Objectives...

1 explain the role of the HRM function and HR specialist (personnel)
2 list the key areas of HR policy and practice
3 discuss alternative structures for the HR function

Key Terms

HR System	a set of distinct activities, functions, policies and processes that are directed at attracting, developing, and maintaining the human resources of an organisation
human resource management	A philosophy of people management based on the belief that human resources are uniquely important to sustained business success. An organization gains competitive advantage by using its people effectively, drawing on their expertise and ingenuity to meet clearly defined objectives. HRM is aimed at recruiting capable, flexible and committed people, managing and rewarding their performance and developing key competencies. See also 'Hard HRM', 'Soft HRM'
Human resource strategy	Overall plan for staffing, developing and rewarding employees and outsourced human resources tied to business objectives.
Personnel management	the specialist management function which determines and implements policies and procedures which affect the stages of the employment cycle.

16. This chapter focussed on human capital and its management in the organisation – we considered Human Resources as strategically important due to attributes which are difficult to imitate, thus ensuring any derived competitive advantage is sustainable. In particular we focussed on the role of the specialist HR function in acquiring, developing and motivating HC in order to improve (productive) performance and develop a sustainable competitive advantage. The HR function develops and implements HR systems comprising the HR policies and practices. The HR role can be both strategic and operational. It is strategic in that the continued availability of HC must be assured in order for the strategy to be met. However, it must also be operational via the administration of certain HR practices such as resourcing, training and development and performance management.