

Strategic Personnel and Development

Purpose

People and development issues belong at the top of an organisation's strategic agenda. Strategic personnel and development approaches have the potential to put personnel and development at the centre of the core business and the operational processes that drive organisations.

Strategic personnel and development aims to develop, deliver and manage high-quality personnel and development policies and practices which, when they are effectively undertaken:

- contribute to the organisation's strategic intent
- help to produce and mark out high-performing organisations.

The strategic approach focuses clearly on the importance of personnel and development to organisational success. Instead of personnel and development being seen as support functions or add-ons to the core business, they are seen as key factors in developing and maintaining organisational success and a competitive edge.

The aim of this Standard is to provide an analytical and multi-perspective framework to enable the student to recognise, identify and evaluate key personnel and development issues which critically impact on organisational performance and strategic direction.

Among these issues are:

- the identification of key business or organisational goals
- the integration of human resources into the strategic thinking, direction-setting, planning and operation of the organisation
- the development of employees' knowledge, capabilities and skills to enable improved organisational performance and responsiveness and facilitate organisational learning.

Performance indicators

1 The connection to business strategy

Operational indicators

Practitioners must be able to:

- 1 Diagnose the strategic capability and degree of sophistication of the strategic personnel and development effort in a given organisation.
- 2 Conduct an environmental analysis, including key external personnel and development factors, and identify issues that influence organisational policy.
- 3 Formulate an approach to strategic personnel and development which:
 - reflects a full understanding of business imperatives and internal and external contextual forces
 - meets the needs of key stakeholders.

Knowledge indicators

Practitioners must be able to understand, explain and critically evaluate:

- 1 The relationship between personnel and development activities and the strategic imperatives facing the organisation.
- 2 The contribution that strategic personnel and development can make to achieving the organisation's strategic intent.

Indicative content

- 1 Competitive positioning and personnel and development
 - value-adding/value-sapping personnel and development
 - quality enhancement and personnel and development
 - distinctive competence and personnel and development
 - contributing to the organisation's strategic intent.
- 2 Operational and strategic considerations; the contribution of a coherent set of personnel and development strategies to an overall strategic intent.
- 3 Business performance, 'fit' and coherence and the strategic links between personnel and development and competitive outcomes.
- 4 The involvement of personnel and development in major culture change programmes
 - how to articulate cultural matters in personnel and development strategy
 - the case for embedding personnel and development issues in corporate core values; ethical considerations.
- 5 The contribution of strategic personnel and development in creating synergy across business units
 - horizontal strategy
 - 'fit' versus 'split' issues
 - the 'everything but' rule.
- 6 The impact of globalisation on personnel and development and the role of international personnel and development as a transmission belt for personnel and development practice; global versus local orientations.
- 7 The strategic implications for personnel and development of mergers, acquisitions, strategic alliances and joint ventures.

2 Personnel and development constructs and frameworks

Operational indicators

Practitioners must be able to:

- 1 Carry out a strategic appraisal of an organisation's strengths and weaknesses, paying particular attention to its human resources.
- 2 Develop personnel and development structures and processes that enhance the organisation's ability to respond to strategic issues/problems.
- 3 Adopt a 'multiple lens' perspective for orchestrating and evaluating strategic personnel and development.

Knowledge indicators

Practitioners must be able to understand, explain and critically evaluate:

- 1 The difference between deliberate and emergent approaches to strategic personnel and development and the strengths and limitations of the sequential/rational approach (ie strategy analysis, formulation and implementation).
- 2 The rationale behind differing approaches to strategic personnel and development, in a range of practical organisational case examples.
- 3 Arguments for and against differentiating strategic human resource management from strategic human resource development.
- 4 The relationship and interplay between personnel and development considerations at operational and strategic levels.
- 5 Contingency and normative models of strategic personnel and development.

Indicative content

- 1 Models of strategic personnel and development, including:
 - normative models
 - the classic Harvard model
 - contingency perspectives for matching employment practices to business strategy.
- 2 The use of strategic planning models in the contemporary business context.
- 3 The relationship between structural forms and strategic personnel and development; the impact of virtual and network organisations; location-independent working.
- 4 Alternative frames of reference for evaluating strategic personnel and development, specifically:
 - structural versus cultural versus political versus symbolic lenses
 - unitary versus pluralistic mind sets
 - command and control versus reward-driven versus commitment versus developmental perspectives
 - balancing contractual compliance/performance versus learning oriented/people development orientations.
- 5 Choosing and formulating strategies; 'fix and maintain' versus 'build and develop' versus 'move and relocate' versus 'liberate and recreate' approaches.

3 The contribution of the personnel and development function to strategic personnel and development issues and thinking

Operational indicators

Practitioners must be able to:

- 1 Establish whether, and why, personnel and development is seen as adding value; develop value-adding strategies.
- 2 Identify and apply the key organisational roles and responsibilities needed to develop and sustain the strategic personnel and development effort.
- 3 Demonstrate the interpersonal skills needed to generate commitment among key stakeholders and business partners for a changing strategic personnel and development agenda.

Knowledge indicators

Practitioners must be able to understand, explain and critically evaluate:

- 1 The difference between 'strategic personnel and development' and 'managing the personnel and development functional areas strategically'.
- 2 The place of the personnel and development function in the organisation's value chain.
- 3 The implications of the insourcing/outsourcing debate, for strategic personnel and development.

Indicative content

- 1 The contribution of the personnel and development function to the strategic personnel and development effort; arguments for and against having a dedicated personnel and development function and viewing personnel and development as a single functional area in strategic terms.
- 2 A business focus on personnel and development and:
 - running personnel and development as a strategic business unit
 - marketing the personnel and development function
 - anticipating and responding to pressures for changes to products and services.
- 3 The organisation's value chain; primary versus support value chain; vertical integration (backward and forward); the insourcing versus outsourcing continuum.
- 4 The relationship between the personnel and development practitioner and the strategic management process; the 'business partner' in context.
- 5 The relationship between the personnel and development practitioner and functional management: the development of the internal 'consultant' role.
- 6 Evaluating the strategic personnel and development effort; the balanced scorecard; best practice and competitor benchmarking.

4 Strategic personnel and development themes

Operational indicators

Practitioners must be able to:

- 1 Evaluate the case for and against introducing so-called high-performance personnel and development practices in a given organisation.
- 2 Benchmark the organisation's strategic personnel and development practices against a 'best practice' example.
- 3 Develop an appropriate personnel and development strategy to deal with mergers, acquisitions, strategic alliances and joint ventures.

Knowledge indicators

Practitioners must be able to understand, explain and critically evaluate:

- 1 Whether and how 'bundling' personnel and development practices can add to the overall strategic personnel and development contribution for a given organisation.
- 2 Research into the relationship between business results and so-called high-performance personnel and development practices.
- 3 The significance of, and responses to, emergent PESTLE forces and their impact on strategic personnel and development (including virtual working, new contractual forms, changing career expectations, global shortage of 'talent', new industrial relations climate).
- 4 The significance for the strategic personnel and development effort of intellectual capital, knowledge management, learning organisations, corporate universities and top management's growing interest in all aspects of learning and learning-related issues.
- 5 The identification and development of strategic management competencies (skills and behaviours).

Indicative content

- 1 Bundling personnel and development practices to achieve strategic coherence and consistency; soft versus hard contracting and strategic choice.
- 2 Teams, team-based work and high-performance work systems.
- 3 Talent and:
 - the search for talent
 - the concept and implications of a talent war
 - whether the 'employer of choice' is rhetoric or reality
 - career development as a means of attracting and retaining talent
 - market-driven approaches to retaining talent
 - implications of strategies for core workers (talent) versus peripheral workers.
- 4 The role of individual competence within the organisation; 'employability', 'performance' and 'performance management'; relationship to other personnel and development issues – reward management, career development, retention strategy and employee relations.
- 5 Corporate learning philosophies, including:
 - intellectual capital
 - knowledge management
 - learning organisations
 - corporate universities
 - learning as a distinctive source of competitive advantage.
- 6 The identification and development of strategic management competencies, especially:
 - responsiveness
 - innovation
 - emotional intelligence.