

Strategic Human Resource Management – A Need for the Rural Sales Force Management

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Abstract

The objective of strategic human resource management is the effective and efficient application of organizational resources to meet organization's strategic requirement and goals. Strategy deals with providing Planning, direction, coordination, and providing control for a decisional framework. Strategic planning is a balance between rational and comprehensive planning blended with incremental planning with a matter of degree. The first and foremost goal of Strategic Human Resource Management is to plan, design and execute human resource policies of a company in such a way that it can be executed as its business policies.

Every organization has people who are entrusted with the responsibility of dealing with prospective customers and to sell their products or services to them, thus a company's salesman or sales executives play a crucial role in company's work force. In Rural marketing also, sales force plays a very important role, that why strategic human resource management is the indispensable part of the effective rural sales force management.

Key Words: Comprehensive, Incremental Planning, Rural sales force management, Strategy.

Introduction

The term strategic human resource management has become widely used in the management field and literature also the topic of research also. In general, the objective of strategic human resource management is the effective and efficient application of organizational resources to meet organization's strategic requirement and goals. Strategic Human resource management is largely concern about integration and adaptation. Its involvement is to ensure that Human resource management is fully integrated with the strategy, strategic needs and strategic decision taken by the firm. HR policies are in coherence with the SHRM and the policy areas across hierarchies. These HR policies are used by line managers and employees as part of their day to day work.

Strategic Human Resource Management is the practice of line up business strategy with that of HR practices to achieve the strategic goals of the organization. The aim of SHRM (Strategic Human Resource Management) is to ensure that HR strategy is not a means but an end in itself as far as business objectives are concerned. The idea behind SHRM is that companies must “fit” their HR strategy within the framework of overall Business objectives and hence ensure that there is arrangement between the HR practices and the strategic objectives of the organization.

Progression of SHRM

With the advent of new economy industries like IT and the burgeoning of the service sector, organizations all over the world realized that human resources must be viewed as a source of competitive advantage as one of the indispensable factor of production ;but that was opposed to treating it much the same way in access to technology or capital is concerned. This means is that the practice of HRM is being viewed as something that stimulates the business objectives of the firms and not merely another factor in the way the firm is management.

Strategy- Strategy emphasizes on the integration of goals, policies and action sequences. . It can be defined as the outline or plan that integrates an organization’s major goals, policies and action sequences into a unified whole. Strategy deals with providing direction, coordination, and providing a decisional framework. Role of strategy is to deal with allocation of resources .We can say that strategy is the concentration of resources on selected opportunities for competitive advantage.

In the dawn of today’s economy where services account for a major share of the GDP and the fact that the service sector is fundamentally people centric, it is vital that the people first approach be comprised by the organizations for sustainable business strategy. The practice of SHRM demands a proactive and Pervasive approach by the management as well as the HR department with regards to the entire scale of activities ranging from staffing , training and development to mentoring and compensation and performance management.

SHRM drive-

If we take today’s real world examples, many organizations in have devoted “**people managers**” whose sole function is to look after the enabling and fulfilling needs of the resources. This is a marked change from treating people just as resources to treating people as assets.

Just in case of Infosys states that people are its assets and the famous statement by Mr. Narayana Murthy, one of the founders of the company that “The capital of Infosys walks in every morning and walks out every evening”; has to be taken in this context.

Expounding on this point, one finds that organizations tend to influence the capabilities of the people employed there and ensuring that the “Human Resource” is cherished and cultivated as a source of competitive advantage. This infers into a dedicated HR department and people managers in every group dealing exclusively with employee issues as opposed to treating this as a line management function.

Strategic Planning or Strategy formulation process-It is comprised of the following steps-

- Organizational philosophy, Vision and Mission statement
- Environment scanning
- SWOT (strengths, weaknesses, opportunities and threats) Analysis
- Design of strategic objectives
- Formulation of alternative strategies
- Evaluation and selection of strategies.
- Control of the strategy or Feed back

Thus, strategic planning is equilibrium between rational/comprehensive and incremental planning.

The first and foremost goal of strategic management of human resource is to design and execute human resource policies in such a way that a company can execute its business policies in efficient manner. Employee resources play crucial roles for the success of the business policy. The two critical objectives for a strategic management of human resources are as follows-

- Attract, acquire, Plan, develop and allocate human resources for supporting company business policy.
- To maintain its manpower-based competitive advantage, Creation and maintenance of a h productive organizational culture.

With above mentioned objectives, a business organization pursue its business policies in such a way that its market position acquiring from its possession of certain types of tangible assets ,e.g. financial, capital, land, technology, machinery are well protected and intangible asset like goodwill can be increased. The second approach to competitive advantage plays important role of the management of

employee . Here the competitive advantage can be achieved through three sinterrelated means ,viz employee competencies ,organizational culture, and HR systems.

Factors of HR strategy-

HR strategy or HR policy of an organization emerges after considering factors like-

- Corporate business strategy
- Labour market competition and regulation
- Social forces
- Technological forces
- Company's (Internal) HR environment.
- Demographic factors

After considering above mentioned factors an organization can pursue to achieve its long term business goals. Some policy options are as follows-

1. Strategy on employment terms and Contract-Permanent employment or temporary employment, Short term and long term employment
2. Strategy on employee number-- Manpower expansion and contraction, Selective area of specific expansion and contraction.
3. Strategy on employee/Manpower variety- Diversity of age, gender, skills, ethnic and learning background.
4. Strategy on HR system-Careful expansion along specific areas of HR systems.
5. Strategy on employee's Work system-Functional separation to integrated system and mixed system.
6. HR strategy to meet Generic business strategy- Cost leadership, differentiation and focus are the key areas for Generic business strategy development in a company.

The goal, objectives and their design, delivery of HR services under each of these strategies are different.

A business organization operating in a competitive, dynamic and fast-changing turbulent industrial environment needs to plan its business investment well in advance. In most organizations, drive a manager towards strategic analysis is the concern for time required to execute a strategy. Acquisition of well –trained and quality manpower, in general, can be quite costly and a time-consuming process.

Provided with the growing complexities of the market with newer types of customers, suppliers, competitors, and increasing requirements of expertise in unstructured and innovative area of business management, these issues are going to be one of the most critical concerns in the coming days. Recently Rural segment and strategic rural sales force management, is one of the upcoming issue in the present context.

Human resource Planning is the one of the indispensable part of the Strategic Human resource Management.

In simple language, Human resource planning is assessment of human resource availability (supply) and human resource requirements (demand) of a company at different times in the future. One of the core benefits of human resource planning is that it allows the organization to identify the demand and supply gaps for certain types of skills in the emerging areas of organizational interest. Availability of such advance information helps an organization to initiate and innovate steps either to find alternative sources of manpower or employees , both internal and external, or to rule out the company business target even in the phase of growing opportunity in each and every aspect of the business.

In a Strategic HR planning, the planners assess not only just the demand and supply of employee competencies in future years in different functional departments of the company but also the adequacy of the existing workforce , based on the past data. HR process or employment relations practices and the need for initiating and replacing a new type of HR services for attracting and retaining some type of competencies. As a part of its micro valuation the organization also needs to assess the career goals of the existing employees to make sure that HR resource planning provides the appropriate type of career to its employees and at a Macro level it is also beneficial for the industry also.

Process of Strategic Planning –

An integrated human resource plan is a continuous process with several activities involved, that requires continuous dialogue between the human resource managers, line managers, and business planner and employees. The goal of the human resource plan is to ensure that the company would be able to maintain its competitive advantage in its market for the target customer .

In the Rural Market also, Strategic Human Resource planning continuous as the target group for the companies is vast that's why Rural sales force play a key role in this context. A few suggested steps for rural sales force to understand the strategic planning are as follows-

- 1) Acquire knowledge of company business

- 2) Understand the company's core functions as well as other support functions
- 3) Comprehend company strategy
- 4) Realize the career expectations of the other concerned employees
- 5) Considerate the current stock of competencies at functional areas
- 6) Estimating requirements of competencies in different functional areas
- 7) Assessing the internal flow of competencies at different levels
- 8) Evaluating the external availability of competencies and their flow.

Strategic Planning for Rural Sales Force management-

Every organization has people who are entrusted with the responsibility of dealing with prospects and customers to sell their products or services-its salesman. They may be called technical executives, sales executives or marketing executives. The major concern in the sales function is to constantly improve the profitability of the territory. These sales force also plan strategies at their own level in the interest of the company. Marketer has collective responsibility with the rural sales force for the strategic human resource planning and management .

The following are the main tasks of a marketer to use his rural sales force effectively-

- 1. Determination of the objectives/goals of the firm-**The goal/objectives of rural marketing may vary from company to company, industry to industry and segment to segment. They depend on the overall objectives of the company, the corporate strategy adopted by it and the type of products marketed, the nature of the target market ,the type of distribution channels chosen ,the target customer group selected, the resources available and its competitor's practices. Rural marketing and selling objectives depend on the relative priorities assigned by the firm accordance with the various marketing objectives and strategies of the company.
- 2. Design of sales plan and policies-** Formulating sales policies is the next key factor in rural sales management. Sales policies have to be set in a wide range of areas like product, place, promotion ,distribution and pricing.
- 3. Constituting the sales force-** Organisations usually structure their rural sales force on a territory basis or on a product/product-lines basis. In the case of territory-based structuring, the same salesman handles all the products/product-lines of the firm in a given territory. In the case of product-based structuring, several salesmen of the firm operate in a given territory, each handling

differentiated products of the firm. The concept of territory is very relevant in all types of sales structuring in rural marketing.

4. Decision on the size of the Rural sales force- The size of the rural sales force has to be fixed at an optimum level. A number of interrelated considerations are involved as follows-

- The level of rural sales expected and the number of salespersons needed for generating such sales.
- Minimum requirement of salesmen for the service, irrespective of the level of sales.
- Costs and efforts involved in maintaining the rural sales force.

Some firms try to fix the size of the rural sales force first, and then structure and allot the territories to the available salesmen.

5 Ascertain the sales quotas/targets- Sales quotas or targets set for salesmen/sales territories should reflect the firm's marketing objectives, its overall sales plan and policies, the quantum of the sales force and the nature of the sales territories. Sales quotas or targets are nothing but quantified objectives for salesmen. The quota should neither be too high for him to demotivate him nor too low for him to be overconfident. It should match what a good salesman can accomplish by putting in sincere efforts in desired manner by the companies.

6. Constructing a sales force: Selection, recruitment and training- The first step in developing an effective sales force is recruiting first-class salesmen. Induction, Training, motivation, development are the other aspects of sales management; will help the forthcoming process..

7. Managing the sales force: Recruitment is just the first part of building a top-notch sales force. The other parts relate to retaining them, managing them and making them contribute their best. A good compensation plan is the first requisite for retaining and motivating a salesman for better performance. In this regard, continuous supervision by the top management is also required.

8. Sales Communication and Report presentation – Sales management is carried out largely through communication-oral as well as written. It is a two way process. The sales manager lets his men know what they are expected to achieve, how they perform, how they can improve and perform better in a different way in comparison to the competitors. He also keeps them informed of what is happening in

the company-to the production, distribution, promotion and profitability and aware them about the competitors too. Sales report are also useful tools in sales administration, implementation , control and coordination. Hence it is an indispensable tool for sales communication.

9. Sales coordination and control- It is through sales control that the sales executive ensures that all the marketing and selling objectives of the firm are achieved as per the desire. Sales control also helps him ensure that sales goals are properly aligned with the other goals of the firm. Sales coordination goes hand-in-hand with sales control. The sales executive has the responsibility of coordinating the different activities of the selling effort. He should ensure that the various elements do not pull in different and contradictory directions.

Conclusion : In the area of Strategic Human Resource planning, rural sales force management is an extension and it is evident that in rural marketing, sales force plays an inevitable role. A company should effectively plan its rural sales force by above mentioned steps. Strategic planning should be maintained by top executives e.g. managers. Execution of the plan should confined to the middle level management, Sales communication, reporting, feedback should comprised of all level of management. Day to Day information and feedback from the customers should be the responsibility of line managers and supervisors. In this way Rural Marketing which is a very important segment and that has potential for growth to fulfill present and future needs of rural consumers can be dealt with proper strategic planning for rural sales force.

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