

FGS
CJMR



5/4 ✓ 28/3
COLOMBO JOURNAL OF
MULTI-DISCIPLINARY RESEARCH

Volume 2

No 01

June 2015

Quantitative Analysis of Water Quality and Heavy Metals in Water, Sediments and Tissues of Grey Mullet (*Mugil cephalus*) from the Negombo Estuary.

B.R.C Mendis, M.M.M Najim and H.M.P Kithsiri

Challenges in Promoting Producer Groups among Small Scale Farmers: Evidence from a Community Development Project in Sri Lanka

S.M.P. Senanayake

Does Government Debt Matter for Economic Growth? A Critical Literature Review with Special Focus on Sri Lanka

Lankapathy Sritharan

An Exploration of Social and Business Linkages among Micro Enterprises in Post Conflict Communities: Experience from the Northern Province of Sri Lanka

Amina Yoosuf and S.P.Premaratne

Integration between Practice of Strategic Human Resource Management and Organizational Strategy Process: View Points from CEOs and Heads of HR in Sri Lankan firms

T. L. Sajeevanie, H.H.D.N.P. Opatha and K. Dissanayake

Faculty of Graduate Studies, University of Colombo

Integration between Practice of Strategic Human Resource Management and Organizational Strategy Process: View Points from CEOs and Heads of HR in Sri Lankan firms

T. L. Sajeevanie¹, H.H.D.N.P. Opatha², K. Dissanayake³

Abstract

The Practice of Strategic Human Resource Management has become more important to strategic management, largely as a result of its role in providing competitive advantage and the rush to competitiveness. Existing literature reveals that it is critical to address the research issue of why the practice of SHRM should integrate with Organizational Strategy Process. The objective of this study was to find out reasons for why the practice of SHRM should integrate with Organizational Strategy Process from the viewpoints of Chief Executive Officers and Heads of Human Resource of Sri Lankan Listed Companies. Qualitative approach was used and the research strategy of this study was descriptive. In order to select the respondents the purposive sampling technique was used. Semi-structured interviews were conducted in order to explore the existing uncovered realities. Heads of HR and CEOs of 20 organizations were interviewed and the data were analyzed through thematic analysis. Initially five themes were identified and later refinement produced four themes. These are original contributions to the Sri Lankan SHRM Literature. The findings of

¹ Senior Lecturer, Department of HRM, Faculty of Management Studies and Commerce, University of Sri Jayewardenepura, Sri Lanka. tllasanthi@gmail.com

² Senior Professor, Department of HRM, Faculty of Management Studies and Commerce, University of Sri Jayewardenepura, Sri Lanka. hopatha@yahoo.com

³ Senior Lecturer, Department of Management & Organizational Studies, Faculty of Management & Finance, University of Colombo, Sri Lanka. k_dis@hotmail.com

the study help fill the existing knowledge gap and provide some practical implications for professionals on SHRM practices in the Sri Lankan context.

Key words: *Practice of Strategic Human Resource Management, Integration, Organizational Strategy Process*

Introduction

Strategic Human Resource Management (SHRM) became popular in the 1980s with the development of the Harvard Business School's two models integrating strategy and HRM (Jain, 2004). The key differences between traditional concepts of HRM and SHRM are the extent to which HRM is integrated with the strategic decision making processes and SHRM focuses on organizational performance rather than individual performance (Becker & Huselid, 2006; Karami, Analoui & Cusworth, 2004). Traditionally the HR function was considered as a cost center and in contrast the SHRM perspective is that it should be considered as an investment (Becker and Huselid, 2006). SHRM is an approach to making decisions on the intentions of the organization concerning people, the essential components of the organization's business strategy (Armstrong, 2001). Thus SHRM is a long-term direction of the HR function in an organization (Chanda, Krishna & Shen, 2007). As Armstrong (2001) mentioned "The key feature of strategic HRM is the concept of fit or integration" (p. 36). Two types of integration can be explained as vertical integration and horizontal integration. While vertical integration involves the alignment of HRM practices and

the Strategic management process of the firm, horizontal integration implies congruence among the various HRM practices (Wright & Snell, 1998). So vertical integration concerns about the whole organization's aspects and horizontal integration concerns the function of human resource management in the organization.

In the first arena, the state of theory in SHRM research, was at best "borrowing" Meta – theories from other disciplines, and at worst almost completely theoretical (Wright & Snell, 1998). The theories that were used at that time were resource based theory, the behavioral approach, open systems theory, and control theory with a few authors exploring population ecology and critical theory (Wright & McMahan, 1992). After several years Wright had mentioned that the resource- based theory of the firm had become almost the universally embraced meta-theory among SHRM researchers, largely because of both its popularity in the broader strategic literature, and its ability to articulate why HRM could be linked to the economic success of firms (Wright & Haggerty, 2005).

The practice of integration of HRM to organizational strategy has been studied by Boxall and Purcell (2000). They have pointed out that there is a poor explanation for the main logic which can explain "why" of these practices.

Even in the South Asian context, comparatively fewer studies on SHRM have been done (Budhwar, 2000). Even after ten years Stanton and Nankavis (2011) have mentioned that "Earlier research studies have explored the overall value adding potential of the HRM process as a whole. Few have focused on the links between Strategic HRM and Organizational Strategy process even fewer has

examined these relationships in Asia". In the Sri Lankan context this belongs to the infancy stage. As explained by Dharmasiri (2009), based on the findings of his research there are two factors affecting the relationship between HRM and Organizational strategy Process. They are personal factors and organizational factors namely, Competency Deficits and Opportunity Deficit. He has done a research on these two scenarios and recommends that it is needed to ensure that the Head of the HR is involved in the strategic decision making process of the organization. Further, he has proposed that doing a research with a large sample representing all major industries in South Asia would be useful for the development of SHRM within that context. In the Sri Lankan scenario it is hard to find a research study which has examined the relationship between practice of SHRM and Organizational Strategy Process. Empirical evidence reveals that in the Sri Lankan context there are some organizations practicing SHRM (Sajeevanie & Opatha, 2007), however there is no empirical explanation in Sri Lankan context on why the Practice of SHRM should integrate with the Organization Strategy Process. Hence, this study explains from the view points of CEOs and Heads of HR of Sri Lankan Listed Companies why the practice of Strategic Human Resource Management of these firms should integrate with their Strategy Process.

Literature Review

Based on the theoretical and practical approaches of the organizations which fail to adopt a strategic approach are clearly at risk of reacting to somebody else's agenda (Budhwar, 2000; Othman, 2009). It can be that they are reacting to the external agendas of Government bodies or professional associations. Also the human resource functions may be drawn into reciting to the trade union agenda, since it has no strategic direction of its own to pursue. An important assertion in this context is the assertion of Massey (1994, p. 27) "Failure to take a strategic approach to human resource management will directly impact on the performance of the organization". It has also been mentioned that failure to take a strategic approach will have implications for costs, efficiency, productivity and quality.

In the absence of a clear link between HR strategy and corporate strategy, there would be a lack of synergies among HR practices (Crumpacker & Crumpacker, 2004; Karami, Analoui & Cusworth, 2004; Kane & Palmer, 1995). In the absence of HR strategy HR practices are likely to be inconsistent with one another because there is no broad framework to guide individual HR practices. So the presence of HR strategy, whether formal or informal, explicit or implicit, helps to manage HR strategically, and organizations that manage HR strategically have consistent HR initiatives and thus their HR practices (Kandula, 2008). Budwar has done a study on SHRM practices. The results of that study have shown that over 50% of the firms under the study practice a high level of strategic integration. On the other hand, over 61% of the sampled firms

practice a low level of devolvement practices. Interestingly, both the practices of integration of HRM into the corporate strategy and devolvement of HRM to line managers are more determined by a number of organizational policies than traditional contingent variables.

Basically, one of the important features of SHRM practices is integration of HRM into business/ Corporate strategy (Wright et al., 1992; Badhwar, 2000; Crumpacker & Crumpacker, 2004; Jain, 2004; Chang & Huang, 2005; Othman, 2009). As such authors have mentioned that the practice of such integration is becoming more important and is increasingly recognized. Lengnick-Hall and Lengnick-Hall (1998) have pointed out three main reasons for recognizing the importance of such integration. Integration provides a broader range of solutions for solving complex organizational problems; to ensure that all resources such as human, technical and financial are with given due consideration in setting organizational goals and assessing implementation capability; and to diminish subordination of strategic considerations to HR preferences and the neglect of the human resource as a vital source of organizational competence and organizational advantage (Othman, 2009). Holbeche (2003) pointed out that through the integration of HRM with the organization's business/corporate strategy, rather than HR strategy being a separate set of priorities, employees will be managed more effectively and organizational performance will get improved. More specially, integration can be defined as the degree to which the HRM issues are considered as part of the formulation of the business strategy (Budhwer, 2000).

The desire to gain competitive advantage by integrating HRM with business strategy and the need of managing people more effectively are main reasons behind strategic HRM thinking. Budhwar (2000) has mentioned that in order to analyze the scenario of SHRM in a national context, the interplay between a number of influences (contingent variables, organizational policies and levels of integration) must be examined. At this stage, human resource management is recognized as everyone's job. Managers realize the importance of the human resource in positioning the organization for the future (Chang et al., 2005). As Budhwar (2000) pointed out Human resource programs are integrated not only among themselves but also with other functions, such as accounting, marketing, and operations. Human resource implications are considered before a major business decision is made whether it is a new acquisition, a new product or new markets. At this stage, human resource management is recognized as everyone's job. Considering all the above it can be concluded that integration means that changes in any one HR practice will be consistent with other HR practices. Hence, as a strategic Architect, the Head of HR in an organization is supposed to diagnose and design aligned and integrated HR practices, so that, strategic aspirations show up in daily HR actions. Even though most of the researchers have found integrated Human Resource Management practice very significant still there is a debate.

Methodology

Conceptualization of Variables

Practice of Strategic Human Resource Management: SHRM is a set of techniques which enables interventions to be made within the business in order to improve performance. But still there is a significant diversity in the literature over the meaning of "Practice of Strategic Human Resource Management" (Boxall et al., 2000). Basically, SHRM involves designing and implementing a set of proactive HR policies/ practices that ensures that an organization's human capital contributes to the achievements of its competitive objectives. Baker (1999) has identified a number of key features of SHRM, including the internal integration of personnel policies and their external integration with overall strategy and line management responsibility for HR implementation. Furthermore, according to academic research conducted by Wan, Ong and Kok (2005) the practice of SHRM is the degree of participation in core decision making and partnership played by the HRM department and the specificity and formality that HRM departments require in planning and implementation, all of which are designed to ensure that a firm's human capital contributes to achieving the firm's business goals. In this sense Wan et al. (2005) have identified the importance of contributing to the firm's business goals. According to Dessler (2003), "Strategic Human Resources Management (SHRM) can be defined as the linking of Human Resource Management with strategic goals and objectives in order to improve business performance and develop organizational cultures that foster innovation and flexibility." As mentioned by Dhar (2010), SHRM

means accepting the HR function as a Strategic partner in the formulation of the company's strategies as well as in the implementation of those strategies through HR activities such as recruiting, selecting, training and rewarding personnel. HR professionals become strategic partners when they participate in the process of defining business strategy and when they design HR practices that align with the business strategy. Meanwhile, Fombrun, Tichy and Devanna (1984) have explained SHRM as a set of practices, policies and strategies through which organizations manage their human capital that influences and is influenced by the business strategy, the organizational context and the socio economic context. However, according to some authors, strategic HRM is an outcome 'an organizational system designed to achieve sustainable competitive advantage through people'. On the other hand other groups of authors have identified SHRM as a process, 'the process of linking HR practice to business strategy'. Accordingly, Budhwar (2000) has explained that SHRM is a process of integrating HRM into the corporate strategy and devolvement of responsibility for HRM to line managers. Here integration can be identified as the Head of HR being intimately involved in the overall strategic process in both formal and informal interactions, a real reflection of strategic human resource management in practice. The working definition of Practice of Strategic Human Resource Management for the purpose of this study was adopted from Budhwar (2000) and Opatha (2009) as "HRM policies/functions cohere within themselves and with other functional fields of the organization, practice of integration of HRM into the business/corporate strategy, and devolvement of HRM to line managers."

Organizational Strategy Process: According to the Oxford dictionary (2011) strategy means a "long- term plan or policy". Strategy means a comprehensive plan developed by top management to achieve organizational purposes and long- range objectives. Henry Mintzberg has defined strategy as "a pattern in a stream of decisions or actions" and it can be described further as it is more than what the organization intends or plans to do; it is also what it actually does (Hill & Jones, 1992, p. 8). According to the Colling Birmingham University English Language Dictionary (1987), the term "strategy" means something that is done or planned to put you in a situation in which you can achieve what you want or in which you can get an advantage over other people (Opatha, 2009). Strategies exist at a number of levels in an organization. They are basically four levels called; corporate-level strategy, business-level strategy, functional strategy and operational strategy. Here, corporate-level strategy is concerned with the overall direction and scope of an organization and how value will be added to the different business units of the organization. Business – level strategy can be thought of as second – level strategy. It is about how to compete successfully in particular markets. Similarly, functional strategies are detailed action plans or means that are undertaken in functional areas to achieve short-term objectives and establish competitive advantage. Finally, the fourth level of strategy is at the operating end of an organization. These strategies are concerned with how the component parts of an organization deliver effectively the corporate and business – level strategies in terms of resources, processes and people (Rao, Rao & Sivaramakrishna., 2008). Basically there are four strategy types: the prospector, the analyzer,

the differentiated defender, and low cost defender (Slater & Olson, 2000). Furthermore, strategy can be divided into three dimensions. They are strategy formulation, strategy implementation and strategy evaluation. As mentioned above, it is especially disconcerting to find that there exists no widely accepted operational meaning for the term “Strategy” (Venkatraman & Grant, 1986). The organizational strategy process is the creation, implementation and evaluation of decisions within an organization that enables it to achieve its long-term objectives. As mentioned above, a multitude of measures have been employed to capture strategy in different research studies. For this study as the working definition of the organizational Strategy process has been identified as “the creation, implementation and evaluation of decisions within an organization that enable to achieve its strategic objectives.”

Data Collection: As at 01st October 2013, 288 companies were listed on the Colombo Stock Exchange (CSE) representing twenty business sectors with a market capitalization of Rs.2380.9 Billion which corresponds to approximately 24% of the Gross Domestic Product of the country. These companies are the top performing companies in Sri Lanka. Since industry sectors represented by these organizations were 20, it ensured a broad spectrum of industries. In order to select the respondents the purposive sampling technique was used. Twenty CEOs and Heads of HR of Sri Lankan Listed Companies covering all industries (20) were interviewed⁴. Qualitative data and in particular semi-structured interviews were

⁴ Their comments were identified as SLCR1 to SLCR20 respondent wise without any sequence.

conducted to explore existing uncovered realities. The interview schedule included questions on Practice of SHRM and why SHRM should link with the Organizational Strategy Process.

Method of Qualitative Data analysis: As per Bryman (2008), one of the most common approaches to qualitative data analysis is thematic analysis. Since Thematic Analysis is a foundational method for qualitative analysis this method provides a flexible and useful research analysis tool which can potentially provide rich detailed complex data. Braun and Clarke (2006, p.79) define: “Thematic analysis is identifying, analyzing and reporting patterns (themes) within data. It minimally organizes and describes the data set in (rich) detail. However, frequently it goes further than this, and interprets various aspects of the research topic.” Many authors have mentioned that Thematic Analysis is a widely used qualitative data analysis method. Further they have mentioned that Thematic Analysis is one of a cluster of methods that focuses on identifying patterned meaning across a data set. As mentioned by Braun and Clarke (2006, p.78), thematic analysis is a poorly demarcated, rarely acknowledge yet widely used qualitative analytic method within psychology. Further they have concluded thematic analysis as a useful and flexible method for qualitative research.

The process of qualitative analysis followed by the researchers which was adopted from Braun and Clarke (2006). As mentioned above one of the researchers personally conducted the semi structured interviews with Heads of Human Resources and CEOs of 20 Sri Lankan Listed Companies. Hence, the researchers had some prior knowledge of data. However, in order to familiarize with the

data set repeated reading of the data was done and search for meanings and patterns was done. Accordingly, the researcher took some notes and created ideas for coding. Since this research involved interviews, the data was transcribed into written form to conduct the thematic analysis.

Results

A CEO from the Sri Lankan Listed Companies stressed that the main reason of why SHRM should integrate with the Organizational Strategy Process as; "If there is a clear linkage between the organizational strategy process and HR strategy then it is very easy to perform implementation part of the strategy. This helps to achieve organizational objectives" (SLCR2). The following comment was made by one of Heads of the HR in Sri Lankan Listed Companies "Such integration helps to take more people oriented decisions, and then employees of the organization help to achieve the organization's objectives" (SLCR4). This comment has been supported by another Head of HR's views regarding this as "if the top management of the organization accepts HR integration as a policy then it will be easier to achieve organizational objectives" (SLCR6). Another Head of HR in a Sri Lankan Listed Company stressed that why SHRM should integrate with Organization Strategy Process as "Strategic Human Resource Management bridges organization strategy and Human Resource Management. We consider Human Resource Strategy as a very important part of when formulating company strategy. And the people are the most

important resources in our company. SHRM is not simply about personnel management but it is also about the management of work and people in the company. As we all know SHRM differs from traditional HRM. As I mentioned earlier an organization gets competitive advantage though SHRM Practice. For example having the right employees may be very significant to the success or failure of the business" (SLCR8).

Another CEO from a Sri Lankan Listed Company gave his ideas as "To link SHRM with Organizational Strategy Process the most important matter is that Head of the HR should be a capable person. We need to spend more to recruit such a capable HR specialist and it is needed to give many facilities to motivate and retain him. I am not sure whether small scale organizations can do this. But I am sure we get many benefits having a correct person in our HR department as the Head of HR. I believe that to get much involvement at the strategy level it is required to release him from day to day activities. And line manager's participation is also very important. As you explained, to get line managers' involvement with HR activities is practiced in our company. However for this the line managers need to be trained in HR aspects. For example if we want their participation on selection then it is critical to give training in this. However all these are costly to the company I think we always think about the cost benefit analysis before we take a decision" (SLCR11).

After getting familiarized with the data it was attempted to generate initial codes. As mentioned by Boyatzis (1998, p 63) a code is "the most basic segment, or element of the raw data or information that

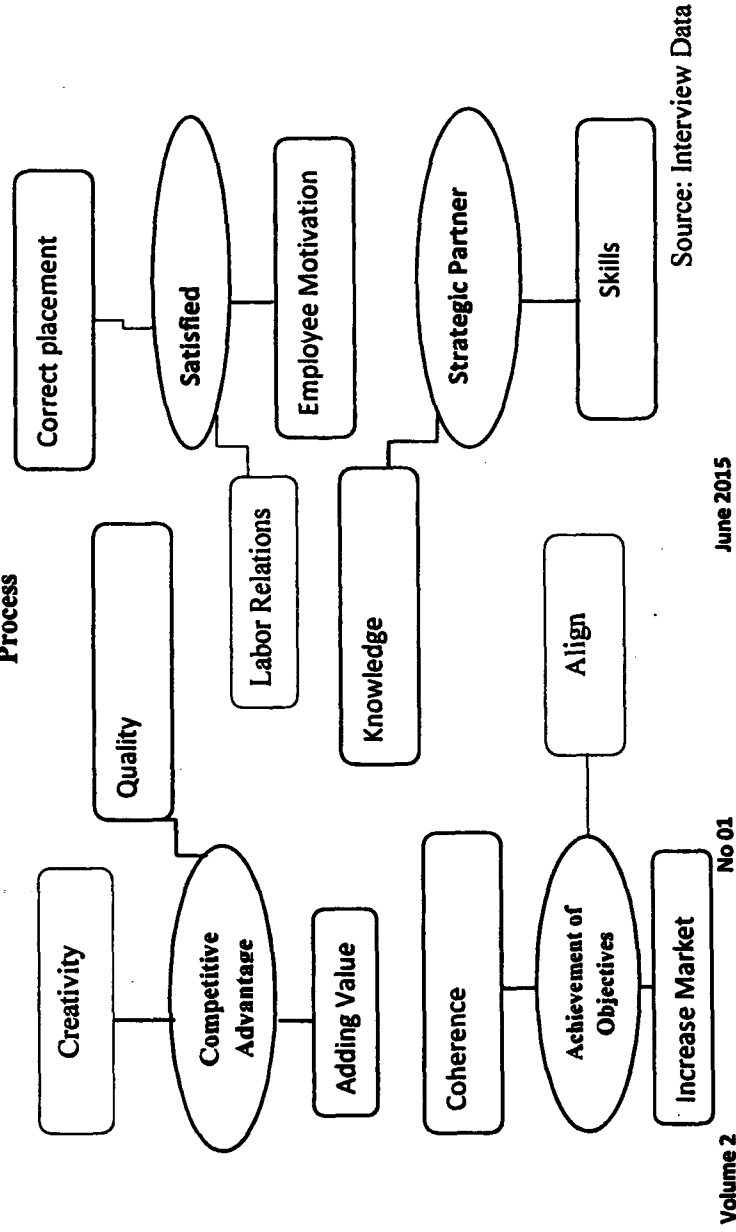
can be assessed in a meaningful way regarding the phenomenon". In this stage the researchers tried to organize the data into meaningful groups. As Braun and Clarke (2006) mentioned coding can be done either manually or through a software programme. For this research a manual method was used. When completing this stage the researchers followed instructions given by Braun and Clarke (2006) such as (i) code for many potential themes (ii) no data set is with contradiction.

After having a long list of different codes the researchers involved in sorting the different codes into potential themes. This was done by collecting all the relevant coded data extracts within the identified themes. For this Braun and Clarke (2006) have suggested different methods such as use of tables and mind maps. For this research a thematic map (mind map) was used. These maps show how a set of codes has created a theme. Moreover these themes were further analyzed. This involved refinement of those themes. When doing this the criteria proposed by Tellis (1997) called internal homogeneity and heterogeneity was followed. That means data within themes should cohere together meaningfully, and there should be clear and identifiable distinction between themes. Further, Braun and Clarke (2006) have suggested two refining themes. Hence, the researchers first involved in reviewing the coded data. As explained by them all the collated extracts were read for each theme, and the coherence was checked. There were some themes with problems and rework was done and new themes were created. After finalizing all of them, it was moved to level two. Braun and Clarke (2006) have mentioned clearly that at this level the validity

of individual themes can be considered in relation to the data set for two purposes. First, to ascertain whether the themes work in relation to the data set. Second, to code any additional data within themes that have been missed in the earlier coding stage. When involving with this stage it was found a few data relevant to some themes and these data were re-coded and added. Since the researcher is being satisfied with the present thematic map, he moved to the next stage. At this stage the themes were further refined and the data analyzed within them. According to Braun and Clarke (2013) define and refine means identifying the assessed of what each theme is about and determining what aspect of the data each theme captures. Figure 1 shows the final thematic map relating to "why SHRM should link with the Organizational Strategy Process".

The above analysis including Figure 1 and Table 1 revealed that there were four themes that emerged. These four themes include; Competitive Advantage, Satisfied workforce, Achievement of Objectives, Strategic Partner. However there were some companies still who have not linked HR with Organizational Strategy Process. Hence it was found that Heads of HR and CEOs in Sri Lankan listed companies made their comments on why the Practice of SHRM should integrate with the organizational strategy process so as to gain competitive advantage, to maintain a satisfied workforce, to achieve the objectives and for Head of HR to become as a strategic business partner.

Figure 1: Final Thematic Map Showing Why SHRM Should Link with the Organizational Strategy Process



Volume 2

No 01

152

June 2015

Source: Interview Data

Discussion

The concept of “integration of SHRM” has mainly two aspects called (a) linking of HR policies and practices with the strategic management process (b) the internalization of the importance of HR on the part of line managers (Massey, 1994). But in the Sri Lankan context the respondents have not given considerable attention to the line manager’s involvement. Interviewees from Sri Lankan Listed Companies have stressed several factors why Practice of SHRM should integrate with the Organizational Strategy Process. After completing thematic analysis the study proposed four themes; Competitive Advantage, Satisfied workforce, Achievement of objectives, and Strategic Partner. These findings reveal that the respondents have identified proper integrating of SHRM with the Organizational Strategy process gaining competitive advantage and satisfied workforce. And this helps to achieve organizational objectives. Furthermore, such integration transfers Head of the HR to a strategic partner. A study conducted by Fey and Denison (2000) has explained that strategic integration helps to achieve the organizational goals and objectives. Aynda and Seni (2010) have found that integrating SHRM with the strategic planning process enables an organization to achieve better its goals and objectives. Further, he has explained how to earn competitive advantage through practices of SHRM. Ayanda and Seni (2010, p 143) observe: “Managers in both private and public organizations are becoming increasingly aware that a critical source of competitive advantage does not often come from indigenous products and services, state of the art technology but from having appropriate systems of attracting and managing the organization’s human resources”. This view is also emphasized by Dharmasiri (2009) who

has cited Strategic partnership as thinking and action of persons, reflecting the long term plans of the organization he/she works for. It also includes involvement in strategy formulation, implementation, and evaluation steps of the strategic decision making process. Armstrong (2001) has mentioned that organizations can achieve their business objectives by linking HR strategies to basic competitive strategies. Ulrich (1997) explained that during the last few years the role of HR professionals has changed from functionally oriented to business oriented. The reason for this may be that now HRM practitioners are becoming Strategic Partners. This finding is supported by the research of Budwer (2000) who has found high practical value in integration in terms of improving the quality of work, performance and achieving success in organizations. As the best fit school explained, HRM will be more effective when it is appropriately integrated with its organizational strategy. Chang and Huang (2005) have explained SHRM as a means of enhancing an organization's competitive advantage. As they further explained traditional sources of competitive advantage such as natural resources, technology and economic of scale are very easy to imitate, but by integrating human resource with organizational Strategy the organization's competitive advantage which is difficult to imitate could be generated from the firm's human resources. This is well explained in the Resource Based View as developing sustainable competitive advantage through creating value which is difficult to imitate by competitors. After considering the given answers to question why SHRM should integrate with the organizational strategy process, it is clear that HR function no more means only support services. Furthermore, HR plays a strategic role in achieving business goals and organizational effectiveness.

Integration between Practice of Strategic Human Resource Management and Organizational Strategy Process: View Points from CEOs and Heads of HR in Sri Lankan firms

Table 1: Themes and Interview Extracts on Why SHRM Should Link with the Organizational Strategy Process

Theme	Coding	Com ment No	Extracts from the Interview
Competitive Advantage	-Creativity	SLCR 3	“As Head of the HR I have my own experience and ideas of employees, when I involve with the strategy formulation process then I can suggest more relevant and new ideas. Then it is very easy to implement those strategies”. “Our Company always considers employees as very important resources. And we give due recognition to HR function. Personally I believe when we link HR with strategy there are lots of benefits like, improving our company goodwill...”
	- Quality -Adding value	SLCR 14	

Satisfied Workforce	-Correct placement	SLCR 19	<p>“When Head of the HR participates in the strategy process then we have correct ideas regarding company requirements. This is very important to maintain a correct workforce with the organization. Specially this is critical for top level positions.”</p> <p>“Here we get lots of benefits from such integrations, like employee motivation, good labor relations.....”</p>
	-Labor relations Employee motivation	SLCR 17	
Achievement of objectives	-Coherence	SLCR 2	<p>“If there is a clear linkage between the organizational strategy process and HR strategy then it is very easy to do implementation part of the strategy. This helps to achieve the organization’ objectives.”</p> <p>“Without having proper support from HR head and his staff we can’t run this organization. Employees are the most critical factor for a</p>
	-Align -Increase market share	SLCR 19	

Integration between Practice of Strategic Human Resource Management and Organizational Strategy Process: View Points from CEOs and Heads of HR in Sri Lankan firms

			<p>service sector organization. When they are more knowledgeable then it is easy to attract more customers”.</p>
Strategic Partner	-Knowledge -Skills	SLCR 17	<p>“I always try to update my business knowledge because I should participate in strategic level meetings. I don’t like just to participate in a meeting. I try my best to give a full contribution. That is why; I always improve my skills and knowledge. Sometimes we have to take technical field decisions. So I can’t be limited to the HR field. Anyway I like this challenge”.</p>

Conclusion and Implications

The analysis of this study revealed that “why practice of SHRM should integrate with the organizational strategy process” as to gain competitive advantage, to maintain a satisfied workforce, to achieve the objectives and for the Head of HR to become a strategic business partner. Hence, the study found the views of Heads of HR in Sri Lankan Listed companies on why SHRM should link with the organizational strategy process in Sri Lankan Context. These are original contributions to the Sri Lankan SHRM Literature. The findings of the study support to fill the existing gap identified and provide some practical implications to professionals regarding practice of SHRM in the Sri Lankan context.

Further, Head of HR needs to formalize with the HRM process and support to gain competitive advantage. Moreover, Heads of the HR should adjust their mindset and they need to develop their professional capabilities in two ways; improve HR competency and business competency. Thus, as Chage and Huang (2005, p.9) mentioned “HR practitioners should spend more time diagnosing firm strategic needs and developing practical solutions for achieving business goals”. As they further explained the role that the HR practitioner plays in the company shows the level of how much the firm is concerned with its HRM. Hence, Heads of HR need to be promoted to the strategic level. Then they can involve in the organizational strategic process from strategy formulation to strategy evaluation stage. Furthermore, Heads of the HR need to actively involve with organizational strategy formulation, strategy implementation and the strategy evaluation process of the company.

References

- Alinaitwe, H., Mwakali, J.A., & Hansson, B. (2009). Organizational Effectiveness of Ugandan building forms Vs viewed by craftsman. *Journal of civil engineering and management*, 15(3), 281- 288.
- Armstrong, M. (2001). *Human Resource Management Practice*. (8thed.) London: Kogan Page Limited.
- Baker, D. (1999). Strategic human resource management: performance, alignment, management. *Library Career Development*, 7(5), 51-63.
- Becker, B. E., & Huselid, M. A. (2006). Strategic Human Resource Management: Where Do We Go From Here? *Journal of Management*, 32(6), 898-925.
- Boxall, P., & Purcell, J. (2000). Strategic human resource management: where have we come from and where should we be going? *International Journal of Management Reviews*, 2(2), 183-203.
- Boyatzis, R. (1998). *Transforming Qualitative Information: Thematic Analysis and code Development*. London: Sage publications.
- Braun, V., & Clarke, V. (2006). Using thematic analysis in psychology. *Qualitative Research in psychology*. 3(2), 77-101.

- Braun V., & Clarke V. (2013). *Successful qualitative Research; a practical guide for beginners* (1sted.). London: Sage publications.
- Bryman, A. (2008). *Social Research methods* (3rded.). New York: Oxford University press Inc.
- Budhwar, P.S. (2000). Strategic Integration and Devolvement of Human Resource Management in the UK Manufacturing Sector. *British Journal of Management*, 11, 285-302.
- Chang, W. A., & Huang, T. C. (2005). Relationship between Strategic Human Resource Management and firm performance. *International Journal of Manpower*. 26 (5), 434-449.
- Crumpacker, M., & Crumpacker, J.M., (2004). Elevating, Integrating, and Institutionalizing Strategic Human Capital Management in Federal Agencies through the Chief Human Capital Officer. *Review of Public Personnel Administration*, 24 (3), 234-255.
- Dharmasiri, A. S. (2009). Strategic Orientation of HR Managers in Commercial Banks in south Asia. *International Review of Business Research papers*, 5(6), 1-21.
- Dhar, R.L. (2010). *Strategic Human Resource Management*, New Delhi: Excel Printers.
- Fombrun, C.J., Tichy, N. M., & Devanna, M.A. (1984). *Strategic Human Resource Management*, New York: John Wiley Pvt Ltd.

- Holbeche, L. (2003). Aligning Human Resource and Business Strategy. *International Journal of Industrial Relations*, 38(3), 375-380.
- Jain, P. (2005). A comparative analysis of strategic human resource management (*SHRM*) issues in an organizational context. *Library Review*, 54, (3), 166-179.
- Kane, B., & Palmer, I. (1995). Strategic HRM or managing the employment relationship? *International Journal of Manpower*, 16(5), 6-21.
- Karami, A., Analoui, F., & Cusworth, J. (2004). Strategic Human Resource Management and Resource-based approach: The Evidence from the British Manufacturing Industry. *Management Research News*, 27, 50-68.
- Lengnick-Hall, C. A., & Lengnick-Hall, M. I. (1988). Strategic Human Resource Management: A Review of the Literature and a Proposed Typology. *Academy of Management Review*, 13(3), 454-470.
- McDonald, D. (2003). Strategic Human Resource Management Approaches to workforce Diversity in Japan Harnessing Corporate Culture for Organizational Competitiveness. *Global Business Review*, 4(1), 99-114.
- Opatha, H.H.N.P. (2009). *Human Resource Management*, (1sted.). Colombo: Dept. of HRM, University of SJP.
- Othman, A. E. A. (2009). Strategic integration of human resource management practices, Perspectives of two major Japanese

electrical and electronics companies in Malaysia. *Human Resource Management Practices*, 16(2), 197-214.

Rao, C.A., Rao, B.P., & Sivaramakrishna, K., (2008). *Strategic Management Business Policy*, New Delhi: Excel Printers.

Sajeevanie, T.L., & Opatha, H.H.D.N.P. (2007). Relationship between Human Resource Manager related factors and practice of Strategic Human Resource Management in Sri Lankan Listed Firms. *Sri Lankan Journal of Human Resource Management*, 1, 71-87.

Slater, S.F., & Olson, E.M. (2000). Strategy type and Performance. *Strategic Management Journal*, 21(08), 813 – 829.

Stewart, G. L., & Brown, K.G. (2010). *Human Resource Management: Linking Strategy to Practice*, New York: John Wiley & Sons. Inc.

Ulrich, D. (1997). *Human Resource Champions*. Boston: Harvard Business School Press.

Venkatraman, N., & Grant, J. H. (1986). Construct Measurement in organizational strategy Research: A critique and proposal. *Academy of Management Review*, 11(1), 71-87.

Wan, D., Ong, C. H., & Kok, V. (2002). Strategic Human Resource Management and Organizational Performance in Singapore. *Compensation & Benefits Review* 34(33), 33-42

Wright, P.M., & Haggerty, J.J. (2005). *Missing Variables in Theories of Strategic Human Resource Management: Time,*

Integration between Practice of Strategic Human Resource Management and Organizational Strategy Process: View Points from CEOs and Heads of HR in Sri Lankan firms

Cause, and Individuals. Center for Advance Human Resource Studies.

Wright, P.M., & McMahan G.C. (1992). Theoretical Perspective for Strategic Human Resource Management. *Journal of Management*, 18(2), 295-320.

Wright, P.M., & Snell, S.A. (1998). Towards a unifying framework for Exploring fit and flexibility in strategic human resource management. *Academy of Management Review*, 23(4), 756-7