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ATTAINING COMPETITIVE ADVANTAGE THROUGH HUMAN CAPITAL MANAGEMENT

By Ebenezer Ofori Agbettor

The story of creation in the scriptures gives a clear indication of how valuable human beings are. God created us in His own image and gave us dominion over all creation. The capacity and abilities of human beings/resources have no known comparison or boundaries. Money, buildings, cars, land, oil, gold, timber, etc. may have their value and importance, but they don't come anywhere near the value of human capital. Human beings make or break societies & organisations, hence prudently managing them is not a matter of choice but OBLIGATORY for every serious organization/nation that wants to gain sustainable competitive advantage.

Gaining and retaining competitive advantage is that critical to a company's growth and prosperity. Although companies may pursue many paths to this end, one that is not frequently recognized is capitalizing on superior human resource management. Currently, many companies recognize the growing importance of their human resources, but few are conceptualizing them in strategic terms - in ways to gain a competitive advantage. As a result, many companies forego the opportunity to seize competitive advantage through human

resource practice initiatives. However, there are a few companies that do not forgo the opportunity - Talk about the Multi-national companies.

A simple definition of gaining competitive advantage is doing something different than your competitors in such a way as to make it difficult (hopefully impossible) to imitate.

The following example may provide a good grasp of how to use the human capital to create sustainable competitive advantage.

Azonto Football Team

Suppose you're the owner of an Azonto football team and you're trying to find a way to ensure that your team wins. What do you do?

Do you...

- Spend millions on the best technology?
- Spend millions on a new stadium?



The Writer

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- Move your team to a new city and hope it works out?

These things might help attract a larger fan base and perhaps bring you more revenue but will they help you win? In football, such as technology, stadiums, etc. may mean nothing if the team is losing every game. People won't pay to see your team play if they lose. So what do you do?

You hire the best coaching staff and players that you can. Your coaching staff spends months (years?) 'Training' and coaching these players to create a cohesive team that works well together. The coaching staff understands the strengths and weaknesses of the individual players and develops offensive and defensive schemes to take advantage of the strengths and hide the weaknesses.

Now...any other team can imitate the players that your coaches develop. They can try to imitate the coaching style and the players...but they will fail. Unless they take your players/coaches from you, they will never be able to fully imitate your team. Maybe Barcelona FC and Arsenal FC come to mind?

Chapter Meetings: Dates/Other Information

The Accra Chapter holds its monthly meetings on the second Thursday of every month. The venue is the Osu Ebenezer Presby Hall. Normal meeting time is 17:30 hours prompt. Please endeavour to attend.

Contact Numbers: **Interim Chairperson Ms. Susan Manu: 020 536 3775; Interim Secretary Nana Yaa Twum: 024 437 7192; Interim Organizing Secretary Edmund Nii Dodoo Ankrah: 0244289348**

The Tema Chapter holds its monthly meetings on the last Thursday of every month. The venue is the VALCO Club House, Tema Community 4, near the TDC Park. Normal meeting time is 16:00 hours prompt.

Contact Numbers: **Chairman Mr. Kofi Bayitse: 020 201 2213; Secretary Mr. Samuel Ofose**

Your competitors can always try to hire better people and develop better schemes but if you are doing your job as the owner of the football team *you should be constantly evaluating your team to ensure that you have the right people with the right training in the right places to ensure success.*

(To be Continued)

QUIZ—FUN TO TRY

1. There is a number which, if multiplied by 17, gives a product consisting entirely of 3s.
2. How do you write in figures the number “**Eleven Thousand Eleven Hundred and Eleven**”?

Check answers in next publication. Meanwhile, you can email your answer to the Institute information desk.



ORGANIZATION BEHAVIOUR (OB) DOES IT MATTER?

By: Mildred Sika Tettey
(Ind. Snr. HR Professional)

Behaviour whether individual, group or organisational is observable and can be learned; the focus is usually on what the leader does, and not what a leader is.

“One way to recognise why people behave as they do at work is to view an organisation as an iceberg. What sinks ships isn’t always what sailors can see, but what they can’t see” (Mullins, 2007:29). The ‘organisational iceberg’ concept can be further elaborated as both Overt and Covert. The ‘Overt’ or the formal aspects consider: customers, strategic plans, financial resources, operational policies, rules, regulations and procedures, organisational structures, and surfaced competencies and skills; while the ‘Covert’ or behavioural aspects consider issues related to: attitudes, communication patterns, informal team processes, personalities, conflicts, political behaviour and underlying competencies and skills.

Organisational behaviour (OB) is summarised by Brooks (2009) as the study of human behaviour in an organisational context with the focus on the individual and group processes and actions. Psychologists are concerned with the study of individual behaviour and personality; Social Psychology in the broadest term looks at group behaviour which would include behaviours in an organisation. Anthropologists explore cultures which include behavioural factors uniting social groups; while Political Science could be defined as the study of power and control between

individuals and groups. Would it therefore be appropriate to describe the study of organisational behaviour as an ‘applied science’ which seeks to advance the understanding of the complexities of human behaviour in organisations? Would the understanding of organisational behavior influence the actions of organisations in terms of its procedures and policies?

As part of an organisation’s HR strategic plan, it is of utmost importance to consider the practical implications and aspects of attracting, retaining and managing the various generations in the workplace. A look at the composition of the workforce will reveal generational diversity. According to the CIPD/Penna Joint Survey Report (2008), there are basically four key generational groups: the Veterans (born between 1939 - 1947); the Baby-Boomers (born between 1948-1963); Generation ‘X’ (born between 1964-1978); and Generation ‘Y’ (born between 1979 -1991). It is therefore evident that, each generation has its own behavioural tendencies. It is also believed that, the ability of an organisation to understand the diverse behaviours of its workforce assists in explaining, predicting and influencing behaviours within the establishment as well as enables the organisation to make informed choices which invariably influences policies and procedures.

So does Organisational behaviour matter? The author is of the

opinion that, Organisational behaviour does matter because it gives the ‘outsider’ an overview of the organisation in terms of its individuals; the formation and character of groups and teams; the leadership style and the culture of the organisation to name a few. In a nutshell, it can be classified as the window from which stakeholders evaluate the relationship between the workforce, the organisation, the leadership style, and to a large extent the activities of management are variations of behaviours. An organisation is a complex social system and must not be understood in terms of a single discipline, it is to be noted that in an earlier paragraph, mention was made of various fields of the Applied Sciences, namely Psychology, Sociology, Anthropology and Political Sciences.

Globally, establishments are experiencing quickening pace of change in terms of technology, leadership styles, work methods, types of employment contracts and even where employees work from. HR practitioners therefore need to have a clear understanding of what the implications of these changes have on their organisations including but not limited to organisational behaviour.

It needs to be emphasised that, the importance of OB presupposes that it touches on how an organisation behaves as a possible result of the behaviour of its employees, its leaders and most important of all the emphasis it places on the performance of the organisation.

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ARTICLES CORNER

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The performance of any organisation as a result of its behaviour would reflect ultimately on the financial health of the organisation and should be of serious concern not only to the HR practitioners but the entire workforce.

The author in an earlier paragraph touched on generational diversity in the workplace where possible interpersonal and cultural sensitivity most likely affects concepts like the 'glass ceiling' where organisational behaviours result in the reduction of women, minority or disadvantaged groups in key positions. For HR practitioners in particular to understand and handle OB issues, there is the urgent need for tangible procedures and systems to be put in place and which would aid the studying of individual behaviours and behaviours underpinning the formation of teams and groups in the workplace.

This article would not be seen to be balanced if challenges associated with the handling of OB were not mentioned. As a result of globalisation, the workforce can consist of employees from different countries, cultures, and work ethics resulting ultimately in the importation of 'different behaviours' into the organisation. Overseeing the movement of jobs to other countries is another aspect that poses the challenge of embracing and effectively handling behavioural diversity to ensure conducive and productive working environments.

Organisations may taunt their core purpose, mission and vision statements together with well crafted strategies. However, if organisational behaviours are not identified and appreciated in

THE PROFILE OF DR. T. A. DONKOR—PAST EXECUTIVE DIRECTOR OF THE INSTITUTE

Dr. T. A. Donkor has had more than 35 years experience in Human Resource Management and Development, both at GHAIP now Tema Oil Refinery (TOR) and Nestle Ghana Limited, where he was the Human Resource Manager.

He has also acquired public sector experience as a member of the Public Services Commission from May 2002 to August 2005.

He has played other roles such as Council Member of the Ghana Employers Association, Member of the National Tripartite Committee and Member of the Advisory Committee on Labour.

Dr. T. A. Donkor was the Executive Director of the Institute of Human Resource Management Practitioners, Ghana from 2005 to 2009.

He is also the current Chairman of the Professional Certification Board (PCB) of the Institute.



DR. T. A. DONKOR

work systems in terms of: management of both implicit and explicit knowledge; managing in-house talent and expertise; effectively handling dedication and loyalty then, the HR practitioners' management of human and financial resources would amount to very little in the improvement of performance within the organisation which would ultimately reflect in the financial health of the organisation, an end result every business entity is concerned with.

So, does Organisational behaviour matter?

(NB: This article was first published in the March 2012 edition of the HR Focus Magazine in Ghana)