

“Excellent people management is a necessity...”

Good HR can kick-start the growth of your business, says CIPD's **Dr Jill Miller...**

In small businesses, excellent people management is a necessity to get the best from a team and create a truly great place to work. Research in the field of education, in particular, has shown that cultivating an engaging approach is critical to the commitment and performance of staff, and hence the quality of education and care delivered. But we need to go beyond the contracts and the admin to discover what approach to people management is really going to support your setting's, or settings', growth in a sustainable way.

Unlike larger organisations that have an HR department, in smaller childcare businesses, hiring, engaging and developing people is a responsibility which falls first and foremost to the nursery owner or manager. Recent research by the Chartered Institute of Personnel and Development (CIPD) identified the people management issues faced by smaller organisations, depending on their stage of growth and/or maturity. It proposes a model comprising four distinct stages of growth that SMEs tend to transition through and, for each stage, highlights the particular challenges and opportunities likely to be encountered.

The model is designed to help those responsible for people management to consider whether their current approach is meeting both business and employee needs, and to anticipate the people management challenges and opportunities they're likely to be presented with in the near future. Being able to respond to these issues in a timely way will support your company's growth. The full model can be found in the CIPD report *Achieving sustainable organisation performance through HR in SMEs*, which is freely available from tinyurl.com/TNCIPD, but to get you started, consider the following areas of attention...

1 Be clear about your values

What is your business there to do? What are your core values? Clearly articulating these will set employees' expectations of what they need to do and how they need to do it. To ensure your purpose and values are ingrained in your business and part of 'how we do things round here', your people management approach needs to be built around them. For example, rather than adopting a standard recruitment approach, think about how it could be tailored to ensure you're recruiting people who share your values and identify with your vision for outstanding early years education and care.

2 Avoid bureaucracy

When you get to a size at which you can't operate informally any more, some formal structure and process is necessary. Introducing policy and process gives structure to job roles so people are clear about what they need to do, and also means that people feel they're treated fairly. But be careful not to put too much red tape in place, as this can restrict the innovative thinking and flexibility that smaller businesses thrive on. For example, if job role profiles are too prescriptive, people may be reluctant to take on tasks outside of their role.

3 Develop managers

In the early days of a business, the owner/manager can manage in an informal way. But there comes a tipping point (usually the workforce size) when you need to hire others to take on management roles. If a manager has been promoted up through the ranks, they may

not have previous experience of managing people, requiring training to develop these core skills. Remember, as well as the technical and administrative people management capabilities required of them, managers need to be ambassadors of the business's purpose and values.

4 Engage staff

Understanding what makes your staff go the extra mile is central to maintaining their engagement. But it's important to note that what makes someone engaged now may change in the future: a challenging job role may be motivating at first, but when an employee has mastered the new skills needed, they may become disengaged if not given the chance for further development. Ultimately, disengaged staff can undermine business performance, being obvious to the rest of the team and to parents, whose opinions will, in part, be formed by the staff's attitude.

5 Communicate

As your workforce expands, informal communication that used to work can become like a game of Chinese whispers. Formal communication mechanisms are necessary, whether that be a regular meeting, a notice board or individual team huddles. Communication needs to be two-way, with the owner/manager making sure there's still a way for the innovative and creative ideas from staff to feed back up to them, and for staff concerns to be heard.



**find
out more**

CIPD has also produced a free practical tool for those responsible for people management in SMEs. This can be downloaded from tinyurl.com/TNCIPD2