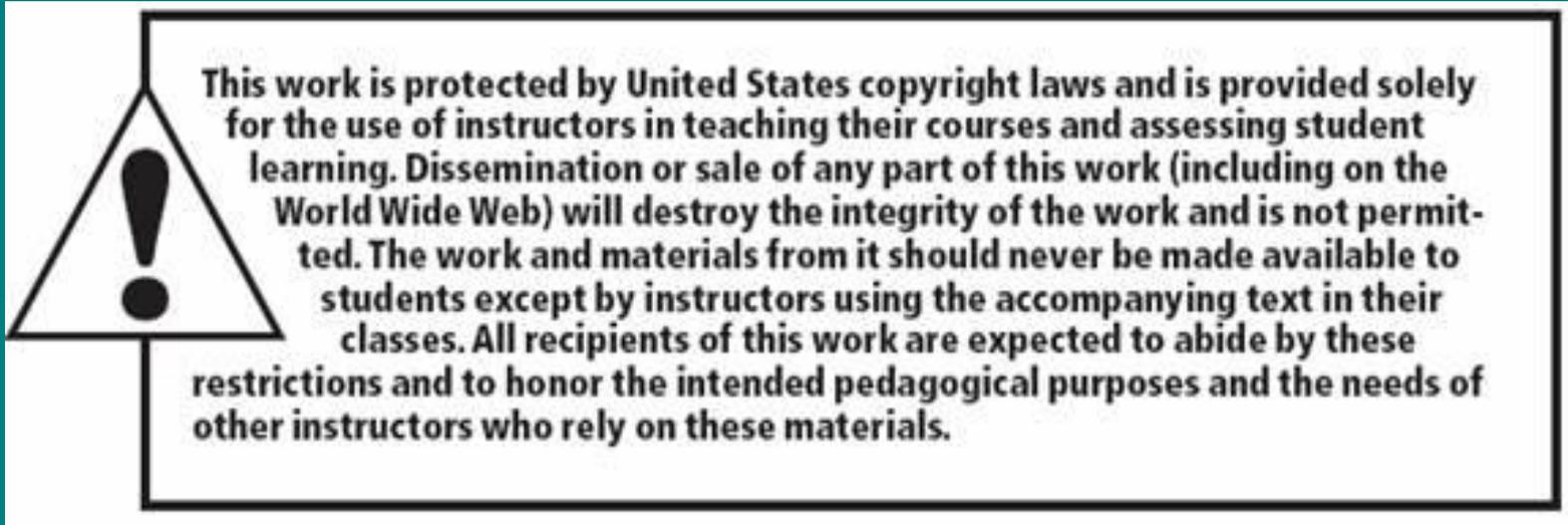
- Relate a hiring experience you have had as a job seeker to the process illustrated in Figure 1-1. What could the organization you applied with have done to improve your experience?
- Assume that your organization wants to pursue a staffing strategy of acquiring the best talent possible. Give an example of how the firm's ability to provide only average pay can affect the effectiveness of this staffing strategy.
- Why is staffing the cornerstone of Mattel's human resource management system (as discussed in the chapter vignette)?”

# Discussion Questions

- Recruiting and selection are interdependent, two-way processes in which both employers and recruits try to look appealing to the other while learning as much as they can about their potential fit. Impression management is the process through which people and employers each try to control the impressions others form of them. How do applicants and employers try to look appealing to each other during the staffing process?
- If your CEO asked you why she should invest more money in the organization's staffing systems, what would you tell her?

# Strategy Exercise

- Working alone for five minutes, take notes about how you might design a staffing plan for your own job. If you have no work experience, choose a job with which you are familiar.
- Next, form a group of 3-4 students, choose one job, and design a staffing plan for it. Be prepared to share your ideas with the class.



**All rights reserved. No part of this publication may be reproduced, stored in a retrieval system, or transmitted, in any form or by any means, electronic, mechanical, photocopying, recording, or otherwise, without the prior written permission of the publisher. Printed in the United States of America.**