Unit 26: Human Resource Management

Unit code: K/601/1264
QCF level: 4
Credit value: 15

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 calibre 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. 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.

In the hair and beauty sector, staff retention can be quite low and organisations that have positive, supportive human resource managers retain more staff which leads to enhanced reputation amongst clients as well as reduced costs of recruitment. In addition, as the hair and beauty sector develops so fast to keep up with emerging trends, it is important that human resource managers put employee development plans and work objectives in place so that they expand their knowledge and skills in line with the sector as well as for job enhancement and to support the business.

This unit is imported from the Higher Nationals in Business.
● **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


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 (eg 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 eg Taylor, Mayo, Maslow, Herzberg, McGregor, McClelland, 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

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<tr>
<th>Learning outcomes</th>
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<td><strong>On successful completion of this unit a learner will:</strong></td>
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| 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 has particular links with the following units:

- Unit 2: Salon Management
- Unit 25: Working with and Leading People
- Unit 33: Personal and Professional Development.

The unit also has links with the Management and Leadership NOS.

Essential requirements

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.