The Vision of STRATEGIC RESOURCE ALLOCATION (SRA)[SN]

Allocate human resources according to clear and measurable priorities defined by—and supporting —contribution to the organization's mission.
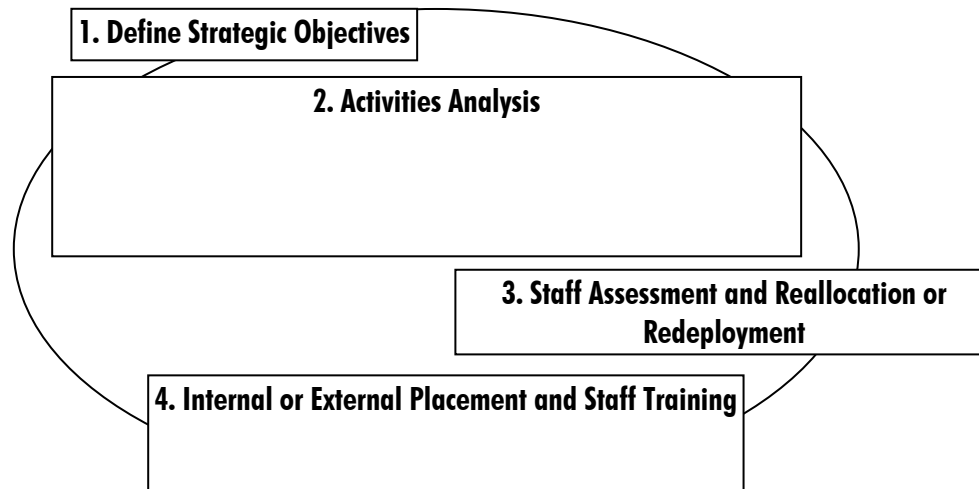
Issues with current downsizing methods

- They focus on cost reduction with minimum consideration of effects on revenue stream or service delivery.

- They do not consider need to support core activities.

- They look at activity, not results.

- They may use unrealistic model of enterprise for staff allocation.

- They alienate employees.

Benefits of Strategic Resource Allocation

- **Bases staffing decisions on *preservation or enhancement of service delivery* at any mandated payroll level**

- Provides map of responsibilities and skill set for remaining and reallocated or redeployed employees

- Provides information for business process reengineering

- Aggregates and incorporates grass-roots, service-contact insights into business operation

- Provides more defensible, more palatable staff reduction

- Makes exit process more humane and reduces negative impact on company

- Provides objective, behavioral work evaluation criteria

Strategic Resource Allocation Strategy

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│  1. Define Strategic Objectives  │
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│               2. Activities Analysis              │
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                    │  3. Staff Assessment and Reallocation or  │
                    │               Redeployment                │
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│  4. Internal or External Placement and Staff Training      │
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Box size suggests relative size of assignment

1. Define Strategic Objectives:
- Define mandated change and future mission of organization.
- Define any constraints on analysis or restructuring.

2. Activities Analysis:
- Population analysis—define job categories, employee numbers at locations affected.
- Task analysis—describe all work performed in behavioral terms; establish relative value of tasks to organization.
- Time spent and cost analysis— use historical data to allocate employee hours and corresponding payroll to tasks; analyze manpower deployment history using value/investment measures.
- Develop revised model of the organization—use task importance and mandated change parameters to define new structure and staffing levels.
- Skills needs analysis—define skills profile for redefined positions/tasks.

3. Staff Assessment and Reallocation:
- Assess staff skills profiles.
- Reallocate staff to new staffing model on basis of skills match and other mandated constraints such as seniority.
- Develop management of change strategy and timeline for staff movement.

4. Internal or External Placement and Staff Training:
- Establish outplacement process and services; complete notifications.
- Implement new staffing plan.
- Provide skills profile for each position to staff members along with access to training.

Future opportunities: Consider new team structures/compensation structures, such as skill based pay, to improve performance and incentive.

NOTES:
Some measures of productivity:
One objective is to develop a relative ranking of the importance of tasks. The exact mix of issues that contribute to that ranking will vary from organization to organization. Some examples of the kinds of issues to be considered are:

- *Does the task provide direct service, product or benefit to end customers/clients as defined in your mission? What is the degree of contribution?*
- *Is performance of the task mandated by legal or statutory requirements? What is the extent of the consequences?*
- *Does performing the task diminish or increase the assets/resources of the organization? To what extent?*

How to handle "support" activities.
Tasks such as "type letters" or "keep books" need to be analyzed. Typically letters or bookkeeping support other activities such as "report w-2 wages" or "order supplies to maintain facility." The amount of typing or bookkeeping is not what we are trying to measure, but rather, the task or accomplishment to which it contributes.