

## A Winning People Strategy

After a mid-year review of your business activity or business plan, you've likely come to a few conclusions; some financial, others operational, and almost without question, many related to your people - your employees, partners, coworkers... or, the lack thereof.

Did you know that, alongside an update to your business plan, including tweaking goals and objectives for the remainder of the year, you are perfectly positioned to begin planning for next year? In fact, now is the time to take what you have learned from your business review and build on it.

Falling somewhere between a *priority* and a *requirement*, the Strategic HR Plan is quite simply - a cornerstone of any successful business. That said many business owners have never engaged in HR planning, citing that they had nothing to add to the process, didn't know where to begin, or admitting they have never even heard the term. This sentiment is supported by the fact that many other competing HR demands prevent a more strategic and proactive approach to planning.

Compound this with the fact that small-medium sized businesses often operate in the absence of formal HR departments, HR professionals or HR expertise, and what you have are businesses who have adopted a very reactive approach to governance, focusing their resources and activities around day-to-day demands of hiring, training and performance management.

### Where to Start

Strategic HR planning is best served with a solid grounding in exactly what is expected and desired of the business for the upcoming year - the good, the bad, and the ugly. It requires the involvement of more than just senior leaders/owners or HR, and benefits greatly from a cross functional participation of different people within (and often outside of) the organization.

Reviewing your mission, vision, values and business focus is essential before any conversation about HR challenges, priorities or strategies can take place. Conducting a SWOT analysis (strengths, weaknesses, competitive advantage, in light of potential opportunities and threats), will lead to the unearthing of organizational capabilities, competencies and culture characteristics that will aid in organizational development.

## **Keep the Scope Strategic**

Although it seems obvious that a HR Strategic Plan should be ‘strategic’, too often the plan loses its big-picture focus and becomes operational. Strategic plans are different from operational plans. Strategic plans answer more of the “what and why” questions whereas operational plans answer the “how”, “when”, and “who” questions. As the strategic plan cascades down into the organization it provides all departments (including HR if you have a dedicated person or department) with the foundation upon which to build operational plans.

## **Measurement is a Must**

What gets measured gets done. In the same way you review your financial performance and assess how impactful one decision was over another, the same is true for your strategic people plans. You’ll need to measure HR effectiveness - the impact that HR strategies have on the organization’s success.

## **It’s a Process**

If all of this seems a little much, then the thought of doing it every year might seem simply impossible. Business planning, strategic HR planning, financial planning - all of these are cycles, processes. They are not one-time wonders. That said you don’t have to do it alone. Leveraging the expertise of other business professionals, including accountants, lawyers, financial planners, or human resources professionals, for example, is a great way to maximize your return, while allowing you to focus on what’s most important - your business.

You, your business, and your employees all deserve, and will thrive from, the time and efforts invested in proper planning and preparation for a successful future.