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Human Resource Practices and the Challenges of Corporate Strategic Leadership

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Abstract:

The intensity of today's concern about human resource practices and the challenges of corporate strategic leadership have been pointed out by recent practices both in public and private sectors. There are poor corporate strategic leadership within the context of creating and maintaining a nimble organization capable of operating successfully in its environment. The paper theoretically explored on how management leadership can apply corporate strategy in a direction suitable for performance outcomes.

Keywords: *Human resource practices, Challenges, Corporate strategic leadership, Nimble organization, Organizational behavior.*

1. Introduction

The object of this paper is to identify the contemporary challenges of corporate strategic leadership and proffer ways and means by which a focused human resource practitioner may meet such challenges. This is to ensure steady corporate growth through promoting the integration of the goals and aspirations both of the individual personnel and the corporate citizen (organization).

Guided by the defined boundaries of this discourse, the paper will proceed by examining and analyzing:

- i. The scope, character and contemporary problems of corporate strategic leadership within the context of creating and maintaining a nimble organization capable of operating successfully in its environment.
- ii. The human resource practitioner, his/her handicaps, functions and required coping attributes for sustained result oriented corporate leadership.

1.1. The Art of Leadership and Organizational Behaviour

Business organization will always need managers, what would make all the difference is the art of leadership they provide their organizations. In this discourse, the art of leadership would be used as interpreted by Opara (2014:16).

- Art is skill acquired by experience or study. A system of rules to facilitate performance. The use of skill and imagination in applying such rules. The art of persuasion. Leadership is showing the way or direction. The course of action, influencing or causing to follow by words or deed. Guiding the behavior of others through ideas, strength or heroic feats. The position or formation of one who leads. The ability to lead.

The art of leadership combines personality trait and behavior, ethics and values, human relations and empowerment of people (Manning and Curtis, 2009). It involves leaders as coach and developer of people managing stress in the work place and adaptive capacity, performance management and organization success.

The term organization, is a (1) Corporate (social) entity that is a; ((2) goal directed, (3) deliberately structured activity system, with a (4) link to the external environment (Daft & Bowerman, 1998). Corporate entity means that organization consist of people, the human-being is the basic building block of organization, which makes a different from other types of systems. Goal directed means that organizations exist for a purpose. They are created to achieve some end. Deliberately structured activity systems mean that organization(s) are deliberated subdivided distinct sets of activities. These activities use the knowledge needed to do work.

The link to the environment includes interactions with customers, suppliers, competitors, the government, and other elements of the external environment. Agreeing with this explanation, Schaefer & Lamm (1995: 157), described the organization "as a special-purpose group designed and structured in the interest of maximum efficiency". Organizations are therefore, human social system. Each organization, overtime, establishes its own system of values and norms to be imbed as well as expectations to be met by all of its members. Over a sustained period therefore, a discernable and unique organizational behavior usually evolves in all enterprise.

On its explanation, organizational behavior is the aggregate interaction of the human elements in an organization. It is subject to the symbiotic influence within and between the organization and its host environment. Also, it analyses the external environmental effect on the organization and its human resources, missions, objectives, and strategies (Gibson, Ivancevich & Donnelly, JR, 1994). Taken a little further, organizational behavior is the interaction among four key elements:

- i. The people in the organization, their number, their quality (professional and social).

- ii. The structure of the organization.
- iii. The technology available in it, and
- iv. The social system within which the organization operates.

Organizational behavior varies from place to place depending on its quality of the available human elements or resource. The limits of organizational goal design and attainment is therefore fixed by the quality of available human resources both at the leadership and subordinate levels of the organization. The identification of this fact, and the deficiency in the pursuit and sustenance of enduring organizational behavior founded on a well motivated workforce is one of the critical challenges of human resource practitioners today, even as it was in the past.

The human element in the work place is composed of two major interacting groups; the management and the staff, or the managers and workers. Organizational behaviour in the real sense is the aggregate of the managers and staff behaviour guided by the quality of leadership, organizational policies and programmes. According to Lorsch (1982), this manager – worker behaviour is a complex system of forces which includes the individual personalities of managers and workers, the nature of their jobs and its formal measurement, and reward practices obtaining in the organization.

1.2. Productivity Drive

The object of the desirable symbiotic relationship between the management team and workers is for management to subtly drive the workers towards achieving the dividends of optimum productivity. Through such corporate leadership practice that is grounded in effective human and material resource management. It needs be re-interacted here that the kind of management practice to deliver optimum productivity is that which takes due cognizance and action about the goal integration of both the organization and individual workers.

The dearth of effective human and material resources mobilization capable of optimal management – worker goal integration in the employment arena, is the bane of most organizations today. This is another critical challenge of the Human Resource Practitioner (HRP) for which a new direction must be charted and followed. Effective human and material resource management may be approached through a number of means. One of such means is corporate strategic leadership.

1.3. Corporate Strategic Leadership

Simply put, it is the leadership phenomenon obtaining in an organization. An applied leadership tool derived from and guided by the deployment of a series of integrated strategies. According to Daft and Bowerman (1998: 21), a strategy is, “a plan for interacting with the competitive environment to achieve organizational goals”. A plan designed to skillfully achieve a particular objective. Goals define how the organization wants to go and strategies define how the organization will get there. At the strategic (long-term) level, human resource department are involved in broader long-term planning and strategic decisions, (these decisions that help to provide the overall direction and vision of the organization).

Corporate strategic leadership therefore, is organization management through the pursuit of a series of goals or objectives related plans and programmes as well as their implementation. For organizations in search of ways out of low productivity problem in the work place, strategic leadership will be sourcing direction from the Management by Objective (MBO) operational style. It also involves among other tested theoretical frameworks of productive social engineering such as Total Quality Management (TQM), present veritable sources in the pursuit of whatever objectives. However, the emphasis should always rest on striking a positive balance between the mutual growth and satisfaction of the individual worker and the organization.

1.4. Basic Objectives of Organizations

As it were, the basic objectives common to all organizations are:

- i. To increase productivity in yield, turnover and overall net profit by a competitive control of a larger share of the market.
- ii. To consciously and considerably pursue the objective improvement of workers lot in order to instill a sense of belonging in them and keep attrition low.
- iii. To make substantial contributions to their immediate and wider host communities not just in-terms of offering employment but also in-terms of concrete social and physical development as part of their social corporate responsibilities.

1.5. Organization Productivity, High or Low

1.5.1. Human Resource Makes the Difference

The hallmark of performance in every organization is the “productivity index” (Alo, 2010). In their view, Schaefer & Lamm (1995: 213) defined productivity:

- As the relationship between the aggregate input and output in a form. It is a measure of the degree of efficiency with which resources of all kinds, human and material (or inputs) are transformed into goods and services (or output).

It can also be expressed as a measure of achievement of an organization against its predetermined objectives, goals or targets over a specified interval of time. Considering the nexus of productivity, time, human and material resources in the work place, it is not difficult to pin down the human resource elements as the fulcrum of this mix.

Most organizations during their period of stock taking find it difficult to achieve a relative high percentage (70% - 90%) productivity index. This fact is supported by the prevailing low performance of the installed capacities of many organizations in the industrial and other sectors of the Nigeria economy, with incidents of daily crashing industries, the collapse of health delivery, the economic

recession and general cynicism in the polity. As the base of all these malaises are corruption and bereft management of the nation's abundant human and material resources.

Adequate and quality staff training and re-training is a veritable tool any human resource practitioner worth his/her salt can-not toy with as a cardinal tool for galvanizing organizational productivity. In today's time, overall organizational productivity has crystallized in what is described as the nimble organization. What is this? One may ask.

1.5.2. Nimble Organization

Conner (1998) described a nimble organization as, that which is able to consistently succeed in unpredictable and contested environments by implementing rapid changes more efficiently and effectively than its competitors. Nimbleness means more than flexibility. It is a term that conveys speed, grace, dexterity, resilience and resourcefulness. A nimble enterprise is both malleable with its existing boundaries of operation and capable of redefining the same boundaries so it can shift its success formula whenever necessary.

Such organizations are able to constantly calibrate their agility against not only what it takes to successfully implement their chosen changes, but also consider the response time of their competitors. The modern human resource practitioner has a critical challenge to provide the tools and create an enabling environment to facilitate the growth of this kind of organization. The human resource practitioner needs to understand and apply the principles of building such an organization.

1.5.3. Principles of Building a Nimble organization

Leaders desiring to build a nimble organization must do three things:

- (i) Ensure that the organization has an open system (i.e. keeping people and things in an unending and renewal mode), such open system must operate democratically, that is, practice of industrial democratic principles.
- (ii) Take steps to increase the enterprises absorption limits; and
- (iii) Constantly introduce as many important changes as possible without over extending available adaptation resources.

The most important step in building a nimble operation is hiring and maintaining only people who can translate the desired corporate visions into tangible reality. Only such personnel, functioning as managers, supervisors and workers, people who are able and willing to resourcefully go beyond the guidance provided are fit to be engaged to provide support for the top management.

Recruiting resilient people who can succeed in unfamiliar circumstances and remain focused on objectives during times of confusion. Such people should be proactive, ready to engage change rather than run from it. They must be resourceful, highly skilled and sufficiently motivated. They should have high tolerance for ambiguity and a desire to experiment. Such people must have the willingness to appropriately challenge the authority, constructively though.

When an organization is able to create a critical mass of people of this kind, its capacity to respond to shifting demands accelerates dramatically. The greatest overall challenge of the human resource practitioner today is the identification, recruitment and sustenance of this pedigree of employees across the board. When staffing the organization for nimbleness, it is recommended that about 80% of the vote for personnel department be mobilized for such resilient people. They are already prone towards the desired attributes, and only about 20% deployed for training and coaching them to develop new propensities for contributing to the growth of the nimble organization.

In the foregoing, the paper has briefly discussed the corporate organization as a social system and its propensity to evolve overtime, a unique behavior, which fixes the limits of its success or failure. The paper considered the basic net-profit or high productivity objective of all organizations among other desirable social objectives. Nimble organization was also seen as one which economically combines all the elements of human and material resources, organizational structure, the dynamics of the competitive environment and the host social community to stay afloat in business.

The paper has been led to see human resource as the melting point of successful movements in the corporate organization. At this point therefore, what is Human Resource (HR)? Who is the Human Resource Practitioner (HRP)? What are the HRP challenges in providing the desired leadership tool for galvanizing a nimble organization?

1.5.4. Human Resource

In relation to the organization's work place, this term refers to the human beings on the staff list. It has implication for their individual total personalities including their inherited and acquired attributes of intelligence, knowledge and skills, which, Merriden (1999) referred as the "intellectual capital". This involves a body of functions as well as attitude to work, their social disposition to people and to challenging phenomena around them. Human resources have already being identified as the most critical factor in the work place. The reason is that, it is not the strategy that drives the business organization, it is the person that creates the strategy. What is critical, therefore, is the ability of an organization to adopt appropriate human resource management policy. This would help to unlock the hidden talents and potentials of the work force, and free such talents for the crucial task of creating and driving winning strategies.

1.5.5. The Human Resource Practitioner: Who is he/she, and the Challenges?

Human resource practitioner is the professional facilitator who functions in creating, training, motivating, pruning and maintaining an adequate corps of human resource appropriate for the goal achievement and overall nimbleness of his/her specific organization. To be able to deliver the dividends of nimbleness, the humanre source practitioner must be basically versed in the relevant knowledge, and dexterous in the skills. He must be richly endowed both with required inherited and acquired attitudes highlighted hitherto as pre-requisites for a nimble organization and be able to inculcate the same value on the organization's staff.

Specifically, the human resource practitioner must be adept in:

1. Deploying the strategic leadership tool to provide a corps of corporate leaders (managers) who themselves can also lead the staff by designing and implementing goal-related plans (strategies) in an open or democratic system of corporate administration. Such a system must be generously transparent and accountable in both financial and procedural matters.
2. Careful selection (recruitment) and maintenance through continual training of an adequate body of well motivated work force whose goals in life harmoniously coalesce with those of the organization. This quality guarantees high productivity yield.
3. Making a case for the enforcement of a livable wage structure with generous welfare and fringe benefits as strong motivation and reinforcement factors for sustained good staff performance.
4. Providing adequate training and retraining opportunities for both management and subordinate staff towards the effective use of the Total Quality Management (TQM) strategy in;
 - 4.1. Raising continuous awareness.
 - 4.2. Improving margins.
 - 4.3. Absorbing change and reducing cycle of times in the production of delivery of services.
5. Effective analysis and control of management-labour relation particularly in the areas of avoiding conflicts and in managing inevitable ones through the different levels of peaceful dialogue and arbitration.
6. Establishing and maintaining a well equipped staff training with as well as a highly professional research unit to provide the framework for the proactive response to changes in all facets of the organization's competitive environment as well as to the demand of the host social environment.
7. Harnessing the dynamics of staffing, organizational structure, available technology and host environment influence to evolve a distinct and enviable organizational behavior.

1.5.6. Handicaps of the Average Human Resource Practitioner (HRP) in the Work Place

The body of seven responsibilities just itemized along with others earlier mentioned constitute the challenges of the average Human Resource Practitioner (HRP) in Nigeria as elsewhere. However, the inability of HRP in Nigeria to deliver the expected professional roles adequately, are to be seen in the inability of many personnel department of organizations to convince their colleagues in the other branches of management.

This particularly the entrepreneurs through experiential, experimental, expose and compelling results of case studies about the needs to:

- i. Invest in quality staff in adequate quantum.
- ii. Motivate staff through attractive wages and use of humane fringe benefits to reduce labour unrests.
- iii. Adequately fund staff training and retraining as a long run economical way of maintaining nimbleness.
- iv. Fund multifaceted research and implement the outcomes of same with the result of proactively predisposing the organization to overt and covert changes.
- v. Move on the fast lane of the rich information technology in the global village.

In order words, many human resource practitioners need to revert to the basics by first reequipping themselves with the knowledge, skills and attitudes already itemized. This is to continue to recharge their store of skills, knowledge and attitudes continually. It is only then that, the human resource practitioners can facilitate the desired changes in the work place.

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