

Doctoral Research Executive Summary

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TABLE OF CONTENTS

PURPOSE OF THE STUDY	2
STRATEGIC HUMAN RESOURCE MANAGEMENT	2
RESEARCH BACKGROUND	2
METHODOLOGY	3
CASE STUDY FINDINGS	3
RECOMMENDATIONS	5
Research-based Model	5
Attraction	5
Recruitment	6
Retention	7
Executive Level Professional Development	8
REFERENCES	9



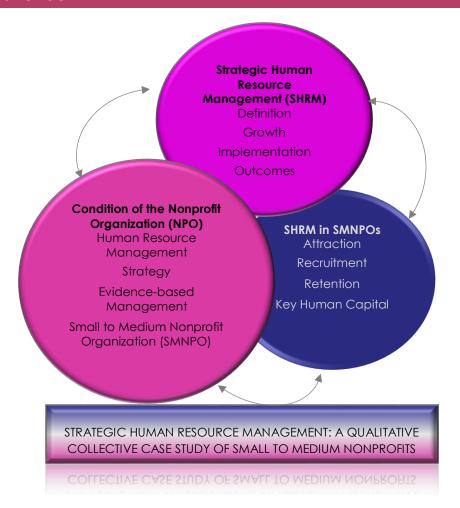
PURPOSE OF THE STUDY

The purpose of this research study was to explore whether small to medium nonprofit organizations practiced strategic human resource management without necessarily holding the terminology or intentional understanding of the theory and practice

STRATEGIC HUMAN RESOURCE MANAGEMENT

Strategic human resource management (SHRM) is a cumulative set of practices related to the management of human capital. The SHRM professional serves as a business partner with the other executive bodies of the organization, placing emphasis on innovative, research-based management practices. SHRM fulfills external transactional and functional processes ensuring benefit to the organization in terms of tangible and intangible organizational capital (Davis, 2015).

RESEARCH BACKGROUND



This qualitative collective case study explored the utilization of Strategic Human Resource Management (SHRM) in three small to medium nonprofit organizations (SMNPO). Theory related to defining strategic human resource management (SHRM) initiated this research. Additionally, exploration of the growth, successful implementation, and organizational outcomes were used to establish the value of SHRM. Research consistently focused the use of SHRM within for-profit companies and corporations. There was very little research of the not-for-profit or nonprofit organization and even less of the small to medium nonprofit organization (SMNPO).

Initial case study organization recruitment determined that the SMNPOs contacted were not familiar with the terminology of strategic human resource management (SHRM). As such, this study was designed to examine whether SMNPOs utilized the practice without the theoretical knowledge or the understanding to attribute their practices to the explored phenomenon. The practices specifically related to the attraction, recruitment, and retention of key human capital.

METHODOLOGY

The researcher utilized a field-tested interview protocol to gather rich narrative data regarding the attraction, recruitment, and retention practices of the three case study organizations. The data collected from open-ended interview questions, artifact literature, researcher observation, and online research was rich, informative, and revealed common and emergent themes

CASE STUDY FINDINGS

Findings indicated that the case study organizations did not place extensive focus on attracting and recruiting highly qualified human capital. The greater focus was soft skills as opposed to hard skills, knowledge, and abilities. Economically practical resources to attract potential applicants included the use of organization websites, social media, industry peer networking, and community support.

Findings also suggested that the phenomenon of SHRM existed at a nominal level. Executives did not hold specific human resource management knowledge comparable to industry standards for human

resource professionals. Collectively, executives were not members of any human resource management associations or organizations. The executives did not subscribe to print or electronic scholarly human resource management publications. The level of the phenomenon consisted of primarily transactional human resource management practices.

The impact experienced by the organizations supported research theory regarding the benefits of SHRM practices where the practice was in use, in terms of attraction, recruitment, and retention of skilled and knowledgeable human resources also referred to as human capital or employees. Although for these organizations, retained human capital represented those with a high intrinsic reward from the mission of the organizations, but did not consistently represent the most knowledgeable or the most desired employees. As was indicated by research of nonprofit organizations, there was no additional reward for employee excellence.

Strategic Human Resource Management (SHRM) research offered theoretical application difficult for the SMNPOs in the study to accomplish. The research opined that the role of the SHRM professional was to represent specialized expertise in their area within the executive body of the organization in order to compliment and support the competitive needs of the organization (Vosburgh, 2003, 2007; Dunn, 2006). The HR professional needed to have a seat at the executive table. Each participant had an established seat at the executive table, which SHRM theory indicates is necessary. For two of the three organizations the participant held the sole seat at the executive table. Two research participants were executive directors and made most if not all of the strategic decisions for the organization. The third participant was not an executive director but held a significant role in defining organizational structure. The third organization had the greatest ability to incorporate the ideology of a corporate table. All three participants lacked the evidence-based and research-based knowledge to establish solid SHRM practices.

The case study organizations explored in this research did not have dedicated human resource departments. The human resource management responsibilities were concurrent with other duties for executive level professionals within the organizations. Variations within each organization demonstrated

differing structures including an assistant manager with limited transactional human resource management responsibilities at NPO2 and an administrative officer with responsibilities that included organizational structure and policy development. Similarities within each organization included a lack of strategic human resource management training, lack of business law awareness relative to employee structure, espoused disbelief in the necessity of SHRM for one organization, and limited funding resources for strategic human resource management professional development. All three organizations shared a concern over available funding for organizational change.

RECOMMENDATIONS

RESEARCH-BASED MODEL

Research suggested implementation of SHRM within organizations to improve an organization's ability to attract, recruit, and retain key human capital (Akingbola, 2006b; Chadwick & Capelli, 1999; Richard & Johnson, 2001). Because of the restrictive nature of available funding implementable SHRM practices require a cost effective structure sustainable within each organization without negative strain on budgets - high quality and low cost (Chadwick & Capelli, 1999).

The nature of the SMNPO is limited funding resulting in lower wages, fewer benefits, and decreased ability to retain the best employees. The model considers fiscally responsible practices to avoid a theorized flaw of HRM solutions, which is a lack of cost awareness. The model addresses attraction, recruitment, and employee retention and requires HR beyond traditional transactional limits (Becton, 2009).

ATTRACTION

Building and sustaining networks.

It is critical that the SMNPOs increase activity in local professional organizational activities and events.

Building and maintaining networks in and out of the industry is beneficial for the organizations. Each organization relied upon closely related networks and word of mouth within those organizations to build public perception and attractiveness. The organizations did not participate in available professional

networks utilized by young professionals skilled in their fields. Increasing participation in professional association events, which tend to be free to the public, make the organizations visible to populations that may not consider them as viable employment options. Additionally, the local chapter of the Society for Human Resource Management offers monthly networking events with alternating breakfast or lunch provided. These events are at reasonable cost, include the opportunity to network with multiple nonprofit and for-profit organizations, and provide recordable professional development, specifically HRM focused. The events count toward continuing education units (CEUs).

RECRUITMENT

Job descriptions.

Hard and soft skills require equal and consistent presentation on recruitment materials. Consistency communicating organizational needs in job descriptions is essential when recruiting potential applicants. Ambiguity and or minimized qualifications in job descriptions could result in less than capable applicants that only carry desired intrinsic nature. Specification of either/or limits the organizations' ability to build an applicant pool capable of performing job duties while actively supporting the mission of the organization. Job descriptions should match industry standards for open positions and clearly specify the salary. Research indicated applicants of nonprofit organizations carry an intrinsic attraction to services provided by the organization, which require leveraging to benefit the organization. Membership in the Society for Human Resource Management provides members access to free HRM templates and tools including job descriptions, employee handbooks, and policy development. Membership also provides free peer-reviewed research-based and evidence-based management literature and up to date notification on state and federal legislation.

Local colleges and workforce agencies.

Consistent partnership and utilization of all local two-year and four-year educational institutions benefits SMNPOs for recruitment opportunities. The organizations improve their ability to recruit applicants at events sponsored by the local educational institutions and workforce agencies job fairs. Most beneficial to SMNPOs are job fairs free to recruiting employers. Increasing partnerships with multiple community resources improves the applicant pool for paid and unpaid positions. Local workforce agencies may

offer on-the-job training including government funded employment and training opportunities allowing the organization and potential employee to have a "sniff-test" for fit. It is pertinent that the organization maintains industry standard for qualification. This partnership limits expenditures for training and assists the development of highly effective human capital with skills, knowledge, and experience contributable to the organizations economic values (Richard & Johnson, 2001). This type of collaboration surrounding low income or income deficient potential employees should see less negative impact resultant from lower than industry wages, providing a probable long-term employee.

RETENTION

Work/life balance.

SMNPOs should provide cost effective benefits to offset the effect of a lower than industry standard salary. Practices such as flexible schedules to address possible home/family care, increased paid time off (PTO), and compensatory time allowing equal time off for hours worked above full time hours. Such practices count towards a compensation structure without adding organizational cost and improve employee valuation.

Improved employee recognition.

SMNPOs recognizing employee contribution to the organization beyond specific duties fulfills the intrinsic nature of most employees. Research indicated that organizational mission intrinsically rewards the SMNPO employee drawn to the organization (Akingbola, 2006b). Research did not support reliance on the intrinsic nature to singly sustain or improve retention. Each organization indicated an absence of reward for excellence beyond their paycheck. A reward system including recognition of the value to the organization is beneficial to organizational success. Cost effective practices include public recognition, earned additional PTO, written recognition via organizational email or annual employee recognition programming. Additionally, public recognition should tie into employee contributions resulting in efficiency, cost savings, or structural improvement.

Intra-organizational entrepreneurship.

Organizational support and nonmonetary recognition of intra-organizational entrepreneurship improves employee satisfaction and trust within the organization (Akingbola, 2006b). Satisfaction and trust are

indicators of intent to remain with the organization. Research indicated increased satisfaction within an organization when employees perceived value from their opinions and witnessed implementation of change based on employee recommendation or explanation of needs (Riordan, Vandenberg & Riordan, 2005). Executive support of employee entrepreneurship as a practice would improve productivity and retention.

EXECUTIVE LEVEL PROFESSIONAL DEVELOPMENT

The three participants held executive level positions for more than ten years and demonstrated expertise required for their positions. Recommended professional development is specific to human resource management practices, which were less than that of an HRM professional. The addition of HRM professional development supplements their existing knowledge and improves the ability to implement HRM strategy and practices to improve the ability to attract, recruit, and retain employees with the level of skill and education to support the needs of the organization.

Professional SHRM development aligns the existing business knowledge of the executives as practitioners with research from SHRM scholars opined necessary by researchers (Laitamaki, Laitamaki, & Ruuska, 2007). Roles inclusive of HRM responsibilities require HR effectiveness by the professionals thus there is a negative impact realized regarding experience, education and training (Ghassemieh, Thach, and Gilinsky, 2005).

Professional organizations/associations.

The first recommendation is to become a full member of national HRM professional associations, actively participate in local chapters of those organizations, and use association events to network with HRM professional inside and outside of their industry.

The second recommendation is the designation of at least one employee to train and attain HRM credentials such as SHRM – CP or SHRM – SCP (formerly PHR or SPHR, respectively) demonstrating an industry accepted level of knowledge. In addition to professional networking and certifications, associations such as Society for Human Resource Management provides members with association and industry accepted document templates relevant to job descripts, policy development, and employee

handbook development. SHRM industry research is available making the connection between practitioner and scholar leading to evidence and research-based practices.

HRM professional publications.

In addition to HRM specific research, document templates, extended networking events, membership generally includes subscription to periodicals and publications. Subscription to HR specific print and electronic media supplements training, development, and association participation. Several online magazines and publications provide subscribers with changes in federal and local employer and employment regulations and policy. Forums and the ability to communicate with other professionals about specific policy solidify understanding about implementation if necessary.

This executive summary is a summation of direct excerpts from the dissertation, Strategic Human Resource Management (Davis, 2015).

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