

Centralizing HR for Improved Efficiency

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Moving from a decentralized to a centralized HR structure needs to be strategic, driven by the desire to enhance efficiency, contain costs, and establish procedures (Anwar & Abdullah, 2021). The first activity entails spending time in the current decentralized environment to assess service gaps and high costs, as well as the inconsistencies in the quality-of-service delivery across different business units. Gathering stakeholder feedback and comparing the organization's activities to those of competitors can give insights into what is best practice. Based on this, there is a need to develop a vision and mission statement to establish a centralized human resource model to provide better services with less expenditure.

The next step involves identifying the main tasks requiring centralizing human resource functions (Anwar & Abdullah, 2021). HR systems should be prioritized by acquiring centralized software to handle various HR activities, as this will minimize paperwork in the multiple units. The integration enables better management of data and thus enhances efficiency. Furthermore, centralizing all employees' policies and practices ensured that all business units acted in line with standard guidelines and regulations. Training and change management are also crucial, as those working in the centralized system should undergo an adjustment process. Resistance to change will be another critical factor requiring proper management through practical communication tools to explain the need for change to all stakeholders.

Lastly, the cost assignment and budgeting should be comprehensively conducted (Bergmann et al., 2020). Concerning cost estimates, determining factors that include the cost of software acquisition, training, and migrating between systems will assist in developing a suitable financial model. This way of estimating costs from the bottom up also provides the benefit of being more accurate since each step of the task is divided into smaller sub-tasks. Integration of

contingency planning for the accumulated unexpected adversities is also crucial. Therefore, using a Project Budget WBS template, organizations can be able to achieve a centralized HR structure as desired with fewer strides since this WBS acts as a guide in ensuring a successful implementation process.

References

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