

(LCMB7000 HUMAN RESOURCE MANAGEMENT)

COMPONENT 2

COMPETITIVE ADVANTAGES

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INTRODUCTION

A competitive advantage enables a company to perform better than its competitors. They need to create and sustain a competitive advantage if they want to survive and grow (Bailey et al, 2018).

Porter argues that organisations have three basic strategic options to gain competitive advantages (Porter 1985): Cost reduction, Quality enhancement and Innovation

Using Porter theory, I have highlighted 3 articles, that will explain how human resource management can support competitive advantage. Also, the report will discuss how the recruitment and selection process can be used to support an organisation cost reduction, quality enhancement and innovation strategy.



COMPETITIVE ADVANTAGES

- **Cost reduction:** Principles and procedures created to maximise operational effectiveness. For Example; Hiring the right employees, streamlining processes, allocating resources effectively, and eliminating waste.
- **Quality enhancement** : An approach to change for improvements. For example; Training, monitoring and sustain.
- **Innovation:** a new idea, method or device. technological innovations designed to save time, increase work efficiency and protect data through security.

(Bailey et al, 2018).

PORTER'S FIVE FORCES

Developed in 1979 by Michael E Porter.

Diagram identifies the strength of an organization's current position and position an organization may look to move into.

Supplier power: limiting quality or services, charging higher prices.

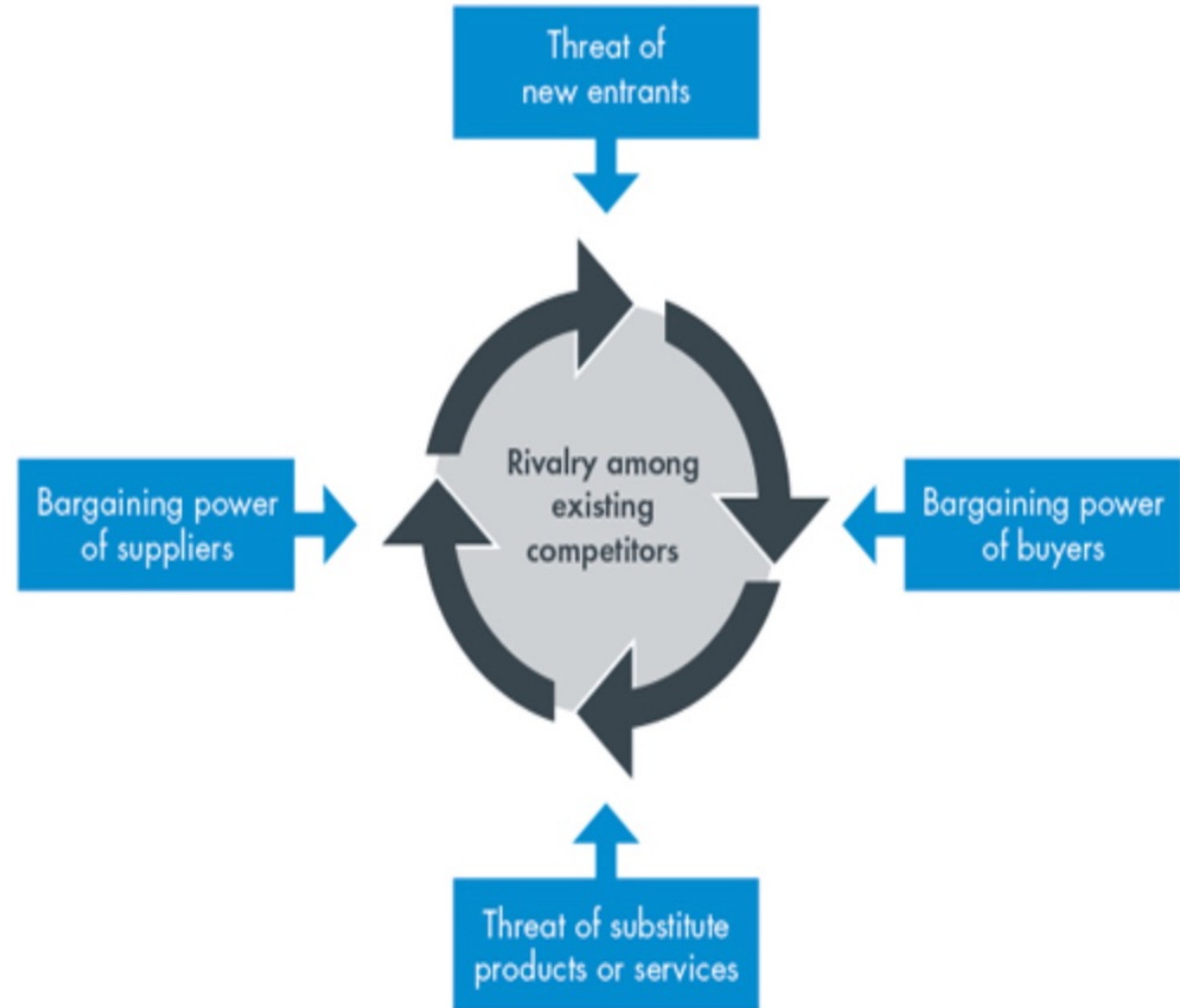
Buyer power: do not face high switching cost, bargaining power, if the industry has small number of buyers

Competitive rivalry: one firm's gain is another firms loss.

Threat of substitution: competition that is created in the market by substitute products. For example, a flight compared to Eurostar train, is cheaper and cost –efficient.

Threat of new entry: Profitable markets attract new entrants, destroy profitability.

(Grundy, 2006).



ARTICLE I COMPETITIVE ADVANTAGE INNOVATION

This article highlights **Innovation** through Information technology to gain competitive advantage:

- Information technology provides better information and improves the management of routine tasks.
- Information technology: faster and better business decisions.
- Computer applications: reduce inventory, purchasing and design costs. Reduces the time needed to meet production and delivery targets.

(Broderick & Boudreau,1992)

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Human resource management, information technology, and the competitive edge

Renee Broderick, Cornell University
John W. Boudreau, Cornell University

ARTICLE I COMPETITIVE ADVANTAGE INNOVATION

HRIS: Employee records, payroll, and compensation and benefits administration.

The Application system improve HR administrative, operational, and planning decisions.

HR can enhance contributions to competitiveness, as per studies at Cornell.

(Broderick & Boudreau, 1992)

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Human resource management, information technology, and the competitive edge

Renaë Broderick, Cornell University
John W. Boudreau, Cornell University

Article 1- HR Framework -Innovation

- Defining HR competitive objectives and related decisions:

Cost Leadership

Quality/Customer Satisfaction

Innovation

- Describing types of computer applications
- Computer applications that best support HR competitive objectives.

(Broderick &
Boudreau, 1992)

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ARTICLE 2 COMPETITIVE ADVANTAGE 'QUALITY ENHANCEMENT'

HRM Practices include **Quality Enhancement**. The below process allows to improve the quality of provision and the ways in which learning is supported:

Human resource planning

Staffing, including recruitment, selection, and socialization

Appraising

Compensation

Training and development

(Schuler and MacMillan, 1984)

Gaining Competitive Advantage through Human Resource Management Practices

— Randall S. Schuler* and Ian C. MacMillan —

Critical to a corporation's growth and prosperity is gaining and retaining competitive advantage. Although corporations may pursue many paths to this end, one that is frequently not recognized is capitalizing on superior human resource management. Currently, many companies recognize the growing importance of their human resources, but few are conceptualizing them in strategic terms-in ways to gain a competitive advantage. As a result, many companies forego the opportunity to seize competitive advantage through human resource practice initiatives. However, there are a few companies that do not forego the opportunity. We use them as examples to show how to systematically develop such advantages via a "target/thrust matrix." The end results of this matrix have significant implications for both corporate strategy and personnel and human resource management.

ARTICLE 3- COMPETITIVE ADVANTAGE

COST REDUCTION

Importance of Human Capital – Development, Retaining and inspiring the best talent.

Human Capital Centric (HC-Centric) – Managerial practices and design of primary operating systems.

Major impact on design include:

- **Corporate boards**
- **Leadership**
- **Human Resource Department**
- **Information Practices**

(Lawler, 2008).



**MAKE HUMAN CAPITAL A SOURCE OF
COMPETITIVE ADVANTAGE**

**CEO PUBLICATION
G 08-15 (551)**

EDWARD E. LAWLER III
*Center for Effective Organizations
Marshall School of Business
University of Southern California*

ARTICLE 3- COMPETITIVE ADVANTAGE

COST REDUCTION

Corporate boards:

- Knowledge and competence
- Business performance.
- Board members

Leadership:

- Senior positions: organization's performance and the employees' motivation and satisfaction.
- Supervisors: most important day-to- day motivation and sense of direction to the employees of an organization.

-

(Lawler, 2008).

ARTICLE 3- COMPETITIVE ADVANTAGE

COST REDUCTION

Human Resource Department:

- Strategy: change management, organisation design, and talent management.
- Human resource department provides personnel and information technology resources.
- HR administration to be completed in a timely, efficient, and high-quality manner.
- HR administrative tasks can now be completed using web-based solutions.

Information Practices:

- A human capital information system should treat measurements of human capital costs, performance, and condition with the same care as a financial information system does measurements of physical assets.

-

(Lawler, 2008).

RECRUITMENT & SELECTION

The Role:

- Assist and manage incoming calls, answering any queries in a timely and professional manner
- Coordinating orders to be delivered, installed and collected by our Driver Technicians
- Order analysis by checking and identifying any errors made on online orders
- Invoicing and entering of orders via the online system
- General administration that supports daily activities and duties

What are we looking for?

- Strong experience in a similar busy and fast paced office environment
- Relevant telephone based customer service experience
- Good attention to detail and accuracy
- Previous administration and diary management experience
- Professional and confident manner on the telephone and through email
- Competent IT skills with Microsoft Office programmes and ability to learn new systems

What can we offer you?

- An annual salary of £20,384.00
- Monday to Friday 08:00 – 17:00 (40 hours per week)
- 25 days holiday (plus bank holidays) plus optional 5 days unpaid
- A rewards scheme – 200+ exclusive perks and discounts from leading retailers and leisure outlets
- Company Pension Scheme
- Life Assurance

Millbrook Healthcare Group are an inclusive and caring employer who understand that not everyone's job needs are the same. Therefore we are open to supporting flexible working requests such as part time working, job shares and flexible hours wherever possible, to support our colleagues life style differences. So please feel free to let us know of any specific requirements you may have and these can then be discussed in more detail if you are successful in your application.

Our ambition at Millbrook Healthcare is to become the leading provider in the assisted living sector whilst ensuring our core company values 'CARES' remain unchanged. We are always looking to recruit hard working and talented individuals to become a part of our ongoing growth and success. You'll enjoy all the support and encouragement you need to reach your own potential and develop a rewarding career along the way.

Care and respect for our colleagues and service users

Accountable and proud

Ready to learn and grow

Enhance our service users' lives

Socially responsible, ethical and transparent

This role is working in a regulated activity and may be subject to a DBS disclosure.

No terminology in the advert you have seen is intended to discriminate on the grounds of age, gender, race, colour, religion, disability or sexual orientation, and we will gladly accept applications from all sections of the community.

Customer Service Coordinator

[Apply for this job](#)

We are currently looking for a **Customer Service Coordinator** to join the team within our Bedford Community Equipment Service Centre. Day to day you will handle calls from our service users, family members and healthcare professionals acting as the first point of contact for any queries or orders regarding our community healthcare equipment.

As a healthcare equipment provider, Millbrook Healthcare work in partnership with the NHS to supply the necessary equipment and aids to support people in their day to day life. Our community equipment ranges from simple walking frames and crutches to more complex equipment such as beds, hoists and pressure care equipment.

The Role:

[Apply for this job](#)

Salary
£20,384



Hours
Monday to Friday 08:00
– 17:00 (40 hours)

JOB ROLE: CUSTOMER SERVICE COORDINATOR

Cost Reduction

- Hiring the right person: Previous experience and skills sets required in a similar role
- Operational effectiveness: Company have stated a deadline for all application, being fair and keeping cost reduction
- Allocating resources effectively: Job posted on the company website and using a recruitment agency to use their platform such as 'Indeed', to save cost.
- Streamlining processes: By stating what they are looking for and what they can offer
- Eliminating waste: By highlight what they are looking for and non experienced would not be suited.

Quality Enhancement:

- Sustaining: Committed to organisation though organisation Values: 'CARES', and Benefit package (Reward scheme, competitive salary, Holiday, Pension, Life Assurance).
- Offering flexibility – Hybrid Working Model
- Training: Growth and Success and DBS disclosure.

Innovation

- Company have advertised their values to attract right people and retain staff for long term.
- Using recruitment agency to advertise through their recruitment platform.
- Benefits highlighted
- Online application, keeping data stored on one platform, Making selection easier and quicker.

INTERVIEW PROTOCOL

Cost Reduction

Tell me about a time you have received constructive feedback?

What can you bring to this role, considering our values?

Quality Enhancement

Tell me about a time you have shown an excellent level of customer service?

Tell me about a time you have worked in a fast-paced environment?

Innovation

What are your biggest strengths and weaknesses?

Tell me about you have had a difficult situation?

Our values



Care and respect
for our
colleagues and
service users



Accountable and
proud



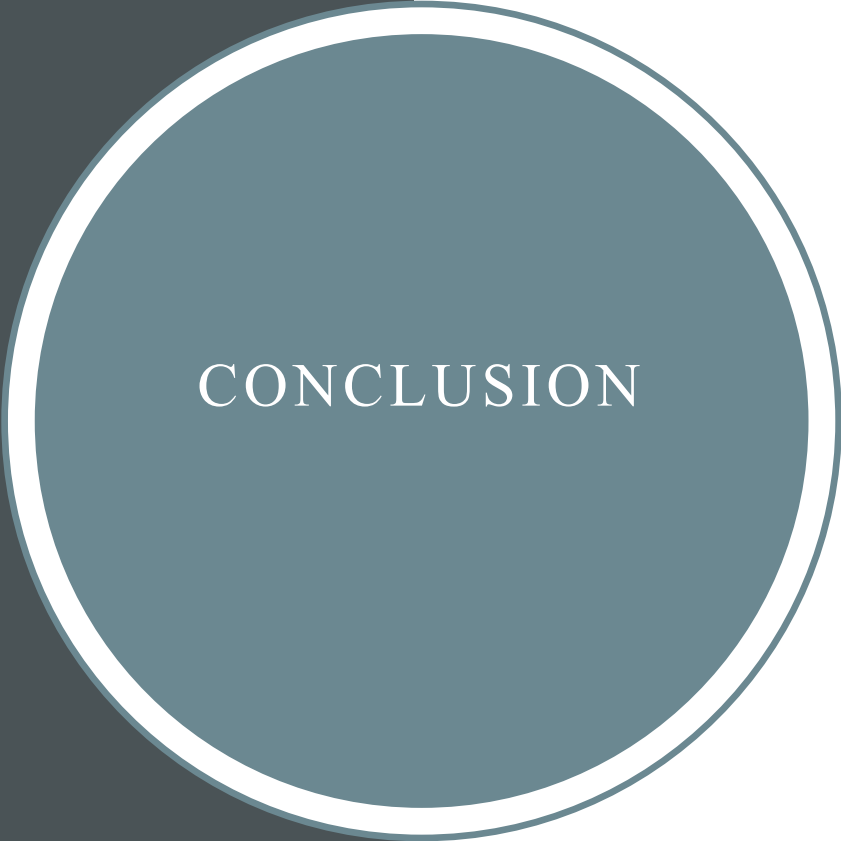
Ready to learn
and grow



Enhance service
users lives



Socially
responsible,
ethical and
transparent



CONCLUSION

In conclusion, HR play an important role in organisations. The Competitive advantages of Porter three basic strategic allows to assist companies with growth and profitability through sustaining its employees.

Organization is heavily investing to retain staff through offering excellent benefit packages. Recruitment involves advertising a detailed job specification to recruit right person for the role to be more HR sustainable and save cost.

Companies are adapting to change and moving with technology for innovation. Recruitment processes are using automated screening that highlight's CV that match the job specification, making the recruitment process more efficient and save time. More organizations are offering the hybrid working model, for employees to balance a good personnel life with their working life, considering employee well-being and flexibility.

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Thank you for your Time!

