

Question One

In a rapidly expanding society, the shifting of companies and organisations across multiple industries requires a greater depth of understanding. Melody Brauns (2013) defines strategic human resource management as “the direction and scope of an organisation over a longer term.” (Brauns, 2013). Strategic intent implies long-term planning and goal attainment. Throughout the twenty-first century, strategic human resource management has evolved to align an organisation’s resources to its changing environment, especially with regard to markets, customers, clients and stakeholders (Brauns, 2013). It is through this approach to organisational change, that managers have come to rely upon a number of human resource management or change management theories. In this context, three theories are considered most applicable to the ongoing transformation of Wesfarmers’ Chemicals, Energy and Fertilisers division. Mike Millmore in his text ‘Strategic Human Resources Management’ states these to be ‘Best Fit,’ ‘Best Practice’ and ‘Resource-Based View,’ according to Millmore’s (2007) terminology (Millmore, 2007).

Brauns (2013) defines ‘Best Practice’ as a one-size-fits-all approach to organisational success (Brauns, 2013). She further notes that many managers turn to adopt the ‘Best Practice’ approach as because it is considered a tested method for organisational success. Using this method it allows managers to measure their company’s success against other companies within that same industry, thus allowing for a greater increase in competition (Brauns, 2013). The key positives advantages regarding of ‘Best Practice’ theory relate to the enhancement of the following human resource features within large organisations: employment security, selective hiring, self-management teams, extensive training, and information sharing. However, Brauns (2013) outlines a number of issues found with the ‘Best Practice’ model: there is a disconnection from between the company’s goals and intent, and a disregard or knowledge gap in the different management practices used.

In comparison, to the ‘Best Practice’ approach, Harris and Watson in their text ‘Strategic Managing of Human Resources,’ and Leopold (2009) discuss a secondary human resources theory; the ‘Best Fit’ approach, which explores (Harris, Watson and Leopold, 2009). Harris and Watson describe the ‘Best Fit’ approach as exploring the relationship between strategic management and human resources management through the influence of vertical integration. They explain vertical integration to be refers to the gaining of leverage through

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by linking human resource policies to overall business objectives and visions (Harris, Watson and Leopold, 2009). ~~Indeed, Edward Lawler (2009), 'Achieving excellence in human resources management,' states that all organisations need to begin with a business strategy specifying that specifies what the company hopes to accomplish, regardless of the human resources theory utilised to achieve its outcomes. (Lawler, 2009).~~

~~Bruce Kaufman (2015) describes describes in his journal article 'The RBV theory foundation of strategic HRM,' a third theory employed within human resource management, the Resource-Based View, or Resource Based Theory (Kaufman, 2015). As the name suggests, the Resource-Based View is based on the resources available to a company. In particular, it focuses on examining at the intrinsic resources of an organisation by first deciphering which what is tangible and which what is intangible (Kaufman, 2015). Tangible assets are physical items such as manual handling equipment. Whereas in contrast, whereas intangible assets are resources such as personnel (Kaufman, 2015). Mike Millmore (2007) complements this by stating in his works 'Strategic Human Resources Management' that separating resources can be separated into a further three categories: physical, human and organisational (Millmore, 2007). By utilising resources intrinsic to the company, organisations an organisation can are gaining competitive advantage over other organisations in similar industries (Kaufman, 2015). Peter Boxall and Purcell (2003) describes the resource-based view in terms of it as the concept of heterogeneity instead of homogeneity (Boxall and Purcell, 2003). Further, Furthermore Kaufman explains key aspects of Resource Based View. Strategic Factor Market focuses is explained by Barney, Ketchen and Wright (2011) Jay Barney in his article 'The future of Resource Based Theory explain s,' strategic factor markets, whereby companies acquire other organisations with the strategic intent of improving the resources available to them (Barney, Ketchen and Wright, 2011).~~

~~An article written by Richard Arend and Moren Lévesque (2010) discusses the practical applications of the Resource-Based View from a manager's perspective (Arend and Lévesque, 2010). Whilst they do state that Despite the its attractiveness for in enabling managers is to selecting a resource to utilise or pursue in accordance with the VRIO (value, rare, inimitable and organisation (-)VRIO) rules, they do state there are a number of issues found with the day-to-day application and use of the theory (Arend and Lévesque, 2010). Arend and Lévesque (2010) note through their research that it is difficult for managers to assess the amount of time given to pursuing each aspect of VRIO. Furthermore, each~~

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organisation places differing values on the ~~aspects of~~ VRIO ~~aspects~~, ~~creating making it~~ difficult ~~to~~ ~~in~~ gaining a competitive advantage (~~Arend and Lévesque, 2010~~).

The organisational transformation of Wesfarmers will require the use ~~of the~~ ~~b~~ Best ~~Fit~~ theory and ~~the~~ ~~r~~ Resource ~~b~~ Based ~~v~~ View theories.

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Question Two

The ~~b~~ Balanced ~~s~~ Scorecard concept was originally created by ~~Doctor~~ Robert Kaplan and ~~Doctor~~ David Norton of the Harvard Business School (~~Kaplan and Norton, in~~ 1996). It is used for strategic planning and practice of organisations. ~~It is also utilised, and~~ as a performance monitoring framework (Kaplan and Norton, 1996). The scorecard focuses on employees and managers in the overall vision of the organisation, assessing the same data ~~however~~ through differing views. ~~The overload of~~ ~~D~~ data ~~overload~~ is minimised through the number of measures used simultaneously, and through forcing managers to consider the data in conjunction ~~with each other aspect~~ of the scorecard (Millmore, 2007). In addition, managers are required to select a limited number of critical indicators with each perspective, ~~in this way; thus~~, the scorecard focuses on the strategic vision (Kaplan and Norton, 1996).

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Jayashree and Hussain (2011) note ~~in their text 'Aligning Change Deployment: A Balanced Scorecard Approach,'~~ that the balanced scorecard is successful in linking operations management to strategy through the use of feedback loops (~~Jayashree and Jamal Hussain, 2011~~). ~~The balanced scorecard~~ It also provides a cause ~~and~~ effect analysis to capture the whole process of organisational change through planning, reviewing and monitoring (Jayashree and ~~Jamal~~ Hussain, 2011).

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The four tiers of the balanced scorecard, as listed by ~~Mike~~ Millmore (2007), are; financial, customer, human resources and internal processes (~~Millmore, 2007~~). Jayashree and Hussain (2011) further explain that ~~the~~ balanced scorecard strategy is broken into five themes known as pillars of excellence. ~~These pillars, which~~ are considered to be change strategies, each focussing on a different aspect of ~~an~~ organisational transformation (~~Jayashree and Jamal Hussain, 2011~~).

~~K~~ Sharma and ~~R~~ Bhagwat (2007) discuss the practical use of a balanced scorecard approach in supply chain management ~~in their text 'Performance measurement of supply chain management: A balanced scorecard approach' (Bhagwat and Sharma, 2007)~~. ~~Sharma and~~

~~Bhagwat~~ While ~~supporting~~ the discussions by Millmore (2007) and Jayashree and Hussain above (2011), ~~however~~ they also present a key point regarding ~~criticise two flaws in~~ the balanced scorecard approach, ~~as it~~. They state that it “does not consider a comprehensive integrated management system and does not include continuous improvement” (Bhagwat and Sharma, 2007). ~~As such~~ Therefore, they ~~raise the point~~ argue that the balanced scorecard approach can be used as a snapshot of an organisation’s performance at one point in time, ~~however but that~~ further development, goal setting and strategic planning ~~is are~~ required (Bhagwat and Sharma, 2007).

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In utilising the evidence provided by ~~John Tomey, the incoming business unit manager of Wesfarmers’ Chemicals, Energy and Fertilisers~~ division, Tomey, it can be summarised that one of the challenges ~~areas~~ within this division ~~of Wesfarmers~~ is that ~~of excessive~~ it has a large number of personnel with inadequate training. In using the balanced scorecard, Tomey can first confirm that the key problem lies within ~~the~~ personnel, before using the scorecard to determine other problems ~~statements~~ within the division (Kaplan and Norton, 1996).

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~~Alan Mackay notes in his article ‘A practitioner’s guide to the balanced scorecard,’ (2005) notes the requirement that a balanced scorecard requires the~~ appointment of a sponsor and an implementation team ~~(Mackay, 2005).~~ In undertaking this approach, Tomey ~~must~~ appoint a sponsor to oversee the scorecard analysis (Mackay, 2005). ~~Additionally,~~ ~~The~~ implementation team ~~chosen,~~ under the care of the sponsor, should be ~~selected~~ from a variety of differing backgrounds such as information technology, operations, finance, business development, human resources and marketing. (Mackay, 2005). The purpose of the implementation team is to design and conduct the analysis. Another ~~factor that consideration~~ Tomey ~~will be required to must make consider~~ is whether or not ~~the scorecard analyses of the~~ lower levels of the organisation will ~~have differing scorecard analysis conducted to differ from~~ those ~~teams in of the~~ higher levels ~~of the organisation~~ (Mackay, 2005). Business units should devise customised scorecards to suit their needs, strategy and culture (Kaplan and Norton, 1996).

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Question Three

As the business unit manager ~~of Wesfarmers' Chemicals, Energy and Fertilisers division~~~~responsible for a Wesfarmers Division~~, Tomey is faced with the challenge of increasing the business by more than 20 per cent in three years. Current issues existing within the ~~organisation~~ include excess staff with inadequate training and a lack of motivation to go beyond their job roles in support of the company. It is assumed that ~~the~~~~there is a~~ lack of training in both basic mandatory packages and any relevant floor qualifications required, which demonstrates the lack of governance as well as the absence of a continuous review process (Boxall and Purcell, 2003). Quality management as a part of continuous improvement requires a constant cycle of plan, implement, monitor, review, and adapt to ensure practices are kept as efficient as possible (Boxall and Purcell, 2003).

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-As an incoming manager, Tomey should first look to gain an understanding of the functions of the senior manager and their line managers within their departments ~~of Chemicals, Energy and Fertilisers~~. This is the first step for any incoming manager planning ~~to~~ lead an organisation through the transformation process (Kaipa and Radjou, 2016).

Before the ~~b~~Balanced ~~s~~Scorecard² analysis ~~is~~~~can be~~ utilised, Tomey needs to plan and understand the strategic goals and intent for his ~~new~~ division (Mackay, 2005). ~~This should be done~~ in conjunction with senior management (Mackay, 2005), and the group business development team of Wesfarmers.

The ~~use of the~~~~b~~Balanced ~~s~~Scorecard² method should be used to analyse the organisation's financial, customer, human resource and internal process functions (Kaplan and Norton, 1996). As outlined above, Tomey will need to select a ~~b~~Balanced ~~s~~Scorecard² sponsor to oversee the analysis as well as an implementation team to design the analysis (Mackay, 2005). ~~It is necessary to note that w~~Moreover, ~~whilest~~ the ~~b~~Balanced ~~s~~Scorecard method provides an adequate snapshot of an organisation at a specific point in time, further analysis and research ~~is~~~~are~~ needed ~~to develop~~~~for~~ long-term business development and ~~continuous improvement of business~~ processes (Mackay, 2005).

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Based on the problem statement provided by ~~the outgoing bBusiness uUnit mManager,~~ Tomey should seek to utilise the ~~r-Resource-b-Based vView~~² in assessing the resources available to his organisation (~~Arend and Lévesque 2010; Barney, Ketchen and Wright, 2011~~) and (~~Arend and Lévesque, 2010~~). In addition, ~~now having developed after deriving the~~ data from the ~~bBalanced sScorecard~~ analysis, the ~~bBest fFit~~ approach should be used to match the ~~resources~~ available ~~resources~~, or ~~the resources that are~~ likely to be available, to the organisation's strategic goals and intent (Harris, Watson and Leopold, 2009).

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The next step is to begin the transformation process of removing employees ~~that-who~~ have not been performing to standard and do not live up to the organisation's values. It is important to note that underperforming staff ~~that-who~~ do attempt to uphold the organisation's values may still be of value to the company, and simply need training in the correct processes and procedures required to complete their job (Davila, Epstein and Shelton, 2013).

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The ~~hiringe~~ of new staff requires a reassessment of the process utilised. Key consideration should be placed on a candidate's willingness to uphold ~~the~~ Wesfarmers' values and whether or not their professional goals can be aligned with the organisation's goals, ~~incorporating the practice of best fit theory~~ (Harris, Watson and Leopold, 2009). ~~This incorporates the practice of 'Best Fit' theory (Harris, Watson and Leopold, 2009).~~ Further, ~~it is necessary consideration needs to be applied~~ to ensure ~~that~~ each new hire will add to ~~the-a~~ company's resources, ~~therefore thereby~~ adding to the company's competitive advantage within the relevant industry. This will utilise the ~~r-Resource-b-Based vView~~² (~~Barney, Ketchen and Wright, 2011~~) and (~~Arend and Lévesque, 2010; Barney, Ketchen and Wright 2011~~). Continuous improvement does not simply apply to processes and procedures, but ~~also~~ to the development of employees and staff ~~as well~~ (Davila, Epstein and Shelton, 2013). Once a new hire is accepted into the organisation, a quality management cycle needs to be enacted to ensure employee satisfaction ~~and~~ development ~~and, as well as a~~ good work ethic (Davila, Epstein and Shelton, 2013).

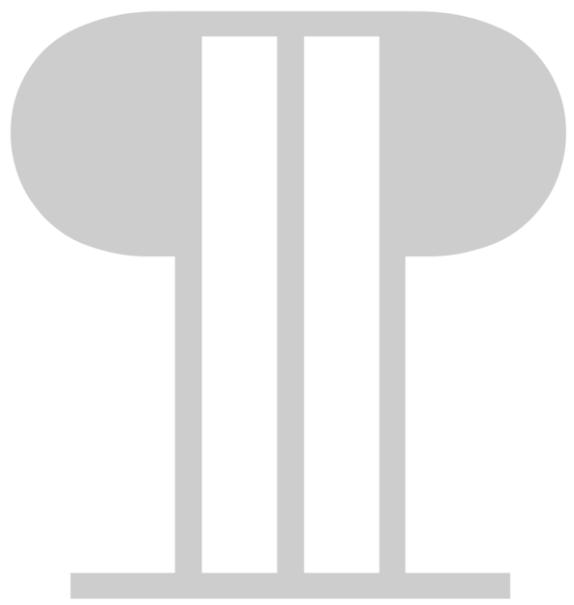
In summary, this advice will provide the foundation for John Tomey, ~~business unit manager of Wesfarmers Chemicals, Energy and Fertilisers,~~ to begin the process of organisational transformation ~~at Wesfarmers' Chemicals, Energy and Fertilisers division.~~ ~~According to John Kotter (1997), has been quoted saying that~~ "the rate of change is not going to slow down anytime soon. If anything, competition in most industries will speed up even ~~more~~" (Kotter, 1997). ~~Themore.~~ The key to successful organisational growth is ~~to employing~~ the

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~~correct~~ appropriate people ~~with~~ who have the motivation and values that align to the company's strategic intent.

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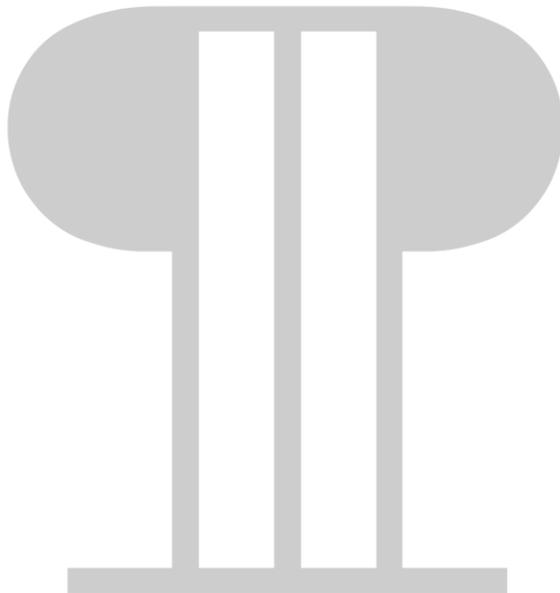
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Question One

In a rapidly expanding society, the shifting of companies and organisations across multiple industries requires greater understanding. Brauns (2013) defines strategic human resource management as ‘the direction and scope of an organisation over a longer term’. Strategic intent implies long-term planning and goal attainment. Throughout the twenty-first century, strategic human resource management has evolved to align an organisation’s resources to its changing environment, especially with regard to markets, customers, clients and stakeholders (Brauns 2013). Through this approach to organisational change, managers have come to rely upon a number of human resource management or change management theories. In this context, three theories are considered most applicable to the ongoing transformation of Wesfarmers’ Chemicals, Energy and Fertilisers division: ‘best fit,’ ‘best practice’ and ‘resource-based view’, according to Millmore’s (2007) terminology.

Brauns (2013) defines ‘best practice’ as a one-size-fits-all approach that many managers adopt because it is considered a tested method for organisational success. It allows managers to measure their company’s success against other companies within that same industry, allowing for greater competition (Brauns 2013). The key advantages of best practice theory relate to the enhancement of the following human resource features within large organisations: employment security, selective hiring, self-management teams, extensive training and information sharing. However, Brauns (2013) outlines a number of issues found with the best practice model: there is a disconnect between the company’s goals and intent, and a disregard or knowledge gap in the different management practices used.

Harris, Watson and Leopold (2009) discuss the ‘best fit’ approach, which explores the relationship between strategic management and human resources management through the influence of vertical integration. Vertical integration refers to the gaining of leverage by linking human resource policies to overall business objectives and visions (Harris, Watson and Leopold 2009). Indeed, Lawler (2009) states that all organisations need to begin with a business strategy that specifies what the company hopes to accomplish, regardless of the human resources theory utilised to achieve its outcomes.

Kaufman (2015) describes a third theory employed within human resource management, the resource-based view or theory. As the name suggests, the resource-based view is based on the resources available to a company. It focuses on examining the intrinsic resources of an

organisation by first deciphering what is tangible and what is intangible (Kaufman 2015). Tangible assets are physical items such as manual handling equipment, whereas intangible assets are resources such as personnel (Kaufman 2015). Millmore (2007) complements this by separating resources into a further three categories: physical, human and organisational. By utilising resources intrinsic to the company, an organisation can gain competitive advantage over other organisations in similar industries (Kaufman 2015). Boxall and Purcell (2003) describe the resource-based view in terms of the concept of heterogeneity instead of homogeneity. Further, Barney, Ketchen and Wright (2011) explain strategic factor markets, whereby companies acquire other organisations with the strategic intent of improving the resources available to them.

Arend and Lévesque (2010) discuss the practical applications of the resource-based view from a manager's perspective. Despite its attractiveness in enabling managers to select a resource to utilise or pursue in accordance with the value, rare, inimitable and organisation (VRIO) rules, there are a number of issues with the day-to-day application and use of the theory (Arend and Lévesque 2010). Arend and Lévesque (2010) note that it is difficult for managers to assess the amount of time given to pursuing each aspect of VRIO. Furthermore, each organisation places differing values on the VRIO aspects, making it difficult to gain a competitive advantage.

The organisational transformation of Wesfarmers will require the use of the best fit theory and the resource-based view.

Question Two

The balanced scorecard concept was originally created by Robert Kaplan and David Norton of the Harvard Business School in 1996. It is used for strategic planning and practice of organisations, and as a performance monitoring framework (Kaplan and Norton 1996). The scorecard focuses on employees and managers in the overall vision of the organisation, assessing the same data through differing views. Data overload is minimised through the number of measures used simultaneously, and through forcing managers to consider the data in conjunction with each aspect of the scorecard (Millmore 2007). In addition, managers are required to select a limited number of critical indicators with each perspective; thus, the scorecard focuses on the strategic vision (Kaplan and Norton 1996).

Jayashree and Hussain (2011) note that the balanced scorecard is successful in linking operations management to strategy through the use of feedback loops. It also provides a cause-and-effect analysis to capture the whole process of organisational change through planning, reviewing and monitoring (Jayashree and Hussain 2011).

The four tiers of the balanced scorecard, as listed by Millmore (2007), are financial, customer, human resources and internal processes. Jayashree and Hussain (2011) further explain that the balanced scorecard strategy is broken into five themes known as pillars of excellence, which are considered to be change strategies, each focusing on a different aspect of organisational transformation.

Sharma and Bhagwat (2007) discuss the practical use of a balanced scorecard approach in supply chain management. While supporting the discussions by Millmore (2007) and Jayashree and Hussain (2011), they also criticise the approach, as it ‘does not consider a comprehensive integrated management system and does not include continuous improvement’ (Bhagwat and Sharma 2007). Therefore, they argue that the balanced scorecard approach can be used as a snapshot of an organisation’s performance at one point in time, but further development, goal setting and strategic planning are required (Bhagwat and Sharma 2007).

In utilising the evidence provided by John Tomey, the incoming business unit manager of Wesfarmers’ Chemicals, Energy and Fertilisers division, one of the challenges within his division is that it has a large number of personnel with inadequate training. In using the balanced scorecard, Tomey can first confirm that the key problem lies within the personnel, before using the scorecard to determine other problems within the division (Kaplan and Norton 1996).

Mackay (2005) notes that a balanced scorecard requires the appointment of a sponsor and an implementation team. In undertaking this approach, Tomey must appoint a sponsor to oversee the scorecard analysis (Mackay 2005). The implementation team, under the care of the sponsor, should be selected from a variety of differing backgrounds such as information technology, operations, finance, business development, human resources and marketing. (Mackay 2005). The purpose of the implementation team is to design and conduct the analysis. Another factor that Tomey must consider is whether or not the scorecard analyses of the lower levels of the organisation will differ from those of the higher levels (Mackay 2005).

Business units should devise customised scorecards to suit their needs, strategy and culture (Kaplan and Norton 1996).

Question Three

As the business unit manager of Wesfarmers' Chemicals, Energy and Fertilisers division, Tomey is faced with the challenge of increasing the business by more than 20 per cent in three years. Current issues existing within the organisation include excess staff with inadequate training and a lack of motivation to go beyond their job roles in support of the company. It is assumed that there is a lack of training in both basic mandatory packages and any relevant floor qualifications required, which demonstrates the lack of governance as well as the absence of a continuous review process (Boxall and Purcell 2003). Quality management as a part of continuous improvement requires a constant cycle of plan, implement, monitor, review and adapt to ensure practices are kept as efficient as possible (Boxall and Purcell 2003).

As an incoming manager, Tomey should first look to gain an understanding of the functions of the senior manager and their line managers within their departments. This is the first step for any incoming manager planning to lead an organisation through the transformation process (Kaipa and Radjou 2016).

Before the balanced scorecard analysis can be utilised, Tomey needs to plan and understand the strategic goals and intent for his division in conjunction with senior management (Mackay 2005) and the group business development team of Wesfarmers.

The balanced scorecard method should be used to analyse the organisation's financial, customer, human resource and internal process functions (Kaplan and Norton 1996). As outlined above, Tomey will need to select a balanced scorecard sponsor to oversee the analysis as well as an implementation team to design the analysis (Mackay 2005). Moreover, while the balanced scorecard method provides an adequate snapshot of an organisation at a specific point in time, further analysis and research are needed for long-term business development and continuous improvement of business processes (Mackay 2005).

Based on the problem statement provided by the outgoing business unit manager, Tomey should seek to utilise the resource-based view in assessing the resources available to his organisation (Arend and Lévesque 2010; Barney, Ketchen and Wright 2011). In addition,

after deriving data from the balanced scorecard analysis, the best fit approach should be used to match the available resources, or the resources that are likely to be available, to the organisation's strategic goals and intent (Harris, Watson and Leopold 2009).

The next step is to begin the transformation process of removing employees who have not been performing to standard and do not live up to the organisation's values. It is important to note that underperforming staff who do attempt to uphold the organisation's values may still be of value to the company, and simply need training in the correct processes and procedures required to complete their job (Davila, Epstein and Shelton 2013).

The hiring of new staff requires a reassessment of the process utilised. Key consideration should be placed on a candidate's willingness to uphold Wesfarmers' values and whether or not their professional goals can be aligned with the organisation's goals, incorporating the practice of best fit theory (Harris, Watson and Leopold 2009). Further, it is necessary to ensure that each new hire will add to a company's resources, thereby adding to the company's competitive advantage within the relevant industry. This will utilise the resource-based view (Arend and Lévesque 2010; Barney, Ketchen and Wright 2011). Continuous improvement does not simply apply to processes and procedures, but also to the development of employees and staff (Davila, Epstein and Shelton 2013). Once a new hire is accepted into the organisation, a quality management cycle needs to be enacted to ensure employee satisfaction and development, as well as a good work ethic (Davila, Epstein and Shelton 2013).

In summary, this advice will provide the foundation for John Tomey to begin the process of organisational transformation at Wesfarmers' Chemicals, Energy and Fertilisers division. According to Kotter (1997), 'the rate of change is not going to slow down anytime soon. If anything, competition in most industries will speed up even more'. The key to successful organisational growth is to employ the appropriate people who have the motivation and values that align to the company's strategic intent.

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