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Overlaps between human resources' strategic planning and strategic management tools in public organizations

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Abstract

Planning develops a foundation for management elements and a process that organizations combine all their activities and efforts related to their intended purposes, the way to achieve them, and how to pass these ways. The aim of this paper is to present scientific research about the applicability and efficiency of two strategic management tools including the analysis of value chain and stakeholder analysis in the public organizations and to suggest that strategic tools such as value chain analysis used in public organizations need to adapt themselves to presupposed conditions in order to maximize the effect of them for understanding the conditions. These studies suggest that the strategic analysis of relations that make up all or part of organizations' values is less important if their complex relationships are mutually interdependent and unclear. This study tries to apply two models including value chain analysis and stakeholder analysis in the similar way to show that how strategic understanding increases as result of coexistence. Therefore, management should have a proper planning for its all resources. One of these resources which is strategic for organizations is human resources which are the important component for strategic planning. Some factors have caused a new approach in the strategic human resources' planning, however; this kind of planning is not used completely in organizations due to some limitations.

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1. Introduction

The use of strategic tools in the private sectors has a long history illustrates their usefulness in strategic domain (Frost 2003; Hussey 2002; Orndoff 2002; Poister, 2005; Sharma, 1999). It also sheds more light on context

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specificity of such tools and their migration from the private to the public sector. The necessity for the careful adaptation of standardized private sector models when applied in the public sector is demonstrated in this work. Effective strategic management in public sectors requires the application of private sector's tools in public sector's activities which is often measured against target outcomes (Al Hijji, 2014; Yu, 2003). This article presents two strategic management analytical frameworks that could be very helpful to public sector's strategists and meet stakeholders' expectations as well as providing opportunities to achieve greater added value in service provision (Cong & Pandya, 2003). This article starts by illustrating the context of new public management (NPM) and the application of strategic management frameworks that may be used to meet the NPM challenges. This article shows the applicability and importance of using stakeholder and value chain analyses to strategists and public sector's managers by underlining the importance of environmental requirements in the use of such strategic frameworks. Without careful consideration of public sector standard conditions, selection and contextual adaptation of private sector strategic tools like balanced scorecard, Kaizen, and six sigma frameworks might be even more destructive than useful. Accordingly, this study emphasizes the need for decision-makers today to adapt their practices to the use of such frameworks. Nowadays, human resources are the most important factor of production and asset and essential part of competitive advantage. One of the most significant developments in the field of organizational management in recent times is the increasing importance given to human resource planning because human resources are the most important assets of an organization. Planning to meet special educational and skill needs and improving human resources are important factors affecting the quality of human resource planning. Competitive advantage can best be achieved by seeking improvement in the management of people, in other words, through better utilization of human resources in present situation. Improvement of human resource not only achieves through providing specialized or technical trainings to employees but also through applying strategic management in the realm of human resource management and providing development opportunities for employees.

Since today human resource is a strategic resource for organizations, it is considered as an integral part of strategic management. It means that organizational planning and human resource are strategic in nature. The most important factors that lead to a new approach in the strategic planning of human resource are the process of technological, social, and economic changes which the organizations encounter and handle them both inside and outside of the organizations. The organizations should have a comprehensive and strategic approach and consider various requirements in their consideration in order to keep in line with these changes. Today, the most important source of competitive organizations is human resource or knowledge workers. However, many organizations lack deep expertise and skills that can effectively provide human resources strategic planning. Cooperation and coordination of human resource managers and senior management are important prerequisites for the formation of human resources strategies. Alignment, integration, cooperation and coordination of human resource managers and senior management in various fields lead to human resource development that requisite human resource development planning. It consisted of two parts, namely strategic management framework and value-based evaluation.

2. The Literature Review

2.1. Strategic Management Framework

So far, there have been many discussions on the use of traditional strategic frameworks in the public sector. The public sector should not act selectively to use strategic frameworks and moreover prescriptive models that are used in incompatible or less consistent environments might not succeed. Often this failure stems from poor strategic planning frameworks which need revisions to fit to the existing strategic situation in public sector. Although the management tools such as balanced scorecards are included in public sector servicing activities purposefully for instance in health ministry of Britain, other frameworks such as stakeholder and value chain analyses provide comprehensive, systematic, and holistic strategic prospect to the organizational situation and ultimately to the strategy itself. From public sector's perspective, reputation and credibility of the organizations are dealing with their actual amounts of servicing. Wilkinson and Young (1994) emphasized on the importance of clarity of interaction processes between organization and its stakeholder groups. Organizations should use modern frameworks such as value chain and stakeholders analyses in order to manage suggested received value to the stakeholders. To this end,

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