

STRATEGIC HUMAN RESOURCE MANAGEMENT

A GUIDE TO ACTION

4TH EDITION

Michael Armstrong



London and Philadelphia



Contents

Introduction

PART 1 THE CONCEPTUAL FRAMEWORK OF STRATEGIC HRM

- | | | |
|----------|--|-----------|
| 1 | The concept of human resource management | 5 |
| | HRM defined 5; Human resource systems 8; Aims of HRM 9;
Characteristics of HRM 12; Reservations about HRM 17 | |
| 2 | The concept of strategy | 21 |
| | Strategy defined 22; The concept of strategy 23; The formulation
of strategy 28 | |
| 3 | The concept of strategic human resource management | 33 |
| | Strategic HRM defined 33; Basis of strategic HRM 34;
Principles of strategic HRM 35; Aims of strategic HRM 35;
Concepts of strategic HRM 37; Perspectives on strategic HRM 39;
The best-practice approach 40; The best-fit approach 42;
Bundling 46; The reality of strategic HRM 48; Practical
implications of strategic HRM theory 49 | |

PART 2 THE PRACTICE OF STRATEGIC HRM

- 4 HR strategies** 53
 What are HR strategies? 53; What is the purpose of HR strategies? 54; Overall HR strategies 54; Specific HR strategies 59; Criteria for an effective HR strategy 61; How should HR strategies be developed? 62; Developing HR strategies 66; Implementing HR strategies 70
- 5 The strategic role of HR** 72
 The strategic nature of HR 72; The strategic partner model 73; What being strategic means 75; The strategic role of HR directors 76; The strategic role of heads of HR functions 77; The strategic role of HR business partners 78; The strategic contribution of HR advisers or assistants 78
- 6 The impact of strategic HRM** 79
 How HR impacts on organizational performance 79; How strategic HRM concepts impact on practice 85
- 7 Strategic HRM in action** 86
 Formulating HR strategy 86; The content of HR strategies 96; Corporate issues 98; Achieving integration 101; What are the most characteristic features of strategic HRM in action? 104

PART 3 HR STRATEGIES

- 8 Human capital management strategy** 107
 Aims of human capital management 108; The link between HCM and business strategy 108; Developing a human capital management strategy 109; Conclusions: the role of human capital management strategy 114
- 9 High-performance strategy** 115
 High-performance work system defined 116; Characteristics of a high-performance work system 116; Components of an HPWS 117; Impact of high-performance work systems 117; Developing a high-performance strategy 121
- 10 Corporate social responsibility strategy** 126
 Strategic CSR defined 127; CSR activities 127; The rationale for CSR 128; Developing a CSR strategy 130

11	Organization development strategy Organization development defined 132; OD strategies 133; Assumptions and values of OD 133; Activities incorporated in the OD strategy 134; Strategies for organizational transformation 136	132
12	Employee engagement strategy Engagement and organizational commitment 140; The significance of engagement 141; Engagement and discretionary behaviour 142; What is an engaged employee? 142; What are the factors that influence engagement? 143; Strategies for enhancing engagement 145; Measuring engagement 148	140
13	Knowledge management strategy The process of knowledge management 149; Sources and types of knowledge 150; Approaches to the development of knowledge management strategies 151; Strategic knowledge management issues 151; Components of a knowledge management strategy 153	149
14	Employee resourcing strategy The objective of employee resourcing strategy 154; The strategic HRM approach to resourcing 155; Integrating business and resourcing strategies 155; Bundling resourcing strategies and activities 156; The components of employee resourcing strategy 156; Human resource planning 157; Employee value proposition 160; Resourcing plans 161; Retention strategy 163; Flexibility strategy 167	154
15	Talent management strategy Talent management defined 168; The process of talent management 170; Developing a talent management strategy 173	168
16	Learning and development strategy Strategic human resource development (SHRD) 175; Strategies for creating a learning culture 178; Organizational learning strategies 178; Learning organization strategy 180; Individual learning strategies 181	175
17	Reward strategy Reward strategy defined 183; Why have a reward strategy? 183; Characteristics of reward strategies 184; The structure of reward strategy 184; The content of reward strategy 185; Guiding principles 188; Developing reward strategy 189; Effective reward strategies 191; Reward strategy and line management capability 192	183

18 Employee relations strategy	193
Employee relations strategy defined 193; Concerns of employee relations strategy 194; Strategic directions 194; The background to employee relations strategies 195; The HRM approach to employee relations 195; Policy options 197; Formulating employee relations strategies 197; Partnership agreements 198; Employee voice strategies 200	

PART 4 THE STRATEGIC HR TOOLKIT

1 Strategic human resource management toolkit	205
<i>References</i>	226
<i>Subject index</i>	241
<i>Author index</i>	246