**THE HR PROFESSIONAL**

**Learning Outcome 1: ACTIVITY 8**

**SMALL GROUP ACTIVITY**

**Best practice, best fit**

**Aim:**

The aim of this activity is to consider the concepts of best practice, best fit to a case study organisation.

**Objectives:**

* To identify elements of best practice in a case study scenario.
* To critically assess the pros and cons of both a best practice and best fit approach within a global organisation.

**Task brief:**

**Case Study: H&M**

H&M is a global clothing retailer with presence in 33 countries and over 53,000 employees. Its headquarters is in Sweden. The company vision is to offer fashionable quality clothing at the best possible price. Quality refers to both customer experience/expectations and products. H&M is driven by strong values including commercial mindset, simplicity, constant improvement, cost consciousness and entrepreneurship. The current organisational strategy is driven by a desire to create a sustainable fashion industry which is “good for people, communities and the planet”. The 3 interrelated pillars of this are to be:

* 100% leading the change
* 100% fair and equal
* 100% circular and renewable.

To have this H&M intends to continue to increase local sales, open around 450 new stores in 2017 and further refine its portfolio to meet local customer needs.

The company’s HR strategy states that it seeks to be a good employer in all countries it operates in. Its values are global as are many of its HR policies including guidelines on diversity, equality and discrimination. HR activities are guided by a respect for the individual who is given personal accountability and responsibility for their work and career.

Employee relations and voice: An active open-door policy provides opportunities to discuss issues directly and the company supports employee’s rights to determine the most appreciate form of worker representation. As a result it has positive relationships with a number of trade unions around the world.

Organisational behaviour: H&M prides itself on its participative culture and aims to have high levels of employee commitment and responsibility and places emphasis on the H&M spirit where employees are committed to their work and prepared to work with colleagues and take on new challenges. Values are live and underpin actions taken.

Employee resourcing: Selection is aimed at ensuring a cultural fit and considers the ability to take individual responsibility. Expatriation is used to good effect to support local stores whilst local managers develop their understanding of the culture.

Employee development: Individuals drive their own development. Recent annual reports indicate a preference for on-the-job learning.

Reward practices: A total reward strategy is operated with a focus on wider benefits rather than titles and status.

*(Adapted from http://ideasthoughts.erruppackal.com/2009/09/hennes-mauritz-hm-an-hrm-casestudy/)*

In your group identify the elements of best practice HRM adopted by H&M. How does this contribute to its strategic intent to be a global player and good employer? What challenges does this pose as H&M continues to expand globally?

What arguments could be made for a local best fit approach?

**Resources:** Flipchart paper and pens.

**Outcomes:** You will develop your understanding of the best practice, best fit concept through your group discussion.

**Time:** 45 minutes group discussion and preparation of a presentation.