

Strategic vs. Operational HR Cheat Sheet

| DIMENSION | STRATEGIC HR | OPERATIONAL HR |
|---------------------------|--|---|
| Purpose | Shape the long-term direction of the workforce to meet evolving business goals | Execute daily HR functions to keep the workforce running smoothly |
| Scope | Enterprise-wide or business unit level, often involving cross-functional coordination | Departmental or individual employee level, focused on immediate needs |
| Time horizon | One to five years, with periodic reviews and adjustments | Daily, weekly, or monthly cycles |
| Decision level | Policy-making, directional, and investment decisions | Procedural, compliance, and execution decisions |
| Core activities | <ul style="list-style-type: none">• Developing workforce strategy aligned with business growth• Designing organization-wide culture initiatives• Talent pipeline forecasting and succession planning• Crafting an employee value proposition to attract talent• Implementing AI/tech solutions for HR scalability• Identifying future skills and capability gaps• Leading change during mergers, acquisitions, or restructures | <ul style="list-style-type: none">• Administering payroll and benefits• Conducting recruitment interviews to fill vacancies• Delivering HR projects• Managing employee onboarding/offboarding• Tracking leave and attendance• Updating HR policies in the HRIS• Addressing employee grievances• Organizing compliance training |
| Risks if neglected | <ul style="list-style-type: none">• Talent shortages affecting competitiveness• Misalignment between workforce and business needs• Cultural drift or disengagement• Poor succession leading to leadership gaps• Unscalable HR services and solutions | <ul style="list-style-type: none">• Payroll errors causing compliance issues• Friction in processes and handover points• High turnover due to poor onboarding• Employee dissatisfaction with slow issue resolution• Breaches in labor law compliance |
| Metrics & KPIs | <ul style="list-style-type: none">• Leadership bench strength• Internal mobility rates• Skills gap closure rate• Engagement and innovation index | <ul style="list-style-type: none">• Time to fill roles• Payroll accuracy rate• Training completion percentages• Absence and turnover rates |
| Example | Designing a three-year digital upskilling plan to prepare the workforce for automation, aligned with business expansion into new markets | Coordinating the logistics for a mandatory cybersecurity training for all employees within the next month. |