

Business Issues and the Contexts of Human Resources

Unit title	Business Issues and the Contexts of Human Resources
Level	5*
Credit value	6
Unit code	5CHR
Unit review date	September 2019

*RQF Level 5, comparable to Level 7 in Ireland, Level 9 in Scotland and EQF Level 5

Purpose and aim of unit

Human Resources (HR) professionals need to understand key developments in the business and external contexts within which HR operates. This unit enables learners to identify and review the business and external contextual factors affecting organisations and to assess the impacts of these factors on the HR function. The unit also examines HR's role in strategy formulation and implementation. The unit is designed to encourage learners to adopt a critical perspective of these contexts and to provide workable organisational and HR solutions to address them.

This unit is suitable for persons who:

- seek to develop a career in HR management and development
- are working in the field of HR management and development and need to extend their knowledge and skills
- have responsibility for implementing HR policies and strategies
- need to understand the role of HR in the wider organisational and environmental context.

Learning outcomes

On completion of this unit learners will be able to:

- 1 Understand the key contemporary business issues and main external factors affecting different organisations and the impact on HR.
- 2 Understand how organisational and HR strategies and practices are shaped and developed.
- 3 Know how to identify and respond to changes in the business environment.

Guided learning hours

The guided learning hours for this unit would normally be considered to be 30 with an additional 30 hours of self-directed learning for reading and the preparation of assessment evidence.

Unit content

Indicative content is provided for each of the learning outcomes of the unit. The content is neither prescriptive nor exhaustive but should enable achievement of the learning outcomes.

1 Understand the key contemporary business issues and main external factors affecting different organisations and the impact on HR.

Different types of organisation: SME's; global; private, governmental, and so on; the role of management within them; ways in which HR is delivered in different organisations; the main functional areas of management; the search for sustained organisational performance, business profit and efficiency; analysing, evaluating and drawing conclusions from financial and non-financial data; balanced scorecard or similar performance measurement tools; managing the change agenda.

Factors impacting on organisations: the market and competitive contexts of organisations; principal demographic, social and technological trends; globalisation and international factors; government policy and legal regulation; the European Union (EU) and other international bodies.

2 Understand how organisational and HR strategies and practices are shaped and developed.

Forces shaping the HR agenda: models of the HR function; HR insights, strategies and solutions to support organisational performance; relationships of HR with senior management and line management; basic issues of ethics, accountability and good governance.

Strategy development: how corporate and HR strategies are shaped by the business and external contexts; organisational insights and organisational performance; strategy formulation and implementation; emergent strategies; vertical and horizontal integration; business ethics and accountability.

Techniques and tools to analyse organisational and business environment: for example, PESTLE, SWOT, the value chain, and so on.

3 Know how to identify and respond to changes in the business environment.

HR's role and function in business planning and review: HR as a business partner; environmental scanning.

Assessing and using data: sources of data and business information including HR metrics; handling, analysing and reviewing complex business data; interpreting trends, patterns and metrics in the organisation, and identifying obstacles and risks; responding to change: short-term imperatives and long-term horizons; preparing position and policy papers; communicating with senior, middle managers and staff.

Evaluating agreed strategies: understanding different tools for evaluation.

Unit assessment

To achieve this unit, the evidence the learner presents for assessment must demonstrate that they have met all the learning outcomes and assessment criteria.

Learning outcomes The learner will:	Assessment criteria The learner can:
1 Understand the key contemporary business issues and main external factors affecting different organisations and the impact on HR.	1.1 Assess a range of different factors which impact on an organisation's business and its HR function.
2 Understand how organisational and HR strategies and practices are shaped and developed.	2.1 Analyse the forces shaping the HR agenda. 2.2 Compare different tools for analysing the business environment. 2.3 Explain the key stages in strategy formulation and implementation and the role of HR. 2.4 Examine HR's contribution to business ethics and accountability.
3 Know how to identify and respond to changes in the business environment.	3.1 Evaluate business performance and the role of HR in business planning and the change management agenda. 3.2 Assess and utilise different sources of business and contextual data for planning purposes.

Learning resources for unit: 5CHR

This section provides suggestions for suitable resources for this unit. The list is indicative only and should not be considered as prescriptive or exhaustive.

Books

- ARMSTRONG, M. and TAYLOR, S. (2014) *Armstrong's handbook of human resource management practice*. 13th ed. London: Kogan Page.
- BEGG, D. and WARD, D. (2012) *Economics for business*. 4th ed. Maidenhead: McGraw-Hill.
- BOXALL, P. and PURCELL, J. (2015) *Strategy and human resource management*. 4th ed. Basingstoke: Palgrave Macmillan.
- BUTLER, M. and ROSE, E. (eds). (2011) *Introduction to organisational behaviour*. London: Chartered Institute of Personnel and Development.
- CHILD, J. (2015) *Organization: contemporary principles and practice*. 2nd ed. Chichester: John Wiley.
- DAFT, R. (2014) *New era of management*. 11th ed. Mason, OH: South-Western Cengage Learning.
- DESJARDINS, J. (2013) *Business ethics: decision making for personal integrity and social responsibility*. 3rd ed. New York: McGraw Hill Higher Education.
- EMIR, A. (2014) *Selwyn's law of employment*. 18th ed. Oxford: Oxford University Press.
- FARNHAM, D. (2015) *Human resource management in context: insights, strategy and solutions*. 4th ed. London: Chartered Institute of Personnel and Development.
- GRANT, R. (2013) *Contemporary strategy analysis: text and cases*. 8th ed. Hoboken, NJ: Wiley.
- KEW, J. and STREDWICK, J. (2016) *Human resource management in a business context*. 3rd ed. London: Chartered Institute of Personnel and Development.
- MARCHINGTON, M., WILKINSON, A., DONNELLY, R. and KYHIGHOU, A. (2016) *Human resource management at work*. 6th ed. London: Chartered Institute of Personnel and Development.
- PHILLIPS, J. and PHILLIPS, P. (2015) *High-impact human capital strategy: addressing the 12 major challenges today's organizations face*. New York: Amacom.
- ROLLINSON, D. (2008) *Organisational behaviour and analysis: an integrated approach*. 4th ed. Harlow: Financial Times/Prentice Hall.
- SANDEL, M. (2013) *What money can't buy: the moral limits of markets*. London: Penguin.
- TAYLOR, S. and EMIR, A. (2015) *Employment law: an introduction*. 4th ed. Oxford: Oxford University Press.
- TAYLOR, S. and WOODHAMS, C. (eds). (2016) *Studying human resource management*. London: Chartered Institute of Personnel and Development.

Online resources

- 1 CHARTERED INSTITUTE OF PERSONNEL AND DEVELOPMENT. (2012) *Business savvy: giving HR the edge [online]*. Research report. London: CIPD. Available at <http://www.cipd.co.uk/hr-resources/a-z>
- 2 CHARTERED INSTITUTE OF PERSONNEL AND DEVELOPMENT. (2012) *Overview of CIPD surveys: a barometer of HR trends and prospects 2013 [online]*. Survey report. London: CIPD. Available at: <http://www.cipd.co.uk/hr-resources/a-z>
- 3 CHARTERED INSTITUTE OF PERSONNEL AND DEVELOPMENT. (2012) *Understanding the business issues in partnering arrangements [online]*. Research report. London: CIPD. Available at <http://www.cipd.co.uk/hr-resources/a-z>
- 4 CHARTERED INSTITUTE OF PERSONNEL AND DEVELOPMENT (2014) *Industrial strategy & the future of skills policy*. Research report, London: CIPD. Available at <http://www.cipd.co.uk/hr-resources/a-z>

Journal articles

- 1 CAPPELLI, P. (2015) Why we love to hate HR...and what HR can do about it. *Harvard Business Review*. Vol 93, No 7/8, July/August. pp54-61.
- 2 CASCIO, W. (2015) Strategic HRM: too important for an insular approach. *Human Resource Management*. Vol 54, No 3, May/June. pp423-426.
- 3 DAVENPORT, T. (2015) How HR plays its role in leadership development. *Strategic HR Review*. Vol 14, No 3. pp89-93.
- 4 LAWLER, E. and BOUDREAU, J. (2013) What makes human resources effective? *Workspan*. Vol 56, No 6, June. pp33-36.
- 5 PERSAUD, J. and JACOBS, K. (2013) A good head for business. *Human Resources*. July. pp23-27.
- 6 REILLY, P. (2012) The practice of strategy. *Strategic HR Review*. Vol 11, No 3. pp129-135.

Key journals

- 1 *Human Resource Management Journal*
Available at <http://www.cipd.co.uk/hr-resources/online-journals.aspx>
- 2 *International Journal of Human Resource Management*
Available at <http://www.cipd.co.uk/hr-resources/online-journals.aspx>
- 3 *People Management*
Available at <http://www.cipd.co.uk/hr-resources/online-journals.aspx>
- 4 *Strategic HR Review*
(Published by Emerald Group)

Websites

- 1 www.acas.org.uk
Website of Acas (Advisory, Conciliation and Arbitration Service) which aims to improve organisations and working life through better employment relations
- 2 www.bankofengland.co.uk
Website of the Bank of England
- 3 <https://www.gov.uk/government/organisations/departments-for-business-innovation-skills>
Website of the Department for Business, Innovation and Skills (BIS)
- 4 www.cbi.org.uk
Website of the Confederation of British Industry
- 5 www.cipd.co.uk/hr-topics/
Links to CIPD resources on over 60 topics covering HR and L&D including factsheets, research, surveys, books and course
- 6 www.gov.uk
Government website for information including business issues, HR and training/education
- 7 www.hse.gov.uk
Health & Safety Executive website
- 8 <http://www.employment-studies.co.uk/>
Website of the Institute for Employment Studies
- 9 <http://www.ons.gov.uk/ons/index.html>
Website of the Office for National Statistics
- 10 www.theworkfoundation.com
Website of the Work Foundation
- 11 www.ukces.org.uk
Website of the UK Commission for Employment and Skills