Formulation of human resource strategy using theory of strategic reference points

Zahra Sadat Mirzazadeh, Kianoosh Shajie and Omar Alizaei

Abstract
The present study aimed to develop formulation of human resource strategy using theory of strategic reference points of department of physical education, Ferdowsi university of Mashhad. The present research is an applied one in terms of objective and a descriptive one in terms of data collection which has been conducted as a survey. The study population of the present research consisted of four categories including the higher managers, intermediate managers, executives and experts in Physical Education Department of Ferdowsi University of Mashhad that in order to achieve the objectives of the research, the sample was considered equal to population and also the census was used. The research instrument is the standard questionnaire made by Bamberger and Meshoulam. After collecting data, all raw data were inserted into spreadsheet and the mean of each dimension was obtained for each strategic job; and finally the obtained mean scores were entered into matrices related to strategic reference points separately and then interpreted. Based on the findings of the research, human resource strategy of Physical Education Department of Ferdowsi University in managerial jobs is "fatherly" strategy, in specialized jobs, is the "committing" strategy and in service jobs is the secondary strategy.

Keywords: Human resource strategy, theory of strategic reference points, SRP, department of physical education, Ferdowsi university of Mashhad

Introduction
In the early years of the 80s, strategic human resource management was focused by a large number of consultants, managers and researchers. They found that the effective management of human resources can both guarantee the quality and be effective in terms of competitive advantage. It is not surprising that in the middle years of 1980s, a large number of researchers in human resources advocated this perspective that the human resource sector must have much role in strategy and organization of forces. The first models of formulation of human resource strategies were presented in the middle of the decade. These models, with a strong emphasis on adherence of human resource strategy from organization strategy and with a rational approach, presented unified strategic issues for human resource management at all organizations. But the first models that were able to propose different strategic types for different situations of organizations were one-dimensional models based on the type of the job market or type of control in 1987. These models did not necessitate creating corresponding coordination with organization's strategy and thus, prevented the spread of possible mistakes in organization's strategy formulation process to the strategy of human resources [Bamberger, Meshoulam, 2000] [4, 5].

In 2000 [4, 5], Bamberger and Meshoulam proposed an integrated model for formulation of strategy using the logic of combinational research by introducing the use of strategic reference points (SRP) of human resources. These researchers defined SPR as "the goals and key patterns that are used by organizational decision-makers to evaluate their methods and options in order to be able to take strategic decisions by them and inform the beneficiary groups about the priorities of the whole system". It should be noted that researchers believe that the strategy of human resources is based on determining goals or reference points that are considered by system decision-makers and are selected under the influence of rational, political and institutional factors [Bamberger, Meshoulam, 2000] [4, 5] & Fiegenbaum, Stuart, Schendel, 1996] [7].
The integrated model based on strategic reference points and considering the two principle variables of the rate of attention and relying on internal or external job market, quantity and quality of controlling the process of workforce or product of workforce introduces four main types of strategy namely fatherly strategy, committing strategy, secondary strategy and contracting strategy. The integrated model of the human resource strategy formulation is shown in Figure 1.

<table>
<thead>
<tr>
<th>Internal</th>
<th>Job market</th>
<th>external</th>
</tr>
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<tbody>
<tr>
<td>Contracting</td>
<td>Committing</td>
<td></td>
</tr>
<tr>
<td>Secondary</td>
<td>Fatherly</td>
<td></td>
</tr>
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Fig 1: Model of human resource strategy formulation (Bamberger and Meshoulam)

The secondary strategies are appropriate for simple, repetitive and standardized businesses that their required workforce exists sufficiently in the job market outside of the firm and there is no need for training and retaining these stuffs. The strategy that is applied for simple, repetitive and standardized businesses with the exception that the company's management tends to maintain and upgrade the existing staff and coordinate them with the company's organizational culture is known as fatherly strategy. Contracting strategy is appropriate the category of complex and professional jobs in which the permanent and formal employment of experts for the firm entails high costs, because the firm needs these types of jobs in a short term and temporarily. Finally the strategy which is applied for the category of complex and professional jobs, but in which the experts for the firm are needed permanently and cannot be replaced easily; and therefore, it is necessary to have an effective approach to the labor market within the organization. This strategy is called committing strategy [Arabi, 2005][2].

This model is a strategic human resource model that actually integrates corporation's strategy, human resource strategy and operational systems. The importance of this model is that in addition to the attractive logic due to compatibility with the principles of philosophical theories of management, can be formulated and performed without prerequisite to organization's strategy; as well as in the case of existing strategy, it can maintain integration with that strategy. On the other hand, the formulation of human resources strategy using this model is not based on the study and modeling of the status quo. The process of formulation of human resources strategy is shown in Figure 2.

Fig 2: Process of formulation of human resources strategy in SRP model

In today's world, organizations are competing constantly. Intensity of competition increases each year and continuously all organizations need to improve their organizational performance for their survival and growth. According to the research done, a comprehensive human resources system increases organizational performance and plays a crucial role in sustainable competitive advantage. Thus, through an efficient and effective human resource management system people can be considered as a strategic asset [Huang, 2001][9]. Human resource strategy is a pattern of decisions that deals with policies and procedures belonging to human resources. The purpose of developing and implementing human resource strategy is to relate policies and procedures of human resources with strategic goals of human resources, so that the organization can create coordination and integration among internal subsystems of human resources, as well as create an external (vertical) coordination and integration between human resource strategy and organization's strategy [Anthony, Perrewe, Kacmar, 1996 [1] & Bamberger, Fiegenbain, 1996][11].

On the other hand, human is the most important factor in achieving the goals of the organization at the micro level and realizing program goals of economic social and cultural development at the macro level. According to most scientists of the management science, the most important pillar of the aforementioned principles is human resource that plays an important role in implementing management. Human resources are as endless resources that can have amazing roles in management and administration of organizations' affairs by utilizing other factors and tools and even in some cases without enjoying facilities and instruments needed by relying on their strong motivation and creative power which indicates the high importance of this pillar in organizations [Vahedi, 2005][11].

These goals will be realized with better quantity and quality when the individuals' mental, intellectual and rational and even physical talents and potentials are nurtured as well. In other words, program goals will be realized in the light of flourishing human latent talents and creation of integration and coordination among them. It should be note that the universities across the country are no exception, and human resources specialized in the optimization of organizational structures and institutions of universities have a vital role. In this regard, the role of senior managers together with skillful experts who are responsible for planning, organizing, directing and controlling students' affairs gain more importance, and the success of the implementation of any program depends on their expertise. Higher and intermediate managers of universities must have enough experience and knowledge in extracurricular activities, sports, and the ability to communicate with senior managers and persons under the supervision such as experts, instructors and staffs.

The need for utilizing the human societies from constructive social, health and educational benefits of physical education caused the establishment and formation of sport organizations in the various countries of the world. The optimized administration of these small and big organizations entails the training of experienced and knowledgeable managers to provide the grounds for growth and qualitative and quantitative development of the society's sport by increasing internal and external efficacy an effective enhancement of sport organization [Hamidi, 1999][18].

Achieving the intended higher goals is possible through proper planning and having experienced and knowledgeable experts of human resources in the light of creating regular organizational structure and the use of specialist and experienced managers. The spread and diversity of training, recreational and public programs and athletic sports at universities reveal the importance of careful planning of human resources. Implementation of these activities requires
additional specialists of human resources. Human resource specialists are the actors of implementation of sport activities and their quality directly affects on the implementation of extra-curricular activities, matches and collegiate athletic competitions [Mozaffari, 2004] [10].

Given the lack of the specialist human force in universities and the effect of professional human resources as one of the factors of increasing qualitative and quantitative participation of students in sport activities and also increasing the quality of sport programs in universities' extracurricular activities, implementation of such research seems necessary. Conducting the present study clearly provides the possibility of description of the existing condition of human resources and its strategies at the general Physical Education Department of Ferdowsi University of Mashhad and its results can be effective in planning the university, organizing and applying specialize and experienced human resources in sport sector in order, according to the importance of sport planning in human resources, a step to be taken towards structural development and growth of this university.

Material & methods
The research method
The present research is an applied one in terms of objective and a descriptive one in terms of data collection which has been conducted as a survey. The data collection has been done through document analysis, questionnaire, and interview.

Statistical population and sample
The study population of the present research consisted of four categories including the higher managers, intermediate managers, executives and experts in Physical Education Department of Ferdowsi University of Mashhad, four categories of strategic jobs were identified:

- Managerial jobs: Jobs which are responsible for planning, organizing, directing and controlling the affairs of the organization.
- Key jobs: Jobs that are entrusted with the primary mission of the organization.
- Specialized jobs: Jobs which are responsible for implementing the primary jobs.
- Service jobs: Simple jobs that provide facilities for the abovementioned jobs.

2. Determining sub-strategic reference points
Sub-strategic reference points are variables that through the mean of their values, we can achieve to an original value. Sub-strategic reference points which constitute the basis of the items of the present SRP questionnaire are shown in Tables 1.

3. Research instrument
Considering the identification of the above-mentioned sub-strategic reference points and categorizing the jobs at Physical Education Department of Ferdowsi University of Mashhad, the questionnaire made by Bamberger and Meshoulam (2000) [4, 5] was used. This questionnaire measures a two-dimensional model (control and job market) as an integrated attitude based on which decision-making model is determined for selection of strategy of human resources [Bamberger, Meshoulam, 2000] [4, 5]. It should be noted that the questionnaire was built and quantified as 4-degree options (1=strongly disagree to 4=strongly agree). Also, the validity of the questionnaire was confirmed by 4 individuals of sport management experts and its reliability was obtained equal to 0.72 using Cronbach's alpha.

4. Analyzing the data
After collecting data, all raw data were inserted into spreadsheet and the mean of each dimension was obtained for each strategic job; and finally the obtained mean scores were entered into matrices related to strategic reference points separately.

5. Formulation of functional strategies
After a proper strategy was specified for each strategic business of organization, formulation of functional strategies of human resources must be done (as the main stage of formulation process). According to the hierarchy of attributes in the integrated model, the suggestions resulted from analysis of data in the section of strategic goals of human resources (the ideal attributes of stuffs in strategic jobs) are presented as the findings of the research.

Results
Demographic findings
Gender: 55.2% of participants were males and 44.8% were females.
Marital status: 86.2% of subjects were married 13.8% were single.
Education: According to the demographic findings, 24.1% of participants were diploma, 17.2 percent of them were associate diploma, 20.7% of participants had a bachelor's degree, 24.1% had master's degree and 13.8% had Ph.D.
**Employment status:** 24.1% of the participants had official employment status, 13.8% of the subjects had pilot employment status, 6.9% of subjects had contracting employment status, 51.7% had temporary employment status and ultimately 3.4% of them were at insurance conditions.

**Background:** The highest background in the jobs was 41 years and the lowest was 1 year.

**Age:** The maximum age of participants was 68 years and minimum age was 21 years. The mean of dimensions of strategic reference points for jobs available in the Physical Education Department of Ferdowsi University of Mashhad have been reported separately for each job in Table (2).

<table>
<thead>
<tr>
<th>Values</th>
<th>Strategic reference points</th>
<th>Professions</th>
</tr>
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<tbody>
<tr>
<td>Mean</td>
<td>SRP1</td>
<td>Managerial</td>
</tr>
<tr>
<td></td>
<td>The necessity rate of output control</td>
<td>Basic</td>
</tr>
<tr>
<td>SRP2</td>
<td>The tendency rate to foreign market</td>
<td>1.91</td>
</tr>
</tbody>
</table>

The ways of strategy formulation of human resources for jobs available in Department of Physical Education of Ferdowsi University of Mashhad have been shown separately for each job in Figures 1 to 2.

![Fig 3](image1)

**Discussion**
Based on the findings of the research, human resource strategy of Physical Education Department of Ferdowsi University of Mashhad in managerial jobs and the basic jobs is "fatherly" strategy. The strategies that consider human resource management in jobs existing in the fatherly category emphasize on the efficiency of organization's internal operation (process control) and domestic labor market. Based on this finding, the strategic objectives of the Human Resource strategy at Department of Physical Education of Ferdowsi University of Mashhad in managerial and basic professions are as follows:

1. Recruitment of creative and innovative individuals with maximum flexibility and internal motivations
2. Retaining loyal employees for doing intended affairs
3. Providing specialized tasks and assignments to employees (designing and presenting job description)
4. Providing transparent organizational culture and planning in order to adapt it to employees
5. Trying to obtain the employees' satisfaction and decrease staffs' turnover and leaving the organization
6. Training specialized skills to young workers and newcomers
7. Evaluating the individuals' performance in order to increase the encouragement and participating in cooperation
8. Providing long-term bonuses based on overall organizational performance

As Figure 4-c indicates, the strategy of human resources in the Department of Physical Education of Ferdowsi University of Mashhad in professional sector has been located in the 'committing' area. According to Figure 4-d, the human resources strategy in the Department of Physical Education of Ferdowsi University of Mashhad in Basic service sector has been located in the 'secondary' area.

**The strategic objectives of the Human Resource in managerial and basic professions**

According to the results of research; human resources strategy at Physical Education Department of Ferdowsi University of Mashhad in specialized jobs, is the "committing" strategy.
Strategies that are developed for this type of professions of the firms should emphasize on the output control and domestic labor market. Based on this, the strategic objectives of the Human Resources at Department of Physical Education of Ferdowsi University of Mashhad in professional professions are as follows:

**Strategic objectives of human resources in professional jobs**
1. Maintaining and selection of specialist staffs
2. Providing freedom to employees to create and improve working practices
3. Recruitment and deployment of employees who can easily adapt to the culture of the organization
4. Evaluate the performance of employees in such a way that there is a balance between competition and cooperation
5. Promotion of employees in similar jobs
6. Planning for long-term training for staffs
7. High payments and bonuses and providing various benefits in order to retain specialized staffs

Based on the results, the strategy of human resources at Physical Education Department of Ferdowsi University of Mashhad in service jobs is the secondary strategy. Jobs which are placed in this category have characteristics that the strategy of human resources for them must be so that these strategies emphasize on the efficiency of organization's internal operation (process control) and labor market outside the organization. Based on this, strategic objectives of the human resources at Department of Physical Education of Ferdowsi University of Mashhad in service jobs are as follows:

**Strategic objectives of human resources in service jobs**
1. Lack of attracting and recruiting employees with high wages
2. Control and supervision of staffs
3. Recruitment in jobs that are not required complex and specialized skills
4. Attention to the short-term needs of employees
5. Performance evaluation as daily supervision and feedback
6. Training is limited to work training
7. Lack of providing long-term benefits and rewards

**Conclusion**
The basic concept of strategic human resource management is based on the assumption that human resource strategy promotes the strategy of organizations as well. On the other hand, it is also affected by this strategy of organization. The validity of this concept depends on the rate of this belief that the employees are the basic factor of the firms' success in gaining competitive advantage and creating added value and they should be considered as an important strategic source. If we accept such assumptions, as a result, the reliability and validity of the concept of strategic human resource management will depend on the rate of actions in organization and their related results [Davari, Shaneh-Sazzadeh, 2001]. According to the position of Ferdowsi University of Mashhad as the third top university in Iran, the community's expectations of its all components and body also will be higher. Meanwhile, the sport of Ferdowsi University is no exception. Undoubtedly the development of the university sport and achieving to success in collegiate sports requires proper planning and management of human resources. In this regard, the Department of Physical Education of Ferdowsi University which is responsible for development of university sport has retarded to have a comprehensive plan to develop its strategic human resource that based on the results presented earlier in this research, this important issue was separately presented for the jobs available in the Department of Physical Education along with functional goals expansively. It is hoped that with regard to the implementation of the strategies outlined in this study, Ferdowsi University is also known as one of the most successful universities in the development of human resources in college sports. It should be noted that according to easy and accessible performance of the theory of strategic reference points, it is suggested that to develop other strategies of human resources at sport organizations such as the provincial departments of Youth and Sports, federations, and sports delegations, etc., this theory, which deals to analysis of the strategies and offering practical goals as an applied theory, is used.

**References**