### SESSION PLAN

**COURSE:** ABE Level 4 Principles of HR

**ELEMENT:** Element 1 – The HR function

## **LEARNING OUTCOME 1**

**1. Explain how the human resource function contributes to the achievement of business objectives in contemporary organisations (Weighting 20%)**

1.1 Summarise the contribution of human resource objectives to the achievement of business objectives

1.2 Explain how human resource objectives are evolving in response to changes within the contemporary business environment, including the demand for flexibility within workplace

1.3 Summarise human resource objectives for a business organisation

**NUMBER OF SESSIONS:** Three - approximately fifteen hours in total

**SESSION TOPICS:** Session 1: The contribution of human resource objectives to the achievement of business objectives
Session 2: How human resource objectives are evolving in response to changes within the contemporary business environment
Session 3: Human resource objectives for a business organisation

**Note to tutors: This is the recommended session plan for Learning Outcome 1 of Element 1 of the ABE L4 Principles of HR unit. You should follow the plan, using the resources (referenced as ‘slides’ here) and activities provided. It is important to enhance all sessions with local examples and case studies, involving the learners ACTIVELY wherever possible.**

### SESSION 1: The contribution of human resource objectives to the achievement of business objectives (5-6 hours)

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| **Topic** | **Tutor Activity** | **Slides** | **Learner Activity** | **Formative Assessment** |
| Introduction to session and learning outcomes | Use file: **RESOURCE Element 1 LO1 How the Human Resource function contributes to the achievement of business objectives in contemporary organisations.pptx** Learning outcome 1Assessment criteria 1.1 | 1-4 |  |  |
| The different types of business organisations | Explain the different types of business organisations. * Private
* Small and medium enterprises
* Multi-national corporations
* Public
* National or local/regional government
* Publicly-owned organisations
* Public-service providers
* Voluntary
* Charities
* Co-operatives
* Campaigning organisation
 | 5 | Students to listen, take notes and participate in class discussions throughout, as appropriate. |  |
| Set group activity to identify organisations. |  | In small groups, identify and name five organisations for each organisational type - private, public and voluntary sector. Was it difficult to determine the sector for any organisation that you looked at. If so, why? | Activity 1 – Element 1 LO1 AC1.1 – types of organisation |
| External factors which impact on the organisation’s business objectives  | Explain external environmental analysis - the activity of understanding the changing external environment that may impact the business organisation. To do this requires the organisation to:* Scan the environment to identify changing trends and patterns
* Monitor specific trends and patterns
* Forecast the future direction of these changes and patterns
* Assess their organisational impact

Environmental analysis assists decision makers in formulating business objectives. Explain the PESTLE analysis. Note that some approaches will add in extra factors, such as International, or remove some to give PEST. However, these are simply variations on a theme. The important principle is identifying the key factors from the wider, uncontrollable external environment that might impact on the organisation.This short YouTube clip - ‘PESTLE Analysis’ by Tutor2u - explains how organisations can use a PESTLE Analysis to help understand and adapt to their future business environment<https://www.youtube.com/watch?v=sP2sDw5waEU>Explain each of the PESTLE factors:* Political - refer to the stability of the political environment and the attitudes of political parties or movements. May manifest in government influence on tax policies, or government involvement in trading agreements.
* Economic - represent the wider economy so may include economic growth rates, levels of employment and unemployment, costs of raw materials such as energy, petrol and steel, interest rates and monetary policies, exchange rates and inflation rates. May also vary from one country to another.
* Social - represent the culture of the society that the organisation operates within. May include demographics, age distribution, population growth rates, level of education, distribution of wealth and social classes, living conditions and lifestyle.
* Technological - refer to the rate of new inventions and development, changes in information and mobile technology, changes in internet and e-commerce or even mobile commerce, and government spending on research. Often a tendency to focus technological developments on digital and internet-related areas, but it should also include materials development and new methods of manufacture, distribution and logistics.
* Legal - such as national employment laws, international trade regulations and restrictions, monopolies and mergers’ rules, and consumer protection.
* Environmental - can include issues such as limited natural resources, waste disposal and recycling procedures.

Highlight the significance of competitive factors – for example, global competition.A newer force which is gaining in importance is ethics. This could include corporate social responsibility, fair trade, affiliation between corporations and charities. | 6-7 | Students to listen, take notes and participate in class discussions throughout, as appropriate. |  |
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| Set pairs exercise to complete a PESTLE analysis or a company which they are all familiar. Learners should have completed Activity 4 from Chapter 1 of the Study Guide, so a local example is likely to be more meaningful in class. Learners should be encouraged to identify key themes across the organisations. **Ask learners to keep PESTLE analysis and bring to next session.** |  | In pairs, complete a PESTLE analysis for a company with which you are all familiar. Present an overview of your analysis to the class. | Activity 2 – Element 1 LO1 AC1.1 – external factors impacting on business objectives |
| Internal factors which impact on the organisation’s business objectives  | Explain that internal factors are unique to each organisation. Give examples of factors, including: * Money is available to spend
* Thoughts of senior management
* Role of line managers
* Organisational culture
 | 8 | Students to listen, take notes and participate in class discussions throughout, as appropriate. |  |
| Set Activity 5 from Chapter 1 of the Study Guide as a classroom activity. Learners may want to use the organisation used for the PESTLE analysis.  |  | In pairs, complete Activity 5 from Chapter 1 of the Study Guide – internal factors.  |  |
| Functions of HR | Introduce the concept of the ‘employee lifecycle’ | 9-10 | Students to listen, take notes and participate in class discussions throughout, as appropriate. |  |
| Questions for general class discussion: what does HR do to help the organisation and the employee through the stages of the employee life-cycle. What are your experiences of HR at each stage?Explain the key functions of HR, relating explanation to class discussion: * Recruitment and selection
* Performance management
* Reward management
* Training and development
 |  | Participate in class discussion, sharing their experiences and ideas about the functions of HR.  |  |
| Models of HR delivery | Explain that the ways in which HR operates differ hugely, and so do the roles within it. In some organisations, the HR professional will typically work across several disciplines, while in others there will be both generalist and specialist HR roles.  | 11-13 | Students to listen, take notes and participate in class discussions throughout, as appropriate |  |
| Question for general class discussion: can you identify any specialist HR roles? |  | Participate in class discussion, sharing their experiences and ideas about specialist HR roles. |  |
| Introduce and explain two models of HR delivery (explaining that the class will look at other models later in the unit)* Traditional model
* ‘Three box’ model
 |  | Students to listen, take notes and participate in class discussions throughout, as appropriate |  |
| Question for general class discussion: what factors impact on the choice of HR delivery model? Make a list and then compare with slide: * Organisation-level factors
* HR-level factors
* Personal factors:
 |  | Participate in class discussion, sharing their ideas about the factors impacting on the choice of HR delivery model. |  |
| Set pairs activity to explore HR in SMEs. |  | In pairs, learners read the journal article ‘HR at the heart of SME performance: an interview with Dr Jill Miller, Research Adviser’, Resource Management International Digest, Vol. 21 Issue 5 pp. 43 – 45. (Article will be available from the online student resources)Answer the following questions: * What are the key themes in the article?
* How do these themes relate to your individual analysis of a familiar organisation?
 | Activity 3 – Element 1 LO1 AC1.1 – HR in SMEs |
| The contribution of HR to high levels of organisational performance | Question for general class discussion: how HR can contribute to high level of organisational performance?Compare ideas with those shown in the presentation. * Hiring the best people available at every level
* Maintaining competitive pay practices and reward programs
* Properly training and developing employees
* Monitoring and support individual and team performance
* Introducing programmes to reduce employee absence
* Creating a work atmosphere that promotes good working relationships
 | 14-15 | Participate in class discussion, sharing their ideas about how HR contributes to high levels of organisational performance.  |  |
| Explain the concepts of **‘best practice**’ and **‘best fit’**. A number of lists of ‘**best practices**’ have been produced, such as * Selective hiring
* Self-managed teams
* High compensation contingent on performance
* Training to provide a skilled and motivated workforce
* Sharing information

The notion of best practice assumes that there are universally effective HR practices which can readily be transferred. The ‘best fit’ approach emphasises that HR practices should be congruent with the context and circumstances of the organisation. It involves vertical integration or alignment between the organization’s business and HR strategies. Often said that ‘best fit is better than best practice’ but best fit models can be unrealistic |  | Students to listen, take notes and participate in class discussions throughout, as appropriate |  |
| Set group activity to consider ‘best practice’ and ‘best fit’ approaches to HRM. |  | Working in two groups. Group one – develop and present your arguments for following a ‘best practice’ approachGroup two – develop and present your arguments for following a ‘best practice’ approach | Activity 4 – Element 1 LO1 AC1.1 – Best fit versus best practice |
| Review of session and learning outcomes | Question for general class discussion: what are your key learning points from today’s session? |  | Participate in class discussion, sharing learning points. |  |

### SESSION 2: How human resource objectives are evolving in response to changes within the contemporary business environment (4-5 hours)

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| **Topic** | **Tutor Activity** | **Slides** | **Learner Activity** | **Formative assessment** |
| Introduction to session and learning outcomes | Use file:RESOURCE How the Human Resource function contributes to the achievement of business objectives in contemporary organisations.pptxLearning outcome 1Assessment criteria 1.2 | 16 |  |  |
| Internal factors shaping HR objectives | Explain that HR objectives are shaped by both internal business factors and external factors. They must support and be consistent with business objectives. |  | Students to listen, take notes and participate in class discussions throughout, as appropriate |  |
| Set pairs exercise exploring internal factors. Facilitate feedback – identifying key themes. |  | In pairs, consider an organisation with which you are both familiar. What internal factors do you think shape the HR objectives? | Activity 5 – Element 1 LO1 AC1.2 – Internal factors shaping HR objectives |
| External factors shaping HR objectives  | Set Activity 8 from Chapter 1 of the Study Guide as a classroom activity.Facilitate feedback – identifying key themes. |  | In pairs, complete Activity 8 from Chapter 1 of the Study Guide – how external factors impact on HR objectives.  |  |
| The role of HR in business planning | Question for general class discussion: what role does HR play in business planning? |  | Participate in class discussion, sharing their ideas about the role of HR in business planning.  |  |
| Set case study ‘The role of HR in business planning’ |  | In groups complete the case study ‘The role of HR in business planning’ | Activity 6 – Element 1 LO1 AC1.2 – The role of HR in business planning |
| Measuring the contribution of HR | Question for general class discussion: why is measuring the contribution of HR important?Make a list and compare with slide. | 17-19 | Participate in class discussion, sharing their ideas about why measuring the contribution of HR is important. |  |
| Explain **Key Performance Indicators** (KPIs). Explain that each department/division of an organisation may have a set of KPIs. Give HR example:HR Department could have employee turnover as one of its KPIs. The goal for setting this KPI would be to reduce employee turnover. It could be:* defined numerically for better definition such as to reduce employee turnover by 5% every year
* defined as the total of the number of employees separated from the organisation for reasons of resignation or termination divided by the number of employees at the beginning of the year
* measured on a fixed time schedule like every month or every quarter

Explain the features of a ‘good’ KPIs:* Echo organisational goals
* Provide context
* Create meaning on all organisational levels
* Are based on legitimate data
* Are easy to understand
* Lead to action
 |  | Students to listen, take notes and participate in class discussions throughout, as appropriated |  |
| Set pairs activity to identify KPIs. |  |  | Activity 7 – Element 1 LO1 AC1.2 – Key performance indicators |
| Explain **Service Level Agreements** (SLAs) - formal agreement negotiated between a HR service provider and its clients. Purpose is to clarify and articulate the expectations and requirements of HR and its clients. Explain typical elements of a SLA. | 20-21 | Students to listen, take notes and participate in class discussions throughout, as appropriate. |  |
| Set group activity to explore the benefits and drawbacks of SLAs. |  | In groups, identify the benefits of SLAs for HR, managers and employees. Are there any drawbacks? | Activity 8 – Element 1 LO1 AC1.2 – SLAs |
| Explain the **balance scorecard** - a strategic performance management framework that allows organisations to manage and measure the delivery of their strategy. Breaks performance monitoring into four interconnected perspectives. * Financial perspective: covers the financial objectives of an organisation and allows managers to track financial success and shareholder value.
* Customer perspective: covers the customer objectives such as customer satisfaction, market share goals as well as product and service attributes.
* Internal process perspective: covers internal operational goals and outlines the key processes necessary to deliver the customer objectives.
* Learning and growth perspective: covers the intangible drivers of future success such as skills, training, organisational culture, leadership, systems and databases.
 | 22-24 | Students to listen, take notes and participate in class discussions throughout, as appropriate |  |
| Question for general class discussion: what are the potential benefits of the balance scorecard? Compare class ideas with slide. |  | Participate in class discussion, sharing their ideas about the potential benefits of the balance scorecard. Participate in class discussion, sharing their ideas about other methods that HR can use to evaluate its contribution. |  |
| Question for general class discussion: what other methods can HR use to evaluate its contribution?Examples, likely to include feedback, customer satisfaction surveys, and so on. |  |  |  |
| Set case study ‘Measuring the contribution of HR’. |  | As a **homework activity**, complete the case study ‘Measuring the contribution of HR’. | Activity 9 – Element 1 LO1 AC1.2 – Measuring the contribution of HR |
| Review of session and learning outcomes | Question for general class discussion: what are your key learning points from today’s session? |  | Participate in class discussion, sharing learning points. |  |

### SESSION 3: Human resource objectives for a business organisation(3-4 hours)

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| **Topic** | **Tutor Activity** | **Slides** | **Learner Activity** | **Formative assessment** |
| Introduction to session and learning outcomes | Use file: **RESOURCE** **how the Human Resource function contributes to the achievement of business objectives in contemporary organisations** Learning outcome 1Assessment criteria 1.3 | 25 |  |  |
| Examples of HR Objectives  | Explain that there are many potential HR objectives, depending on the organisation type, internal factors and external factors. | 26 | Students to listen, take notes and participate in class discussions throughout, as appropriate. |  |
| Question for general class discussion: what are some of the likely HR objectives for a business organisation?List objectives. Compare with list on slide* Support the organisation in achieving its objectives by developing and implementing HR strategies that are integrated with business strategy
* Contribute to the development of a high-performance culture
* Ensure that the organisation has the talented, skilled and engaged people it needs
* Create a positive employment relationship between management and employers
* Encourage the application of an ethical approach to people management
 |  | Participate in class discussion, sharing their examples pf HR objectives for a business organisation. |  |
| Explain that the precise HR objectives will vary from business to business, depending on each organisation’s unique circumstances. |  | Students to listen, take notes and participate in class discussions throughout, as appropriate. |  |
| Set group activity exploring organisational data. Likely to include performance data, turnover data, absence data, and so on. |  | In groups, list the organisational data that HR might look at when setting its objectives. | Activity 10 – Element 1 LO1 AC1.3 – Organisational data that informs HR objectives |
| Explain that the HR function might use benchmarking activities – reviewing own processes and practices, and then assessing how they are addressed in another organisation – to inform its approach.Explain that care must be taken, however, to ensure that correct and valid comparisons are being made. |  | Students to listen, take notes and participate in class discussions throughout, as appropriate. |  |
| Question for general class discussion: what factors need to be considered when choosing an organisation to benchmark against? Likely to include operational, structural and cultural differences. |  | Participate in class discussion, sharing their ideas about the factors that need to be considered when choosing an organisation to benchmark against. |  |
| Strategic and operational HR objectives | Explain that HR objectives can be split into two broad categories. * Strategic objectives – comprehensive in scope and focusing on the long-term future.
* Operational objectives – narrower in scope and focus on the intermediate and short-term future.
 | 27 | Students to listen, take notes and participate in class discussions throughout, as appropriate. |  |
| SMART HR objectives  | Explain the features of an effective HR objective. Introduce the acronym SMART - Specific, Measurable, Achievable, Realistic and Time-Bound | 28 | Students to listen, take notes and participate in class discussions throughout, as appropriate. |  |
| Set pairs activity to craft SMART objectives. |  | In pairs, create two SMART objectives for a HR function. | Activity 11 – Element 1 LO1 AC1.3 –SMART objectives |
| Setting HR objectives | Set the case study ‘HR objectives’.  |  | In pairs, complete the case study ‘HR objectives’. | Activity 12 – Element 1 LO1 AC1.3 –setting HR objectives |
| Review of session and learning outcomes | Check completion of all assessment criteria  |  | Listen and make notes for personal revision activity. |  |