

# HR Strategy and Professional Practice

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## Introduction

Human resource is used to illustrate both the people and the departments who are responsible for carrying out their respective role and it responsible for managing resources. Besides, Bratton and Gold (2017) human resource management involves the administration and developing of programs which is set up for maximizing organizational effectiveness. This enables the business in managing the employee and employer relationship. Chowhan *et al.* (2017) mentioned that human resource based theories of strategy mainly focuses on the element of people for developing the strategy and emphasizing on motivation and culture of the organisation. Chelladurai and Kerwin (2017) defined human resource management as the process of recruitment and selection of employees according to the organizational policies and procedures. Even, the human resource management is associated with the role of providing training and development, motivating the employees, maintaining employee relationship and ensures in creating healthy work ambience. Hofstede's cultural dimension theory is a framework that to describe cross-cultural communication which states the effects of culture on values in the society. Besides, the resource based theory of human resource management draws attention to the values of the workforce and it is regarding the issues that are associated with workplace learning (Sareen, 2018). In addition, the 360-degree feedback is an effective theory in human resource management, which is used for taking feedback from the employees that helps to know the situations that are faced by the employees in the workplace.

The chosen company for this assignment is Oman Oil Company, which is a commercially owned company by the government of the Sultanate of Oman. The company is a national petroleum investment company. Oman Oil Company was established in the year 1996 where the company has invested in power generation, oil refining, energy transportation, infrastructure, and petrochemical manufacturing. Besides, the statistical data of the company states that they have owned 49% stake in the Oman Oil Marketing Company. Besides, it has network of 179 retail filling stations all across Oman, which is performing under effective human resource management (Oman-oil.com. 2018). With the participation in energy the company is playing a vital role in the Sultanate's effort in order to diversify the Omani economy. Besides, the company promotes Omani and foreign private sector investment.

The objectives of the assignment are:

- To evaluate human resource strategies and practices in the Oman Oil Company
- To assess the relationship between the human resource strategies and the overall performance of the company
- To analyse the effectiveness of human resource strategy of Oman Oil Company by using SWOT analysis
- To recommend Oman Oil Company for appropriate change management strategies in order to improve the human resources of the company

## Analysis and Contents

***a. Evaluate the HR strategies and practices of Oman Oil Company and relate with policy of HR development***

An organisation is able to make effective performance through the policy and practices of human resource, which is becoming crucial for contributing towards excellence. The human resource strategy in Oman Oil Company is related with managing performance of the employees. Performance is management through well-designed business policies and procedures. The HR strategy of the company makes sure that the employees are receiving suitable work structure so that they can feel safe and healthy while performing their work role. The overall business strategy of Oman Oil Company mainly focuses on innovation, business values and global integration. Behind the strategies, it is the employees who make it work accordingly with the support from leaders. Analoui (2017) stated that the HR strategy of the company also ensures that the employees are motivated and energized while they carry out their respective work role. Therefore, Oman Oil Company motivates the employees through leadership, flexibility, performance-based opportunities, hiring diverse and skilled candidates and with job satisfaction. Rees and Smith (2017) added that human resource management of the company makes sure that they identify business needs which is their foremost priority in order to carry out work in the region of Oman. Herein, the company makes sure that they make sure about the requirement of staffs who will be carrying out their role in different department like refining oil, in logistic management or financial department.

The HR practice of the company mainly influences the performance of the firm due to which they focuses on training and staffing of employees. Beach and Lipshitz (2017) stated that training plays a vital role within an employee as it prepares them to carry out the responsibilities that they are given in Oman Oil Company. Being leading petroleum company they are strict in recruitment and selection process of the employees where they makes sure that the staffs are selected as per the job specifications and person description. Besides, it is noted that the HR practice and strategy that are undertaken by the company relates with the policy of HR department where it signifies on recruitment, selection, training and rewarding the staffs.

Herein, it can be inferred that along with training the staffs need to be motivated where they can be rewarded for their work performance. The department of HR management rewards the employees with increment and promotion, which is an effective strategy to keep the employees, motivated and at the same reduces employee turnover rate. The employee of the organisation gets equal employment opportunity with equal payment as per their responsibilities. Even the policy of human resource development makes signifies that the policy of equal employment opportunities, performance improvement, performance evaluation and salary increment are done in the workplace so that employees tend to stick in the workplace and carry their work role with innovative ideas and strategies (Bakker and Demerouti, 2017). Even it is essential to motivate the employees with effective human resource strategies and practices due to high competition so that a talented and skilled employee does not switch their preferences from one company to another. The organizations who are able to administer their HR policies in a consistent manner can be benefited in several ways like the formal policy can be effective for the supervisors and managers in decision making, hiring and promotional phase.

***b. Assess the relationship between the HR strategies and company's performance***

Human resource management is a significant factor in order to make an organisation successful. Indeed, the importance in HR strategy is increasing in great extent in order to gain competitive advantage for the modern organizations. For an organisation, the employees remain the most

valuable asset as it enables the company in achieving competitive advantage in the market place. However, it is difficult for the organisation to maintain the valuable asset due to different requirement and needs of the employees. The HR strategy of Oman Oil Company focuses on strategic training and development of the employees. Incorporating formal training and development process is effective as it provides the company with potential advantage (Cornelissen and Cornelissen, 2017). This also ensures in improving work performance of the employees as they become well acquainted with the responsibilities that they will be carrying out in the organisation. Among all the objectives of Oman Oil Company, they are in creating meaningful employment within Oman. Thus, the company makes sure in achieving the core objectives by recruiting talented employees and training them with effective policies so that their current skills are polished effectively. Even the report of the company states that they train the employees with advanced technologies in order to get adapted to the changing competitive environment.

Even, training has helped the organisation in improving organizational productivity and motivating the employees with their work. For example, the department who carries out work in refining oil is trained with advanced technologies so that they become capable in oil refining and petrochemical manufacturing. Even, it enable the company in enhancing their financial position as the aim of training the employees is fulfilled which is to enhance the effectiveness of the organisation. Rothenberg *et al.* (2017) mentioned that training improves the overall performance of the organisation, which leads to profitability, productivity, earning good revenue and strengthening their business. The HR department of the organisation understands the need of the organization and while training the candidates they make sure it aligns with organisation mission, goals, values and objectives.

Apart from that, the strategic recruitment and selection procedure of Oman Oil Company critically influences the performance of the organisation. The organisation values in producing quality work and build up efficiency and effectiveness in carrying out respective roles and responsibilities, which they are achieving through effective recruitment process. It is found that the organization achieves the value not only by recruiting experienced candidates but also by they values in recruiting fresher as according to the company recruiting new candidates can help them in getting new ideas. Besides, the company believes in carrying out effective teamwork by carrying out collaborative work, which aims in delivering the organizational objectives. DeGeest *et al.* (2017) stated that the HR strategy of recruitment and selection plays a vital role in shaping organizational effectiveness and performance. Besides, the organisation focuses on staffing the employees according to their skills and ability of performing the work, which helps the organisation in increasing employee retention. In addition, reducing employee turnover is also beneficial for improving employment relationship where performance from both the sides can be effective. Even hypothesis can be build up where it can be stated that strategic recruitment and selection practices can positively influence the employees in giving best for improving organizational performance.

Besides, in Sultanate of Oman the competition of Oil and Gas Company is enormously increasing due to which the competition has become high for Oman Oil Company. Therefore, for surviving in the market place the organisation is implementing new strategies for recruiting the staffs along with effective promotional activities. Hatch (2018) states that when the employees are developed with good skills and experience it help the organisation to sustain in the challenging situation by increasing their performance which enables them to sustain in the competitive market place.

According to Cornelissen and Cornelissen (2017), the strategy of managing performance management in the workplace reflects in enhancing organizational performance.

The core objective of Oman Oil Company states that they are towards growing talent in respect to both business leaders and professionals. Besides, the mission of the company states that they are towards developing business and the employees to their full potential. Therefore, in order to achieve that the organisation is focusing performance management. The performance of the employees is managed by training the employees and rewarding them for their effective work performance. In addition, the report of Oman Oil Company also focuses on in their performance through customer satisfaction, profitability, productivity, enhancing employee morale and marketing effectiveness. Here, as per this perspective the performance of the employees are related with effective performance of the employees, which positively influence in strengthening organizational performance. Due to this, the HR department effectively focuses in the strategies for encouraging, measuring, identifying and the performance of the employees. Thus, it ultimately enables Oman Oil Company to improve their organizational performance by keeping focus on the business objectives, goals, values and mission.

**c. Analyse the effectiveness of HR strategies using SWOT analysis**

<b>Strength</b>	<b>Weakness</b>
<ul style="list-style-type: none"> <li>• The HR strategy in Oman Oil Company is effective enough as the not only focuses on increasing organisation productivity but also towards the employees whom they treated as valuable asset</li> <li>• The strategy of strategic recruitment and selection is helping the organisation in replacing old ideas with new ones according to the market trend (Cascio, 2018)</li> <li>• The focus on strategic staffing is working effectively as it retaining employees for long period and eliminating poor work performance</li> </ul>	<ul style="list-style-type: none"> <li>• Sometime, HR has to deal with budget constraints and cut due to which they are failing to train the employees with advanced technologies</li> <li>• The strategy of motivation sometimes fails not because of the reward and increment policy but due to ineffective leadership approach. Thus, the employees faces difficulties in increasing their self esteem and morale due to which they fail in staying motivated</li> </ul>
<b>Opportunities</b>	<b>Threats</b>
<ul style="list-style-type: none"> <li>• The HR strategy that the company has adopted will give them significant opportunities to increase their market demand.</li> </ul>	<ul style="list-style-type: none"> <li>• Due to the weakness the organisation the HR policy can get diminish due to the impact if external threats</li> <li>• By focusing on employees opinions on</li> </ul>

<ul style="list-style-type: none"> <li>The company can effectively perform in recruiting the best employees for the work than their competitive firm like National Oil and Gas Company.</li> </ul>	<p>working condition the company may fail in focusing on the requirement of customers for whom the company is performing.</p>
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**Table 1: SWOT Analysis of the strategy of HR strategy**

(Source: Brewster, 2017)

***Explain change management strategies for improving HR effectiveness***

If changes are not undertaken effectively then the outcome can be inconvenient due to which the organisation may lose business opportunities. The companies who are able to manage change management effectively are able to get distinctive advantage over the competitors like National Oil Company. Hence, the Oman Oil Company can successfully lead their employees by adopting organizational change, which can be done in the following ways:

- Overcoming resistance:*** The employees should be helped in best way so that they carry out their work role with a better understanding regarding the changes that are made in the organisation. Besides, strong support should be provided to the employees through training and information in order to ensure that they are managing their work role efficiently. All these process requires advance communication in order to get suitable result.
- Engaging employees:*** HR effectiveness can be improved by engaging the employees to go according to the changes, which can be done through developing team approach. Besides, by assigning the employees with correct roles and responsibilities it can ensure in giving positive outcome for Oman Oil Company.
- Collecting employee feedback:*** The organisation can collect feedback from the employees in order to know their work condition that they are facing while carrying out individual roles and responsibilities. This will enable the HR to make new changes according to the feedback as they come to know the loopholes in their training process due to which the employees are failing to perform.

**Conclusion**

Therefore, it can be concluded that the theories of human resource strategy is effective which can be used according to the situations they are facing in the workplace. The HR strategies and policies of Oman Oil Company focus on performance management, training, development, strategic recruitment, and selection of employees. Besides, the company makes sure that the policies of human resource department are followed while making strategies for the employees and the organisation. Besides, the HR strategies that are carried out by the organisation is influencing their

work performance which is enabling the business to increasing productivity and organizational profitability. Oman Oil Company also makes sure that the strategies are build up for accomplishing vision, mission, goals and objectives. From the SWOT analysis, it has been inferred that the company has good opportunities in the market place for increasing their market demand but they need to focus on mitigating the threats. However, the company may enhance their HR effectiveness by incorporating change management strategies.

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