

HUMAN CAPITAL CONCEPT WORKSHEET

TRENT RHODES

Human Capital Concepts Worksheet

Concept	Application of Concept in the Scenario	Reference to Concept in Reading
<p>Organizational Capability</p>	<p>CEO David Spencer possesses an ambitious vision of acquisition and strategic global expansion. The strategy includes becoming an initiate in providing complete solutions to clients and customers rather than singular tools and general consultation. Interclean’s challenge will demonstrate itself over the long-term: recognizing the pivotal value of hiring and retaining its most capable employees. The integration of EnviroTech employees may create an environment of uncertainty and heightened inter-competition. Responsibilities of employees will also widen, thus potentially triggering organizational conflict.</p>	<p>“In addition to competing merely on price through financial capability, or product quality and innovation, high-performing companies engage in an explicit competition for the most capable employees” (Dougherty, Dreher, 2001, p. 4)</p>
<p>Training & Skill Development</p>	<p>Interclean’s strategic change to a complete-solutions form of selling will require sales employees to become well-versed in several areas including sanitation, ethics, regulations and environmental safety. In order for this expanded knowledge base to be implemented successfully, Human Resources will be charged with successfully developing training and development programs that match employee capabilities and current knowledge.</p>	<p>“Thus, firms must take care to select people with the ability and willingness to learn and develop, and they must establish reward practices that encourage employees to participate in training activities” (Dougherty, Dreher, 2001, p. 7).</p>
<p>Motivating Change</p>	<p>There is a strong standing of support for the new strategic vision. In contrast, executives such as VP of Marketing, Tom Jennings, oppose the change. Employees experiencing fear or concern regarding job security also do not completely accept the new vision, and the EnviroTech acquisition augments this feeling. To ensure a smooth transition, management will have to develop ways to motivate key personnel to support the risk and charge for change.</p>	<p>“People must come to believe that change is necessary and must commit to abandoning the status quo for an uncertain future” (Dougherty, Dreher, 2001, p. 16).</p>

<p>Training- Method Orientation</p>	<p>Carol Stanley, Internal Consultant began compiling an inventory of skills and aptitudes of current employees. These assessments were in response to the new training and development for future implementation, and to gauge the current value each employee contributed to the organization. Based on these assessments, further development will go into training employees by locating the optimum means for their growth and knowledge retention. Employees have interpreted the assessments as ways to find out which of them is most or least suitable to continue with Interclean in its new strategy.</p>	<p>“Does the company approach training from a coaching, on-the-job, apprenticeship, job rotation, and project team assignment basis, or is there an emphasis on the use of formal training centers and programs (e.g., the corporate campus, teleconferencing, computer assisted and programmed instruction)” (Dougherty, Dreher, 2001, p. 60)</p>
<p>Costs and Benefits of Turnover</p>	<p>Interclean Inc. management has already obtained information via grapevine of potential terminations. The work environment has become unstable and employee morale decreased. The knowledge of EnviroTech’s integration has been an addition to the rising level of turnover for Interclean’s organization. VP of Human Resources, Janet Durham, will face this challenge of mellowing the strengthened sentiment existing among employees; casual conversations noted in the scenario proved employment uncertainty and fellow coworkers who decided to resign from the company. Those members with significant time vested into the company also feel uncertain of their futures. Interclean’s HR department will be challenged to slow the decreased morale, and simultaneously take advantage of non-fit candidates who depart, paving the opportunity for more fit candidates to come on board.</p>	<p>“Turnover is costly because replacements must be recruited, selected and trained. A high voluntary turnover rate can also disrupt the social and communication patterns among stayers and increase stayer workloads and stress levels” (Dougherty, Dreher, 2001, p. 115).</p>

References

- Dougherty. Dreher. (2001). *Understanding Behavior in Organizations*. The Effective Management of People. New York: The McGraw-Hill Companies.
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