Unit 21:   Human Resource Management

Unit code: K/601/1264

QCF level: 4

Credit value: 15 credits

- ## Aim

This unit provides an introduction to the concepts and practices of human resource management within the United Kingdom and focuses on the management of recruitment, retention and employment cessation.

- ## Unit abstract

Recruiting and retaining staff of the right caliber contributes to the achievement of organisational purposes. Staff must make a valued contribution to the work of the organisation. Eventually they will leave, more often than not because they find alternative employment or retire. Occasionally, however, employment has to be terminated. This unit considers how human resource management deals with these aspects of working. However, the focus of human resource management has moved beyond personnel management towards a more proactive approach that, in addition to the traditional roles associated with staff management, also considers how to get the best people and the best out of people so that they work in roles and ways that are closely aligned to organisational objectives. This often leads to the assertion by many senior managers that 'Our employees are our most valuable resource'.

Human resource management takes place against a background of organisational needs, policies and procedures that are themselves shaped by legal and regulatory requirements. The unit therefore gives consideration to the national and European legislation that has, for example, seen the introduction of a range of anti-discriminatory legislation, the significance of which can be seen regularly in high profile and often very expensive court cases. Organisations with effective human resource management policies, processes and practices will have committed, skilled employees who contribute effectively to the organisation. In competitive business contexts this is a significant contribution to maintaining a competitive advantage.

- ## Learning outcomes

On successful completion of this unit a learner will:

1   Understand the difference between personnel management and human resource management

2   Understand how to recruit employees

3   Understand how to reward employees in order to motivate and retain them

4   Know the mechanisms for the cessation of employment.

Unit content

1 **Understand the difference between personnel management and human resource management**

Personnel management and human resource management: development of personnel management; change in contexts leading to human resource management

Human resource management function: tasks (selection, recruitment, payroll administration, employee motivation, reward management, employment termination); training and development; performance management (planning, monitoring, recording, actioning); employee relations; working in partnership with functional areas; involvement of line managers (selection, recruitment, training, coaching, mentoring, appraisal, grievance, discipline, termination); ethical issues; equality of opportunity

Employment legislation: Sex Discrimination Act 1995/97; Race Relations Act 1992; Race
Relations Amendment Act 2000; Equal Pay Act 1970; Disability Discrimination Acts 1995 and
2005; European Working Time Directive; Employment Act 2008; Employment Relations Act
2004; Work and Families Act 2006; national minimum wage; Data Protection Act 1998; employment tribunals

2 **Understand how to recruit employees**

Human resource planning: definition, links (organisational purposes, organisational strategy, senior management); purpose (increased volume of business, changes to the required skills sets, employee turnover; labour cost control); time horizon (short term, medium term, long term); internal planning factors (organisational needs, demand for products and services, new products and services, new markets, technological change, location of production); workforce profiles (age, gender, ethnicity, ability, skills); external planning factors (supply and demand for labour (local, national international); government policy; labour market competition; changing nature of work; impact of technology

Recruitment and selection: recruitment policies, recruitment procedures, aims and objectives of the selection process; job analysis, job description (e.g. purpose, standard formats, responsibilities, scope of post, education and qualifications, experience); person specification *(*purpose, standard formats, job title, location in management line; essential and desirable attributes); recruitment methods (advertising vacancies, application methods including web- based methods, agencies, head hunters); interviews; assessment centres; tests (psychological, psychometric, aptitude, practical); resumés (CV); letters of application; references

3 **Understand how to reward employees in order to motivate and retain them**

Motivation: theories of motivation e.g. F Taylor, E Mayo, A Maslow, F Herzberg, D McGregor, D McClelland, V Vroom; relationship between motivation theories and reward; employee involvement techniques; membership of work groups board, works councils, quality circles, intra-organisational groups (transnational, national, site specific); devolved authority and responsibility; open communications; organisational culture (ethos, values, mission); national accreditation (Investors in People (IIP), Charter Mark, International Standards Organisation (ISO)

Monitoring: probation; appraisal, feedback; performance indicators (achievement against targets); goal theory; SMART (specific, measurable, achievable, realistic, time-constrained) targets (sales, growth, financial, waiting times, pass rates, punctuality, attendance); benchmarking

Reward management: job evaluation; factors determining pay, reward systems; pay; performance-related

pay; pension schemes; profit sharing; employee share options; mortgage subsidies; relocation fees; bonuses; company vehicles; loans/advances; child care; school fees; corporate clothes; staff discounts; flexible working; leave; health care; extended parental leave, career breaks; cafeteria incentive schemes; salary sacrifice schemes; contracts of employment

4 **Know the mechanisms for the cessation of employment**

Reasons: dismissal (wrongful, unfair, justified); termination of employment (resignation, retirement, termination of contract); redundancy; redeployment; retraining

Management of exit: procedures (retirement, resignation, dismissal, redundancy); legal and regulatory framework; counselling, training; employment tribunals (role, composition, powers and procedures)

Learning outcomes and assessment criteria

Learning outcomes	Assessment criteria for pass
On successful completion of this unit a learner will:	The learner can:
LO1 Understand the difference between personnel management and human resource management	1.1 distinguish between personnel management and human resource management 1.2 assess the function of the human resource management in contributing to organisational purposes 1.3 evaluate the role and responsibilities of line managers in human resource management 1.4 analyse the impact of the legal and regulatory framework on human resource management
LO2 Understand how to recruit employees	2.1 analyse the reasons for human resource planning in organisations 2.2 outline the stages involved in planning human resource requirements 2.3 compare the recruitment and selection process in two organisations 2.4 evaluate the effectiveness of the recruitment and selection techniques in two organisations
LO3 Understand how to reward employees in order to motivate and retain them	3.1 assess the link between motivational theory and reward 3.2 evaluate the process of job evaluation and other factors determining pay 3.3 assess the effectiveness of reward systems in different contexts 3.4 examine the methods organisations use to monitor employee performance
LO4 Know the mechanisms for the cessation of employment	4.1 identify the reasons for cessation of employment with an organisation 4.2 describe the employment exit procedures used by two organisations 4.3 consider the impact of the legal and regulatory framework on employment cessation arrangements.

Guidance

Links

The unit links with other human resource units such as *Unit 3: Organisations and Behaviour*, *Unit 22: Managing Human Resources*, *Unit 23: Human Resources Development* and *Unit 24: Employee Relations*.

The unit also has links with the Management and Leadership NOS as mapped in *Annexe B*.

Essential resources

Access to business HR documentation, speakers and relevant legislation will be required.

Employer engagement and vocational contexts

Centres can develop links with local employers. Many businesses look to employ learners when they finish their programmes of study and may provide advice on recruitment, selection and employment practices. Colleges and universities will be responsible for all aspects of their own recruitment and selection so will have a human resources department on site that can provide first-hand information. Many learners are, or have been, employed and will be able to draw on their experience in employment and their dealings with the human resource management function.