

UNIVERSITY OF MALTA

L-Università ta' Malta

MSc in Strategic Management and Digital Marketing

MGT 5202 Strategic Human Resource Management

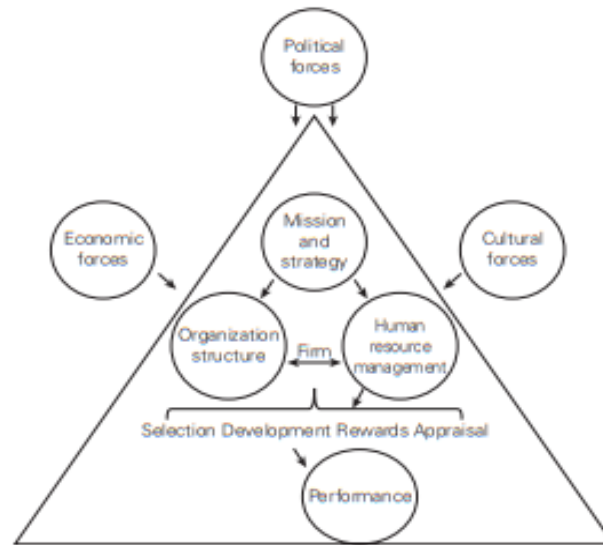
Karsten Guenther (0295697M)

My name is Karsten Guenther and I have been leading CodeNet for the last five years. CodeNet is a Maltese registered company that offers specialized software and networking solutions to start-ups and well-established organizations who seek to improve their digital technology capabilities in this era of transformation. Since CodeNet's inception our mission and strategy revolved around providing newfound value and quality service to maximise our client's business potential. This vision is deeply rooted in our company culture in which every department within our organisation understands and strives to achieve.

Our organisation offers niche services to our customers that focus on providing tailored software and enterprise networking solutions. These two services are closely related to each other and could be intertwined into one service if the clients wish to do so, therefore our aim when providing our services is to exceed our client's expectations with our expertise in the fields and outplay other companies who are in the same industry which would entice further spending by our clients. This strategy would not be possible if we do not direct our efforts on focusing on the competencies of our employees, our company culture, and processes.

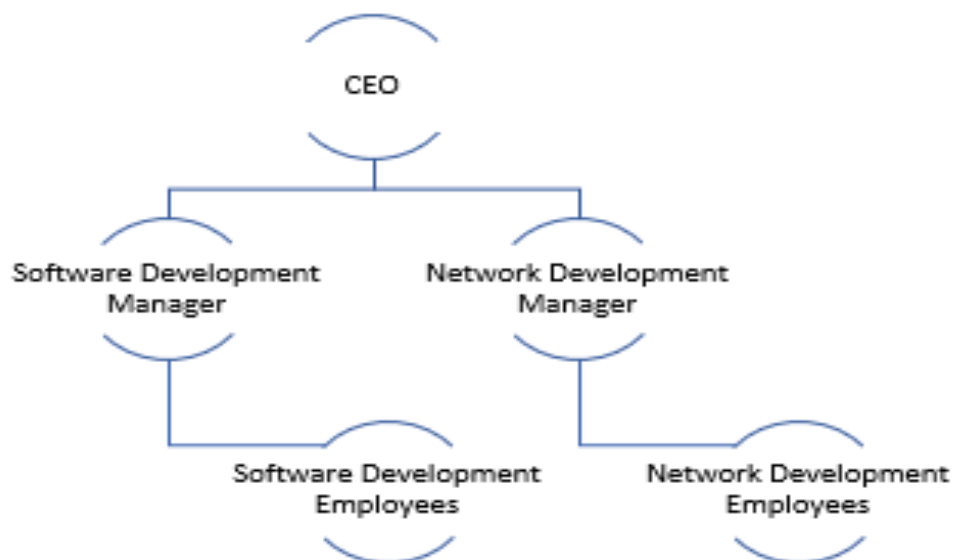
Naturally CodeNet is a learning organisation where knowledge work and knowledge-based tasks are the cornerstones of our organisation processes and therefore we prioritise the facility of knowledge transfer between our employees as we continuously adapt to our external forces. I am of the opinion that it would be more beneficial for an organisation to have the least number of tiers between low level management and top-level management so that barriers to human resource management, organisational behaviour, organisational communication, and organisational development would be minimised.

Adopting the Fombrun, Tichy and Devanna model, a critical managerial task is to align the formal organisational structure and human resource systems so that they drive the strategic objectives of the organisation. This choice of human resource management model operates as a function to external environment and internal organization characteristics to ensure the optimisation of performance and organisational effectiveness.



(a) Fombrun, Tichy, and Devanna Model

The Organisation Structure of CodeNet consists of two main branches which are primarily Software Development Department and Network Development Department. Software development is entirely done inhouse whilst network development must be carried out at the client's location. The nature of software development is intangible whilst the network development must be done using various hardware components and therefore tangible. The logistics of these services are carried out by the departmental manager which in turn would delegate the responsibilities and the project details to the selected employees. The departmental managers are responsible for the tactical and operational strategy execution who then report to me who is responsible of the corporate strategy and the administrative duties of the company.



The CEO is the leader of the company, he is responsible setting the corporate strategy and breaking it down into business strategy tactics for the departmental managers to execute. He is responsible of human resources management strategy and developing the business network with clients and stakeholders and give the subordinates a sense of meaning, purpose, and empowerment. The CEO's learning style should be lean towards being an activist in which they feel comfortable with the macro environment fluctuations and enjoys the challenge to overcome the barriers with clever strategies.

The Departmental managers are responsible for the execution of the business strategy tactics and breaking them down further into operational methods for the employees to execute. Departmental managers at CodeNet are also responsible to monitor the processes and performance of the respective departments. The learning style preferred for such positions would be a reflector personality where they implement practical applications of the inductive learning amassed when it comes to setting up the operational methods.

The employees are the brains and the hands of the organisation, without their input the superior level management would be rendered futile. The employees would be carrying out the tasks handed to them by the departmental managers and thus completing the client's projects in work teams according to their learning styles. The learning style preferred for a software developer would be a theorist personality where they are analytical and rational which are very important characteristics when developing complicated software. The network architect would have a pragmatist personality where they would be putting the ideas that were handed to them by management into practise. The deductive learning which is required for this position would be put into action at the client's location.

The human resources management one of the most important duties that the CEO is responsible for. In today's age it is important to take a strategic approach to designing and operating a company's employment system and also realise that our employees are not merely output workers but are human capital assets and a long term value to maximise, therefore it is one important component of our plan of long term corporate decisions to accomplish the mission we believe and pursue.

Our employee oriented human resource management approach emphasises of common interests and mutual gain in the employment relationship, therefore we make sure that we have one integrated and flattened 'one culture' system which in turn will motivate employees to take on greater self-regulation initiatives. Our Human resource system is conceived of as a structure of control composed of 4 basic parts: selection, rewards, development, and appraisal to maximise performance. These components are essential to CodeNet to ensure that our employees are equipped with the necessary competencies and skills whilst obtaining our business objectives.

The employee management style applied at CodeNet allows management and employees to drive organisation efficiency, make best use of economic resources through job specialisation and driving motivation through the need for achievement, power, and affiliation. These factors are backed up by the provision and enforcement of policies and individual motivation and responsibility of the employees which are mentioned below:

The selection process of our employees is done in a way in which it is always ensured that our employees are a value add to our company. The CEO is responsible of recruitment, approaches this step by conducting interviews with every candidate that would be interested of joining the company. Due to the nature of our services, our employees must be knowledgeable in the fields we operate in and therefore the minimum requirements would be an undergraduate course from a university or reputable institution. The CEO prioritises work ethic, integrity, and hunger for knowledge as the most important characteristics of a CodeNet employee. After every interview, the interviewees are shortlisted and are put into a two-week induction training programme in which the prospective employee is gets introduced to the company's customs and what would they be doing over the two week period. The two-week period would be divided into one week being an introductory week and the second would be a skill training week. During the skill training week an analysis of the performance of the candidate is conducted and the candidate selection is done. The successful candidates are then employed with the company and are assigned tasks and work teams for our client's projects.

To develop our employees' skills to perform knowledge-based tasks we developed initiatives such as degree programme funding, on the job training, classroom tutorials and blended training sessions which will be monitored and measured through activity logs, simulations and feedback systems. This ensures that the right training methods are being utilised and that employees are involved in their own self development.

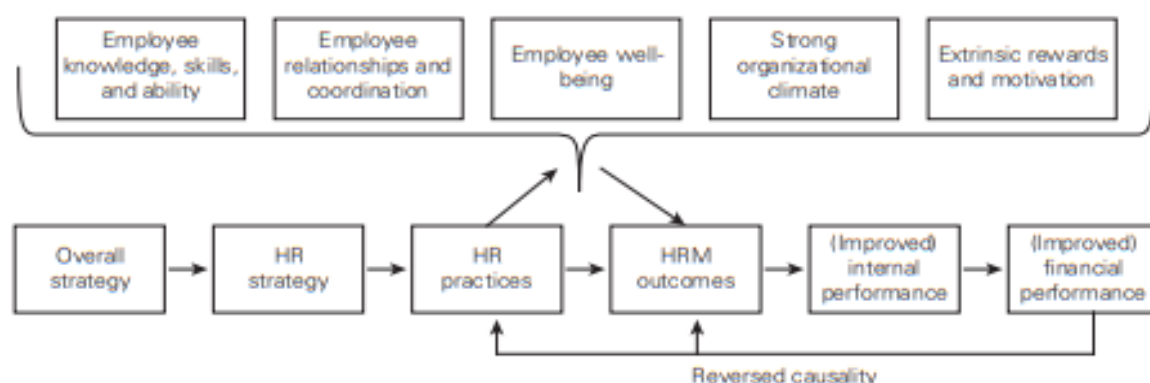
Performance appraisal techniques that are in effect when judging how well our employees are performing to our standards and fulfilling our corporate objectives include both productivity programmes and behaviour-focused performance appraisal. These two sets of appraisal techniques are geared to assess both financial and nonfinancial success of our company. The productivity programmes in the software development department assess how a task is efficiently completed through the analysis of the number of iterations the code needed for it to be of great quality against the time taken for it to be completed. The network development department productivity is assessed by how well the just in time supply chain is managed when the peripherals are needed for the network infrastructure in terms of time and reliability, how well the employees will set up the network without any defaults in a timely manner. The behaviour focused performance is assessed by analysing customer and employee feedback. After sales service follow up, usability tests, monitoring social media will reveal how CodeNet performed at customers point of contact, our levels of service quality, our understanding of our customers and the reliability of our services.

At CodeNet we encourage values such as desire for achievement, strong commitment and acceptance of the organisations mission and values, willingness to contribute and exceeding expectations. This is no easy feat to achieve and therefore we implement a reward system which grants financial and nonfinancial benefits. Research suggests that adopting non-financial reward practices for higher performance workers is usually more effective and cheaper to implement. At CodeNet we foster a sense of community where we try to minimise the strong sense of hierarchical structure which would be present in other organisations and focus on enriching our company culture through incentives that promote sharing of ideas, communication, recognition and appreciation such as team breakfasts, team prizes and employee recognition. We also take initiative to set up company activities so that we not only get to know each other professionally but also on a personal level too such as celebrating birthdays, work anniversaries and the new year. The financial aspect

of rewarding our employees for their performance would be in the form of individual and group pay-for-performance initiatives for both departments and these include days off, performance bonuses according to the performance appraisal systems, paid for activities that respective employees enjoy doing in their personal lives and profit sharing plans.

Since our organisation is an open system our management must deal with all the variables mentioned earlier day in day out, internal systems, work processes, human resources, goal objectives and employee learning require constant assessment and revaluation as the organisation weather the unknown. Covid-19 has affected every organization in the world and Malta was no exception. The contagion of the disease was not severe thanks to authorities' early restrictions, nonetheless the partial lock down restrictions left a whole set of new challenges for organisations to overcome.

CodeNet's service delivery and processes were not greatly disrupted to the extent as industrial organisations due to the nature of the services that are rendered. The main areas which management had major concerns were the effect on the supply chain, reduced human contact with clients and at the premises, managing human resources in times of crisis, clients less reluctant in engaging in capital expenditure and constant government regulations which we have to adhere to. A sudden emergence of change in our organisation's macro environment will lead to a remodelled learning approach so that we systematically tackle the situation with the utmost responsibility and caution without effecting the financial performance of our organization.



(d) Paaauwe, Guest, and Wright Model

Since the introduction of the governments restrictions we had to make some amendments in the human resources strategy and practices to at least keep up the organisational performance and thus resorted to use PGW model for better HRM practices. The organisation prioritised the health of its employees and that of our clients and therefore our main strategy was to push towards having a remote working environment where we would minimise our interaction with each other but keeping solid internal communication processes. Additional changes that we went through were mainly increasing employee involvement, review performance standards, adjust reward systems and motivation incentives whilst always monitoring employee behaviour and wellbeing.

Our organisational system promotes employee involvement in any form possible, we encourage our employees to share their own ideas, expertise, and efforts towards solving problems and making decisions to help our organization fulfil its mission and meet its objectives. This would improve job attitudes together with productivity and reduce isolation, anxiety, and mental sadness in this time of crises. An elevated standard of practice was required urgently since we were going through periods of disruption. We planned to improve our standard operating practices through learning to adapt to changes faster and with more agility and transform our static teams to dynamic teams by designing and managing of team members combining job involvement systems and high-involvement work systems.

The organisation structure was replaced by virtual teams with which we established a network of collaborating members to execute our usual work tasks and delegate responsibilities. This was facilitated with the use of telecommunication and information technology tools ranging from video conferencing tools, file sharing tools, scheduling tools and desktop visualisation tools. Our employee who worked at the clients premises conducting the network projects all the tasks we given to our network development work teams via email and usually the premises would have been newly developed buildings and therefore it was less restricting carrying out these projects.

Human resource management became essential in these times of change where we focused on keeping our employees motivation and mitigate this radical change with positivity, therefore we introduced measures such as constant communication sessions where regular briefings were held in order to keep track of productivity and socialising sessions where exercise sessions and virtual meetups were held so that our employees break their mundane routine. We

also tackled the routine issue with flexible work hours and empowering people to make their own decisions without the need for supervision from the departmental manager.

We also took the initiative to elate our employees at their homes and workplaces with ready made treats and lunches by supporting local businesses and providing them with fun games from local toy stores that they can play with their families or friends whilst being at home, in this way we also contributing to our organisation's social corporate responsibility duties in times of hardships for other harder hit businesses.

Analysing the effects that this pandemic brought to our organisation we learned through first-hand experience how to handle remote working in our fields of work, how to change performance expectations and devise rewards and motivation practices in accordance to the situation were dealing with. This experiential learning experience taught our management how to reflect on our organisations' strengths and opportunities for growth., think about best courses of action to deal and mitigate crisis and act so that in situations that require such adaptations we would know how to handle it with care and responsibility. We also learned that we must also foster a stronger trust-based organisation culture in which we delegate and encourage lower level leadership and put into practice appropriate human resources strategies that promote value creation, long term success, strengthen organisation's reputation and improving our employees quality of life.

Bibliography:

- Gerdeman, Dina. "How the Coronavirus Is Already Rewriting the Future of Business."
- Walsh, Tatiana. "Virtual Team Success with the Power of Technology Advancements."
- E. KAUFMAN, BRUCE. "EVOLUTION OF STRATEGIC HRM AS SEEN THROUGH TWO FOUNDING BOOKS: A 30TH ANNIVERSARY PERSPECTIVE ON DEVELOPMENT OF THE FIELD"