### SESSION PLAN

**COURSE:** ABE Level 6 Strategic HRM

**ELEMENT:** Element 3 – Developing and implementing HR strategies

## **LEARNING OUTCOME 3**

**Critically evaluate a range of HR strategy formations within specified contexts (Weighting 20%)**

3. 1 Analyse the process, content and issues associated with HR strategic formation

3.2 Analyse the implications of contextual factors on the choice of approaches to HR and HR strategies

**NUMBER OF SESSIONS:** Two - approximately ten to twelve hours in total, plus self-study

**SESSION TOPICS:** Session 1: The process, content and issues associated with HR strategic formation
Session 2: The implications of contextual factors on the choice of approaches to HR and HR strategies

**Note to tutors: This is the recommended session plan for learning outcome 3, element 3 of the ABE L6 Strategic HRM 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 process, content and issues associated with HR strategic formation**

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| **Duration** | **Topic** | **Tutor Activity** | **Slides** | **Learner Activity** | **Formative Assessment** |
| 5-6 hours total | Introduction to session and learning outcomes | **Use 6USHR Tutor Presentation E3.pptx.**This session covers assessment criterion 3.1.  | 1-4 | Learners to make notes and listen to tutor introduce part 3 of the module.  |  |
|  | Defining HR strategy | An organisation sets objectives that it wants to achieve to maximise profits or sales, or to offer the very best service possible. The objectives are useless if the organisation doesn’t know how to achieve them. A strategy is the process, means and direction by which the objectives will be achieved.Given the recent shift towards viewing HR as a more strategic, as opposed to operational, function within the organisation, it is important that we understand the basis of strategic HR management.SHRM is a process whereby a HR department will ensure that policies, practices and services which are offered congruently align to the grand strategy of the organisation to ensure fit with other business functions. When a HR department is designing a strategy which best suits its capabilities, and resources, it must consider the system architecture which is as flexible as possible to respond to changes in the business environment.**Class discussion**: what HR Strategy means to them.  | 5 | **Class discussion** on what HR Strategy means to you. It can something which adds significant value to the HR department. Think about what would be included given the material they have been through in learning outcomes 1 and 2. |  |
|  | Strategic management and alignment | Strategic management is about setting direction, which implies not only choosing where the business aims to be but also generating energy and commitment in the leadership group behind this direction.Direction is set by defining a general intent and usually involves being clear about top-level attributes that the business intends to acquire, e.g. purpose, vision, mission, values and goals.Another important aspect of strategic management is the concept of ‘adding value’ since this should underpin everything that the manager does. Managers can follow three steps to ensure their activities are adding value to the organisation:* **Align** – point people in the right direction
* **Engage** – develop their belief in and commitment to the organisation’s purpose and direction
* **Measure** – provide the data to demonstrate that improved results have been achieved.

**Class discussion** to debrief the Activity. Ask learners why policies and practices need to be aligned. What advantage does this bring and why? | 6 | **Class discussion** on why policies and practices need to be aligned.  | **6USHR LO3 E3 Activity 1 - Strategic alignment** |
|  | Integration | The term ‘vertical integration’ refers to the links between HRM and the wider business strategy. An organisation which is ‘vertically integrated’ would demonstrate a high level of consistency between the strategy and objectives of the business and the initiatives being pursued by the HR function.Where the organisation is not vertically integrated, this has serious implications for the implementation of strategy. The following are blocks or barriers which may cause this to happen:* Junior managers and supervisors regarding themselves as separate from, as opposed to a part of, the senior management
* Work overload
* Lack of training
* Desire on the part of supervisor for flexibility
* Inadvertent rule-breaking by management
 | 7-8 | Ask learners what they think would happen if policies and practices weren’t aligned, what would happen and why? |  |
|  | HR Strategy process  | Before developing a strategy, the HR function will review the forces which are acting potentially for and against the function. This will include things such as changes in employment law, demographic changes and political stances by government. To review, SWOT or PESTLE could be used.The organisation needs to be using its analytical tools to answer questions such as:* Are we in the right market?
* Is the market growing or declining?
* Do we need to expand into other markets, or do we need to withdraw from some of our markets?
* What are our major competitors doing?
* Have we got the products/services that customers want?
* What will customers want in one year’s time, and in five years’ time?

Facilitate **Class discussion**.  | 9-10 | Slide 10 is an example of an HR SWOT analysis. **Class discussion**: can you think of a business where the strategy has not been successful because the questions on slide 10 have not been completed properly or left to simply emerge?  |  |
|  | HR strategy selection  | The organisation must decide what it wants to do:* Is the best strategy one of stability – to stay in the current market and grow with it?
* Is there a need to diversify – possibly because current markets are contracting?
* Is there a need to retrench – has the organisation entered a market that has been unsuccessful, and now there is a need to withdraw?

This involves looking for developments with key synergies to the organisation’s base. For example:* Market synergy – e.g. using existing distribution channels to market new products or applying a well-known brand name to new products
* Operating synergy – e.g. using resources that are not fully used in a new way or extending product ranges to fill spare capacity
* Technological synergy – e.g. using developed technologies throughout the organisation, extending patents into new countries
* Financial synergy – e.g. using finance to develop business units that will give the best return
* Management synergy – e.g. moving managers with key skills to grow key areas of the organisation.
 | 11 | Learners to make notes and listen. Ask questions and contribute ideas, as appropriate.  |  |
|  | HR strategy Michael Porter and Lepak and Snell  | Once the strategy has been selected it is essential that all departments and business units within the organisation are aware of the strategy.It is essential that the strategy is communicated to all employees. It is not sufficient to communicate the strategy to management alone – because it is essential that every person in the organisation is working towards the same goal. Also discuss the use of Porter and how might an organisation be able to gain competitive advantage over a rival firm. Line manager: Line managers play an important part in the implementation of HR strategy. At a board level, HR directors and other people will devise the plans, but it will be the line managers and employee facing individuals that will be involved with it on a day-to-day basis.Gratton & Truss 3D model. Discuss diagram with learners and explain the concept.The 3D model suggests that there is a vertical and horizontal link between HR and other people in the business.Facilitate **Class discussion**. | 12-14 | Class discussion: learners to think of a local business in any sector. Work together to assess the likelihood of entry into that market by assessing the five quadrants on the slide.   | **Learning Outcome 3 Activity 2****Group Activity****Formulating and implementing strategy** |
|  | Types of HR | Discuss with learners the four main types of HR identified by the authors Lepak and Snell. You should ask them if they think there is one type that fits better than most. The answer which you should get from the discussion is that they are all unique to certain industries and sectors. No two will be the same.HR strategy implementation – go through slide 16. | 15-16 | Answer the tutor’s question about the best fit type of HR.  |  |
|  | Who should be involved? | Talk through influences of context. Facilitate **Class discussion**: ask who should be involved. Lots of departments will be – the usual departments to share information with include Marketing, HR, Finance, Operations and Manufacturing. | 17-18 | **Class discussion** as per the slide.  |  |
|  | System architecture | Talk through the bullet points on the slide.  | 19 |  |  |
|  | Summary | Summarise the main points covered. |  | Last questions for the tutor. |  |

**SESSION 2: The implications of contextual factors on the choice of approaches to HR and HR strategies**

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| **Duration** | **Topic** | **Tutor Activity** | **Slides** | **Learner Activity** | **Formative Assessment** |
| 5-6 hours total | Introduction to session and learning outcomes | **Use 6USHR Tutor Presentation E3.pptx.**This session covers assessment criterion 3.2.  | 20 | Learner to listen and make notes for introduction of session 2.  |  |
|  | Situational factors | These include the characteristics of the workforce and labour market, culture and social factors.These are situational factors:***Workforce & labour market:*** The skill set of the workforce and the level of representation will naturally have a major impact on the way in which SHRM is delivered. There would be little point in designing a complex learning system for an environment that does not need it, therefore, contingent on the business and the people within it, i.e. the workforce, this will impact on the policies and practices adopted.***Culture & social factors:*** If the culture of the business is to not include HR in the core business activities, this will also impact on the ability of the firm to carry out policies and practices which may lead to improved organisational performance.**Class discussion**: what do learners see as the biggest changes to the workforce and labour market in their home country or region? What changes have happened and why? | 21-22 | Contribute to the **Class discussion**. |  |
|  | Internal and external forces | The organisation is not operating in a static environment. The unexpected can happen, and that can mean that an organisation is no longer able to achieve a strategy. Policy change tends to be a long drawn out processes that allows for companies to have time to contemplate their move and strategy. However this is not always the case.There are a huge range of external factors that might influence an organisation. You might be able to look at examples on a local level to yourself, but wider examples may include Catalonia and the Spanish independence vote, The Syrian War, Brexit and the UK leaving the EU, President Trump in the USA and some of his recent actions. The rise of the gig economy is also very important as the changing attitudes towards work emerge and change as well as the pendulum shift in demographics.Facilitate **Class discussion**, then brief **Activity 3**. | 23-24 | **Class discussion**: consider a national business and say what it’s doing to address the changing social and demographic situation. Is it forward thinking and dynamic? What would the learners do differently? Complete **Activity 3**. | **6USHR E3 LO3 Activity 3 - Internal and external forces** |
|  | Developing strategy | Developing a successful strategy is a skill, and not all senior management possess this skill. What are the key points to remember about developing strategy? **Class discussion** and then recap:* The development of a strategy can go wrong!
* External developments can make it difficult to achieve a strategy, particularly unexpected developments
* Errors can be made in forecasting
* Senior management can be poor at developing strategy
* Some organisations do not see the point of developing strategy.

Facilitate **Activity 4**.  | 25 | Contribute to the **Class discussion**. Complete Activity 4.  | **6USHR E3 LO3** **Activity 4 -** **Key stakeholders in Strategy**  |
|  | Internal constraints | The main internal constraint to developing a strong strategy are:* Having the abilities to develop strategy
* The culture that an organisation has
* Social legitimacy
* Organisational capabilities
* Organisational design
* Not seen as worthwhile

Facilitate **Class discussion** and **Activity 5**.  | 26 | Contribute to **Class discussion** and complete **Activity 5**.  | **6USHR LO3 E3****Activity 5 - Strategy constraints** |
|  | Structure and Implications of HR | **Class discussion**: ask learners to think of a tall structure and what its impact might be on strategy decision-making. | 28 | Take part in the **Class discussion**. |  |
|  | Summary | Summarise this session and LO3.  |  | Last tutor questions |  |