

LCBB5012

Principles of Human Resource Management

Component 2: Coursework: Individual Report

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Executive summary

This report highlighted the key factors associated with the SWOT model, along with its effectiveness in analysing internal and external factors related to the business environment. The impact of the identified factors associated with the business operations of M&S in the international market on its HR practices has been discussed in this report. The justification for the selection of the concerned model has been provided, along with highlighting the key components associated with HR practices. The existing HR strategy of M&S has been discussed in this report, which reflects the correlation of organisational success in the international market with the HR functions.

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Introduction

HR functions refer to the key responsibilities associated with workforce management activities which highly impact the overall productivity and accomplishment of business goals (Lussier and Hendon, 2025). Recruitment deals with hiring new employees to fill the vacancies associated with the concerned positions. The recruitment of skilled and talented candidates enables the organisation to achieve desired effectiveness in the operational functions. Training and development refers to the efforts towards enhancing the existing skills and knowledge of employees for better alignment of workforce capabilities with market trends (Blanchard and Thacker, 2023). Performance management comprises effective approaches towards communicating with the employees to acknowledge the business purpose and long-term vision. Employee relations refer to the perspectives of the workforce towards the organisation based on the opinions regarding the workplace environment. These HR functions are highly important for the accomplishment of desired success and organisational reputation, which indicates the need for better transparency in the HR policies.

This report aims to acknowledge the significance of HR functions, along with highlighting the key elements which contribute to the achievement of organisational success. The analysis of the internal and external factors associated with the business environment will be conducted in this report, along with highlighting the correlation of HR functions with the chosen model. The key advantages associated with the SWOT Model in the analysis of the business environment will be discussed in this report, along with acknowledging the most considerable limitations. M&S is one of the leading retail businesses in the UK, founded in 1884, which also operates in the international market through effective global strategies (M&S, 2025).

Internal and External Environment

The framework associated with the SWOT Model comprises distinct segments highlighting different attributes of the company (Benzaghta et al., 2021). The changes in the market trends can be observed through the SWOT model, which ensures better alignment of the recruitment initiatives with the desired capabilities and skills among the candidates (Phillips, 2023). The most effective attributes associated with the HR function comprise high employee satisfaction through the development of suitable policies. This aspect indicates the ability to understand the perspectives of the employees through observing the strengths and weaknesses associated with the workplace environment, leading to better alignment of HR policies with desired HR elements.

The key factors associated with the internal business environment comprise the workforce capability, along with alignment of the technological elements in the operations with the effectiveness of the training programs (Holbeche, 2022). This aspect highlights the correlation of talent management responsibility of the HRM with the ability to recruit employees with desired skills and knowledge, along with developing effective training initiatives which help the existing workforce to improve their capabilities. The external factors associated with potential risks, comprising a lack of a suitable number of employees to fulfil the required production level, indicate the need for rapid action from the HR department to hire new employees. The diversity in the cultural and traditional attributes while operating in the international market requires the incorporation of these elements into the HR policies for better employee satisfaction, which develops a sense of belonging in the workplace (Pucik *et al.*, 2024).

The key factors associated with performance management comprise the ability to ensure enhanced employee engagement, which promotes a better scope for high competitive advantage in the international market. The correlation of HR functions with the perspectives of the workforce towards their decisions to sustain for a longer period highlights the need for focusing on the employee satisfaction aspects. The correlation of external and internal factors associated with business environment with the individual strengths and weaknesses of business organisation highlights the applicability and effectiveness of this model (Cornwell et al., 2023). The most considered drawback of this approach comprises possibility of ineffective analysis of the external business environment (King *et al.*, 2023). The inability to prioritise the most essential factor which needs to be addressed immediately can negatively impact productivity and overall business

sustainability in a challenging environment. The ability to identify the various opportunities in the international business market promotes better scope for proactively developing effective strategies, which can be highly beneficial regarding business growth and revenue.

Organisation Application

M&S was established in 1884 by its founding members, Michael Marks and Thomas Spencer, to offer retail products at affordable prices. The headquarters of M&S is located in London, which acts as a centralised facility for managing the international operations. M&S operates with more than 63000 employees, resulting in a 10.5% market share in the clothing and 3.9% share in the food segment (M&S, 2025). The customer base in the international market for M&S comprises 400 million consumers.

The recruitment process adopted by this organisation comprises a high focus on the alignment of the individual career development goals with the long-term business purpose. This scenario indicates the suitability of the selected candidates with the business policies of M&S, leading to higher retention and employee satisfaction. The efforts from the HRM of this organisation towards enhancing the skills and knowledge of the employees through effective training initiatives resulted in better capability of the workforce to foster a high-performance work culture (Hong, 2024). The priority towards internal promotion can be seen in the leadership training programs, which prefer existing employees to manage the leadership positions. The transparency in the performance management aspects comprises better trust among the employees towards the appraisals and rewards given by the management. The priority towards fostering a diverse and inclusive workplace culture promotes better comfort and suitability regarding the global workforce, which resulted in high customer engagement and satisfaction (Apelehin *et al.*, 2025). The encouragement from the management to the employees regarding their participation in the decision-making process promotes the development of a sense of belonging towards the organisational vision.

Application of the Model

Strengths	Weaknesses
The brand reputation of M&S promotes a better scope for high customer engagement.	- High-priced products significantly limit the sales growth. - The dependence of the majority of the

• M&S operates in more than 70 foreign markets, which indicates its potential to handle geopolitical and economic disruptions (M&S, 2025). • High investment in online marketing initiatives promotes better brand visibility.	operational functions on traditional and manual processes resulted in inefficiency issues (Bhujel <i>et al.</i>, 2025). • The lack of effective marketing strategies for attracting the young population segment highlights challenges associated with business sustainability.
Opportunities	Threats
• High internet penetration in all the major developed and developing countries indicates the necessity of an intensive online marketing approach. • Adoption of a target marketing strategy through segmentation of the customer base based on their behavioural and cultural attributes can lead to high product preference (Kumar, 2024). • Investment in the digital transformation aspects can ensure enhanced productivity in the global supply chain operations.	• Intense competition in the global retail market indicates the potential threat to the sales and revenue growth of this business (Tsang <i>et al.</i>, 2025). • The continuous changes in the market trends, along with changing needs and expectations of the customer base, can negatively impact marketing effectiveness. • The increasing demand for the incorporation of sustainable business practices can cause additional financial burden on the organisation.

Table 1: SWOT analysis of M&S

(Source: Created by the learner)

The approach of M&S towards investing in digital marketing initiatives highlights the need for the recruitment of candidates with suitable skills and knowledge associated with the utilisation of social media platforms for product promotion. The existing HR functions are highly focused towards internal promotion, but this scenario regarding business transformation highlights the need for external recruitment for leadership positions in the marketing department for a better understanding of changing market trends (Rathore, 2025). The need for enhanced diversity among

the workforce highlights the responsibility of HRM to recruit candidates with different cultural and social backgrounds, along with incorporating these elements into the HR policies for better employee satisfaction and higher engagement levels. This scenario highlights the increased potential of the organisation to understand the needs and expectations of the global customer base, leading to the incorporation of desired values in the products and services (Lussier and Hendon, 2025). The requirement for additional funds in the training and development programs for enhancing the employee capabilities can be considered the impact of the external and internal business environment on the HR practices of M&S.

The organisational culture of the business organisation greatly influences the policy development process, leading to a correlation of this internal factor with the responsibilities of the HR manager. M&S predominantly prioritise utmost customer satisfaction along with growth in the career and capability of employees for better sustainability of the organisation in the challenging business environment. This business organisation comprises a flat organisational structure, which promotes a better approach towards seeking feedback from the employees, along with valuing the suggestions from the workforce regarding the development of innovative strategies (Blanchard and Thacker, 2023). This aspect indicates the ability of the HR manager to foster a collaborative workplace environment, along with promoting high engagement and motivation towards the accomplishment of the long-term organisational goals. The economic aspects associated with the business market greatly influence the decisions of the HR manager towards the appraisals, rewards and salary offerings.

The differences in the economic factors associated with the business environment of different countries can significantly influence HR practices due to diversity in wages and inflation rates. A high inflation rate indicates the high cost of living in the concerned nation, which requires considerably higher salaries for the employees to balance the financial burden (Hossain and Hallock, 2022). The GDP associated with a specific country where M&S operates highlights the prosperity of the population, leading to the need for effective strategies capable of generating high sales and revenue. The cultural diversity due to differences in this attribute among the population of business markets of M&S highlights the need for aligning these elements into the HR practices and work culture for better brand reputation, along with enhanced employee satisfaction (Bridger, 2022). The flexibility in the organisational culture of M&S promotes better scope for incorporating

the diverse perspectives of the global workforce in specific operating countries, which promotes better employee engagement and ensures higher chances for attracting global talent. The diversity in the rules and regulations associated with employment and trade laws in different countries indicates the complexities associated with HR practices (Blanchard and Thacker, 2023). The consistent focus and efforts of the HRM of M&S to address the legal requirements while operating in the international market resulted in a high organisational reputation and trust in its governance initiatives.

Conclusion

The most essential factors associated with HR functions are identified as the capability of M&S to attract talented candidates for better effectiveness of the business performance. The success of M&S in the international market is highly correlated with the ability to incorporate diverse cultural and traditional attributes into the marketing strategies. Application of SWOT analysis for evaluation of the business environment of M&S indicated the key strengths and weaknesses while operating in the international market, along with highlighting the various opportunities which can promote better competitive advantage regarding business growth and sales rate. The efforts of the HR department of M&S towards the incorporation of digital systems for monitoring employee performance promote better identification of major skill gaps, along with the development of effective training programs.

The increasing demand for higher wages by the global workforce highlights the challenges associated with cost-effectiveness in the business process, along with indicating the necessity for aligning the amendments in the employment laws with the HR policies. The increasing tendency of international businesses to foster an inclusive work culture highlights the responsibility of HR managers to incorporate cultural and traditional aspects into employee policies (Bridger, 2022). The current business market is highly focused towards the adoption of AI and business automation, which indicates the need for recruiting candidates with desired digital skills for better alignment with the technological changes in the operational functions. HR managers need to understand the diverse behavioural traits associated with the workforce for better correlation of employee capabilities with desired productivity and efficiency.

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