Implementing a Human Resource Plan

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Abstract

This research involved evaluating the human resource management practices and processes within an organisation. The organisation is a well-established life sciences organisation located in New Zealand. The organisation manufactures an insert device which is sold to over 60 countries. The organisation has experienced significant changes, and these changes to the organisation are still in the process of being implemented. The organisation has a clear and focussed business strategy and human resource plan however, the plan has not been implemented. The changes to the organisation have affected the motivation of the employees, job insecurities with the restructuring of the organisation, and employees have experienced an inability to adapt and change. Communication from senior management was initially on a regular basis however, the communication is now less. An audit of human resource systems is recommended, to review current practices and to provide statistical data and information, to senior management to establish the motivation and engagement levels of all employees. The organisation adheres to strict compliance and regulatory guidelines. Therefore health and safety procedures and processes are established, employees are trained during induction and receive ongoing health and safety training. There are robust reporting systems in place for incidents and hazards, a no blame culture is encouraged and employees are comfortable reporting health and safety concerns. The management team support a positive health and safety culture and encourages continuous improvements. For the organisation to evolve its brand and to achieve its vision of attracting and retaining top talent, encouraging collaboration, communication and engaging employees, this report recommends, the human resource plan to be communicated to employees as soon as possible. Communication from senior management should be on a regular basis and results continually reinforced. Senior management should become more visible to the employees on the shop floor.
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1. Introduction

1.1. Organisation Background

The purpose of this report is to research an organisation and evaluate a specific human resource management practice or process within that organisation. The chosen organisation is a New Zealand manufacturer. The organisation is part of a technology and innovation group based in New Zealand.

The manufactured product is an insert for animals that controls the release of drug into the animal such as cattle, sheep, and goats. The insert releases progesterone into the bloodstream of the animals at a controlled rate and improves the effectiveness of reproduction.

In the organisation obtained certification, and the product was launched into an international market. The product is sold to an organisation which is a global animal health company and the product is distributed to over 60 countries around the world.

An initial analysis of the organisation was completed by the new management team using the SWOT analysis theory.

The strengths identified within the organisation were; the regulatory compliance of international standards the company maintained, accreditation and the certified cleanroom facility for the assembly of medical and pharmaceutical products.

The weaknesses identified within the organisation were; the single product manufactured and sold to the one customer, and the large price of the insert paid by the customer.

The threats identified within the organisation were; the expiry of the patent in the near future, therefore the potential for any competitors around the world to manufacture the insert cheaper and sell at less price.

The opportunities identified were; the ability and potential for the organisation to diversify and manufacture other life science, medical or pharmaceutical products for human or animal health as the organisation already met compliance and regulatory standards.

The organisation approached the customer to establish their views on how the organisation could remain competitive in the market. The customer requested that the cost of the product be lowered to meet international demands and that the orders be delivered on specified time.

This formed the business strategic. The organisation was aligned and several departments were restructured to improve collaboration and synergy across the organisation.

The organisation has developed into a customer focussed company, by finding out what the customer wanted and then producing product for the customer. Lean manufacturing practices were introduced to stream-line processes within the organisation, eliminating waste and seeking continuous improvement while establishing a competitive advantage. The streamlining of processes would eventually free up staff to be able to work on new ideas and products and to be involved in cross-functional team projects.

The organisation human resources was first to complete a skills matrix plan to identify the skills of all employees. The skills matrix also identified any skill gaps within the organisation. Several new departments were established, a marketing department and a research and development department. Employees with skills relevant to the restructured or newly developed departments were utilised and external employees were also hired.

To help the organisation reach its three-year business goals a human resource plan was developed. The plan that evolved was to establish the organisation as a brand of choice for employees to attract and retain top talent. The organisation will encourage collaboration and communication between managers and employees, engaging employees and encouraging team-work.

The reward or individual bonus structure is to be reviewed and changed to reflect the organisations move to team focussed work and to encourage high performing cross-functional teams. The long overtime hours were reviewed to provide a better work/life balance for employees that had been working long hours.

A training needs analysis for all staff was completed and the training needs for each level of employee was identified. External training for employees is to include leadership training for team leaders and new Managers. Interpersonal, resilience and emotional intelligence training for employees, this will encourage and foster a motivated, driven and highly skilled employee.

1.2. Strategic Importance of Motivation

The motivation of employees is important to the success of an organisations strategic plan. The motivation of employees can provide the organisation with a competitive advantage and help the organisation achieve its targets and goals.

Heathfield (2017) defined work motivation as the internal drive to complete the work tasks. A work environment that motivates employees should be provided to help achieve the organisations strategic plan (Heathfield, 2017).

There are many factors that contribute to the motivation of employees, a workplace that enables trust, engagement, communication and teamwork contributes to a motivated employee (Awadzi-Calloway, Awadzi & Awadzi, 2016). The culture of the organisation, the values and how the employee fits and socialises within the organisation, can contribute to happy and loyal employees. Working conditions, job design, achievable targets and

maintaining a good relationship with management or the direct manager can also have an impact on employee motivation levels.

There are various ways to increase motivation within the workplace and often they can involve acknowledgement, praise and positive feedback to an employee. Most employees have different needs that can increase motivation; this may be associated with age, race, gender or values. An employee may be motivated by the offer of flexible hours another employee by the offer of incentives or bonuses payments.

Rudman (2010) and Stone (2014) both suggest that money or compensation can increase the motivation levels of employees but only for a short period. Money can attract an applicant to an organisation but does not necessarily provide the employee with the motivation to do the work. In some organisations, money can have the direct opposite effect, if the employee feels they were not compensated fairly for their work. This may result in the employee working just enough, to complete the tasks of their job.

The selected organisation employees have experienced a large amount of change in the past two years, working in a continuously changing environment and dealing with the restructuring of the business and departments within the organisation. Employees have the pressure of job insecurity due to the restructuring of the organisation and the uncertainty of which department may be next in line for restructuring. The redundancy of work colleagues or direct managers can also affect the engagement and motivation of employees.

Many of the employees have long established careers at the organisation, and the insecurity and the inability to adapt to changes have fostered an environment of disengagement and resentment which has resulted in demotivated employees.

When an organisation has disengaged and demotivated employees this can affect the overall morale of the organisation leading to low productivity levels and increase employee turnover and absenteeism. The manufacturing department at the organisation is not to be restructured nor is there any planned job losses, however staff turnover is high in this department and absenteeism is high.

The Management at the organisation, due to cost reductions, have ceased offering incentives to new employees which included health care, personal insurance, superannuation and some penal rates. Longer-serving employees are still receiving these benefits while the newer employees did not receive these benefits. This has resulted in some newer employees thinking this is unfair, as they are working as hard but receive fewer benefits, which in turn has resulted in demotivating of some of the employees.

Further cost reductions has resulted in the amount of overtime available employees, while the the organisationrease in overtime has provided a better work/life balance for employees, the result has been a loss of earnings for some regular overtime employees who relied on this extra income. The result has caused stress for these employees, with the loss of motivation to come to work and essentially the employee seeking better paid employment.

The organisation have followed the recommended change process for an organisation, communicating with staff about the organisations goals for the future, why the changes were necessary for the organisation and how they hoped to achieve these the changes. Quarterly meetings are held with employees to update the progress on the organisation, and any major successes are celebrated.

However, the slow process of change has affected the motivation of employees regardless of which department the person works in, this has resulted in office politics, rumours and gossip. Senior Management are rarely seen and this has contributed to an environment of insecurity and a the organisationline in trust.

My recommendation to the organisation is to implement the restructuring processes for departments as soon as possible and following the appropriate legal timeframes. Senior Management should become more visible to employees on the shop floor; communication should open and on a regular basis to eliminate gossip and rumours. The training and development that is planned for employees under the 'people plan', if not practical to initiate at present, should be communicated to employees. The newly planned group bonus system should be given priority and discussed and employees given the opportunity for feedback. Any reward system that is implemented should be flexible but fair throughout the organisation and based on the organisation values and goals.

For the organisation to become the organisation of choice, Managers at all levels are required to lead by example, reiterating the values of the organisation. This will be a start to creating the culture of a supportive and caring environment that promotes the consistent and honest behaviours that are expected of all the organisation employees. When the employees at the organisation have job security and are fairly

rewarded for their work effort, the levels of motivation and engagement should increase and going forward, create a positive and inspiring environment that will attract and retain top talent.

2. Results

2.1. Human Resource Audits

Internal and external audits of an organisation are undertaken to ensure compliance standards, regulatory standards, legal requirements, procedures, rules are met and followed (Stone, 2014). Human Resources, premises, equipment, procedures and processes are examined at different intervals to provide information. Audits can identify strengths and weaknesses, identify gaps and opportunities for improvement within the organisation. Management and Human Resource Managers can receive information on the function or areas being audited and determine if they are beneficial to the organisation's strategic plan (Stone, 2005, p. 819).

Stone (2014) suggests that employee turnover, absenteeism, health and safety information and employee attitude surveys can help to measure the climate of an organisation. Employee motivation, performance and job satisfaction can affect the climate of an organisation (pg. 826).

As it is difficult to measure and audit the motivation levels of employees senior management should initially conduct a climate survey. A questionnaire should be established with a set of standard questions and employees invited to participate, this will help establish employee's attitude towards the company and their current job satisfaction..

2.2. Audit within the organisation

For an audit of the organisation, the topic of focus would be establishment of motivation and engagement levels of the organisation employees. The objective would be to improve performance and job satisfaction of the organisation employees, and this aim should apply to all employees.

The human resource information and the statistical data should be compared from previous years. The data should be compared with available data from other life science organisations regarding employee turnover, absenteeism rates, and health and safety.

The method involved should establish the statistical data for the efficiency levels of production employees for in the past year, the number of batches completed and the timeframe, the number of non-conformance reports raised and closed out, health and safety reports, staff turnover rates and absenteeism rates. Review exit interviews and reasons for leaving, review performance reviews, training schedules for employees, reward and bonus systems. Face to face interviews should be conducted with four or more employees from each department with employees answering a semi-standard set of open ended questions.

A risk assessment should be completed and the frequency of an audit is determined by the risk factors associated with the area or process that is being audited. Risk factors can include the results of previous audits, major changes to the organisation, process or health and safety issues. The frequency of an audit can occur three yearly for low risk, two yearly for medium risk and high risk audited once a year, the period can also be based on the complexity of the process to be audited, how important the process or system is, along with the risk to the organisation.

Since the organisation is going through a period of change, the initial audit suggested is a thorough and comprehensive audit as many areas need to be reviewed to identify areas of improvement. After the initial audit, all the processes will not need a yearly audit, and areas can be reduced to smaller specific audits.

This audit template is the best fit for the organisation during this period of change as the information and data reviewed and gathered will ensure the human resources of the organisation align with the organisation's strategic plan. Benchmarking against other organisations, identifying employment trends and analysing previous company data and statistics will ensure the organisation have current and comprehensive data and information to maintain a competitive advantage.

The data and information collected from this audit is to be submitted to senior management in a report format. The audit findings and the audit conclusion will be represented to senior management along with a report of the data and information collected throughout for this audit.

2.3. Health and Safety

A health and safety strategy is important in an organisation, as an effective strategy can provide the organisation with a competitive advantage when aligned with the business strategy. Stone (2014)

highlighted that commitment, motivation, productivity and the organisationreased operating costs contribute to a competitive advantage and therefore the health and safety objectives and the organisation's objectives for an organisation must align. He also notes that "safe workplaces are recognised as good places to work" (2014, p. 666).

The Health and Safety at Work Act 2015 in New Zealand was introduced in April 2016, this Act defines the person or persons responsibilities within the workplace for health and safety. In line with making the person or persons undertaking a business responsible, considerable fines have been introduced and enforced for non-compliance or exposing others to risk, injury or illness (Worksafe, 2017).

Increased absenteeism due to illness, injuries to employees, increased downtime and the payment of ACC levies are costly and can impact on the organisation's ability to remain competitive. Current ACC levies are paid according to an employer's industry risk group profile and the payroll size however ACC is considering changes to the rating process and the new scheme will offer levy discounts if implemented (EMA, 2018).

Therefore the importance of aligning the health and safety objectives and the organisation's objectives are extremely important for financial and legal reasons, for increasing productivity levels and morale within the workplace.

Health and safety in the workplace is the responsibility of the person conducting a business undertaking to provide a workplace that is healthy and safe for workers. An organisation can ensure a workplace is healthy and safe by minimising risks, identifying hazards and controlling the risks (Worksafe, 2017). Information and training should be provided to employees and workers to ensure they can work safely, that employees the know how to report health and safety issues and to whom.

Worksafe (2017) states that a health and safety committee can be established in an organisation if requested by five or more employees, however an organisation can the organisationline the request if the organisation has less than 20 employees. Health and Safety Representatives and Committee members are usually elected by a group of people within the workplace for whom they represent (Worksafe, 2017).

2.4. Health and Safety within the organisation

The organisation initiated changes to health and safety culture before the introduction of health and Safety at Work Act 2015. Over the past few years a strong health and safety culture has developed, with departments within the organisation elected employees to be on the organisation health and safety committee. When elected these employees receive external training as Health and Safety Representatives. The Health and Safety committee meets once a month usually with a senior manager present to discuss health and safety matters, concerns and issues.

The organisation has a health and safety policy in place. Health and safety procedures are issued and the relevant employees trained. Company procedures have been issued for the reporting of incidents, reporting of hazards, hazard management, repetitive strain injury reduction to name a few. The organisation has a drug and alcohol policy in place and conducts pre-employment drug test and random drug testing for employees. The organisation provides full support to employees that return a non-negative drug test and the process that is followed is explained to employees in the drug and alcohol policy.

The organisation supports an employee assistance programme with Vitae Support services. On-site support and employee counselling can be provided for either work-related support or personal support for which the organisation will pay for up to three hours or more if approved. All referrals are confidential.

The organisation encourages a no-blame system and encourages employees to report any health and safety concerns, any concerns with employee well-being or hazards that have been identified. Due to the no blame culture, the repetitive nature of the work and that employees are encouraged to report all incidents or near misses, regardless of how minor the incident was, therefore the organisation does have a high rate of incidents that are reported.

For all incidents that occur, an incident report is raised, registered and if an injury does occur or a near miss the incident is reported to senior management. The incident is rated from minor to serious and the departmental manager the organisationides if an investigation will take place. The root cause of the incident is identified, what procedures or systems are in place and then the improvements, controls or training are implemented. Incident reports are closed out by the health and safety committee when they are satisfied that all improvements, controls and risks have been eliminated or minimised.

Hazards are reported in a similar manner, hazards are identified, a hazard report is raised, registered, a risk assessment is determined, interim controls put in place if required, serious hazards are reported to senior management and displayed on the departmental hazard register. If the hazard can be eliminated, the hazard report can then be closed out by the health and safety committee but if controls are in place, the hazard is continued to be monitored and remains listed on the hazard register.

This system of reporting and encouraging employee participation is the best fit for the organisation and the health and safety culture has grown positively over the past two years. Any health and safety concerns are taken seriously by management and employees are not afraid to report concerns nor are there any repercussions to employees. New employees receive health and safety training during induction, personal protective equipment is available and issued, and the wearing of personal protective equipment is strictly enforced by procedures.

The recommendations to the organisation are to continue to grow and support the positive health and safety culture within the organisation, to establish a 'return to work' plan for injured employees, implement a bullying/harassment policy and train employees on acceptable and non-acceptable behaviour. Also, to continue to support flexible hours and monitor shift hours, to reduce fatigue in the workplace due to the rostered shift work.

Commitment is required from an organisation in regards to making a safe and healthy organisational culture. The organisation has implemented robust health and safety practices and processes and continue to improve the health and safety culture within the organisation.

3. Conclusion

The organisation is experiencing an enormous amount of change. The changes that are in progress are imperative for the organisation to continue to remain internationally competitive within the life science sector.

The changes planned for the organisation have not been completed quickly, these changes have occurred slowly over a period of time, this period of change and possibly because of the drawn-out nature of the changes has had an impact on the motivation of the employees at the organisation.

The business strategy has also had implications for the employees, with work insecurity due to restructuring and job changes. Some employees have adjusted well to the changes, and others have not adapted well, lack of visibility of senior management has also contributed to a culture of gossip and distrust.

Due to the nature of the life sciences business that the organisation is involved in, which require high compliance and regulatory standards, the organisation is proficient at establishing processes and procedures and training staff in these essential requirements.

As departmental managers have been held responsible for their human resource systems to date, this has resulted in the inconsistency between departments. A thorough audit of all human resource practices would provide synergy and consistency throughout the organisation. The organisationhas highly trained auditors in the quality assurance department, that have experienced auditing departments and processes externally and internally.

Health and safety processes and practices are well established within the organisation and continually improving. The organisation senior management has been supportive in establishing a positive health and safety culture.

For the organisation to change the culture and start to motivate and engage the employees, the business strategy should be communicated and then discussed and employees are given opportunities for feedback. The human resource strategy or people plan should be communicated and discussed with employees as soon as possible. Other than essential training, no training or development is available for employees at present.

The organisation is an established organisation, and the challenges the organisation face is to align the business strategy with the human resource strategy. When this strategy alignment is achieved, and development opportunities and progression plans for employees are implemented, this will increase the employee's level of motivation and engagement and going forward create a positive and happy working environment for all employees.

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