



CHAPTER 4

Hiring and Retaining People

INTRODUCTION TO BUSINESS

Learning Objectives

- To interpret the value of people for businesses
- To interpret the basic functions of human resources
- To identify equity, equality, diversity, and inclusion
- To appraise the key metrics when managing human resources
- To illustrate best people practices by businesses who are loved by their employees



Value People Bring to Businesses

VALUE PEOPLE BRING TO BUSINESSES



They are an essential part of providing the goods or services the business provides. They engage in a wide range of activities to reach performance targets.



They are the face of the business and the first face a customer sees. Satisfied and motivated employees lead to a strong performance.



They bring their skills, knowledge, experience, and an understanding of the business' culture and processes.



They are the first customer of any business. Hence, they want to feel valued and appreciated. In addition, they identify improvement opportunities.



They develop, cultivate, and protect the business so it becomes a strong and long-running entity.



They are key contributors to profits, brand value, and satisfaction through customer service, which ultimately fulfills a business' mission.



People are managed by what is known as **Human Resources (HR)**

- HR is the business function responsible for finding, selecting, recruiting, and training job applicants, while managing employee-benefits programs.
- Newer names:
 - Human Capital Management,
 - Talent Development,
 - Human Relations,
 - Team Member Services.



HR FUNCTIONS



Recruitment



Onboarding



Employee
Development



Employee
Benefits



Employee
Compensation



Employee Labor
and Relations



Compliance



Information
and Payroll



HR'S basic functions: Recruitment & Onboarding



Recruitment

- Identifying where talent is needed in a business and finding the right people to fill such roles
- Consists of:
 - Job analysis
 - Sourcing
 - Screening and selection

Onboarding

- Integrating new employees into a business by familiarizing them with business' policies, organizational culture, and their role within the business.
- Employee orientation



HR'S basic functions: Employee Development & Employee Benefits



Employee Development

- Oversees all the efforts aimed at improving personal, teams, and organizational effectiveness to support a business' mission and goals
- Also known as talent management

Employee Benefits

- Employee benefits consists of benefits such as health insurance, health care flexible accounts, vacation, sick time, family leave, and retirement accounts that a business offers to its employees.
- Attracts top talent



HR'S basic functions: Employee Compensation & Employee Labor and Relations



Employee Compensation

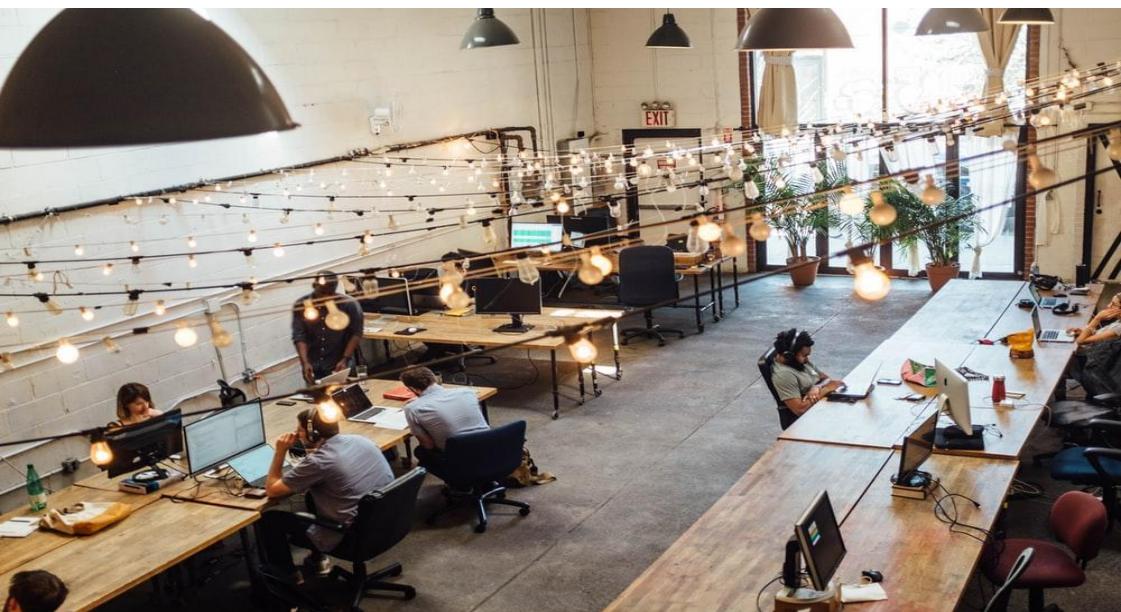
- Employee compensation oversees the pay range for a job position. Every job at a business has a range, usually set by HR, from which employees get paid from.

Employee Labor and Relations

- Employee labor and relations consists of several activities such as drawing contracts, overseeing details about what can be offered to candidates.
- Enforcement of the code of conduct, business policies , etc.



HR'S basic functions: Compliance & Information and Payroll



Compliance

- Compliance requires that a business meets all the applicable employment laws.
- HR does this by observing that laws are followed

Information and Payroll

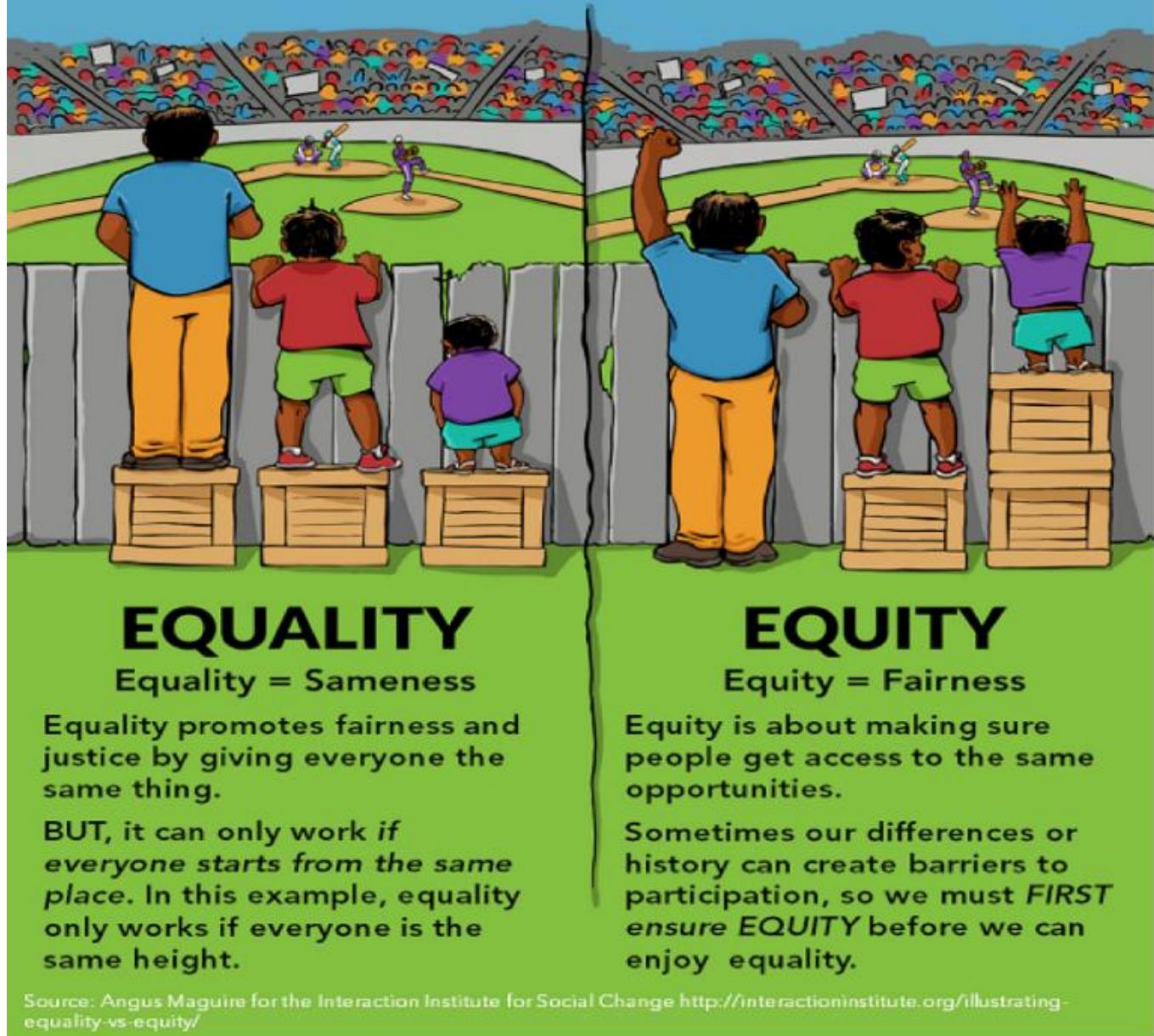
- HR collects and analyzes information about the overall working environment
 - Upgrade facilities
 - Necessary equipment
 - Software investment
- HR oversees employees receiving their salaries, reconciles payroll data, and reports labor taxes.



**Equity,
Equality,
Diversity, and
Inclusion**



**Equity refers to fairness
Equality refers to equal
rights and equal
opportunities for all.**



Workplace diversity is about all the differences between individuals in a business

“The collective mixture of differences and similarities that includes for example, individual and organizational characteristics, values, beliefs, experiences, backgrounds, preferences, and behaviors” Society for Human Resources Management (SHRM)



Inclusion

Involves creating an environment where all individuals feel valued, respected, and able to contribute fully.

“The achievement of a work environment in which all individuals are treated fairly and respectfully, have equal access to opportunities and resources, and can contribute fully to the organization’s success” (SHRM)

Let's reflect and share: what are the benefits that diversity and inclusion bring to workplaces?



Key Metrics When Managing the HR Function

1. Benefits as a percentage of salary.

- **Base salary:** \$40,000
- **Benefits:** \$8,000 (health insurance, retirement, etc.)
- **Benefits % of salary:**

$$\frac{8,000}{40,000} \times 100 = 20\%$$

2. Cost per hire.

This represents the costs involved in hiring a new employee.

Total hiring costs: \$4,000

- **Job advertising:** \$1,000
- **Recruitment agency fees:** \$2,000
- **Interviewing costs (time, travel, etc.):** \$500
- **Onboarding and training:** \$500

$$\text{Cost Per Hire} = \frac{\text{Total Hiring Costs}}{\text{Number of Hires}}$$

$$\text{Cost Per Hire} = \frac{4,000}{2} = 2,000$$

Suppose the company hired 2 employees.

3. Turnover rate

The annual overall turnover rate is the rate at which people are hired and quit during the year

- Number of employees at the start of the year: 50
- Number of employees who left during the year: 5

$$\text{Turnover Rate (\%)} = \frac{\text{Number of Employees Who Left}}{\text{Average Number of Employees}} \times 100$$

$$\text{Turnover Rate} = \frac{5}{49} \times 100 \approx 10.2\%$$



What do you
think all these
businesses
have in
common?





CISCO — 93% of employees say it is a great place to work!



Hilton — 92% of employees feel a sense of pride in what they accomplish



Salesforce — 93% of employees say they are proud to tell others they work there



DHL — 93% of employees say it is a great place to work





In summary, the best companies to work for:

- Put people first,
- Help workers find and pursue their passions,
- Bring people together on a personal level,
- Empower people to own their work, and
- Provide spaces where people can be themselves.



Your CV is your professional story on paper—it's the first impression that opens doors to opportunities.

Our student clubs are hiring...



First year — a time of bold beginnings 🎓 and big ambitions ✨!

The Young Marketers Student Club is looking for those who are ready to challenge the ordinary 💡, think one step ahead 🧠, and turn ideas into real projects 🚀. With us, you'll boost your creativity 🎨, learn teamwork 🤝, and transform daring ideas into measurable results 📈.

👉 Want to be part of the team? Send your CV now — show us that YOU are the next member of our club!

youngmarketeers.manas@gmail.com

<https://www.instagram.com/marketers.kg/>

Our student clubs are hiring...



First year — a time to dream big and create the future !

The **Manas E-Lab** is looking for students who are ready to innovate , think outside the box , and turn bold ideas into real-world projects .

Join us to sharpen your entrepreneurial skills , explore sustainable solutions , and bring your creative visions to life .

Ready to be part of the innovation hub? Send your CV now to **+996 555 332 217** and show us that YOU are the next member of Manas E-Lab!

https://www.instagram.com/elab_kg/

Assignment 1. - This is an individual assignment

1.1. Create Your First Resume

- The purpose of this assignment is to have students create or improve their resumes.

Instructions

- Craft your first resume.
- If you already have a resume, do an online search for how to improve resumes, and apply your research to your existing resume.

Assignment 1. - This is an individual assignment

1.2. Detecting the Necessary Keywords and Requirements for a Job

1.2.1. The students' community "**Young Marketeers Club**"

1.2.2. The students' community "**E-Lab**" is hiring

Job Description: members of the student clubs at Manas University

1.2.2. Make search about these clubs, read and compare the job description to your resume, paying special attention to the job requirements. Send your CV to one of the clubs.

2.2.3. Please save your assignment using your student number and submit it as a single file in either Word or PDF format through the WhatsApp group by **October 14th (17:00) at the latest.**

