

Organising Human Resources

Module Learning Outcomes

Discuss the purpose of HR management and its legal constraints

1.1: Explain the purpose of human resource management for both the organization and individuals

1.2: Summarize the key laws affecting human resource practices

1.3: Describe effective strategies for recruiting and selecting qualified job applicants

1.4: Describe employee orientation and training approaches

1.5: Describe employee development and performance evaluations

1.6: Describe common employee compensation, incentive, and benefits strategies

1.7: Describe the options for employee separation/termination

1.8: Describe current trends and challenges in HR management

Learning Outcomes: Purpose of Human Resource Management

1.1: Explain the purpose of human resource management for both the organization and individuals

1.1.1: List the functions of human resource management

1.1.2: Explain how HR decision reflect the corporate strategy

Main Functions and Examples

- Recruitment and Selection
- Training and Development
- Compensation
- Safety and Health
- Employee and Labor Relations
- Terminate employee contracts when necessary

Role of Human Resources Management

- Planning to hire or transfer employees
- Training new employees as company makes changes
- Developing incentive programs to help company compete with others
- Researching laws and policies related to employees in other states/countries
- Setting up employee transportation and other logistics
- Involves a great many legal details- mistakes in benefits or passing over ethics policies can lead to trouble

Learning Outcomes: Laws Affecting Human Resource Practices

1.2: Summarize the key laws affecting human resource practices

1.2.1: List the protected employee classes in the United States

1.2.2: Summarize the key laws related to employee discrimination

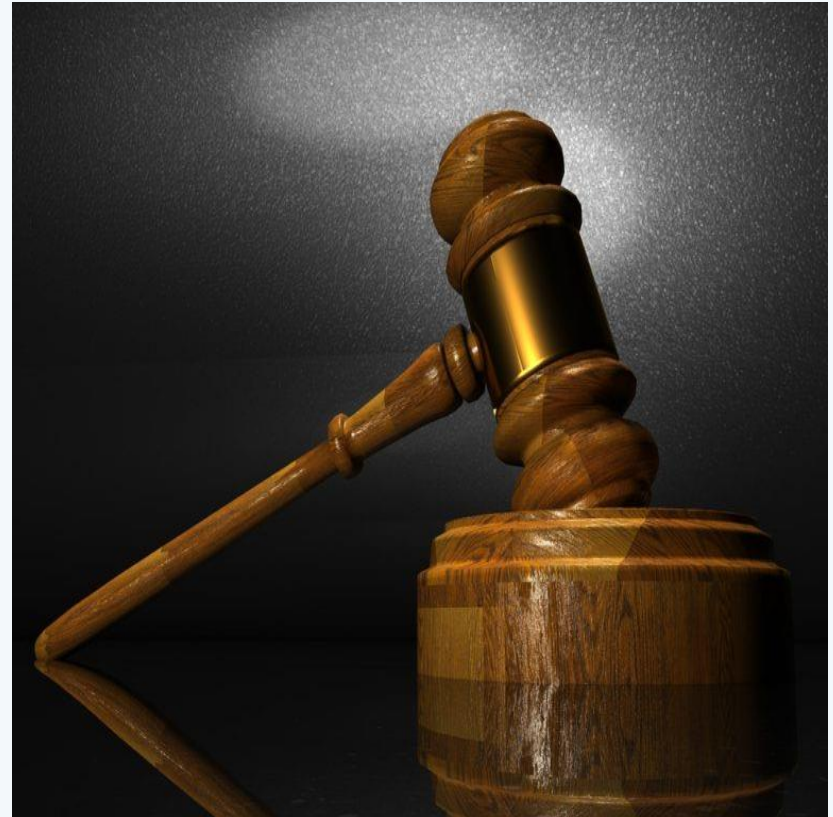
1.2.3: Explain what HR managers can do to protect the company against discrimination lawsuits

1.2.4: Explain HR's role in workplace safety

1.2.5: Explain collective bargaining and the law that governs it

Protected Classes of Employees

- Certain groups are legally protected from discrimination
 - Can't discriminate against race or color, national origin, sex, or religion
- HR managers can protect company against discrimination lawsuits by understanding law and putting policies into place to avoid- can work with upper management to address issues



Employee Discrimination Laws

- Equal Pay Act 1963: illegal to pay men more than women of same work
- Civil Rights Act 1964: protect those discriminated against due to race, origin, gender, color, or religion
- Age Discrimination in Employment Act 1967: illegal to discriminate against employees older than 40 years old
- Pregnancy Discrimination Act 1978: can't discriminate due to pregnancy
- Americans with Disabilities Act 1990: must make reasonable modifications to those with disability
- Family medical Leave Act 1993: protections to those with parental/medical leave
- USERRA 1994: job protections to those called to uniformed service
- Genetic Information Nondiscrimination Act 2008: genetics can't be used to make decisions

Practice Question 1

The EEOC's decision in "Baldwin" bars discrimination in this "seventh" protected category:

1. Age.
2. Race,
3. Religion.
4. Sexual Orientation.
5. Country of Origin

Workplace Safety and Collective Bargaining

- Workplace Safety: require employers to provide safe workplace
 - Can lower risk by substituting less dangerous procedures, isolating dangerous materials/machines, ensuring proper safety equipment, putting policies to decrease risk by taking safety precautions, and requiring appropriate equipment such as goggles or gloves
- Collective Bargaining: process by which employers work with union representatives to decide on policies, wages, and benefits
 - Labor unions gained power- legal for workers to organize/join unions
 - NLRB oversees rules and policies



Learning Outcomes: Recruiting and Selecting Qualified Job Applicants

1.3: Describe effective strategies for recruiting and selecting qualified job applicants

1.3.1: Describe effective strategies for recruiting and selecting qualified job applicants

Basics of Recruiting and Selecting Qualified Job Applicants

- Steps for recruitment and selection: advertising for candidates, reviewing applications, candidate screening, conducting interviews, & making offers
- Job analysis: ask questions, observe workers, conduct surveys, and determine what job is required to do well
 - First step toward creating job description and specification
- HR department takes over: must reach out to qualified candidates by
 - Advertising in newspapers and trade publications
 - Online sources such as Monster and CareerBuilder
 - Social sites such as LinkedIn or even Facebook

Screening Applicants

- Look carefully at resumes, skills, and level of experience
- Background checks on those who appear promising
- Phone interviews
- Face-to-Face Interview



The Job Offer

- Once hiring manager decides who they'd like to hire, HR makes an offer
- Includes information about salary and benefits as well as details about job requirements
- If candidate is interested, they will need to sign contract
- Must have concrete reasons for choosing one candidate over another



Learning Outcomes: Employee Orientation and Training

1.4: Describe employee orientation and training approaches

1.4.1: Describe employee orientation approaches

1.4.2: Describe employee training approaches

Basics of Employee Orientation and Training

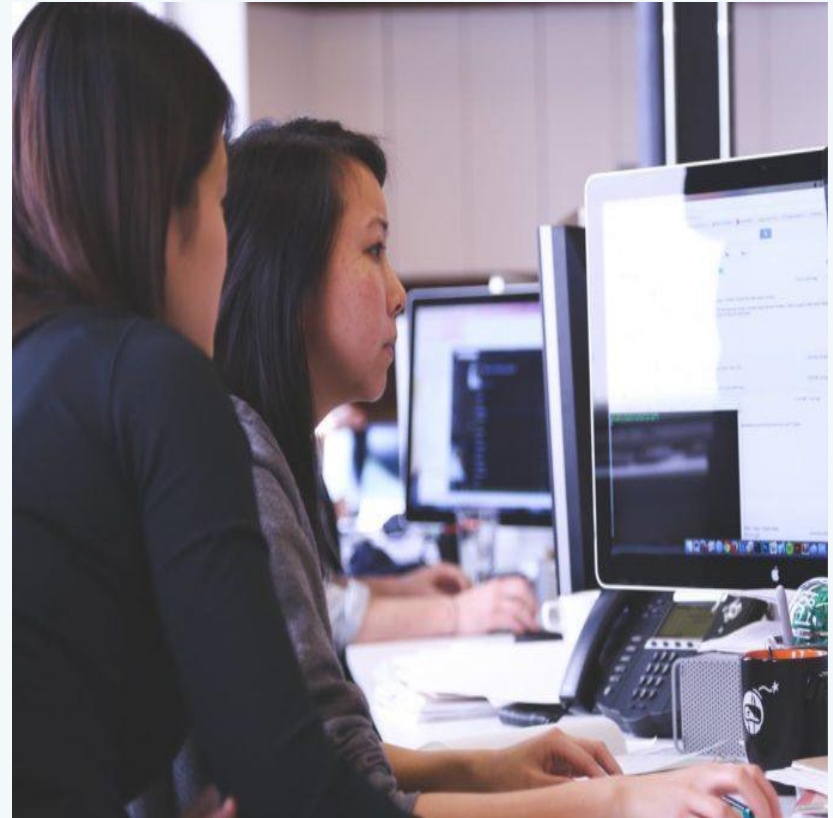
- When employee first arrives, they more than likely have preconceived notions about what is expected
- Serve many positive purposes:
 - Lower costs by helping employee get up to speed
 - Help employee gain confidence and feel valued
 - Improve employee's performance by helping them build skills and relationships quickly

How HR Onboard Employees and Managers

- HR professionals are usually in charge of ensuring new hires have completed all paperwork, signed up for benefits, reviewed ethics policies, and received tour of workplace
- Also set up and implement training
- Managers will: send welcome letters, meet with HR to discuss hiring, meet with team members, assign individuals to mentor, plan new hire's schedule, plan for training the new hire, set up lunch plans to get to know each other, etc.

Employee Training

- Self-paced online training
- Hands-on training with equipment
- Leader-led group training for “soft” skills (coaching, team-building)
- Formal business courses
- Shadowing skilled employee
- Mentoring to review work



Learning Outcomes: Employee Development and Performance Evaluations

1.5: Describe employee development and performance evaluation

1.5.1: Describe employee development approaches

1.5.2: Describe performance evaluation approaches

Understanding Employee Development and Performance Evaluations

- Best employees often started near bottom and worked their way up to top
- Help, support, and encouragement part of employee development
- Managers must ensure their employees develop their fullest potential
 - Delegating responsibility
 - Being aware of development opportunities
 - Offering opportunities to employees
 - Providing meaningful feedback
 - Including rising employees in meetings



Formal Employee Development Strategies

- Training in areas such as leadership, management, negotiation, and other areas useful to new manager
- Often planned and implemented by HR or consultants
- Skills such as interpersonal communication, public speaking, negotiation, leadership skills, etc. as well as coding, accounting, etc.
 - Workshops
 - Online programs
 - Certification programs



Informal Employee Development Strategies

- On the job training: Newer employee watches and imitates more experienced worker
- Shadowing: Follows experienced worker to watch and learn from them
- Mentorship and Coaching: Offered by managers

Practice Question 2

What is the best method of reducing the high cost of employee turnover?

1. Preparing a detailed job description to screen out unqualified employee candidates.
2. Creating a strong onboarding plan for new hires.
3. Implementing a series of training activities for each employee.
4. Designing a employee development plan to expand both hard and soft skills.
5. Offering competitive compensation, benefits and incentives to employees.

Performance Evaluations

- Profound influence on employee's career
- Popular approaches
 - Checklists
 - Rating Scales
 - Comparative Techniques
 - Narrative Techniques
 - 360 Feedback
 - Cost Accounting
 - Management by Objectives



Learning Outcomes: Employee Compensation, Incentive, and Benefits Strategies

1.6: Describe common employee compensation, incentive, and benefits strategies

1.6.1: Describe common employee compensation and incentive strategies

1.6.2: Describe common benefits strategies

Compensation and Payroll Management

- Compensation
 - Competitive analysis, cost of living, labor negotiations, personal qualifications, supply and demand
- Payroll Management
 - Involves collecting employee information, tracking work hours for overtime pay, benefit and bonus records, management of taxes



Incentives

- Rewards for good work and consequences for poor performance
- How to encourage- depends on culture of business, needs of individuals, and options available
- Examples:
 - Low-cost, fun perks (catered lunches, free snacks)
 - Family events
 - Significant incentives such as points towards World Series tickets
 - Trips to conferences or inclusion in upper-level meetings

Benefits

- Part of compensation package: highly valuable to employees
- Different forms of benefits
 - Healthcare
 - Paid vacations
 - Retirement
 - Stock and Stock options



Learning Outcomes: Employee Separation and Termination

1.7: Describe the options for employee separation/termination

1.7.1: Describe the options for employee separation/termination

Voluntary Separation

- When employee leaves their job for:
 - Better opportunities
 - A family move
 - Illness or disability
 - Job dissatisfaction
 - Changing circumstances
- Process usually handled by HR
- Retirees often honored depending on length of job duration



Involuntary Termination

- When employee is asked to leave the job
 - Layoffs: unfortunate outcome of changes in industries or problems with individual corporations- often when project has ended
 - Firing: when someone breaks company rules or laws, are unable or unwilling to do their jobs, or created problems for the company due to behavior
 - Manager usually decides: should address problems directly with employee, work with human resources, get HR involved if necessary, and then fire or lay-off

Class Discussion: Rights and Termination

One of the most controversial HR issues involves the First Amendment and the workplace. The First Amendment states that “Congress shall make no law...infringing on freedom of speech”. Recently a Google employee was terminated for disseminating an internal memo that implied women are inferior to men as engineers. This employee was fired by Google.

Does Google have the right to fire an employee thus restricting his freedom of speech.

Learning Outcomes: Current Trends and Challenges in HR Management

1.8: Describe current trends and challenges in HR management

1.8.1: Describe common effects of instant communication on motivation and work-life balance

1.8.2: Describe the advantages of part-time employees

1.8.3: Describe the disadvantages of part-time employees

1.8.4: Explain the decline in union membership and the impact on labor relations

Part-Time Employees

- Benefits: flexible, budget-friendly, brought on for specific projects/jobs
- Downsides: difficult to manage, onboarding, training, and shadowing are expensive
 - Largest downside is they can learn insider information or business secrets and use what they've learned to start own business or sell to competitors



Pros and Cons of Social Media and Instant Communication

- Pros:
 - Able to reach clients and manage business transactions
 - Creation of technology policies- limiting access to smartphones or tablets
- Cons:
 - Invades time between work and leisure- difficult to leave work at work and home at home
 - Draining time and energy away from productivity



Labor Relations

- Effort to get rid of unions and reduce labor costs since 1980- fairly successful
- Unionization means higher wages
- Fewer unions means more ability to hire contingent and part-time workers, pay lower wages, ship jobs overseas, and increase profits

Quick Review

- Please list the functions of human resource management and explain how HR decisions reflect the corporate strategy
- Can you list the protected employee classes in the U.S.?
- Are you able to summarize key laws related to discrimination and how the company can protect against lawsuits
- Explain HR's role in workplace safety
- Explain collective bargaining and the law that governs it
- Can you describe effective strategies for recruiting and selecting job applicants?
- Are you able to describe employee orientation and training approaches?