

THE HONG KONG HOUSING AUTHORITY

Memorandum for the Human Resources Committee

Human Resource Management Plan Second Update 2000/2001 - 2001/2002

PURPOSE

This paper seeks Members' endorsement of the second update of the Housing Authority's (HA) Human Resource Management (HRM) Plan which aims to provide focus for HRM planning and development in the next two years (2000/2001 to 2001/2002).

BACKGROUND

2. At the HRC meeting held on 10 July 1997, Members endorsed the first HA HRM Plan (the Plan) covering the five years from 1997/1998 to 2001/2002. The Plan aims to help HA to achieve its mission and objectives through systematic design and implementation of HRM programmes. It also provides a focus on future HRM direction and major activities.

3. HRM Plan is designed to be a living document that requires continuous updating and review to reflect the changing external and internal environment. Taking into consideration the emerging issues and the changing circumstances since 1997, the first update of the Plan (HRM Plan First Update) was completed in May 1998¹. It provides focus for implementation and continuing development of a range of targeted HRM initiatives under six driver programmes² from 1998/1999 to 1999/2000.

¹ The HRM Plan First Update for 1998/1999 and 1999/2000 was endorsed at the HRC meeting held on 7 May 1998. Paper No. HRC 20/98 is relevant.

² The six driver programmes of the HRM Plan First Update are Strategic HRM Planning; Change Management and Leadership for Change; Core Competency Development; Performance Management; Strategic Training and Staff Communication.

4. The HRM Plan First Update covers the period up to 31 March 2000. As HA is facing new HR challenges in the light of imminent organisational changes and reform, we have taken the opportunity to review and update our existing HRM programmes and initiatives, and identify new areas for the next two years from 2000/2001 to 2001/2002. The objective is to align our HRM development with the new direction of the organisation.

THE NEW HR CHALLENGES

5. Greater private sector involvement (PSI) in estate management and maintenance services and enhancement of building and service quality are the two major drivers posing challenges to HA. With HA's approval of the PSI implementation strategy in January 2000, our HR challenges will be to ensure that the existing and new HRM programmes in place can match and catch up with the changing service requirements and business needs and help align staff to the PSI direction. Moreover, in the wake of a series of incidents, including substandard foundations and piling, there has been increasing public concern about the building and service quality of public housing. To tackle the current quality housing problems, HA has recently completed a comprehensive review on the public housing production process which has identified a series of strategies and recommendations for enhancing building quality. These two major drivers demand further enhancement of the skills of our staff for better partnership with the private sector and other stakeholders. Our HRM programmes therefore should be in support of these initiatives by continuously developing a value-adding work force which is adaptable to change, customer-focused, quality-based and result-oriented.

6. The updated HRM programmes for the next two years have taken account of the above key issues as well as other HR challenges of HA which include the outcome of the review of the terms and conditions of HA staff, the effect of the consultancy on streamlining of Housing Department's organisational structure at all levels, the implementation of the Civil Service Reform, the impact of the Enhanced Productivity Programme, the increasing concern by political parties and the community on housing issues and their growing expectation of accountability of public organisations, and the need to promote staff's cost consciousness.

IMPLICATIONS OF THE CHALLENGES FOR THE HRM PLAN PROGRAMMES

7. In the light of the above challenges, the programmes in the second update of HRM Plan (the Second Update) have placed emphasis on the need for the following -

- a) developing a flexible manpower strategy and dynamic workforce through better manpower planning to support the impending organisational reforms and respond promptly to changes in service requirements;
- b) nurturing a reform culture so that staff share management's perspective and take ownership of change;
- c) widening the pool of talents and developing leadership capability at different levels to lead and facilitate the change processes under organisational reform;
- d) enhancing training and development opportunities for staff³ to further develop their competencies to meet new operational requirements, improve their skills and competitiveness, and strengthen their confidence in preparing themselves positively to meet the challenges and competition ahead;
- e) stimulating staff motivation and contribution, and increasing staff's sense of responsibility and accountability through improved systems for managing performance;
- f) increasing transparency in information sharing, stepping up staff communication to re-establish mutual trust, and boosting of staff morale through counselling and stress management to allay staff's misgiving and fear of uncertainties on the future; and

³ Different types of enhancement training and development programmes will be provided to cater for different groups of staff. They are broadly classified as (I) staff who opt to join private property services companies; (II) staff who opt to form Management Buy-out (MBO) companies; and (III) staff who remain under the employment of HA.

- g) enhancing various HRM systems to support the integration of HRM functions and programmes in the most effective manner.

THE FOCUS OF THE HRM PLAN SECOND UPDATE

8. Having regard to the implications of organisational challenges on HRM as detailed in paragraphs 5 and 6, the following six HRM programme areas have been identified as the driver programmes in the next two years -

- (1) Strategic Manpower Planning;
- (2) Leadership Development and Change Management
- (3) Strategic Training (with focus on PSI, quality and cost management, partnership with the private sector and working with the community);
- (4) Staff Relations and Communication;
- (5) Performance Management; and
- (6) HRM Systems Development.

———— The HRM Plan Second Update, which includes an overview, the programme description and key initiatives, is at the **Appendix**.

THE NEXT STEPS

9. This Second Update forms the basis for continuing development and implementation of a range of HRM initiatives for HA in the next two years in the light of further challenges and changes that lie ahead. As with the previous updating exercise, the following steps will be taken to monitor the progress of its implementation and to communicate it to all staff members -

- (a) communicating to staff the content of the Second Update through various channels including the HR staff at corporate and branch levels, grade management visits and meetings, HRM Newsletter etc.;
- (b) incorporating an in-built staff communication process in individual programmes and initiatives;
- (c) uploading the Second Update to the HA Intranet for the general reference of staff members;
- (d) developing specific HR performance indicators to monitor the implementation and performance of the programmes and initiatives; and
- (e) preparing half-yearly reports for the information of HRC on the progress and achievements.

ADVICE SOUGHT

10. At the HRC meeting to be held on 16 March 2000, Members will be invited to endorse the HRM Plan Second Update at the **Appendix**, having regard to the latest organisational developments and emerging issues.

---0---0---0---

File Ref. : L/M (1) to HD 696/96 V

Date : 9 March 2000