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Research on Human Resource Allocation Strategy in Enterprise Strategic Transformation

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Abstract: This research delves into optimizing and managing human resource allocation strategy during enterprise strategic transformation. It examines key strategies in recruitment, training, development, incentives, and performance management, and how they align with overall enterprise strategic goals. By conducting a thorough review of literature and analyzing cases, the research highlights the significance of appropriate allocation of human resources in achieving enterprise strategic objectives in today's business environment. It also offers both theoretical and practical advice for companies to sustain their competitive edge in a challenging market landscape. The study's findings highlight the importance of leveraging cutting-edge technology for enhancing hiring choices, creating specific training programs to enhance employee flexibility, and establishing a clear system for incentives and performance assessments in order to ensure the success of corporate strategic changes.

1. Introduction

1.1. Research Background and Importance

The process of adapting to complex and evolving market environments, global competition, and fast technological advancements is crucial for modern enterprises to stay competitive and achieve lasting growth. Yet, strategic transformation doesn't just mean changing the company's business model; it also brings about new demands for reshaping and improving internal resources, particularly in regards to human resources. The focus of concern for enterprise managers and academic researchers is how to efficiently allocate human resources to support the seamless implementation of strategic transformation in this context.

In the past few years, as the global economic environment has become more unpredictable, enterprises have been increasingly pressured from external forces, leading many to pursue strategic transformations. This process of transformation typically involves multiple complex processes like restructuring businesses, innovating technology, and repositioning in the market. Within this procedure, the allocation strategy's effectiveness directly impacts the success or failure of strategic transformation, with human resources being a crucial asset for any enterprise. Numerous studies indicate that a successful strategic transformation often involves simultaneously transforming and optimizing human resource management. In particular, this includes enhancing employees' skills and flexibility through effective recruitment, training, development, performance management, and other methods, in order to better assist in achieving corporate strategic objectives [1][2].

Therefore, studying the human resource allocation strategy in corporate strategic transformation is not only of great theoretical significance, but also of great practical guiding value. Through in-depth analysis of this field, it can help enterprises better understand and respond to the challenges of human resource management in strategic transformation, thereby enhancing the competitiveness and sustainable development capabilities of enterprises in a complex and changing environment.

1.2. Research objectives

This research seeks to investigate how businesses can assist in achieving strategic objectives by enhancing strategies for allocating human resources throughout the strategic transformation phase. In particular, the research will examine the updated human resource allocation needs proposed by corporate strategic changes, pinpoint the primary human resource obstacles during the transformation, and investigate ways to enhance human resource distribution strategies using real-life corporate examples. Moreover, the research will offer recommendations to assist businesses in utilizing human resources more efficiently during strategic transformations and improving the organization's overall strategic execution capabilities.

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2. Theoretical basis and literature review

2.1. Relevant theories of corporate strategic transformation

Corporate strategic transformation is when businesses change their strategies, models, or structures to gain sustainable competitive advantages in response to external changes. Conventional strategic management theories like Porter's competitive strategy model and the resource-based view (RBV) highlight how companies react to external competitive pressures by effectively distributing internal resources. Nevertheless, the rise in market uncertainty has led to a growing interest in dynamic capabilities theory. This theory stresses the importance of companies being able to adapt their resources and skills in order to achieve long-term strategic objectives in a swiftly evolving market [3]. Dynamic capabilities involve more than just recognizing and taking advantage of market opportunities; they also involve effectively combining, developing, and adjusting internal resources within a business to adapt to changes in the external environment [4]. This allows companies to be more flexible in adjusting resource allocation during strategic transformation, ultimately improving their competitive edge.

2.2. Basic concepts and theories of human resource allocation

Human resource allocation is the procedure of assigning appropriate abilities to appropriate roles within a company according to its strategic objectives and business requirements in order to enhance the advantages of human resources. Conventional HR management theory focuses on hiring, coaching, and evaluating employees, but due to the complexity of the business world, strategic HR management (SHRM) theory has gained popularity. SHRM highlights the strong alignment between HR management and corporate strategy, and helps achieve the enterprise's strategic objectives through developing HR policies and practices that are in line with the strategy [5]. Furthermore, the AMO Theory has also gained significant traction in this area. The theory suggests that enhancing employees' skills, drive, and chances can greatly enhance an organization's performance. This demonstrates that during corporate strategic transformation, appropriate distribution of human resources can enhance the organization's adaptability and flexibility, as well as support the company in reaching its long-term strategic objectives [6].

2.3. Research status of corporate strategic transformation and human resource allocation

Recently, academia and the business community have shown great interest in the correlation between corporate strategic transformation and the allocation of human resources. Research indicates that effective strategic transformation typically coincides with concurrent alterations in human resource management [7]. Effective distribution of manpower can improve company's ability to adapt during strategic changes and give them lasting competitive edges. Furthermore, the issue of allocating human resources in the digital transformation context has also been widely recognized. Research has indicated that as technology progresses, businesses must enhance employees' digital skills via training and development approaches to further the enterprise's digital transformation strategy [8]. Furthermore, research has highlighted the importance of enterprises prioritizing the cultivation and development of employees' innovative skills during strategic transformations to meet evolving market demands [9].

3. Challenges in human resource allocation during enterprise strategic transformation

3.1. Changes in the requirements for human resources in strategic transformation

In the course of enterprise strategic transformation, human resources' roles and allocation needs have undergone substantial changes. As businesses strive to stay ahead through digital transformation or adjusting their business models, the skills needed by employees have evolved. Businesses must allocate resources to enhance digital capabilities, innovation capabilities, and adaptability to new technologies in order to enable employees to align with the organization's fresh strategic objectives [10]. Furthermore, human resource managers need to reassess the organizational structure to enable rapid response to market changes and optimize internal talent for strategic execution during strategic transformation. In addition, strategic transformation also requires human resource managers to re-examine the organizational structure to ensure that it can respond quickly to market changes and effectively use internal talent resources to promote strategic implementation. These changes often require training and development programs to improve employee adaptability and to reconfigure talent to meet new challenges [11].

3.2. Main challenges in human resource allocation

When enterprises undergo strategic transformation, the main challenges of human resource allocation include adapting to the speed of organizational change, improving employee skill levels, and managing employee resistance during the change process. Initially, strategic transformation typically involves significant changes to current human resource allocation within a short timeframe, which increases the need for organizational flexibility. Additionally, with the evolving business model of companies, it is essential for employees to acquire new skills and knowledge. This necessitates companies to boost their spending on training and development. Furthermore, the resistance of employees to change poses a significant hurdle, especially when the transformation process introduces ambiguity and stress. Managing and motivating employees effectively is now a crucial responsibility of corporate human resource management [12].

4. Research and optimization of human resource allocation strategy

4.1. Talent recruitment and selection strategy

In the process of enterprise strategic transformation, the optimization of talent recruitment and selection strategy is crucial. Effective recruitment strategy can not only ensure that enterprises attract high-quality talents suitable for their strategic goals, but also improve overall recruitment efficiency. In recent years, many companies have adopted recruitment models based on data and artificial intelligence technology to improve the matching degree of candidates and predict their performance in specific positions. These models can more accurately predict their work performance by evaluating candidates' abilities, motivations and role cognition in multiple dimensions, thereby optimizing human resource allocation[13]. In addition, in the recruitment process, the reasonable allocation of recruitment quotas is also the key to ensure that each department can obtain the required talents. This strategy is particularly important in the multi-stage recruitment process[14].

4.2. Training and development strategy

Training and development strategy is the core means for enterprises to improve employee skills and adapt to new strategic requirements. Through systematic training plans, enterprises can help employees quickly master new skills and improve their adaptability in the new environment, thereby supporting the strategic goals of the enterprise. Research shows that training strategies based on talent management can not only improve employee performance, but also significantly improve their loyalty and sense of belonging to the organization[15]. In addition, with the acceleration of digital transformation, many companies have also incorporated new technology-related content into training to ensure that employees can smoothly adapt to and master new work tools and processes, thereby creating greater value for the company[16].

4.3. Incentive and performance management strategy

Incentive and performance management strategies are crucial in the process of strategic transformation. By implementing successful incentive systems, companies can motivate staff and guarantee they stay productive throughout the organizational changes [17]. Studies suggest that the performance management system needs to align closely with the strategic objectives of the organization in order to ensure that employees' individual goals are in line with the company's overall goals. Moreover, when utilized alongside contemporary evaluation tools like key performance indicators (KPIs) and balanced scorecards (BSCs), businesses can thoroughly assess employees' efforts, enhance job satisfaction and organizational loyalty with suitable rewards, thus aiding in the enterprise's sustainable growth [18].

5.Conclusion and recommendations

5.1. Research Summary

This research examines the allocation of human resources in enterprise strategic transformation and highlights the importance of efficiently managing and optimizing human resources to achieve corporate strategic goals in today's business world. During the strategic transformation of companies, proper allocation of human resources is crucial in guaranteeing the success of the transformation. The research examines how enterprises integrate strategies in human resource recruitment, training, incentive, and performance management with their overall strategic goals. This study offers theoretical and practical advice on human resource management for enterprises undergoing strategic transformation, based on a systematic literature review and case analysis, to help them preserve their competitive edge in a challenging market environment.

5.2. Optimization Strategy Recommendations

According to the results of this research, companies should focus on these optimization strategies as top priority during strategic transformation. In the recruitment and selection process, companies should utilize advanced technologies like artificial intelligence and data analysis tools to enhance the precision of recruitment decisions and guarantee that the skills of new hires closely align with the strategic requirements of the company. Furthermore, companies need to create structured training programs tailored to specific transformation requirements in order to improve employees' technical skills and flexibility, particularly in digital skills and innovation capabilities. Ultimately, in the management of rewards and performance, organizations must guarantee that incentive systems and performance evaluations are transparent and fair. They should also foster employees' motivation and innovation by providing regular feedback and incentives to help achieve corporate strategic objectives smoothly.

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