

## **PART ONE: HUMAN RESOURCES MANAGEMENT IN PERSPECTIVE**

### **CHAPTER 1**

#### **THE STRATEGIC ROLE OF HUMAN RESOURCES MANAGEMENT**

##### **LEARNING OUTCOMES**

**DEFINE** human resources management and **ANALYZE** the strategic significance of human resources management.

**DESCRIBE** the four phases in the evolution of **HRM**, and **EXPLAIN** how HRM has changed over recent years to include a higher-level advisory role.

**EXPLAIN** how HRM has taken on the characteristics of a profession.

**DISCUSS** the internal and external environmental factors affecting human resources management policies and practices and **EXPLAIN** their impact.

##### **CHAPTER SUMMARY**

This chapter focuses on the strategic role of HRM and HR professionals in today's business context. Strategic HRM links the management of people to strategic goals and objectives to improve business performance. Two major stages in the evolution of HR management thinking were (1) personnel management, which focused on administrative tasks, and (2) strategic HRM, in which it was recognized that organizational success is linked to operational and strategic management of labour. 5 critical pieces of knowledge required by HR professionals are presented (business acumen, an understanding of employment law and legislation, talent management, broad HR knowledge and employee-labour relations knowledge). Six core competencies for HR professionals to have to deliver value to their organizations are identified (credible activist, culture and change steward, talent manager and organizational designer, strategy architect, operational executor and business ally). Two specific areas of HR activity, operational and strategic, show how HRM has gone beyond its traditional administrative role. The chapter looks at numerous professional designations that help to ensure that HR professionals understand and can deal with the large number of external (including economic factors, labour market issues, technology, government, globalization, and environmental concerns) and internal (including organizational culture, organizational climate and management factors) that impact HRM.

## LECTURE OUTLINE

### The Strategic Role of Human Resources Management

Just as organizations require financial capital to operate successfully, they must also acquire, grow and effectively use the human capital of workers (knowledge, education, training, skills, and expertise). HRM involves formulating and implementing HR systems (e.g., recruitment, performance appraisal, and compensation) that are aligned with organizational strategy (see Figure 1.1, p. 3). This ensures that necessary competencies and behaviours will be available to meet strategic goals. Research has shown that strategically aligned systems of HR practices are related to better organizational performance and competitive advantage. The resource-based view of the firm suggests that HR practices contribute to the development of embedded knowledge of a firm's culture, history, processes, and context, which are non-imitable (hard to copy by competitors). Three specific HR practices (profit sharing, results-oriented performance appraisal, and employment security) are strongly related to accounting measures of firm performance, such as return on assets and return on equity. A more extensive set of practices, known collectively as high-performance HR practices, have a positive relationship with turnover, productivity, and corporate financial performance (gross rate of return on capital).

Teaching Tip: This is a critical section for getting buy-in from students in quantitative disciplines/fields (e.g., economics, finance, accounting, and engineering) who may see HR more trivial and less important than their other courses. Have students guess how much of a difference effective HR makes, then share the statistics and graphs from empirical research. The citations for footnoted studies are found in the Notes section of the text (beginning on page 492). If using this text for an MBA class you can assign one or more articles as class preparation.

### The Evolution of HRM

While many students and employees still perceive HRM to be a clerical department, HRM has changed dramatically over the past 100 years, taking on an increasingly strategic role. This has changed the demands on, and expectations of those working in the HR department. Today's strategic view of HRM evolved through two major stages: personnel management and strategic management of human resources. Dr. Rick Hackett recommends that human resources is really the responsibility of all and requires a focus on data analytics, the role of technology, the use of a contingent workforce, entrepreneurship and to stay on top of the current literature in HR.

### Critical Competencies for HR Professionals

Six core competencies for HR professionals to have to deliver value to their organizations are identified (credible activist, culture and change steward, talent manager and organizational designer, strategy architect, operational executor and business ally).

### Measuring the Value of HR: Metrics

A key difference between the traditional and current role of HR professionals is the requirement to be able to measure the value and impact of the organization's human capital and HRM practices. Metrics (statistics) that HR professionals need to understand and use cover both quantity (e.g., # of candidates interviewed for a vacancy) and quality (e.g., # of first choice candidates accepting an offer to hire). HR

measures are also an important part of the balanced scorecard system of organizational outcomes that contains measures of financial, customer and operations performance.

**Teaching Tip:** Avoid using the word “history” as this tends to make most students immediately tune out. Make students aware of outdated perceptions of those who work in HR by having them describe a day in the life of an HR person as preparation for class, or as a short in-class exercise. Have students look up HR job postings on [www.monster.ca](http://www.monster.ca) or [www.workopolis.com](http://www.workopolis.com).

### **Professionalism in HRM**

Every profession (e.g., doctors, lawyers, engineers) shares several characteristics (common body of knowledge, benchmarked performance standards, representative professional association, an external perception as a profession, code of ethics, required training credentials for entry and career mobility, on-going skill development and a need to ensure maintenance and socially responsible use of professional competence. In Canada, the HR professional designation is undergoing major change. HR practitioners are increasingly professionals, both in performance and qualifications. Although operating locally, provincial HR associations are tied into a global network of HR associations through their affiliation with the Chartered Professionals in Human Resources (CPHR) formerly called the Canadian Council of Human Resources Associations. Review Table 1.2 on page 10.

HR professionals can also belong to a number of other Canadian and international associations. Broad and specialized certification requirements, managed and administered by provincial associations, leads to professional designations that signal validation of professional

**Teaching Tip:** Ask students explore HR association websites and compare them to each other and even to websites for other professions. Assign students to read one or more portions of the Canadian HR Reporter and bring recent cases, issues, articles to class or submit as a reflection exercise. Request students explore other HR specialty associations, such as, World at Work and the Institute for Performance and Learning.

### **Ethics and Corporate Social Responsibility**

The text outlines what ethics are, the key ethical issues confronting organizations today and the role of social responsibility. **Teaching Tip:** Invite students to find organizations that have interesting corporate social responsible programmes.

### **Environmental Influences on HRM**

As mentioned in the preceding section, the new role of HR professionals involves environmental scanning, looking outside the organization in addition to the more traditional internal focus. This is because HR professionals need to understand both external and internal environmental influences that could impact on strategy formulation and/or implementation. These influences can help organizations to attract and retain highly qualified workers or make it extremely challenging to ensure that the available human capital can successfully contribute to organizational performance and sustain competitive advantage.

External Environmental Influences are outside the direct control of the organization.

Economic Conditions (unemployment, productivity, primary/secondary/tertiary sector growth/decline) affect demand for products and services, therefore demand and supply of workers.

Labour Market Issues (workforce diversity, generational differences (Table 1.4, p. 13), and growth in non-standard/contingent work) affect not only the characteristics of workers but also change traditional employment patterns and relationships. Traditionalist, Baby Boomers, Generation X and Generation Y workers are working with and for each other, and increasingly workers are not traditional employees of the organization, but are working on a contingent/non-standard basis.

Technology can enable workers to work almost anywhere and provide tools for management of a dispersed workforce. Technological changes however have brought increased concerns about employee privacy and the line between work and personal time.

Government laws affecting the workplace continue to proliferate and are not standard across Canada. Companies with employees in multiple jurisdictions need to have a good grasp of the complexity of the legal landscape.

Globalization has brought an increase in business conducted outside of the home country, increasing the need to manage human resources in many different countries. In addition to legal differences there are also societal and cultural differences that have to be accommodated in HR practice.

Environmental Concerns have led to sustainability being a key means of retaining human capital as a growing number of workers want to work for a socially responsible organization.

**Teaching Tip:** One way to tackle this material is to have students first identify how each of these influences would affect the organization, then dig down to identify the specific impact on HRM.

### **Internal Environmental Influences are within the control of the organization**

Organizational Culture, defined as core, widely shared values, beliefs, assumptions, serves a number of purposes (communication, direction and norms, attitudes, identity, orderliness, consistency, loyalty and commitment). HR is involved in sharing stories, myths, symbols and creating ceremonies and rituals that reinforce the desired culture.

Organizational Climate (prevailing atmosphere) should, but does not always, work in harmony with the organizational culture. Management's leadership style, HR policies and practices and organizational communication send more obvious signals about whether the organization is friendly/unfriendly, open/secretive, rigid/flexible, or innovative/stagnant.

Management Practices such as flatter organizational structures, cross-functional teams and improved communication have led to increased employee empowerment.

**Teaching Tip:** One way to address the often difficult concept of organizational culture is to have students explore what some of the shared values in the particular class are.

### **DISCUSSION BOXES**

STRATEGIC HR: The HR Role Continues to Evolve (p. 7)

Five major changes will drive continued change in the HRM department and profession well into the 2020s.

These five are: changing technology that has refocused the role of HR professionals on strategic activities; new rules for financial accountability and legislative compliance, more focus on succession planning for CEOs and other executive positions, selective development of top talent, and C-suite participation by HR leaders.

**Teaching Tip:** Get students to discuss the reaction of other executives to having HR as part of the top management team. Consider assigning the article “Why We Hate HR” (Hammond, Fast Company, 2007), because leaders of other functional areas of business may also be unaware of changes in HRM and the increasing certification of HR professionals.

## ETHICAL DILEMMAS

**Can or should an employee reveal information that was disclosed in confidence about a troubled co-worker, and if so, under what circumstances? (p.10)**

Troubled can mean many things and the response to this question revolves around what is meant by the term troubled. If the employee had confided to another employee about a personal matter that he or she is dealing with and can resolve, then it would be appropriate for the employee to maintain this information in confidence. If however, troubled refers to a situation that may cause harm to the employee or to others, the person who has received such information would have an ethical obligation to reveal that information in order to get assistance for the person in order to prevent him or her from harming himself or herself. In the case of a situation where the trouble of the individual has the potential to cause harm to others, the employer has the obligation to act so that the workplace remains, safe, healthy and free from harassment for all employees. In order to ensure that this is the case, the employee should reveal information disclosed in confidence in order to prevent harm to others

**The maintenance department supervisor has just come to you, the HR manager, voicing concern about the safety of two of her reporting employees whom she recently discovered are functionally illiterate. What are your responsibilities to these employees, if any? (p. 13)**

Functional illiteracy means that someone cannot read, write, calculate, or solve problems at a level required for independent functioning or the performance of routine technical tasks. This means that the supervisor must keep in mind, at all times, the fact that these employees may not be able to read hazard warnings, operating instructions, etc., putting themselves and possibly other workers in danger. You cannot assume that they will act in unsafe ways, but the firm has a legal obligation to take every possible precaution to protect the health and safety of all of its employees. This might mean providing verbal instructions, using graphical signs and symbols, and/or supervising them more closely. Firing these employees or moving them to a lower-risk job (without consultation) increases the risk of a lawsuit or a union grievance (if unionized workplace). To ensure that all future workers meet functional literacy standards recruitment and selection processes should be reviewed and modified.

In the process, caution must be exercised to ensure that there is no violation of their privacy rights, and that the dignity and respect of these individuals are not undermined. If the functional

illiteracy of one or both of these individuals is associated with a learning disability, human rights protection may also come into play. Firms have a legal obligation to accommodate individuals with a disability (physical or mental) to the point of undue hardship.

While not required to do so, the firm’s code of ethics may suggest that this matter be addressed in a more comprehensive way and thus choose to offer an on-site literacy program, If the company has not checked

for functional literacy as part of its selection processes, there may be other workers who are also functionally illiterate. Although such programs are aimed at refreshing and improving basic reading, writing, math, and problem-solving skills, they also improve listening, oral communication, teamwork, leadership, and computer skills, among other things.

## KEY TERMS

**balanced scorecard** A measurement system that translates an organization's strategy into a comprehensive set of performance measures. (p. 8)

**certification** Recognition for having met certain professional standards. (p. 9)

**change agents** Specialists who lead the organization and its employees through organizational change. (p. 6)

**contingent/nonstandard workers** Workers who do not have regular full-time employment status. (p. 13)

**employee engagement** The emotional and intellectual involvement of employees in their work, such as intensity, focus, and involvement in his or her job and organization. (p. 5)

**empowerment** Providing workers with the skills and authority to make decisions that would traditionally be made by managers. (p. 17)

**environmental scanning** Identifying and analyzing external opportunities and threats that may be crucial to the organization's success. (p. 6)

**ethics** The principles of conduct governing an individual or a group; specifically, the standards you use to decide what your conduct should be. (p. 10)

**human capital** The knowledge, education, training, skills, and expertise of a firm's workforce. (p. 2)

**human resources management (HRM)** The management of people in organizations to drive successful organizational performance and achievement of the organization's strategic goals. (p. 2)

**metrics** Statistics used to measure activities and results. (p. 8)

**organizational climate** The prevailing atmosphere that exists in an organization and its impact on employees. (p. 16)

**organizational culture** The core values, beliefs, and assumptions that are widely shared by members of an organization. (p. 16)

**primary sector** Jobs in agriculture, fishing and trapping, forestry, and mining. (p. 12)

**productivity** The ratio of an organization's outputs (goods and services) to its inputs (people, capital, energy, and materials) (p. 12)

**secondary sector** Jobs in manufacturing and construction. (p. 12)

**social responsibility** The implied, enforced or felt obligation of managers, acting in their official capacities, to serve or protect the interests of groups other than themselves. (p. 11)

**strategy** The company's plan for how it will balance its internal strengths and weaknesses with external opportunities and threats in order to maintain a competitive advantage. (p. 6)

**tertiary or service sector** Job in public administration, personal and business services, finance, trade, public utilities, and transportation/ communications. (p. 12)

## **REVIEW AND DISCUSSION QUESTIONS (page 18)**

### **1. Describe the transformation that HR underwent over the years. Discuss how changes in internal and external factors contributed to the evolution in HR. (p. 3)**

The role of HR is moving away from the traditional operational/administrative role, where HR professionals hire and maintain employee records, train and manage employee separations into a more strategic role, where HR is focused on ensuring that the organization acquires, develops and retains the most effective human capital to achieve its strategic goals. The evolution took place during four phases in which HR replaced administrative tasks with more strategic tasks.

### **2. Describe the role of HR in strategy formulation and strategy implementation. (p. 7 - 8)**

Organizations are increasingly viewing the HR department as an equal partner in the strategic planning process, in contrast to the past when HR input was not sought during strategic planning. HR professionals, together with line managers play a key role in identifying and analyzing external opportunities and threats that may be crucial to the organization's success. HR professionals can also add value to the strategy formulation process by supplying information regarding the company's internal strengths and weaknesses, particularly as they relate to the organization's workforce.

Strategy execution is typically the area where HR makes the biggest strategic contribution. For example, HR professionals are heavily involved in the execution of downsizing and restructuring strategies through establishing training and retraining programs, arranging for outplacement services, instituting pay-for-performance plans, and helping to redesign jobs. HR specialists are expected to be change agents who lead the organization and its employees through organizational change.

### **3. Describe how the external environment influences HR. (p. 11 – 16)**

External environmental factors cited as driving the strategic focus of HRM are: overall economic conditions, labour market issues, technology, globalization, government, and environmental concerns. Students should discuss how these affect HRM e.g. economic conditions affect unemployment rates, which affect supply of labour. Economic conditions also affect demand for products and services which affects the demand for labour. Students should not discuss internal factors, such as organizational culture, organizational climate, or management practices.

### **4. Differentiate between organizational culture and organizational climate. (p. 16)**

Organizational culture consists of the core values, beliefs, and assumptions that are widely shared by members of an organization. It serves a variety of purposes: communicating "what the organization believes in" and "stands for"; providing employees with a sense of direction and expected behaviour (norms); shaping employees' attitudes about themselves, the organization, and their roles; creating a sense of identity, orderliness, and consistency; and fostering employee loyalty and commitment. A positive culture leads to loyalty and commitment; a negative culture has the opposite effect.

Organizational climate refers to the prevailing atmosphere that exists in an organization and its impact on employees. The major factors influencing climate are management's leadership style, HR policies and practices, and amount and style of communication. The type of climate that exists is generally reflected in the level of employee motivation, job satisfaction, performance, and productivity, and thus has a direct impact on organizational profits and/or ongoing viability.

**5. Describe the multiple jurisdictions related to employment legislation affecting HRM in Canada (p. 15)**

Each province and territory, 13 in all, has its own human rights, employment standards, labour relations, health and safety, and workers' compensation legislation. Some jurisdictions have pay and employment equity, while others don't. Some companies are under federal legislation and others provincial. About 10% of the Canadian workforce is federally regulated; these include employees of the federal government, banks, airlines, national railways, and the armed forces. However, there are some laws that apply to all employers and employees across Canada. These are Employment Insurance (EI) and the Canada/Quebec Pension Plan.

**6. Describe the six core competencies required of HR professionals. Identify how these competencies are also embedded in the roles of line managers, senior managers, and C- level executives in an organization. (p. 4 – 7)**

The six core competencies of HR professionals are Credible Activist, Culture/Change Steward, Talent Manager/Organizational Designer, Strategy Architect, Operational Executor, and Business Ally:

Credible Activists are respected and trusted and actively take positions, often challenging assumptions, sharing this role with many CEOs.

Culture/Change Stewards understand, guide, and react to both internal and external stakeholder expectations. They are responsible for shaping and supporting a culture of change as well as developing change management programs, strategies, and projects. This role is shared with line managers who understand their employees and must implement change programs.

Talent Managers/Organizational Designers embed theory, research and practice into processes, policies, and structures of an organization to facilitate effective movement of employees into, out of, and within the organization. At the same time they work together with line managers to lower labour costs (turnover, absenteeism, occupational health and safety).

Strategy Architects work with the senior management team to formulate organizational strategy.

Operational Executors act as change agents to align operations with current strategy, working with managers throughout the organization, but also maintain their traditional role of drafting employee-related policies.

Finally, Business Allies scan the environment to identify external opportunities and threats, sharing their findings with other environmental scanners. They also act as a Business Ally in terms of sharing up to date information on internal strengths and weaknesses, when it comes to existing human capital.

**7. Explain how HR has become professionalized and describe the value of this professionalism. (p. 9 – 10)**

HRM has adopted the characteristics of a profession, namely a common body of knowledge, benchmarked performance standards, representative professional association, an external perception as a profession,



code of ethics, required training credentials for entry and career mobility, on-going skill development and a need to ensure maintenance and socially responsible use of professional competence.

The value of this professionalism is that it raises the credibility of HR professionals in the eyes of senior management, promotes sharing of best practices across organizations, ensures HR professionals are prepared to deal with the full range of HR issues, and increases the probability that the organization can avoid legal problems.

### **CRITICAL THINKING QUESTIONS (page 18)**

**1. Explain how demographics and workforce diversity have had an impact on the organization in which you are working or one in which you have worked. What policies or practices did managers or HR in the organization have in place to help assist with the management of a diverse internal labour force.**

As a starting point they should list the demographic differences that they have noticed at work. They may have noticed multiple generations, ethnic and/or racial diversity, gender de-segregation (females doing traditionally male jobs, and vice versa), workers with different levels of education, and workers with different physical and intellectual abilities. They have possibly noticed the trend to non-standard/contingent labour; for example, they may have noticed a trend towards part-time or contract employment. Their answer should then move onto how diversity has affected the workplace; is it less harmonious, more creative, or more cliquish?

Finally they should attempt to identify ways in which the organization tries to meet the needs of different types of workers while not appearing to favour one group over another. These might include leave and retirement programs, orientation and training on working with others, more

empowerment, more teamwork, lateral career moves, tuition reimbursement, and accommodation of disabled workers. They may also have experienced diversity management initiatives that seek to educate workers about world religions and cultural practices in different countries. Some organizations may offer telecommuting and/or childcare, as well as health and fitness/wellness programs and employee assistance programs.

**2. Explain how changing economic and competitive pressures have had an impact on the organization in which you are working or one in which you have worked. How has your business responded to these pressures?**

Economic conditions (unemployment, inflation, interest rates, and/or exchange rates) and competitive pressures (competitor offerings, pricing, or control of materials or distribution) affect demand for goods and services, indirectly affecting supply and demand for labour. While they might talk about how their organization has responded through changes to marketing, production or e-commerce, they should make a connection to how those changes impacted HR.

E.g. if the company dropped its prices did it put in a hiring freeze or layoff people? If economic conditions improved did they hire more full-time people or just give more overtime to current workers?

**3. A firm has requested your assistance in ensuring that their multigenerational workforce functions effectively as a team. What strategies and/or programs would you recommend? Why?**

Answers should focus on the fact that three types of programs are required: activities/training to promote an understanding of and respect for values, priorities, and differences associated with the members of the baby boom generation, Generation X and Generation Y, and an appreciation of the benefits associated with having a multigenerational workforce; work/life support programs to enable all employees to

effectively balance their work and non- work responsibilities, such that they can devote the expected time and attention to their work duties; and activities/programs to enhance teamwork skills, which are not innate and must be learned. For any such initiatives to be successful there must be support from senior management (in terms of financial and human resources) and a commitment to multigenerational teams by senior managers, since they set the tone and example.

The fact that employees of all ages are truly valued must be embedded in the corporate culture and reflected in all HRM policies, procedures, activities and decisions, such as training program admission, transfer and promotion decisions, communications initiatives, etc.

The firm's commitment to a multigenerational workforce must be reflected in recruitment advertising and discussed during the selection process to ensure that individuals thinking about joining the firm understand the expectations related thereto.

Support and/or mentoring programs should be considered, since they can be very effective in breaking down barriers and increasing understanding. For example, an older employee might be asked to mentor a younger employee to prepare him/her for a specific advancement opportunity. A younger employee might be asked to provide an older employee with some computer skills coaching. Building effective teams (whether multigenerational or not) requires training in setting and achieving group goals, team roles and responsibilities, group problem solving and decision making, handling conflict, and effective communication strategies.

Confidential assistance should be available to provide guidance/advice to employees in how to handle specific situations, so that any problems/misunderstandings can be dealt with as they arise.

**4. Choose a non-HR role you have had in your previous jobs. Identify how you have used the core competencies of HR professionals in that role, and how it affected your job performance.**

Their answer should touch on each of the six core competencies. Being a credible activist means building trust while challenging assumptions about existing policies and procedures. Being a culture and change steward means helping to promote and implement change and develop employee engagement that is aligned with the organization's culture. Non- HR employees can also act as talent managers/organizational designers by identifying ways to lower labour costs by changing organizational policies and/or processes. Being a strategy architect is probably the core competency that they may not have experienced but some may have had a role in providing information into the strategy formulation process. As an operational executor non-HR employees play a large role in providing information to HR about company policies and procedures that may need to be changed to help the organization become more responsive, because they are closer to the customer. Everyone in the organization should act as a business ally and share information that is relevant to external opportunities and threats and internal strengths and weaknesses.

**Teaching Tip:** Some of these questions may have to be revised depending on the composition of your class. If you have a predominantly young and relatively inexperienced group of give them an assignment requiring them to ask these questions of an older relative who has been in the workforce for more than 10 years.

**EXPERIENTIAL EXERCISES (page 18-19)**

**1. Working alone or with a small group of classmates, interview an HR manager and prepare a short essay regarding his or her role in strategy formulation and implementation.**

Here the student should consider the responsibilities of the actual role and compare it to the discussion in the text. Is the role strategic or is it more administrative? What core competencies has the HR manager

used in the past? Identify what actions the HR managers took that contributed to strategy formulation versus those that contributed to strategy implementation. What gap or opportunity did the HR strategy intend to address? What is the link between HR strategy and organizational strategy? How was the strategy implemented? What were the outcomes?

**2. Review job ads for five senior HR roles on job posting websites or corporate websites. Identify common competencies required for those roles as per the ads. Contrast these required competencies (both implied and explicit) with the core HR professional competencies highlighted in this chapter. Discuss the most consistently required competency and the impact of that competency on organizational success.**

Answers will vary somewhat depending on what postings were available at the time of their search. Ideally the postings should have Director, Vice President, or Assistant Vice President in the title; Manager is acceptable only if no other postings are available and it is for a large organization. Their answer should copy and paste language used in the posting to the one or more of the six core competencies. They may choose to use a table for this purpose. Quotations from job advertisements should be properly cited. The explicit information may come easily but they will have to interpret other parts of the job specification (knowledge, skills, abilities, and other characteristics/credentials) in order to uncover implicit requirements. The most consistently required competency should be the one with the most matches to job posting content.

**3. Review job ads for five executive roles (such as CEO, vice-president, or president) on job posting websites or corporate websites. Identify common competencies required for those roles as per the ads. Contrast these required competencies (both implied and explicit) with the core HR professional competencies highlighted in this chapter. Discuss the most consistently required competency and how it is important in non-HR roles.**

Answer will vary depending on postings selected; all postings should be for non-HR executive roles e.g. Vice President, Marketing or Chief Information Officer. The first part of their answer should identify commonalities across these postings e.g. leadership, vision, etc. Then the second part of their answer should match these commonalities against the six HR core competencies. This may take some work as executive postings are often worded quite broadly and requirements may not have an obvious match at first glance. However, they should be able to find that one of the six competencies appears more frequently/has more emphasis in executive roles. Their answer is not complete if they do not discuss the importance of this HR competency in a non-HR role.

**4. According to a 2016 study of the world's most attractive firms (released by Universum), the top 10 employers for career seekers with a business background were (in priority order): Google, Apple, Ernst & Young (EY), Goldman Sachs, PricewaterhouseCoopers (PwC), Deloitte, Microsoft, KPMG, L'Oréal Group and JP Morgan. In groups, review the company websites of these organizations to determine the corporate strategy, objectives, and markets that these organizations target. As a team, discuss the similarities and differences among the strategies, objectives, and markets of these 10 employers. Explain how these factors might affect Generation Y perceiving these companies as desirable employers.**

An efficient way for students to tackle this question is to set up a table in which they can record information that they obtain from the website and/or annual reports. They should then briefly summarize points of similarity, but spend more time on points of difference. For instance, do some of the employers have the same target market but different strategies? How do objectives differ across employers in terms of growth or market position? For the final part of the question they should draw on the information about Generation Y in Table 1.4 and the text (p. 12-13) rather than simply drawing on their own personal opinions. Two key characteristics of Generation Y are that they are eager to accept new challenges and are innovative and creative. If they do not find a match in company's strategy or goals (e.g., entry into new

markets, research and development goals) then they may not find certain employers as attractive.

**5. Using the sample Balanced Scorecard template provided by your professor, in pairs, develop a balanced scorecard measure for a hypothetical company in the retail urban clothing sector. This company has many stores in large and small cities in Ontario and Quebec. As you develop your measures be sure to take into consideration current economic conditions. Exchange your completed set of measures with another pair. Compare and contrast your measures. Is one set “better” than the other? Why or why not? Debrief as instructed.**

Create a simple handout with four sections as follows and if the students are not yet familiar with Balanced Scorecards measures and concepts, briefly outline each and compare the value of these measures to traditional organization measures which only measure outcomes once things have happened. Provide a sample measure for each section as required:

- Financial - e.g. profits, sales, market share
- Customer Service – e.g. satisfaction, repeat business, # of products per customer Internal processes – e.g. productivity, quality, cycle time
- Employees – e.g. satisfaction, learning, engagement, turnover, absenteeism

Debrief the students’ work by discussing the linkages between measures in the other 3 categories and HR measures. For instance, what could HR measure to help ensure quality in operations or customer satisfaction?