

THE HUMAN RESOURCE SCORE CARD

1. INTRODUCTION

1.1 Overview

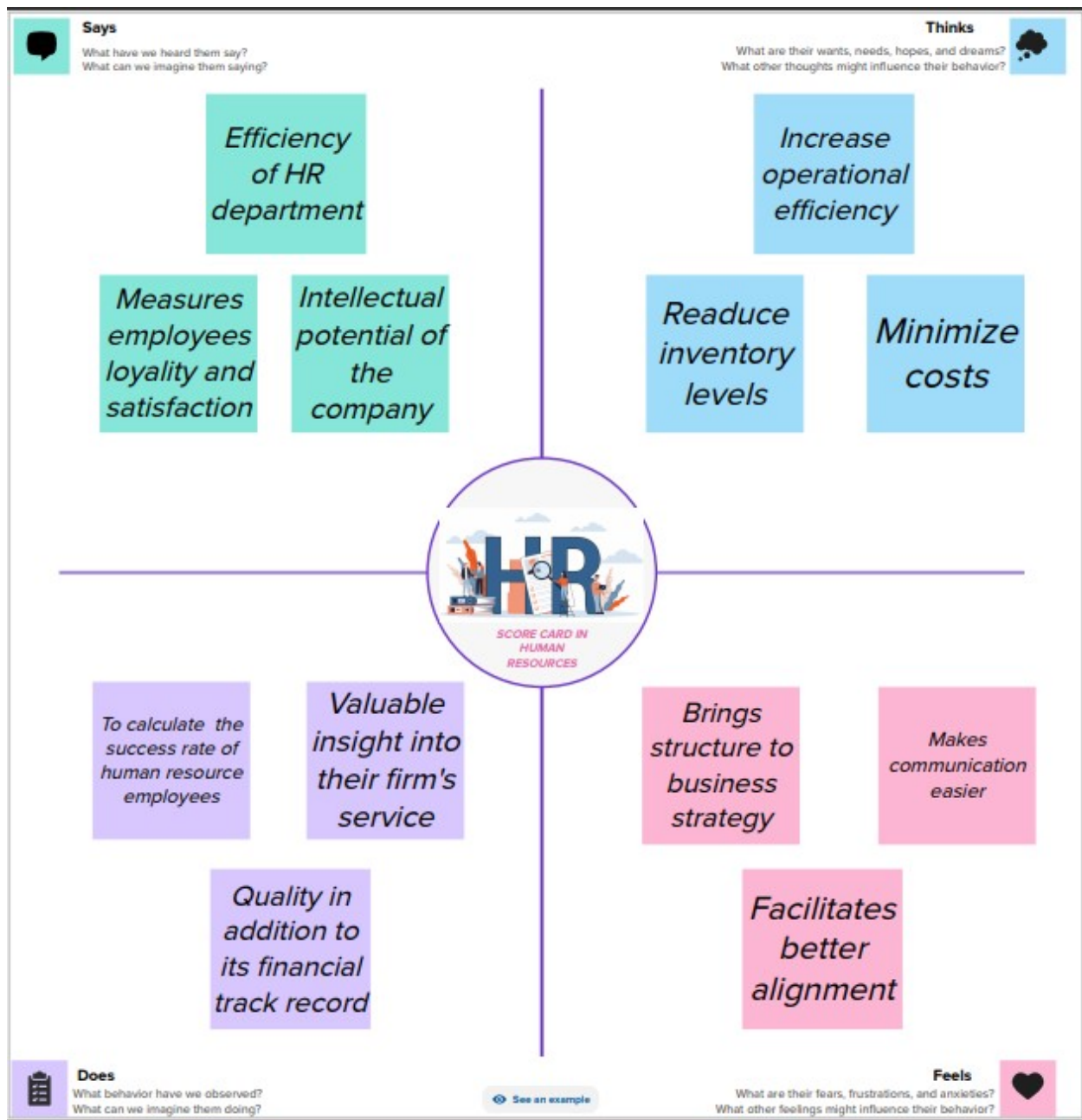
The new economic paradigm is characterized by speed, innovation, quality and customer satisfaction. The essence of the competitive advantage has shifted from tangible assets to intangible ones. The focus is now on human capital and its effective alignment with the overall strategy of organizations. This is a new age for Human Resources. The entire system of measuring HR's contribution to the organization's success as well as the architecture of the HR system needs to change to reflect the demands of succeeding in the new economy. The HR scorecard is a measurement as well as an evaluation system for redefining the role of HR as a strategic partner. It is based on the Balanced Scorecard framework developed by Kaplan and Norton and is set to revolutionize the way business perceives HR. Based on various studies, it can be concluded that firms with more effective HR management systems consistently outperform the competition. However, evidence that HR can contribute to a firm's success doesn't mean it is now effectively contributing to success in business. It is a challenge for managers to make HR a strategic asset. The HR scorecard is a lever that enables them to do so. Implementing elective measurement systems for intangible assets is a very difficult task and demands the existence of a unified framework to guide the HR managers. It is this difficulty that has been the prime reason why managers tend to avoid dealing with intangible assets as far as possible. In the process firms under-invest in their people and at times invest in the wrong ways. Another difficulty is, managers cannot foresee the consequences of their investments in intangible human assets in a well-defined measurable manner and they are not willing to take the risk. Thus, the most effective way to change this mindset is obvious - to build a framework just like the Balanced scorecard, which has sound measurement strategies.

1.2 Purpose

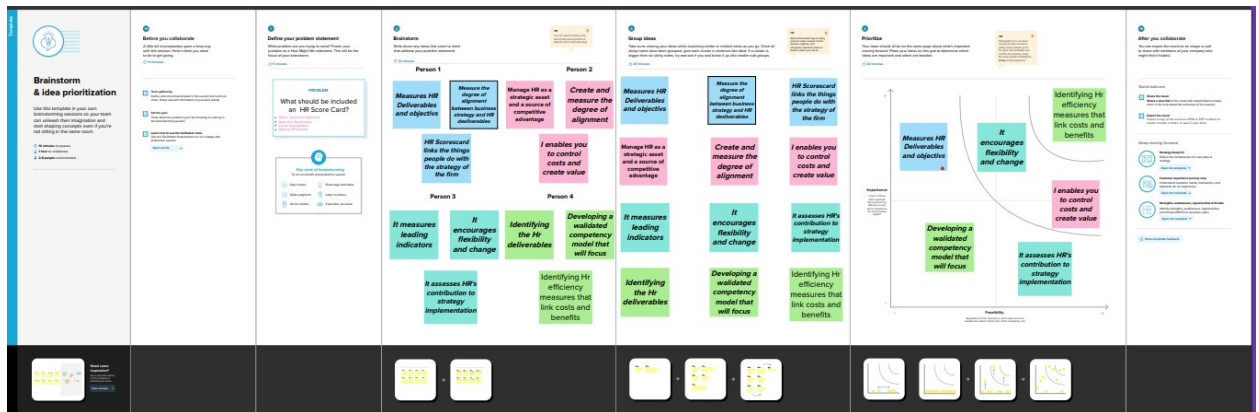
The alignment process begins with a clear understanding of what kind of value the organization is supposed to generate and how it should be generated. In the Balanced Scorecard, this is referred to as the 'strategy map' that stresses the relationship between the ultimate goals and the key success factors at the four important levels of customers, internal operations, people and systems. Once the firm has a clear understanding of the value-creation process, it can then design an implementation model that specifies needed skills and competencies and employees behaviors throughout the firm.

2. Problem Definition & Design Thinking

2.1 Empathy Map

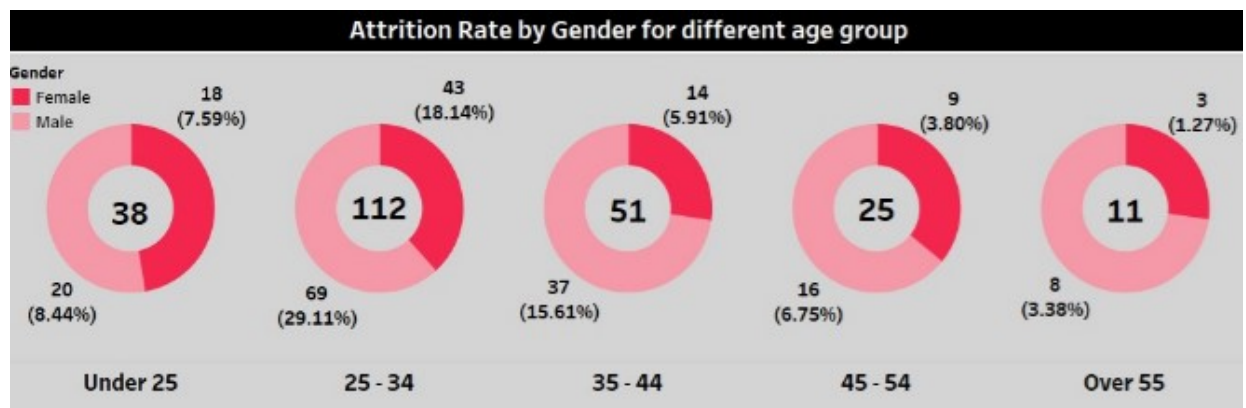


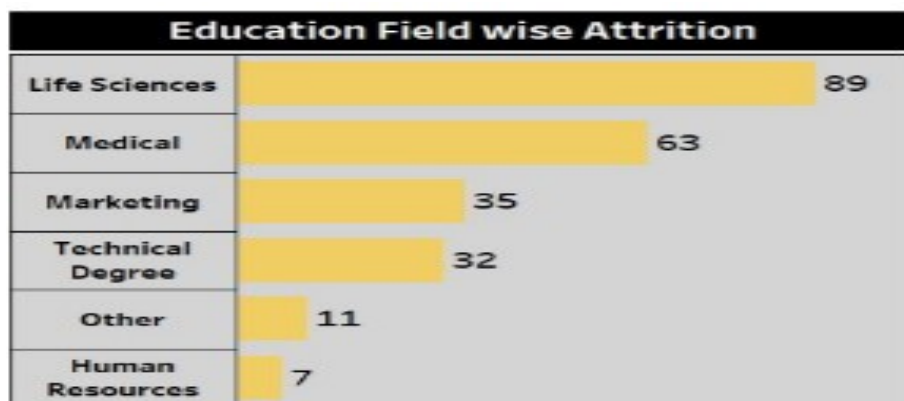
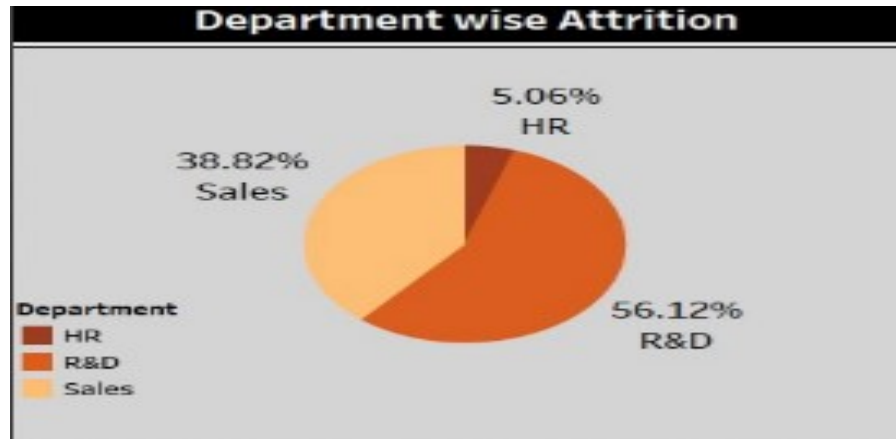
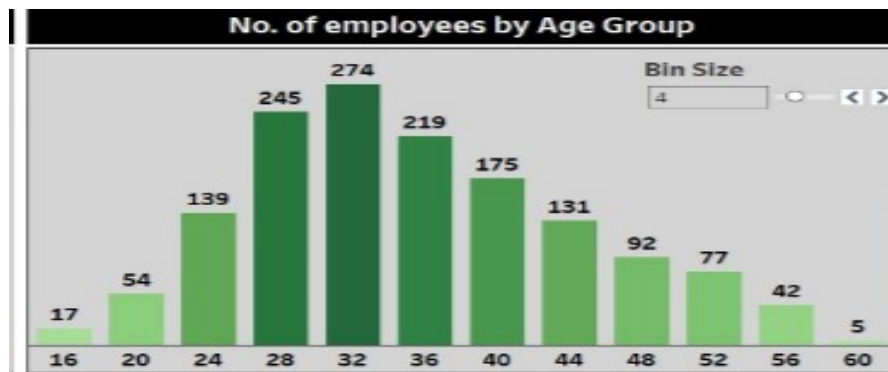
2.2 Ideation & Brainstorming Map



3. RESULTS

Employee Count	Attrition Count	Attrition Rate	Active Employees	Avg. Age
1,470	237	16.12%	1,233	37





Job Satisfaction Rating					
	Job Satisfaction				Grand Total
	1	2	3	4	
Healthcare Representat...	26	19	43	43	131
Human Resources	10	16	13	13	52
Laboratory Technician	56	48	75	80	259
Manager	21	21	27	33	102
Manufacturing Director	26	32	49	38	145
Research Director	15	16	27	22	80
Research Scientist	54	53	90	95	292
Sales Executive	69	54	91	112	326
Sales Representative	12	21	27	23	83
Grand Total	289	280	442	459	1,470

4. ADVANTAGES & DISADVANTAGES

Advantages:

1. Gives structure to the strategy
2. Improves performance reporting
3. Makes it easier to communicate the strategy
4. Connects every HR employee to organizational goals

Disadvantages:

1. Even though there are many HR Scorecard templates you can use, the framework must be customized to suit your business requirements. This can be time-consuming and tedious- especially for first-time users.
2. HR Scorecard can be overly complicated to understand despite there being many case studies and resources to read from.
3. HR Scorecards usually require managers to report information, which can cause some resistance and even delays.

5. APPLICATIONS

HR scorecard is a report that you conduct to calculate the success rate of human resource employees and the overall department. Any HR professional looking to judge and assess the business performance and productivity rate can start making use of this report to get valuable insights into the work progress.

6. CONCLUSION

The HR Balanced Scorecard has made it possible for HR managers to understand how to align HR strategy with the overall business objectives. They are able to explain not only what they are tracking but also how they are performing on essential strategies for the business. Business environment and the objectives and strategies will continue to evolve, and HR managers will continue to be flexible and creative in supporting the changes. The value of the HR Scorecard as a tool is that it can get HR to the new goals and measures and through the process ensure continued learning and change management.

7. FUTURE SCOPE

You can take HR analytics or do some relevant courses to empower your working as an HR professional. Indeed, HR will not be replaced. However, not only HR but also every individual must adapt according to technology. Thus, MBA in HR future scope is bright!

THE END
