# Changing A Strategy For The Competition

Australia, similar to many countries around the world, is experiencing difficulty with an increased skilled labour shortage (De Cieri et al. 2008, Jorgensen 2004) and an ageing population (Jorgensen 2004). Jorgensen (2004) commented that it would become difficult for employers to attract prospective skilled employees and mature employees. He also mentioned that attracting employees was important for the Australian workforce. In recent years, human capital has become a source of competitive advantage for an organisation, thus, attracting employees is another challenge for HR.

Hieronimus, Schaefer and Schröder (2005) suggested that employers could attract talented staff just like attracting customers by using branding. They urged that branding influenced employee's emotions rather than tangible assets such as benefits and a high salary. However, employers have to consider that the brand-building strategy for recruiting has to be fitted with overall branding strategy (Hieronimus, Schaefer and Schröder 2005).

Yahoo! is currently attracting and engaging experienced staff by branding in the same way as it does to attract its customers (Sartain 2005). Sartain, Senior Vice President Human Resources and Chief human resources Yahoo (2005), mentioned that 'The brand attaches the meaning, the life style, the transformation, the potential, the joy, and the fulfillment of the product' which should be applied to employees as well. She stated that Yahoo! has built its brand internally then generated externally. She believed that 'communicating internal brand' consisting of the value of an organisation throughout this strategy is very powerful. The steps which have been taken are: firstly, human resources conducted research which asked operation staff, manager level staff and executives to answer this question 'What sucks and aren't you glad you won't find these at Yahoo! List.' and implied the re-branding process (Sartain 2005). Secondly, according to Sartain (2005), it is believed that the 'Life engine' brand, which is a result of the first step, would attract a particular employee to do a particular work for the employer. For instance, Yahoo! set up a contest for its employees and customers to write an essay under the topic 'Describe how Yahoo! is your life engine.' to encourage them to participate in and perceive the belongingness to the company (Sartain 2005).

Sartain (2005) commented that internal to external branding was actually affective for every company. However she also stated what other organisations had to be concerned of. The most important concern, which the Chief human resources of Yahoo! urged was that the organisation should define its goal and set its internal brand, is consonant to its external brand. Secondly, she believed human resources should think as if they were marketers in order to promote the brand externally which could help the team to develop new skills. Thirdly, the branding promotion has to be recognised and sustained; otherwise, the branding will not be affective (Sartain 2005). Therefore, there is no guarantee that such a strategy would work for every type of business.

The next example of Strategy and human resources innovation is Google. Its brand is recognized worldwide, with its headquarter- Googleplex- located at Mountain View, California and its branches in 36 countries around the world, including one in Sydney, Australia (Google 2009 cited in Kuntze&Matulich 2009). It is widely known as one of the most desirable places to work for. Googlers, Google's jargon for Google employees, work hard in campus-like environments where it is allowed for Googlers' creativity to flow (Kuntze&Matulich 2009). According to the Google website (2010), Google culture is more relaxed than that of any other company. Google provided Gyms, 3 meal cafeterias, snack bars, moving around the office with bicycles, allowed its employees to take their pet to work with them and many more things that people would not expect in a workplace (Google 2010). Google innovation has similarity with Yahoo strategy by way of introducing its internal brand externally to attract employees. However, it has slightly different results from Yahoo case which will be discussed later in retention strategy.

The heart of employer branding are, First, the objective of the Branding is to be specific. Second, employer brand creates awareness through communication and experience from time to time. It is necessity to set the target because the customer change of goods and services at any time. If experience was not in accordance with "contract" employees of the brand too. He can feel away from organizations that do not provide what the employer brand promise.

Next, the most common way that attracts employees is benefit. Brenner (2007) suggested that employees, especially at executive level, would prefer working for the employer that provides higher retirement benefits rather than a higher salary. 'A survey of Certified Employee Benefit Specialist (2002) found that the number one priority for 63 percent of executives was securing their retirement plan (cited in Brenner 2007). The difficulty for the long term benefit is it does not attract every generation. The younger generation may not be interested in such benefits.

Considering the differences between Generations, the same benefits have different value to different generations (Clark 2007). The three different generations are the baby boomers, who are the first generation that was socialised by television, will be attracted by health coverage and retirement (Clark 2007). Examples of the benefits that Clark (20007) mentioned are retirement programs, dental and eye care, health insurance and a Health savings account. The next generation is Generation X who grew up during the time when the unemployment rate was high and experienced economic recession (Clark 2007). The third generation is Generation Y, who takes computers and internet as general equipment in daily life (Clark 2007). The company should be able to attract all generations allowing them to share their values.

Clark (2007) suggested that the benefits package should include employees lifestyle, work/life balance, concierge services and physical and mental wellness. Firstly, considering life style, the flexibility in work can be very attractive for all generations, especially Generation X and Y (Clark 2007). The organisation can offer child care services, transport and accommodation to employees as well as supporting higher

education or training which creates higher work/life balance (Clark 2007). She recommended concierge services which include household repairing and other supports. As for the physical and mental wellness, the company can provide counseling services and an annual health check-up for its employees. The difficulty of these benefits is when considering the benefits that suit generation companies should include individual differences because this idea of generations only represent the needs in general, however; if companies seriously focus on individuals want, the companies will not be able to serve all there need.

Motivating employees is the next challenge for human resources because human capital is considered to be a source of competitive advantage for an organisation. On the other hand, if the company can attract talent, qualified workers but the workers do not perform as the organisation expected, people would not be a source of competitive advantage for the company anymore. Motivating employees is commonly known as a way to help employees achieve high performance and increase loyalty within the contemporary situation that organisations face.

There are many motivators which are mainly divided into financial and non-financial. As Financial rewards, such as a high salary, piece rate pay and profit sharing are wildly used in organisations around the world. Non-financial motivators have been developed in recent years. However, non-financial motivators do not have immediate response and they require involvement of senior managers (Dewhurst, Guthridge& Mohr 2010).

In accordance with a survey conducted by Dewhurst, Guthtidge and Mohr ( 2010) it was found that the top non-financial motivators were making employees recognise that they were valuable to the company, providing employees with opportunities for leading projects and the role of senior leader and other colleagues.

By using non-financial rewards, Strickler (2006) suggested that motivators could be something like the organisation culture, an encouraging and safe environment and respect for each other. By organisation culture, Strickler meant the trust in the company, the trust of the employees in the organisation and the trust of the organisation in its employees. Her idea of an encouraging and safe environment was actually supported by Maslows Hierarchy needs, in his well-known motivation theory. According to the theory, safety need is the second need of an individual which includes security of employment and physical and mental safety of the individual. As for an encouraging environment, it is related to the self-esteem need which states that people desire respect from others and to be able to respect themselves.

The next motivator is learning culture (Messnarz et al. 2008). It allows employees to be able to develop themselves as this could response to their self-esteem and self actualisation needs. An individual has a strong desire to be something and the opportunities that allow them to do so will create psychological contracts which engage them to the company, relevant to the idea of training and development.

Considering increase in job satisfaction as a motivators, people is more likely to perform better when they happy in what they are doing. Job experience could be one of the factors that creates job satisfaction. During probation, new employees are quite satisfied with the work. This is the exciting and challenging period, required skills and abilities. Work is more attractive when it is new. Satisfaction will decrease to initial if they do not receive feedback from the progress and confirm their success. After that is common to feel discouraged if you feel that progress has been slow. Satisfaction increases as the number of years of experience in running and growing.

Another factor is job congruence which relate to the relationship between job requirements and qualifications of workers. If the workers are fit in the demand work with their skills and qualifications, workers will be satisfied with the work. On the other hand, if no appropriation between the needs of workers with skills, this will make the job satisfaction decreased.

Job design is one method that can motivate people. Job design includes job specialization, job rotation, job enlargement and job enrichment. These are the strategy that helps improve job satisfaction which positively related to motivation.

Fistly, Job Specialisation means to divide or define the scope of work to individual knowledge . The ability of subordinates and the division of labor depends on ability to the performance of the worker within the oraganisation. The advantage of job specialisation are it is reflection to self employment benefit from the work of their own aptitude and proficiency when doing so would help them work more effective. The next advantage is it is beneficial to the organisation itself. Because these reduce the errors caused by work and loss of resources used to run it down which enable the organisation to save on resource use in production.

There are also disadvantages. First, it is, mentally, sickened people continuing doing the same job every day which effect decreasing in quality and quantity. Because of the repetitive and monotonous work and lack of interest and the work is regularly challenged the lack of disincentives to work. Lastly, Lack of coordination with others in the organisation because of people engaged by the ability and responsibility of their own creates lack the interpersonal skills to others, because everyone focused their work.

Secondly, job rotation which is to change job from one to another . The new job has to be at the same level. Reasons for job rotation are reduce the tedious work of employees such as employee who work at the counter for deposits and withdrawals, but in the current month, is assigned to work on the part of the closing monthly report which rotation is helping employees to find what is actually suited them and make people not bored of the job but, finally, the employee will get tired.

Thirdly, Job Enlargement is to increase the amount of work the employee more. For instant, answering the phone, administration work and receptionist can be work by only

one employee benefits that would arise with the organization itself. The organization can benefit from the ability by job volume increased and replace two employees by hiring one people. On the other hand, the disadvantage is the employees themselves may claim benefit or to increase salaries because their jobs increased.

Lastly, Job Enrichment is to increase both the depth of the workload and responsibility to work with employees. Increasing responsibility in enhancing the challenge and consider adding motivation to work with employees. Like the indirect increase morale in the work, this increase in responsibility that can be used as a tool to move to any higher position. But there are disadvantages before adding the responsibility should be well analysed before making the decision that the staff or employee is appropriate for enrichment.

Justice in organisation involved in operation per person fairly in the organisation. In the case of selection, accepting or rejecting a job candidate, making decision by evaluating candidates. Including the process used for making decisions. The process of justice can be through psychological tests and interviews, or other methods that work. This wil develop high feeling about justice and have developed mechanisms to satisfy in this regard that occur in the workplace such as training employees to manage conflict between individuals, training managers in assessing performance, advice and ideas from employees. To improve the work, forms these mechanisms are create more justice in the workplace.

Retention staff is one of the important challenges for human resources. Exceptional staff could not be sustainable if they are not engage to the organisation and not stay on the job. Three main reasons for retaining employee are Ageing population problem (Jorgenson 2004), lead to loses of knowledge and retraining new staff is expensive. As a result, organisation and company make an effort to retain their people, which can caused more expenses, because it is considered that people are the source of competitive advantage. Employee engagement is important to employees, organisation and organisational commitment is used to predict employee turnover and other outcomes (Richman et al. 2008).

Turnover worth to the organization as well. Every time someone resigned to take the new one instead, through the selection and training process to take different experience. The employee must often change associated with dissatisfaction with the job.

Organisational commitment was significantly related to changing jobs a lot. People who is affiliated with the company and will not leave. Changing job will occur more when the unemployment rate is low and easy to find a new job opportunity. The difference between the lack of jobs and changing work absenteeism is often negatively impact organisations, There are two types of leave employees with performance is not good (functional turnover). The resignation does not affect any of the organisations and the

resignation of employees who are well performing (Dysfunctional turnover) that this type of leave may cause damage to the organisation.

A study research conducted by Richman et al. (2008) found that perception of flexibility increased the percentage of expectation retention by 55%. In another word, The employee who perceived flexibility in the organisation, does not matter if it is occasional flexibility or ongoing flexibility, is more than twice likely to expect staying with the company. The research also reveal that supportive work/life policies and workplace flexibility policies are associated with positive outcomes for the individual and the organisation (Richman et al. 2008), which means the company has the higher supportive work/life policies and more flexibility, people are likely to perform better. People will engage to the company if they are happy with themselves while working in the company, this effect to the intention of retaining. So it is human resources' that have to make people perceived the flexibility in the workplace.

Flexibility can mitigate the effects of stress by providing workers with more control over the way they work since stress is less related to the specific work tasks than to degree of control workers have over their work (Halpern 2005 cited in Richman et al.2008). Management should consider the way that they can get their people to do the work. Kossek, Lautsch, and Eaton (2005 cited in Richman et al. 2008) propose that 'personal job flexibility autonomy', may be the single best predictor of the outcomes of lower work/ family conflict and lower intention to turnover of all the flexibility enactment measures they studied.

Organisational flexibility in operations and adapt to the environment is changing all the time. Therefore, the design organisation is currently focused on the structure of the organization. That must be coordinated effectively including providing information to go down to human resources in the organisation quickly and thoroughly. In addition, human resources must know the main goal of the organisation. Because the main focus of different organisations will affect the design of different organisations.

Google, as the example of attract people successfully by its facilities but fail to retain people (Kuntze&Matulich 2009). Kuntze and Matulich (2009) mentioned that Google has increased the number of former googlers and unsatisfied current googlers. As mentioned earlier Google has less structured work than other workplace, all entertaining equipment, these create overload of happiness or it is 'too much of a good thing'. Individual may need more structured work, working hours for instant. It is common for googlers to work after hour around the clock which affect their physical and mental health. Google has been focusing on its employees too much which makes no balance in the workplace. Kuntze and Matulich (2009) commented that Google has poor management. Within the company not every individual in management agreed on the fun culture so it is caused conflicts between staff and management. When the management not gets along with the organisation's culture it caused a lot of pressure for staff. As a result, staff would have no intention of remaining in the company.

As mentioned before, some benefits can help employers retaining people. As Brenner (2007) claimed that the long term benefits would retain people. It persuade people to stay with the organisation longer in order to gain such the benefits.

The ways to make people stay in the organisation are when people join the company; they must be informed of their responsibility so that staff will be prepare their expectation in workplace. Providing guidance and training to the new staff, it is helping them to adjust to the company. It is important that rewards must be reasonable, fair and equitable treatment. Management compensation adequate (Adequate Benefits Package), including both monetary and non monetary as mention before that the benefits are able to use for attract and retaining(Brenner 2007). Organisation should provide development and training for its current people and Equality, equity (Fair) and discrimination (Nondiscriminatory) need to be fair to participants of all ages in all languages of all nations.

There is a link between attracting, motivating and retaining staff which companies cannot separate any of them in order to gain competitive advantage over other company. If the company can attract talented staff but company's values are not allow them to perform their best or not support them, people would not stay with the company. On the other hand, if company cannot retain people to work with, it will create negative perception to the outsider by higher turnover rate. Organisation should be aware of the link as mentioned.

Considering HR's competency to imply the strategies and innovations, HR has the main responsibility for this. According to Jensen (2005, p.40) survey, '…few (executives) believed their companies perform very well in developing organizational capabilities that are critical to strong business performance and competitive advantage.' which means organisations are not well-prepare in gaining competitive advantage over each other. From the employee point of view, the expectation of human resources are improving productivity of workers, being able to deliver human resources services, supporting company by human capital so it is allow company to be in the trend and increasing staff engagement (Jensen 2005).

It is important for contemporary business in to attract, motivate and retain talent people for gaining competitive advantage over other business. However, in order to do so, organisation may experience many difficulties due to economic crisis and rapidly change in technology. There are many strategies and innovations for attracting, motivating and retain talented, but not every strategy is successful. Organisation has to be aware of individual differences and be fair when making decision.