Online MHRM Capstone: Aligning HR and Business Strategies 38:533:706:90 Fall 2023

Professor: Bill Castellano

E-Mail: castellano@smlr.rutgers.edu Virtual Class Meeting: Tuesdays 7:00 p.m.

OVERVIEW

In this course, you will apply all what you have learned in this program to design an HR strategy to support the business strategy of your firm. The primary objectives of this course are to (1) deepen your understanding of how competitive pressures and various other external forces influence the evolution of your organization's approach to managing human resources, and (2) strengthen your ability to examine why certain companies outperform their competition and gain sustainable competitive advantage through the management of human capital, and (3) identify and propose HR solutions to the ongoing challenges posed by those external and organizational pressures. The intent is to develop your conceptual understanding of strategic human resource management and your capabilities so that you can create human resource strategies and integrate them with the business challenges you will face in HR.

Class Learning Objectives

At the completion of this course you should be able to:

- Describe how competitive pressures and other external forces influence organizations' business strategy and their approach to managing human resources
- Examine why certain companies outperform their competition and gain sustainable competitive advantage through the management of human capital
- Develop HR solutions to the ongoing challenges posed by those external and organizational pressures.
- Design an HR strategy aligned with the business strategy to ensure sustainable competitive advantage

MHRM Learning Objectives

Cognitive Skills and Process

The cognitive skills and process area reflects the goal for SMLR programs to help students develop skills central to lifelong learning and participation in society and the workplace.

1) Written & Oral Communication – Communicate effectively at a level and in modes appropriate to an entry level professional.

- o Communicate complex ideas effectively, in standard written English
- Analyze and synthesize information and ideas from multiple sources to generate new insights
- o Produce quality research papers with proper convention of attribution/citation
- o Produce high quality executive summaries
- o Present ideas and arguments in a logical and effective way

II) Quantitative Skills – Apply appropriate quantitative and qualitative methods for research workplace issues.

- o Formulate, evaluate, and communicate conclusions and inferences from quantitative information
- o Apply qualitative methods appropriately, alone and in combination with quantitative methods

III) Research Skills – Demonstrate an ability to collect, analyze and synthesize information to make logical and informed decisions impacting the workplace. Use evidence to evaluate hypotheses, theories and approaches to workplace issues.

- o Employ current technologies to access information, to conduct research, and to communicate findings
- Analyze and synthesize information and ideas from multiple sources to generate new insights
- o Assess and critique relevant evidence and research findings
- o Access high-quality historical, qualitative, and quantitative evidence or research
- Use evidence-based analysis to appraise the validity of various hypotheses, theories, and approaches to workplace issues

Knowledge of Theory, Practice and Application

The knowledge of theory and application area reflects the goal for SMLR programs to ensure that students learn the key theoretical and foundation areas of study in their domains and realize opportunities to apply that knowledge to practice situations.

IV) Theoretical Perspectives - Demonstrate an understanding of relevant theories and apply them given the background context of a particular work situation.

- o Demonstrate an understanding of the practical perspectives, theories and concepts in their field of study
- Evaluate and apply theories from social science disciplines to workplace issues

V) Understanding Context - Evaluate the context of workplace issues, public policies, and management decisions

- Analyze issues related to business strategies, organizational structures, and work systems
- o Analyze issues related to the selection, motivation, and development of talent in a local and global context (HRM)

VI) Application – Demonstrate an understanding of how to apply knowledge necessary for effective work performance

- o Apply concepts and substantive institutional knowledge, to understanding contemporary developments related to work
- o Understand the legal, regulatory and ethical issues related to their field
- o Develop human resource management functional capabilities used to select, motivate, and develop workers (HRM)
- o Understand the internal and external alignment and measurement of human resource practices (HRM)

Professional Development –

VII) Professional Development – Demonstrate an ability to interact with and influence others in a professional manner, and to effectively present ideas and recommendations

- o Develop effective presentation skills appropriate for different settings and audiences
- o Develop career management skills to navigate one's career
- o Develop capabilities to work and lead in a multicultural and diverse environment
- o Work productively in teams, in social networks, and on an individual basis
- o Develop cultural agility competencies
- o Demonstrate lifelong personal and professional development skills

Academic Honesty

The rights of students will be protected to insure that all required work are related to competence in the subject matter. Therefore, all submitted work will be carefully assessed. If cheating, fabrication, and plagiarism is detected, it will be prosecuted to the limit allowed by University policies.

University Academic Integrity Policy:

http://academicintegrity.rutgers.edu/files/documents/AI_Policy_9_01_2011.pdf Violations include: cheating, fabrication, plagiarism, denying others access to information or material, and facilitating violations of academic integrity.

Course Requirements

Required Text

Castellano, William G. (2014). **Practices for Engaging the 21st Century Workforce:** Challenges of Talent Management in a Changing Workplace. Upper Saddle River, NJ: Pearson Education, Inc. ISBN 13:978-0-13-308637-9

Required Readings

Required readings will be posted in Canvas. Other required readings must be purchased at Harvard Business Publishing at the link below. First create an account with them then purchase the Fall 2021 course packet:

https://hbsp.harvard.edu/import/1080929

The PowerPoint slides for the lectures and all other class material will be posted on the course's Canvas website.

Grading

The course employs a variety of teaching methods including lectures, discussions, in-class exercises, case studies / analyses and presentations. Your grade for this course will be based on your performance on a number of different activities:

Participation 150 points (15%)
Assignments 300 points (30%)
Case Studies 150 points (15%)
Class Project (Paper) 350 points (35%)
Class Project (Presentation) 50 points (5%)
Total: 1000 points (100%)

PARTICIPATION (15%)

Active learning is one of the most powerful tools for understanding complex concepts. Students can learn a tremendous amount from each other - you should feel free (and be prepared) to provide your comments, ask thoughtful questions, and share your own experiences with the class. Research shows that students learn more when they participate actively. For these reasons, participation is an important class component. Participation grade will be based on thoughtful, accurate, and timely responses and replies to all discussion questions, participating in virtual weekly meetings, and timely submission of all assignments, cases, and project. Note, all discussion question answers must be submitted by end of day Wednesday, assignments, cases, and project must be submitted by end of day Sunday. Late submissions will result in a reduction of grade for each day late. Students who do not attend at least five virtual weekly sessions will receive a deduction of 35 participation points.

ASSIGNMENTS (30%)

Students must submit their Power Point presentations by weekending 5:00pm. Late submitted

assignments will be penalized. For all assignments, selected research sources must be appropriately cited when presenting trends, charts, models, etc.

Assignment 1: 21st Century Trends (30 points): Research the 21st century trends creating what pundits call the new normal, e.g., technological, global, labor force, economic, social and conduct an in-depth analysis of one trend that will be assigned to you by the professor. You need to present the evolution of this trend over time to present. Also, identify business threats and opportunities as a result of this trend. You can focus on your company's business threats or any general business threat. Prepare a Power Point presentation of your analysis and recommendations using charts, graphs, data, assessments, etc. Typical presentations are 5-10 slides.

Assignment 2: 21st Century Workforce (30 points): Research the 21st century workforce and create a demographic profile of one of the generational cohorts that will be <u>assigned to you by the professor</u> (Gen Z, Gen Y, Gen X, or Baby Boomers) by indicating its size, characteristics, values and work preferences. Also, identify an HRM program or benefit that is designed to engage someone with this demographic profile. Prepare a Power Point presentation of your analysis and recommendations using charts, graphs, data, assessments, etc. Typical presentations are 5-10 slides.

Assignment 3: SWOT Analysis (30 points): Describe your company's business strategy (product or service leadership, operational excellence, or customer intimacy) and competitive advantage. Identify the A positions that create the core competencies and competitive advantage. Conduct a SWOT analysis describing your organization's Strengths, Weaknesses, Opportunities, and Threats. As a result of the SWOT analysis, describe what this organization needs to do to ensure sustainable competitive advantage. Prepare a Power Point presentation of your business strategy, competitive advantage, A positions, SWOT analysis and recommendations. Typical presentations are 5-10 slides.

Assignment 4: Balanced Scorecard (30 points): Create a Balanced Score Card for your project company and indicate the measurable strategic Objectives and measurable Targets for each category. Note, this is for the entire company not just for A positions. Also, indicate which \underline{two} of these measurable strategic objectives and targets will be assigned to employees in your A positions and describe the **initiatives** that must be performed by employees in A positions to achieve these objectives. Note, these measurable objectives and targets, and initiatives for employees in A positions must be included in the performance management and compensation plans in your HR strategy. Prepare a Power Point presentation of your balanced scorecard, specific measures and recommendations. Typical presentations are 5-10 slides.

Assignment 5: A Positions and HR Objectives (30 points): Evaluate your firm's functional areas using the Mapping Human Capital form presented in class and plot the different functions in an HR Architecture (show both in presentation). Describe the function and critical "A positions" (2-3) that generates the core competencies and competitive advantage of this company. Also, list the objectives (not practices) of an HR system to manage talent in these "A positions" including the objectives for managing the (a) Competencies, (b) Behaviors, and (c) Work Environment to ensure sustainable competitive advantage. Prepare a Power Point

presentation of your mapping human capital, HR Architecture and objectives. Typical presentations are 5-10 slides.

Assignment 6: Organizational Culture and Leadership (30 points): Applying the research presented in lectures, describe the type of culture that best fits your project company's strategy and describe what employees' behaviors and mindset that need to be fostered. Describe two HR practices you plan to include in your HR system that help shape your project company's organizational culture. Describe what leadership style and characteristics are ideal for this company and explain why this type of leader is needed. Prepare a Power Point presentation of your company's business strategy, culture, leadership style, and the key HR practices. Typical presentations are 5-10 slides.

Assignment 7: Executing Strategy (30 points): Describe the major implementation hurdles you expect executing your HR strategy. Also, describe the strategy and change management process for overcoming these hurdles and successfully executing your strategy. Typical presentations are 5-10 slides.

Assignment 8: Employee Engagement Framework (30 pts): Research a noted employee engagement model/framework, other than the framework in the text, in the academic and/or consulting literature and indicate it's measure of engagement (list of questions used to measure engagement). Based on what was covered in the workforce analytics lecture, describe what technique you would use to analyze and how to <u>validate</u> this measure of engagement (how to validate if the list of questions is a true measure of engagement). Prepare a Power Point presentation describing this measure of engagement (provide list of questions), and the technique you would use to analyze and how to <u>validate</u> this measure of engagement. Typical presentations are 3-5 slides.

Assignment 9: Assessing and critiquing HR strategies and presentations (60pts.):

After reviewing all class power point presentations, select and assess **two HR strategies** to improve. Specifically name at least one HR practice in each of the two HR strategies you would change or modify to improve either the internal or external alignment. Explain why your recommendations will improve either the internal or external alignment. Submit your assessment of two HR strategies in a word document, 2-3 double space pages.

CASE ANALYSISES (15%)

Number and answer each question and submit a paper of you answers to the case questions. Papers should be 2 -3 double space pages.

Case 1: Digital Gaming (75 points)

- 1. What do you think is the problem at DG?
- 2. Evaluate the HR system at DG i.e. how aligned is their HR system.
- 3. If you were asked to recommend changes to the HR system, what changes would you recommend? Why?

Case 2: McKinsey & Co. (75 points)

1. Describe the key HR practices for managing competencies, behaviors, and work

- environment that McKinsey developed over the years to achieve its objectives for managing knowledge and organizational learning.
- 2. Describe how McKinsey created a culture aligned with its customer intimacy strategy.

Class Project (Papers and Presentations (40%)

The class project is the primary requirement for this class and requires each student to demonstrate their ability to design an HR strategy building on the concepts of internal and external alignment. The student is to select a company (approved by the professor) in a specific industry and design an HR strategy specifically for <u>A positions</u> to ensure sustainable competitive advantage given the organizational and environmental challenges facing this firm.

Project Paper (350 points)

I. Company Strategy (no more than 1 page)

Briefly describe what is your firm's business strategy (only note whether it's product or service leadership, operational excellence, or customer intimacy). Describe the firm's competitive advantage and what it needs to do to ensure sustainable competitive advantage by referencing and attaching your SWOT analysis as Appendix A. Lastly, indicate what are the A positions by referencing and attaching your one-page Mapping Human Capital as Appendix B.

II. HR Objectives (no more than 1 page)

Summarize the objectives (not practices) of your HR system including Managing Competencies, Managing Behaviors, and Managing the Work Environment. Ensure you provide the following information:

a. Managing Competencies

<u>Objectives:</u> What core competencies are needed in "A positions" for sustainable competitive advantage? Indicate your <u>objectives</u> to Buy/Acquire and Make/Develop talent. Indicate Where you plan to focus – locally, globally, combination.

b. Managing Behaviors

<u>Objectives:</u> What specific behaviors and mindset do you need these employees to demonstrate?

c. Managing Work Environment

<u>Objectives:</u> What are your goals for job and organizational design, e.g. to promote efficiencies, innovation, risk management, solutions, teamwork, etc.

III. HR Practices

Provide a detailed description of the **design of all HR practices and programs** in your HR system for <u>A positions</u> that must be implemented to achieve sustainable competitive advantage. Ensure you describe these practices and/or programs comprehensively. Note, you are designing a high-commitment HR system for highly strategic and unique talent (not an HR system for traditional employees). Ensure you answer **each component** of all questions. **This section is 80% of the total project grade (paper and presentation).**

1. Managing Competencies

How to acquire, develop, and acquire highly unique, top talent?

- a. What is your Recruitment Plan Describe how you will recruit external highly unique talent. Describe your main competitors and how you plan to recruit their top employees. Describe who are the top universities and how will you recruit top students? Describe in detail your recruitment sources, how they will be designed, and who is involved?
- b. What is your Selection Plan Describe the criteria (competencies, behaviors) for selecting top candidates. Describe what specific selection methods will be used to ensure job-person and job-organization fit, and who is involved.
- c. What is your Succession Management Program This is how you will find internal highly unique talent. Describe the selection criteria and how you will identify and assess high potential talent for the succession management program. Describe the developmental plans for selected employees and the process for movement into A positions?
- d. What is your Training &Development Plan Describe what are the unique/high demand competencies your top talent in A positions need to possess to ensure continued success? What behaviors will also be the focus of the T&D plan? Describe how you will design the training, e.g. what methods, how to be delivered, and who will deliver the training.
- e. <u>Acquisition Plan</u> This is to augment your capabilities for acquiring external talent. Describe what competencies are needed either now or in the future to ensure sustainable competitive advantage. Describe which acquisition strategy makes the most sense for acquiring external talent, e.g. acquisition, merger, joint venture, or a strategic partnership? Most important, describe the HR due diligence and integration plans. Describe what HR will assess in the due diligence plan and the key steps integrating the two organizations in your acquisition plan.

2. Managing Behaviors

What strategic objectives, behaviors and mindset do you want to reinforce? How will you motivate employees?

- a) PM System Describe the strategic measurable objectives and measurable goals for A positions, and the initiatives that must be completed to achieve these objectives. Note, this must also be included in the balanced scorecard for the entire company. Also describe the behaviors and mindset you want to foster. Describe how employees in A positions will be evaluated, what methods, who will provide feedback?
- b) <u>Compensation Plan</u> How will you pay employees in A positions? Describe the base pay and key benefits. Describe in detail the incentive (bonus) plan based on

achieving strategic objectives. Describe the amount of bonus (or percent of compensation) that will be provided based on meeting, exceeding, or not meeting strategic objectives. Describe the ST (cash) and LT (equity) components of the bonus (what percent ST, what percent LT). Describe the features of the LT equity component (stock options, RSU, etc.) and vesting period. Lastly, summarize the potential variance in total compensation based on meeting, exceeding, or not meeting objectives.

3. **Managing Work Environment**

What type of work environment is needed to ensure employees in A positions have the opportunity to succeed?

- a) <u>Job Design</u> Describe how A positions will be designed? Describe the key tasks and degree of standardization/complexity, amount of autonomy, decision making authority, and amount of interdependencies.
- b) <u>Organizational Structure</u> Describe the function where the A positions are located, e.g. technology, marketing, operations, etc. Describe the structure of the organization for the A positions, e.g. hierarchical, flat, cross-functional, networked? Describe what position/who do A positions report into?

IV. Organizational Culture /Leadership (no more than one page).

Based on research <u>presented in lectures</u>, describe the type of culture that best fits your company's strategy including the employees' behaviors and mindset that need to be fostered. Describe what <u>leadership style and characteristics</u> are ideal for this company and why this type of leader is needed. Describe other HR practices, policies, benefits, not included in the HR system that are needed to further foster this culture

V. Strategic Measures

In this section, just indicate this wording: "the balanced score card for the entire **company** listing all strategic objectives, measures, and targets for each category (financial, customer, operational, HR) is provided as Appendix C."

Note, this is a balance scorecard for the <u>entire company</u> and will include the objectives and measures that apply to A positions that you included in performance management and compensation plans.

A successful report will:

- Follow the above format (I V) <u>labeling all headings and subheadings</u> (1a, b, c, etc.) and thoroughly answer all questions
- Be a professional, properly cited (e.g. MLA, AMA), polished paper of <u>approximately 20 double-spaced pages (12pt font)</u> text (excluding supplement material and appendices). Your report should be well-written, and insightful—good enough to submit to executive management
- Use appendices and supplements to provide supporting details related to various aspects

- of your report.
- Provide complete references for all sources of information used to prepare the report.

Presentations (50 points)

Students will create a power point presentation for **executive management approval**. Your presentation must be professionally designed and **tailored to an executive audience** and needs to be professionally produced. Grade is based on quality and comprehensiveness of recommendations and power point presentation

CLASS SCHEDULE

Date	Topic	To Do
Week 1 9/5	Lec. 1: Introduction / Overview	Chapter 1
913	Lec. 2: Environmental Challenges: Technology and Globalization Trends Lec. 3 Environmental Challenges: Economic, and Labor Force Trends	Reading: How does HRM Influence Organizational Outcomes? A New Framework of Strategic Human Resource Management Global Technology Trends 2040 Submit Company Name (approved by professor) Discussion Question: How are the environmental trends impacting talent management?
Week 2 9/11	Lec. 1: 21 st Century Workforce Characteristics and Preferences Lec. 2: 21 st Century Talent Management Challenges	Chapters 2, 3 Assignment 1: 21 st Century Trends Discussion Question: What are the major challenges for organizations managing the 21 st century workforce?

Week 3 9/18	Lec. 1: Organizational Challenges: Strategy, Competitive Advantage, SWOT Analysis Lec.2: Organizational Challenges: Company Characteristics, Organizational Structures, Employee Concerns	Readings: - Blue Ocean Strategy - Apple Case (read) Assignment 2: 21st Century Workforce Discussion Question: Why did Apple struggle historically in the Personal Computing market?
Week 4 9/25	Lec. 1: HR Planning Lec. 2: HR's Role in Mergers and Acquisitions Lec. 3: Organizational Adaptability	Chapter 6 Reading: The Five Competitive Forces That Shape Strategy Assignment 3: SWOT Analysis Discussion Question: Based on the assigned reading, which of the five competitive forces that shape strategy has the greatest influence on your project company? Explain how?
Week 5 10/2	Lec. 1: Workforce Analytics Lec. 2: Measuring Success Lec. 3: Decision Science	Chapter 8 Reading: - Linking Balance Scorecard Measures to Your Strategy - Using Workforce Analytics to Improve Strategy Execution - The Science and Practice of Workforce Analytics Assignment 4: Balanced Scorecard Discussion Question List your company's business strategy and two major measurable objectives and measurable goals listed in your balance scorecard.

Week 6 10/9	Lec. 1: Principles of Effective HR Systems: Internal and External Alignment Lec. 2: HR System Objectives	Reading: The Impact of HRM Practices on Turnover, Productivity, and Financial Performance Case 1: Digital Gaming Discussion Question: Give an example when a company must redesign one HR practice in their HR system due to a change in environmental trends to ensure external alignment. Explain how the HR practice should be redesigned to ensure external alignment.
Week 7 10/16	Lec. 1: An HR Architectural Perspective, Mapping Human Capital Lec. 2: Designing Aligned Practices and Programs for "A Positions"	Chapter 6, 7 Reading: Examining the Human Resource Architecture Assignment 5: A positions and HR Objectives Discussion Question: What are the core competencies of your project company? Give an application example.
Week 8 10/23	Lec. 1: Organizational Culture - Aligning with Corporate Strategy - Creating Employee Mindset Lec. 2: Role of Leadership - Leadership Development and Succession Planning	Chapter 8 Reading: Shaping Organizational Culture Assignment 6: Organizational Culture and Leadership Discussion Question: Indicate your company's business strategy. And based on the research presented in the lectures describe what type of organizational culture and leadership characteristics are needed to support your company's business strategy.

Week 9	Lec. 1: Executing Strategy	Reading:
10/30	- Overcoming Implementation	Leading Change
	Hurdles	
	Lec. 2: Change Management	The Secrets to Successful Strategy Execution
		https://hbr.org/2008/06/the-secrets-to-successful-
	Videos	strategy-execution
	Jack Welch on "Strategy, Execution	Assignment 7: Executing Strategy
	and People"	
	https://youtu.be/xsEtVQCHYpE	
	John Kottar Pagistance to Change	Discussion Question:
	John Kotter - Resistance to Change https://youtu.be/Wdroj6F3VlQ	What is the best way for overcoming employees'
	nups.//youtu.oc/warojor3viQ	resistance to change?
	Deleted video "importance of urgency"	
	2 closed video importanted of disperies	
Week 10	Lec. 1: Employee Motivation and	Chapters 4, 5
11/6	Engagement	- '
		Reading:
	Lec. 2: Employee Engagement	Employee Motivation
	Framework	
	- Drivers and Outcomes	Great Attrition or Great Attraction? The choice is
		Yours
		Assignment 8: Employee Engagement Framework
		Discussion Question:
		How is employee engagement measured in the
		framework you researched? (note, if not a true
		measure, explain why).
		measure, explain mij).
Week 11	Lec. 1: Inter-Firm Collaboration	Readings:
11/13		- From Bureaucracy to Networks
	Lec. 2: Managing Human, Social,	- Collaborative Leadership
	and Intellectual Capital	- Social Capital, Intellectual Capital and the
	- Innovation	Organizational Advantage
	11110	
		Case 2: McKinsey & Co. (Note 75 points)
		Discussion Question:
		Describe two key HR practices that help support
		inter-firm collaboration.
		mer min condociation.

Week 12 11/20	Lec. 1: HR Competencies Lec. 2: Role of HR - HR's Focus	Readings: - A New Role for the CHRO - Why We Love to Hate HR Discussion Question: Based on the Ulrich Model, what should be your project company's HR Focus for delivering your HR strategy? Explain why.
Week 13 11/27	Lec. 1: Project Review Lec. 2: Effective Presentations	Discussion Question Describe two ways to prepare for an executive presentation.
Week 14 12/4	Project Prep Office Hour	All Project Papers and Power Point Presentation Are Due 12/10 Discussion Question (Due 12/17) Describe which HR strategy (other than yours) would have the greatest probability of success? Explain why.
Week 15 12/11	Student Project Assessments Lec. 1: Assessing and critiquing HR strategies and presentations	Assignment 9: Assessing and critiquing HR strategies and presentations (Due 12/17) Discussion Question: Complete Course Feedback Forum