

A Strategic Perspective Of Human Resource Management In Telecom Sector Of Pakistan

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Abstract

This study attempts to carry out a comparative analysis of the Strategic Human Resource Management (SHRM) practices being followed in the telecom sector of Pakistan. This research takes into account two major players of Pakistan's telecom industry, which are Jazz and Ufone. The Strategic perspective of Human Resource Management (HRM) is different from the traditional concept HR as SHRM mainly arranges itself in accordance with the business strategy and aligns its departmental strategy to achieve the business objectives. This study has carried out in-depth analysis of the two organizations to find out whether Strategic HRM adds significance to the organization and helps to gain competitive advantage or otherwise. The Evidences/ Indicators of Strategic Human Resource Management practices in these organizations reveal that both organizations understand that there is a dire need to re-position their HR departments to a strategic level. However, the findings of the study show that these organizations need to elicit clear indicator and evidences which provide a sort of checklist for them to follow. The study recommends that in order to meet the rapidly changing scenario of the business world, the HR departments of the organizations need to restructure their HR and devise the facilitating factors which allow them to be more strategic in nature.

Key Words: Strategic Human Resource Management (SHRM), Evidences/Indicators

1. INTRODUCTION

The telecom sector in Pakistan saw major growth in the past few years. Many public policies have made this growth possible for this industry. Some deregulation policies followed by the sector liberalization along with efficient and transparent processes provided foundation stones for this growth. Study of the literature reveals that the telecom sector in Pakistan has also contributed a major portion to the GDP growth rate of Pakistan and also to the FDI and has strengthened the economy of Pakistan. (Awan, Khan & uz Zaman, 2011). In one of the study authors argue that this sector has brought major changes in the economic, social and fiscal aspects of the Pakistani Society (Imtiaz, Khan & Shakir, 2015). From 2003 to 2012, Pakistan's Telecom sector attracted more than USD 7.14 billion Foreign Direct Investment (FDI) making the total telecom investment equal to USD 15.14 billion (Authority, 2013).

Since the deregulations of Cellular companies in 2003, the telecom

sector has evolved at a very fast pace, including advancement to 3G, 4G and wide coverage across Pakistan. According to an estimate about 90% of the area of Pakistan gets cellular coverage from almost all the cellular companies operating in Pakistan.

The Competitive advantage of an organization is the key towards high revenues and this competitive edge does not only lie in differentiating a product or service or in becoming the low-cost leader but also in the manipulation of the organization's special skills or core competencies. This competitive advantage can only be achieved by the management by consolidating technologies and production skills into competencies in order to adapt rapidly to changing opportunities (Mosovsky, Dickinson & Morabito, 2000). Study of the literature reveals that traditionally, the emphasis was on the equipment of the organization that would give an organization a competitive edge over competitors, but in the present era this competitive edge is gained more effectively by developing employee skills, distinctive organizational cultures, management processes and systems (Barney & Wright, 1998). Competitive advantage can be obtained with a high-quality workforce that enables organizations to compete on the basis of market responsiveness, product and service quality, differentiated products and technological innovation. It is now widely agreed upon in the present times that human capital is the most important asset of an organization and the most important source of competitive advantage (Grant, 1999). This is where from which the managers got the idea of aligning HR strategy with the business strategy. Managers are pursuing gaining the competitive advantage by efficiently utilizing human resource through the ability to develop committed employees by aligning individual and organizational values, quality of the leadership of the business, the ability to work in a way which avoids conflicts between different functions or departments, the ability to develop the capability of employees to acquire skills and work in new ways and the ability of the organization to change and make changes stick. These are done through adoption of different roles of the HR managers. HR should expand its role from purely functional to a more strategic one, by becoming valued advisors to the line by turning attention outside the business, by benchmarking against competitors and by collecting and analyzing data related to competitors (Armstrong, 2011).

1.1 Purpose of the Study

The aim of this study is to carry out a comparative analysis of the strategic human resource management practices being followed in the telecom sector of Pakistan. In order to highlight the importance of every aspect of strategic human resource management for the operations of an organization, comparison of the strategic human resource management practices of Jazz and Ufone will be very much helpful. Such comparison makes it easier to analyze and compare the SHRM of both the companies followed by recommendations which are based on literature and gives a clear insight into the importance of strategic human resource management for organizations.

1.2 Scope of the Study

This research takes into account two major players of Pakistan's telecom industry, which are namely, Jazz and Ufone. The scope of this research study is to analyze the human resource management in both the companies and to inquire whether the human resource management is strategic or otherwise in both the organizations. Furthermore, to find out the level of competence that has been achieved in making the organization's HR strategically effective.

The basic premise for selecting only two organizations out of the whole telecom sector is firstly, foreign vs local origin company and second is the direct competition. Jazz is the largest Telecom service provider in Pakistan which is a merger of Mobilink and Warid. The parent company of former Mobilink is VEON, which is based in Netherland while Warid is owned by the Abu Dhabi group. Hence, both of these companies which are now called Jazz was foreign companies that came into Pakistan and brought in their management style. On the other hand, Ufone's parent Company is Pakistan Telecommunications Company limited which was owned by the Government of Pakistan and is of Pakistani origin. Although it was partially privatized in 2006 but still today 62% of its shares are owned by Pakistan (Nawaz, 2018). Hence, being foreign vs only local company, Jazz and Ufone can provide a better opportunity to analyze the Strategic HR practices of this industry as only Ufone is Pakistan based company. Secondly, after Jazz entered the Pakistani market, Ufone was the next and only company that gave direct competition to Jazz. Hence this study considered these factors to select only two companies for the analysis.

2. LITERATURE REVIEW

2.1 Business Strategies and Human Resource Implications

Business strategies of an organization vary between different firms. According to Krishnan (2005) corporate strategy refers to decisions such as what market to enter, what product to create, how to produce etc. It is the complete direction through which organization can meet its goals. There are two generic business strategies given by Porter, which include gaining competitive advantage by being the lowest cost producer or through differentiation and a price premium. These business strategies shape the HR strategies of an organization. These strategies include prospectors, defenders, analyzers and reactors (Miles & Snow, 1978). Firms that are proactive (prospector) are highly competitive and innovative firms. For them new product development, expanding to new markets and hiring valuable, competent, skilled and risk-taker employees are most important. Such companies need a collaborative HR strategy. Reactors on the other hand,

<http://www.businessdictionary.com/definition/corporate-strategy.html#ixzz2C8iBANI6>

are least risk takers. As the name suggests, they only take action when needed or when they are forced by the external environment. They do not use a formal HR strategy. They have other ways to achieve their aim which includes selling at a low price or offering a few types of products and achieving economies of scale. They aim at achieving efficiency rather than effectiveness, which means that employees don't need much to provide strategic value. Analyzers on the other hand, fall somewhere between prospectors and defenders. They are not the first movers (less risk takers) but are usually fast movers. They usually expand product lines or increase market share by expanding market, which helps them in gaining economies of scale and productivity. They prefer workers that are already trained and skilled which helps in saving training costs and time. In this type of strategy, the role of HR in strategy development is minimal, because HR will be focusing on hiring, paying competitive pay and improving employee performance.

2.2 Strategic Human Resource Management (SHRM)

HRM functions have been evolving for the past 100 years and now Human Resource Management has entered into a new era of Strategic Human Resource Management. In the past, HR was mainly involved in administrative tasks, but now HR has been repositioning itself as a "Strategic Business Partner" (Inyang, 2010). Researchers have differentiated both traditional HRM & Strategic HRM and argue that traditional HR was involved in transactional and people management activities while Strategic HR has planned its functions in accordance with the business strategy and aligned its strategy to achieve business goals (Wei, 2006). Boxall and Purcell (2000) explain that Strategic HRM is different from traditional HR for two reasons; (1) Strategic HRM gauges the performance of an organization rather than the performance of an individual, (2) Strategic approach does not see the functions of an HR in isolation but as an answer to the business problem. Hence, Strategic HRM adds significance to the organization and helps to gain competitive advantage (Inyang, 2010).

In the recent years there has been an emphasis on the strategic role of HR and its effect on the performance of the company (Bencker & Gerhart, 1996). Huselid and Becker (1997) has empirically proven that HR has a strategic impact on the firm's performance. They further implied that this means that choice of HR systems chosen by the firm can have an economically significant and positive effect on firm's market value and performance. Here it is important to note that this cannot be achieved without top managements trust, confidence and acceptance of HR's strategic role.

2.3 Evidences/ Indicators of Strategic Human Resource Management

Studies have elicited various indicators and evidences which provide a sort of checklist for understanding the nature of Human resource departments. Following are few of the indicators which allow the researchers to identify the strategic orientation of HR departments.

2.3.1 Organizational Human Capital

The main resource of any organizations are its assets, human, IT etc. A resource based view suggests that organizations gain sustainable competitive advantage when it has unique and different resources and when it follows a strategy to take advantage of these resources (Wright, McMahan & McWilliams, 1993). From SHRM viewpoint employees are not just any resource, but they are strategic resource which organization can use to achieve a strategic focus through their effective allocation and deployment. So, it is necessary to make such strategies that utilize this resource to gain competitive advantage. Organizations have to choose such strategies that take maximum benefits from the distinctive capabilities of the human resource. This can be done when top management includes HR in strategy development and formulation rather than just for implementation. The Resource Based View (RBV), one of the most important factors of competitive analysis with a focus on company resources, explains the importance of resources that cannot be imitated. Human Resources are considered as one of the main factors which are source of competitive advantage. Hence, in order to be strategic in nature, the HR departments need to focus on the quality of its employees which may allow it to become more strategic in nature (Wright, Dunford & Snell, 2001).

2.3.2 Long Term Focus

The Strategic Human Resource Management also demands a long-term focus, and this is one of the major indicators which endorse the importance of HR in meeting its strategic level goals (Martell & Carroll, 1995). Having this long- term focus actually helps HR to keep itself aligned with the organizational strategy. It should predict the future changing trends and keep an eye on the requirements that may arise and make their strategy accordingly. Because of the day to day involvement in need handling, HR gets lesser time to work on long term organizational plans, however, this practice should be modified in order for HR to be more strategic (Barney & Wright, 1997).

2.3.3 HR Metrics

Study of the literature reveals that for HR to become strategic, it is necessary that they communicate with management in financial terms. Metrics actually provide a very strong basis to the HR department where it can show to the top management the ability and the importance it has in terms of the contribution towards the strategic objectives of the company; that is, profit making (Weiss & Finn, 2005). It allows Human Resources (HR) to systematically align HR investments with organizational goals and make HR the true strategic partner indeed. It is considered an evidence of the strategic role being played by the HR department in the company (Gratton, Hailey, Stiles, & Truss, 1999).

2.3.4 Perception of HR

Studies report that managers usually perceive HR personnel as traditional performers unless HR itself tries to rectify it by active participation (Skinner & Mabey, 1997). HR personnel need to achieve qualitative and quantitative results in all of its activities. The challenge is to keep pace with the organization's speed by managing and achieving quality results by resource management and effective HR policing. This will ultimately clear the perception of both top management as well as the line managers (Alsmadi, 2011).

2.3.5 HR leadership/Top management support

According to Ulrich and Brockbank (2005), the role of the head of department of HR or HR leader is very important in aligning HR with the organization's strategy. The leader being an effective member of an organization should make such HR strategies that may help organizations to achieve its goals and gain the support of the shareholders and improve corporate image. Ulrich and Brockbank (2005) further argue that to make HR strategic, the function needs to have proactive and skilled leadership and HR must have support from the top management. The HR personnel should align their roles, skills and objectives with the strategy of the organization. It should be the focus of the company to develop HR leaders by incorporating leadership skills, communication skills and analytical skills so that they can achieve a strategic HR function (Walker & Vosburgh, 2003).

2.3.6 Proactive/Transformational Role

Human Resource Management through the use of its more sophisticated and modernized structure and work systems has become more proactive and strategically aligned organizational unit and it now performs more transformational role. The transformation of HR role is influenced by dynamic business environment to a large extent. Contemporary HR systems is incorporating more flexibility in their structures. The requisites for having an effective HR system in place are analytical skills, interpersonal skills, top management support and resilient leadership for leading a successful change (Khan, 2007).

2.4 Evolution of HR; A Strategic Orientation

Becker, Huselid, and Ulrich (2001) talk about the new perspective on HR, where HR is seen more than just an administrative function. HR is no more a cost center. Here the relationship between line management and HR professionals has to change and they both have to be collectively responsible for the firm's strategy implementation and execution. As firms are now focusing more on innovation and flexibility both line managers and HR professionals need to come out of their functional perspective i.e. s

administrative perspective and think about HR as a strategic asset. They should take this changing scenario as an opportunity to be part of strategy making (Becker, Huselid, & Ulrich, 2001).

Traditional HR is also viewed as a cost center when it solely performs legally mandated and administrative nature tasks. In order to contribute and add some strategic value to the organization, HR sometimes need to perform a business partner role as well. By thinking more on the lines of business strategy, HR can add value and this value addition can help HR departments to solidify its position in the organization like other organizational departments. HR business partner can add value by effective talent management, change management and by giving an input into strategic decisions, this will also enhance the effectiveness of the organization and as well as the business performance (Lawler, 2005).

When it comes to the strategic role of HR we see that in most of the organizations/ organization's importance of aligning HR with the organization strategy is ignored. The HR department or function is usually seen as a function that helps in implementing the predetermined strategy and HR is totally alienated from strategy making (Williams, 2002). But in recent times HR has gained attention owing to the fact that organizations have to implement the strategies on human asset or human capital. So, HR has to be involved in strategy making. Also, an organization's ability to implement strategy successfully so that the desired result can be achieved greatly depends on how much the strategy is aligned with the HR function (Huselid, 1995). Righimer and Energy (2005) criticize organizations for ignoring the most important resource of the organization i.e human resource. They believe that when HR is aligned with the strategy, it makes strategy implementation successful and improve performance which leads to increase in profit. Organizations have to make sure that they have a strategic approach which means that employees, their skills and capabilities helps in the achievement of the organization's goal. They also believe that HR should not forget its traditional role in their struggle to be more strategic. In-fact they should use these administrative functions to expand to strategy building and focus on how HR can support the organization in strategic planning and implementation. Researchers believe that organizations that link human resource management to strategic decision making will have higher and better performance (Huselid, 1995)

Bennett and Schultz (1998) argue that there is a positive relation between the degree to which top management view employees as a strategic asset and the level of integration between the HR department and strategic decision making. According to them organizations in which top management viewed HR as a strategic resource had more integration. During financial crisis, HR's (training, recruitment, compensation) budgets are generally decreased. SHRM can bring various benefits to an organization. SHRM helps organization in achieving its goals and survival. It helps in implementing business strategies and achieving competitive advantage. It improves innovation potential of

human capital. It increases the possible strategic choices. It develops more collaboration between the HRM department and line managers (Çaliskan, 2010).

3. METHODOLOGY

Both primary and secondary sources have been utilized in collecting the data for the study. Primary data were collected by visiting both the organizations and conducting interviews in person. The interviews were unstructured which helped in collecting information regarding every aspect of the respective department.

Secondary data was collected from two sources which are as follows. First, relevant literature, publications and studies were reviewed in order to get in-depth information on the effectiveness of strategic human resource management in various organizations. Second, in order to get further insight of the HR at Jazz and Ufone, internet in general and company websites were used in particular to collect data about the structure and functioning of HR in both the organizations. All the collected data was analyzed and processed to get results, on the basis of which analysis was conducted.

4. INTRODUCTION OF THE COMPANIES

4.1 JAZZ

Jazz is the premier and biggest cellular service provider in Pakistan. It was initially launched by the name of Mobilink in 1994, however in November 2015, Mobilink was merged with Warid and both companies have been re-launched with a brand name of Jazz.

4.1.1 Organizational Hierarchy and Structure

Jazz has eleven major divisions. Each division has a divisional head and further departments and sub-departments. Each department is headed by a director. Each divisional head directly reports to the CEO and director reports directly to his/her respective divisional head.

4.1.2 HR Structure

Jazz has restructured its HR to meet the needs of changing market dynamics. Jazz has taken the first step by changing their HR structure which supports the HR role to be more strategic. Jazz's HR have shifted to a Business Partner Model of HR. This change was brought in due to need felt by the VP HR in specific and overall HR department in general. The HR and administrative division has the following departments.

www.jazz.com.pk

4.1.2.1 Centre of Expertise:It has two sub departments:

a. Organizational development and talent management works for enhancing and developing the capabilities of employees. For this they execute trainings, etc. Talent management looks for individuals who show exceptional capabilities and leadership skills that can be future leaders or head of departments of Jazz

b. Recruitment, Reward and Performance Management is responsible for hiring throughout the organization. They also are responsible for maintaining a compensation system that is aligned with market practices. They design and initiate the Performance Management System (PMS) too.

4.1.2.2 HR Business Partnership:

Business partners contact and are there for the line for all the HR related issues and requests. They are located in all regions.

4.1.2.3 Employees Service and Employees Engagement:

They are responsible for budgeting, day to day services, medical and insurance etc of all employees.

4.2 Ufone

Ufone started its operation in Pakistan on 29th January, 2001 and is owned by PTCL. After the privatization of PTCL, Emirates Telecommunication Corporation (Etisalat) took over the management of Ufone in 2006 and started running its operations but still 62% of its shares are owned by the Government of Pakistan.

4.2.1 Organizational Hierarchy and Structure

Overall, Divisional Structure is being followed at Ufone and there are currently six divisions at Ufone. Divisions have further divided their operations into different regions and in regions Ufone follows Functional Structure.

4.2.2 HR Structure

Ufone has been restructuring its HR Structure. In existing Structure, there are three divisions namely, HR Services, HR Operations, Recruitment & Compensation. Then HR Services has further sub-divisions, namely Training and Development and Strategic Human Resource Planning. All three divisions are reporting to GM HR and he directly reports to the CEO of the Ufone. But in proposed new HR structure, GM Corporate Strategy has been introduced and GM HR reports to him and under GM HR there are two main divisions (1) HR Corporate team (2) HR Services. In HR Corporate

www.Ufone.com

Team division OD, Compensation and Benefit and Recruitment sub-division falls. Strategic Human Resource Planning division has been empowered to integrate the working of HR Divisions and helps in making HR strategies. The whole purpose of designing a new HR structure is to make the role of HR more strategic.

5. FINDINGS & ANALYSIS

5.1 Jazz: Indicators/Evidence:

As discussed earlier, Jazz has shifted to a business partner model in an attempt to become more strategic. This study finds various evidences and facilitators, which are aiding the HR department of Jazz to become more strategic in nature. Therefore, this report is categorizing the Human Resource department as a strategically oriented HR function of the company. In that, human resource managers at Jazz are performing various tasks that help them to perform strategy-oriented work. Evidences provided in the ensuing paragraphs substantiate the claim. Many studies have highlighted some indicators which help the study to understand the nature of the department at various organizations. Few of these indicators are mentioned below:

5.1.1 Long Term Focus

Jazz has a long-term focus. It is indicated by the fact that the HR at Jazz has representation at board meetings and has more of a policy making role in the company. For example, when CTO asked for a technical change which was affecting HR costs in terms of training and new hiring, it was pointed out by the VP HR who had foreseen the costs of hiring new people and their training as costlier than the actual benefit of the technology. The board considered a HR's point of view and the idea was rejected by the board unanimously. This shows that the HR department has a long term focus and has a say in the strategy formulation.

5.1.2 Alignment of HR with Business Strategies

Jazz have a strategic meeting every Monday. In this meeting the CEO and Vice Presidents of all 11 divisions including VP HR initiate new ideas, strategies and policies. In this meeting the VP HR is not just there as a formality, but the VP does have a say. The VP HR has also initiated various structural and strategic changes. The VP added business partners in the structure of the organization. Business Partners were hired from within or outside organization and were made part of a team. Similarly, the VP HR has an equal say in a boardroom as other member. HR might not be driving the strategy, but it is still impacting strategy making. If we look at different levels of integration, Jazz HR has is somewhat between two-way linkage and integrative linkage with strategy. Not only is the VP HR part of the senior management team that formulates new strategies, but VP HR initiates new

strategy formulation and implementation. Also, many times strategies apply to all departments of Jazz.

The main strategy of Jazz is differentiation strategy. Being a service provider facing tough competition, the Jazz's main focus is to provide the service and such packages that will help in gaining maximum market share. It wants customers to perceive that its products are different from competitors. For this type of strategy, it is important to hire employees with diverse backgrounds. Jazz hires creative and cooperative employees with a long-term focus. They encourage risk taking. Here it is important to note that it varies from department to department. Their training and development program includes Jazz culture development, collaboration, and interdepartmental collaboration. Jazz is going for the strategy that "best fit" its organization structure and strategy. It doesn't follow a trend just because other companies are following it. Introduction of Business partner is an example. They found that there is a need to introduce business partner who will deal with line and guide and help them, so business partners were added to the structure.

5.1.3 HR Metrics

Literature suggests that when the human resource personnel communicate with the management in the financial terms and are able to quantify their efforts, eventually they are considered as active participants in a business's strategic decisions. At JAZZ, when inquired about this fact, HR managers mentioned that they always try to quantify their efforts in financial terms. The T & D manager mentioned that they always calculate the financial effects & advantages of training activities in financial terms. They usually travel for outbound training activities that are costly than the in-house trainings, but JAZZ HR managers find that when the financial advantages of the same are calculated, the end result is a positive sum. This gives a driving seat to HR managers in JAZZ and hence a more strategic orientation in the company.

5.1.4 Proactive Approach

This study finds that at Jazz, the HR resource department is proactive because of the fact that it foresees the company's requirement and plans ahead. In one of the case, HR department started head hunting and recruiting the people who were experts in 3G technologies in the start of year 2008. At that time demand and cost of hiring 3G experts were low, hence it allowed the company to recruit the best talent in the country at a lower cost. Thereby foreseeing the company's strategy and making HR strategy in return helped to achieve the strategic objectives of the company. Moreover, the talent management department of the company allows to headhunt the talent in advance which is a clear indication of HR being strategic in the company.

5.1.5 Leadership

The HR department at Jazz is headed by a dynamic and cooperative leader. He is people friendly and encourages input from all. There is a lot of impact of the leader's personality on each of the departments. VP HR promotes an open culture and encourages questioning from subordinates as well. So much so that the employee can even disagree with what He believes and can make new recommendations. HR is still working on improving its image by conducting informal team building activities.

5.1.6 Perception of HR

At Jazz top management views HR as an important strategic source. HR has a representation in all top-level meetings, not only representation but also the input of HR is considered important in every decision. When inquired about the fact, one of the managers mentioned that in a particular case, Jazz was taking a decision to invest in new technology. All board members were willing to invest in the technology and were looking positively to it. The VP HR on the other hand was against the option. The board members then started discussing the issue and VP HR briefed about its long-term implications. This totally changed the board's perception and decision was taken back. The human resource managers on the other hand perceive themselves as active participants in meeting the company's objectives. Hence considering them as an important resource.

5.1.7 Organizational Human Capital

As discussed in the literature review earlier, it has been observed that companies which possess a greater amount of resources in terms of quality and number of people are better able to perform strategic jobs. This is because of the flexibility an organization gets when a good number of quality people give their best input in performing their duties. In the telecom industry, Jazz is considered to be a lead hirer in terms of the hiring quality people. This gives them flexibility to perform escalated tasks which are in consistent with the overall company's strategy.

5.2 Ufone: Indicators/Evidence:

Ufone is striving to transform into a complete strategic orientation, although Ufone is trying to be strategic by restructuring their Human Resource department, but by making Strategic Human Resource Planning a part of organizational development, which is an unusual case, it seems that Ufone needs to think more about the status and reporting relationships of strategic human resource planning department. In order to become more strategic, HR strategies must be formulated at a corporate HR level which directly reports to the top management to ensure strategic alignment, whereas in

Ufone, strategic human resource planning instead of having a direct reporting relationship with the top management it has a dotted line in between which shows a weak reporting link with top management.

5.2.1 Long Term Focus

HR at Ufone is not part of the policy formulation; the policy is made by the parent company Etisalat. It is then forwarded to Ufone Head Office, which sends to the concerned departments for implementation. The HR department is more of an implementer of policies rather than formulator. So, it can be inferred that the focus of the HR department is short term since it is only doing what it is told, and it does not take initiatives to prepare itself for coming challenges. For instance, the interviews with the HR personal at Ufone highlighted that Etisalat has mandated to implement the newly established HR structure which has included the role of business partners. Ufone is now implementing this structure. The purpose of this initiative to introduce business partner model is to make HR more strategic. Since this structure is in the planning phase, so, HR person was not in a position to tell if it has helped in being long term focused and strategic.

5.2.2 Alignment of HR with Business Strategies

In Ufone the GM HR is a co-opted permanent member of the strategic team. He is called as and when needed or required. In Ufone the linkage is more of a one-way linkage. Strategy is made at the strategic level and then HR department is informed to implement the strategy. Ufone although is moving to a new structure. The aim of the structure would be to have a two-way integration. So that HR department can give its input in the strategy formulation as well as implementation.

The strategies implemented in Ufone are usually because Etisalat has formed them for the whole organization and Ufone being a subsidiary has to implement them. We believe that Ufone goes for best practice, on the basis that it doesn't make the strategy itself, but it follows its parent company.

5.2.3 HR Metrics

One main indication of being strategic is that Human Resource must quantify its contributions while presenting them to the top management. This not only results in recognition of HR, but it is also an indication of human resource department being more strategic by gauging organizational investments in terms of increased performance and productivity. The research analyzes that Ufone quantifies its contributions in term of cost that is incurred on its human capital including training and compensation cost and then comparing the output people can give in terms of achieving their goals effectively through performance appraisals.

5.2.4 Proactive

Evidence suggests that Ufone is more reactive to changing industry and market trends by responding after the major changes have been occurring instead of anticipating upcoming changes in the markets that are likely to take place. This can also be inferred from the primary data gathered for the research Ufone that rather than proactively hiring the talent for the new 3G technology, Ufone realized a need for hiring skilled and talented people after the announcement of 3G bidding process in Pakistan. Example quoted in an interview says that they had to hire four talented people ,but they ended up in hiring only two people outside Ufone because hiring such talented workforce in a situation when their demand is also high than the supply, actually forced Ufone to confront with the serious cost issue because recruiting people in this scenario was quite expensive so Ufone started training its internal employees for these changing trends showing their reactive approach. rather than planning for talent in advance.

5.2.5 Leadership

The leadership of HR departments at Ufone is fostering employee engagement and managing peoples' operations for while contributing to the strategic business objectives. The leadership is trying to implement the best practices of the industry to make HR more strategic and collaborating with the business strategy of the company.

5.2.6 Perception of HR

Top management perception regarding the role of human resource management in the business strategy is; very clear. Empirical evidence suggests that top management of Ufone wants to be strategic; they believe in giving discretion to HR in performing their work in their own way, but they are trying to implement it companywide. Environment is a bit flexible and congenial but there is not much discretion on the part of HR managers, they have to act upon the directives given to them as quoted by managers.

5.2.7 Organizational Human Capital

Literature suggests that the availability of effective resources such as organizational resources and quality of human capital resources, including skills, knowledge and competent employees will help the organization in achieving more strategic focus through effective allocation and deployment. Ufone has all these resources be it organizational or human resources and they are trying to effectively utilize their resources. They have their learning management system (LMS) through which people can prioritize the kind of training they need to get. The reporting relationship of HR is not directly linked with top management, this suppresses HR role to some extent, in addition to that they must focus on strategic training that will help employees in achieving organizational strategy.

6. COMPARISON OF HR AT JAZZ & UFONE

Based on the review of literature and the data collected, this study presents its comparative analysis of the SHRM indicators in both the organizations. It is important to mention that all the views, ideas and analysis expressed in the paper are not the official stance of the organizations (Jazz and Ufone). The expressed views are personal analysis of authors. Organizations stance may differ from the author. The comparative analysis of authors is presented in the following table:

SHRM Indicators

Table 1 shows all the indicators of strategic HR and it also compares Ufone and Jazz, the degree of them is being strategic on the basis of these indicators. This comparison of both the organizations shows that the degree of Jazz HR being strategic is higher than that of Ufone. Ufone scored low on these indicators while Jazz scored high on these and thus it can be concluded that the HR in Jazz is more strategic than in Ufone.

Table 1: SHRM Indicators

	UFONE	JAZZ
Proactive	No	Yes
Long term focus	Yes	Yes
HR Leadership	Yes	Yes
Alignment of HR with Business Strategies	Yes	Yes
Strategic Perception of HR	partial	Yes
HR Metrics	Yes	Yes
Organizational human capital	No	Yes
Top management support	Yes	Yes
Transformational work	Yes	Yes
Flexibility	Partially	Yes

7. CONCLUSION

Ufone and Jazz are two major players in the telecom industry of Pakistan. Ufone being a subsidiary of Etisalat has been implementing strategies that are sent by Etisalat. The HR department in Ufone has transformed a lot and is changing to good not very strategic. Ufone's HR has some impact from its parent company Etisalat. The indicators of Strategic HR are present in Ufone but are less than that in Jazz. Ufone has also brought in a structural change in the directions of the parent company where they are introducing business partners, shared services and center of expertise. Jazz on the other hand enjoys a more strategic HR. The indicators of Strategic HR are much evident in Jazz. They business partners, shared services and center of expertise. Their admin department is not part of the HR department. This means that Jazz top management is trying to make HR department strategic by not involving them in admin work directly. The VP HR is part of all strategic and executive meetings and the role of business partners was introduced because of the VPs initiative.

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