

**Online MHRM Capstone:
Aligning HR and Business Strategies
38:533:706:90
Fall 2022**

Professor: Bill Castellano
E-Mail: castellano@smlr.rutgers.edu
Virtual Class Meeting: Wednesdays 6:00 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.

Learning Categories:

- Written & Oral Communication - Communicate effectively at a level and in modes appropriate to an entry level professional
- Quantitative Skills - Apply appropriate quantitative and qualitative methods for research workplace issues
- Research Skills - Demonstrate an ability to collect, analyze, and synthesize information to make logical and informed decisions impacting the workplace

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

Learning Categories:

- Theoretical Perspective - Demonstrate an understanding of relevant theories and apply them given the background context of a particular work situation.
- Understanding Context - Evaluate the context of workplace issues, public policies, and management decisions.
- Application - Demonstrate an understanding of how to apply knowledge necessary for effective work performance.

Professional Development

Learning Categories:

- Professional Development – Demonstrate an ability to interact with and influence others in a professional manner

Academic Honesty

The rights of students will be protected to insure that test scores are related to competence in the subject matter. Therefore, all examinations will be carefully proctored. If cheating 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/939511>

Class Material

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. As a class member, you are responsible for helping to create a positive, learning environment. This means sharing your own views and experiences, bringing in relevant current information, and in general contributing to our learning process.

Participation grade will be based on thoughtful, accurate, and timely responses and replies to all **Discussion Questions**, and timely submission of all assignments and project (150 points). Note, all discussion question answers must be submitted by end of day **Wednesday**.

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 assigned to you by the professor (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 **company** and indicate the measurable strategic Objectives and measurable Targets for each category. Note, this for the entire company not just for A positions. Also, indicate which 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 validate 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 validate 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 ANALYSES (15%)

Students must submit their case analyses by weekending 5:00pm. Late submitted cases will be penalized. 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 in a specific industry and design an HR strategy specifically for A positions to ensure sustainable competitive advantage given the organizational and environmental challenges facing this firm.

Project Paper (350 points)

I. Company Strategy

Briefly describe (**no more than 1 page**) 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

Summarize the objectives (not practices) of your HR system (**no more than 1 page**) including Managing Competencies, Managing Behaviors, and Managing the Work Environment. Ensure you provide the following information:

a. Managing Competencies

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

b. Managing Behaviors

Objectives: What specific behaviors and mindset do you need these employees to demonstrate?

c. Managing Work Environment

Objectives: 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 A positions 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 75% of the project grade.**

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. Acquisition Plan 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) Compensation Plan - 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) Job Design 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) Organizational Structure 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**

Based on research presented in lectures, 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 leadership style and characteristics 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 (**no more than one page**).

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 entire company 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) labeling all headings and subheadings (1a, b, c, etc.) and thoroughly answer all questions
- Be a professional, properly cited (e.g. MLA, AMA), polished paper of approximately 20 double-spaced pages (12pt font) 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.

CLASS SCHEDULE

Date	Topic	To Do
Week 1 9/6	Lec. 1: Introduction / Overview Lec. 2: Environmental Challenges: Technology and Globalization Trends Lec. 3: Environmental Challenges: Economic, and Labor Force Trends	Chapter 1 Reading: <i>How does HRM Influence Organizational Outcomes?</i> <i>A New Framework of Strategic Human Resource Management</i> Submit Company Name Discussion Question: How are the environmental trends impacting talent management?
Week 2 9/12	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 9/19	Lec. 1: Organizational Challenges: Strategy, SWOT, Competitive Advantage Lec.2: Organizational Challenges: Company Characteristics, Organizational Structures, Employee Concerns SWOT Analysis Video: Horizontal v. Hierarchical Organizations	Readings: - <i>Blue Ocean Strategy</i> - <i>Apple Case (read)</i> Assignment 2: 21 st Century Workforce Discussion Question: Why did Apple struggle historically in the Personal Computing market?

<p>Week 4 9/26</p>	<p>Lec. 1: HR Planning</p> <p>Lec. 2: HR's Role in Mergers and Acquisitions</p> <p>Lec. 3: Organizational Adaptability</p>	<p>Chapter 6</p> <p>Reading: <i>The Five Competitive Forces That Shape Strategy</i></p> <p>Assignment 3: SWOT Analysis</p> <p>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?</p>
<p>Week 5 10/3</p>	<p>Lec. 1: Workforce Analytics</p> <p>Lec. 2: Measuring Success</p> <p>Lec. 3: Decision Science</p>	<p>Chapter 8</p> <p>Reading: - <i>Linking Balance Scorecard Measures to Your Strategy</i> - <i>Using Workforce Analytics to Improve Strategy Execution</i> - <i>The Science and Practice of Workforce Analytics</i></p> <p>Assignment 4: Balanced Scorecard</p> <p>Discussion Question List your company's business strategy and two major measurable objectives and measurable goals listed in your balance scorecard.</p>
<p>Week 6 10/10</p>	<p>Lec. 1: Principles of Effective HR Systems: Internal and External Alignment</p> <p>Lec. 2: HR System Objectives</p>	<p>Reading: <i>The Impact of HRM Practices on Turnover, Productivity, and Financial Performance</i></p> <p>Case 1: Digital Gaming</p> <p>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.</p>

<p>Week 7 10/17</p>	<p>Lec. 1: An HR Architectural Perspective, Mapping Human Capital</p> <p>Lec. 2: Designing Aligned Practices and Programs for “A Positions”</p>	<p>Chapter 6, 7</p> <p>Reading: <i>Examining the Human Resource Architecture</i></p> <p>Assignment 5: A positions and HR Objectives</p> <p>Discussion Question: What are the core competencies of your project company? Give an application example.</p>
<p>Week 8 10/24</p>	<p>Lec. 1: Organizational Culture - Aligning with Corporate Strategy - Creating Employee Mindset</p> <p>Lec. 2: Role of Leadership - Leadership Development and Succession Planning</p>	<p>Chapter 8</p> <p>Reading: <i>Shaping Organizational Culture</i></p> <p>Assignment 6: Organizational Culture and Leadership</p> <p>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.</p>
<p>Week 9 10/31</p>	<p>Lec. 1: Executing Strategy - Overcoming Implementation Hurdles Lec. 2: Change Management</p> <p>Videos Jack Welch on "Strategy, Execution and People" https://youtu.be/xsEtVQCHYpE</p> <p>John Kotter - Resistance to Change https://youtu.be/Wdroj6F3VIQ</p>	<p>Reading: <i>Leading Change</i></p> <p><i>The Secrets to Successful Strategy Execution</i> https://hbr.org/2008/06/the-secrets-to-successful-strategy-execution</p> <p>Assignment 7: Executing Strategy</p> <p>Discussion Question: Name two strategies for overcoming employees’ resistance to change when implementing your HR strategy.</p>

<p>Week 10 11/7</p>	<p>Lec. 1: Employee Motivation and Engagement</p> <p>Lec. 2: Employee Engagement Framework - Drivers and Outcomes</p>	<p>Chapters 4, 5</p> <p>Reading: <i>Employee Motivation</i></p> <p><i>Great Attrition or Great Attraction? The choice is Yours</i></p> <p>Assignment 8: Employee Engagement Framework</p> <p>Discussion Question: How is employee engagement measured in the framework you researched? (note, if not a true measure, explain why).</p>
<p>Week 11 11/14</p>	<p>Lec. 1: Inter-Firm Collaboration</p> <p>Lec. 2: Managing Human, Social, and Intellectual Capital - Innovation</p>	<p>Readings: - <i>From Bureaucracy to Networks</i> - <i>Collaborative Leadership</i> - <i>Social Capital, Intellectual Capital and the Organizational Advantage</i></p> <p>Case 2: McKinsey & Co.</p> <p>Discussion Question: Describe two key HR practices that help support inter-firm collaboration.</p>
<p>Week 12 11/21</p>	<p>Lec. 1: HR Competencies</p> <p>Lec. 2: Role of HR - HR's Focus</p>	<p>Readings: - <i>A New Role for the CHRO</i> - <i>Why We Love to Hate HR</i></p> <p>Discussion Question: Based on the Ulrich Model, what should be your project company's HR Focus for delivering your HR strategy? Explain why.</p>
<p>Week 13 11/28</p>	<p>Lec.1: Project Review</p> <p>Lec. 2: Effective Presentations</p>	<p>Discussion Question</p> <p>Describe two ways to prepare for an executive presentation.</p>
<p>Week 14 12/5</p>	<p>Project Prep Office Hour</p>	<p>All Project Papers and Power Point Presentation Are Due</p> <p>Discussion Question (Due 12/16) Describe which HR strategy (other than yours) would have the greatest probability of success? Explain why.</p>

Week 15 12/12	Student Project Assessments Lec. 1: Assessing and critiquing HR strategies and presentations	Assignment 9: Assessing and critiquing HR strategies and presentations Discussion Question: Complete Course Feedback Forum
------------------	--	--