

## **A New Role for HR in Strategic Planning**

*Contributed by John F. Macek LCSW*

Strategic plans are road maps companies develop to determine directions for the future. These maps identify anticipated customer wants and needs and whether the company can effectively and profitably meet those needs. Developing products and services of the future will call for skills and equipment that do not presently exist. While a company can find a team of technical experts to design specialized equipment, it requires special skills to use it for its intended purpose and adapt to others. That's where a company can maximize competitive advantage and productivity.

Historically, HR has not been party to the strategic planning process. Managers simply assumed that HR could scour the marketplace and find the requisite skills. While that was true in the low-tech days of manufacturing, it is far from true in the high-tech enterprises of today that compete in a global market. Bringing on board personnel with versatility and imagination can determine whether a company can use its equipment to greatest advantage.

As the economy slowly recovers, companies are finding large pools of applicants, few of whom have the requisite skills. That's because we have moved from an industrial to a knowledge economy.

For the past several decades, college graduates filled this gap by acquiring multiple majors or degrees, but they did not always have an ability to integrate that acquired knowledge in ways needed by the company. We have grown past the point where academia alone can supply the skill sets organizations need. Why? Acquiring, integrating, and building upon a knowledge base does not necessarily follow. We still need content knowledge, but equally important, we need personnel who have the ability to integrate both their formal and on-the-job learning into new ways of approaches that enhance an organization's competitiveness.

To be successful, organizations need not only technical competence but an ability to translate accumulative technical competence into novel products and services. Companies need personality who can:

1. assimilate and integrate knowledge
2. work as a team player with individuals from differing backgrounds
3. enter into and relate with the complex worlds of specialists
4. see and understand the big picture, and
5. apply what they learn from experience in ways that step outside the box.

We have focused so heavily on specialized skills that we have overlooked what it takes to use those skills to greatest advantage. Specialists, unfortunately, can get caught up in tunnel vision. Companies need people who can think outside the box.

The kinds of skills I am talking about are human skills like

1. seeing the big picture and how its elements interrelate
2. using experience as a tool and building block for developing new thinking and approaches
3. an indefatigable determination to create a better mouse trap
4. knowing one's limits and where to turn to access needed information.

In my work, I have defined four areas of human competence that are critical to organizational success: intellectual, social, emotional, and decisional. The Macek Management Checklist details four to six skills in each category.

Virtually every company has personnel with hidden talents and abilities. The challenge is to identify these attributes and nurture them. In the future, there will be fewer individuals within the labor market who possess ready-made skills a company needs. That means companies cannot rely on the the market to

meet their needs but must 1) identify and nurture needed skills among those already on the payroll and 2) recruit personnel who have potential for growth.

That means looking beyond the immediate demands of a job description and hiring individuals whom we may now discount as “overqualified.” We will need them in the pipeline to implement the company’s strategic plan. Unless HR is part of the strategic planning process, HR professionals are left only with filling immediate needs. The company will not have a pipeline of skill sets it needs for the future.

Let me share an example of how a company can benefit from nurturing and growing latent talent. Thirty five years ago, a multi-national company hired a chemical engineer who had just completed his BSE. The company assigned him to work in sales because it needed a better connect between customer wants and needs and company capacity to meet those needs.

Over time, the company found itself turning more and more to this young engineer as new needs arose. The company gave him increasingly complex and demanding assignments. It knew it could trust his judgment and ability to acquire the knowledge and skills necessary to meet each challenge.

This bachelor’s level engineer worked his way up the ladder, eventually becoming Vice President in charge of operations in 15 countries.

How did a chemical engineer grow into such an important position? Hard work and determination were certainly factors, but it was his ability to learn from and build upon experience that brought him to this level. He was a team player who believed strongly in nurturing the skills of his reports, and he appropriately delegated responsibility.

When he retired, he recommended as his replacement a report he had been grooming for some years to take over his job. She got the job, and four years later became the company’s CEO.

What this example tells us is that companies must develop their own pipeline of talent that is ready to take on new challenges. HR must shift from recruiting only ready-made skills to finding personnel with potential to grow skills needed in the future. To do this successfully, HR professionals must be at the table when strategic planning is taking place. Only then can HR feed a pipeline of talent ready to tap when needed.

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