

7.4 Human resource management strategy

Name: _____ Class: _____ Date: _____

Total: 29 marks

KEY WORDS soft hrm • hard hrm • trade union
 • workforce planning • hard and soft hrm

Objective

Build the skills to answer exam questions on **human resource management strategy** – **hard and soft HRM**, **workforce planning**, and **trade unions** and **collective bargaining**.

You must be able to:

- explain the difference between hard and soft HRM
- describe workforce planning and the role of trade unions
- analyse and evaluate an HRM approach for a business

1 Key knowledge and worked examples

■ Hard vs soft HRM

Hard HRM	Soft HRM
<i>staff = a resource, used at lowest cost</i> tight control short-term contracts cost-driven	<i>staff = the most valuable asset, developed</i> training & involvement long-term careers motivation-driven

Two approaches to managing people: hard HRM (cost-driven) versus soft HRM (motivation-driven)



HRM strategy decides how staff are treated and developed

- **Hard HRM:** staff are a resource to use at lowest cost – tight control, short-term contracts.
- **Soft HRM:** staff are the firm's most valuable asset – training, involvement, long-term careers.
- **Trade union:** an organised group of workers; through **collective bargaining** it negotiates pay and conditions for the whole group; if talks fail, members may take **industrial action** (a strike).

Answer shapes: AO1 + AO2 + AO3 (reasoning chain) + AO4 (a supported judgement *in context*).

2 Practice

2.1 State the difference between *hard* and *soft* HRM. [2]

2.2 Define the term *trade union*. [2]

2.3 Define the term *collective bargaining*. [2]

3 Exam-style questions

3.1 Explain one benefit to a business of using a **soft HRM** approach. [3]

3.2 Analyse two reasons why **workforce planning** is important to a business. [8]

3.3 A manufacturer is choosing between a **hard** and a **soft** HRM approach. Evaluate which it should use. [12]
