Human Resource Management Semester Notes

Week 1

What is HRM?

The focus of HRM is on managing people within the employer-employee relationship. It involves the productive use of people in achieving the organisation's strategic business objectives and the satisfaction of individual employee needs.

'Activities undertaken to attract, develop and retain an effective workforce within an organisation'.

HRM activities

- SHRM
- HR planning
- Job Analysis/Design
- Recruitment & Selection
- Orientation, Training & Development
- Performance appraisal/management
- Remuneration & Benefits
- Work/Life Balance Initiatives
- Industrial Relations
- O/WHS

What are 'human resources'?

The 'human resources' of an organisation consist of the workers (or labour) who perform its tasks, activities, functions in exchange for wages, salaries, benefits. Includes full-time, part-time and casual employees, labour hire employees, in/dependent contractors.

Employees = value

HRM & Management

HRM is that part of management dealing directly with people, whereas management also includes marketing, operations management, research & development, accounting & finance.

- Line managers decide what work will be done' supervise those who perform the operations of the firm.
- Staff (human resource) managers advise & services to line managers on most effective & efficient means to perform (HR – related) work & achieving objectives.

HR & Managers – A Partnership

Objectives of HRM:

1. Improve Profitability/Productivity
2. Improve Quality of Work life, QWL
3. Ensure Legal Compliance

To Improve Quality of Work Life, QWL

QWL programs represent a comprehensive effort to improve the quality of the work environment by integrating employee wellbeing with the organisation's need for higher productivity.

To Ensure Legal Compliance

- EEO
- Pay/benefits
- Workplace/employee relations
- OHS

To Improve Profitability

- Cost reduction
- Revenue growth

Cost Reduction

1. Downsizing – it's back!
2. Reduce labour turnover
3. Reduce absenteeism
4. Reduce occupational health & safety costs

Downsizing/rightsizing

Systematic reduction of large numbers of workers & managers ('delayering')

- 1986-97: 3.3m workers retrenched (2m blue collar)
- Mid 1990s: managers targeted

Evaluating HRM

- Demonstrate the costs associated with the mismanagement of HRs (e.g. controllable turnover & absenteeism costs)
- Demonstrate the benefits & return on investment associated with good HRM practices.

Changing Roles of HR

- Historically, line managers performed HR activities

- 1970/80s HR centralized & acquired more of line managers responsibilities
- Late 1980s, HR decentralized, devolving HR responsibilities to line managers
- 1990s, outsource and/or automate ('self-service') HR "administrivia" e.g. payroll administration, training, R&S) HR specialists focus on value-adding & strategic function

The role of the HR manager today (theoretically at least!)

- Strategic partner
- Administrative expert
- Employee champion
- Change agent

New Ways to Organize the HR Function

1. Transactional
2. Corporate
3. Embedded
4. Centers of expertise

Strategic HRM

- Linking HRM with strategic goals.

Week 2

No lecture due to public holiday

Week 3

Strategic HRM

The process of linking HR practices to strategic goals/strategy.

Strategy – Greek word 'strategies'

- A general's grand design behind a war or battle
- 'The art of a commander in chief', 'the art of projecting & directing the larger miliary movements and operations of a campaign.

What is strategy?

Defines the direction in which an organisation intends to move and establishes the framework for action through which it intends to get there.

Strategic management is the process for analyzing an organisation's competitive situation, developing strategic goals, and devising an action plan and allocating resources to achieve those goals.

1. Growth

Expand by

- Building on existing strengths
- Moving into new or unrelated areas of business

2. Retrenchment

Improve performance by

- Selling or shutting down all or part of business operations, liquidation/divestment
- Downsizing

Overwhelming strategy adopted by firms today.

Professor Michael Porter (generic) business strategies

1. Differentiation strategy: develop products or services different from your competitors enabling you to charge a premium price.
2. Cost leadership strategy: attempt to gain competitive advantage by being the lowest cost producer.

Internal environment

What are our strengths?	What are our weaknesses?
Skilled workforce	High labour costs
Superior quality products	Poor industrial relations
Financial strength	Reputation for poor customer service
Excellent research & development	Management succession problems
	Lack of international marketing expertise

External environment

What are our opportunities?	What are our threats?
New markets in Asia	Increased government regulation
Low inflation	High taxation
Weak competition	Domestic shortages of skilled labour
Decentralisation of industrial relations	Rising costs of imported raw materials

SWOT

- Strength – productive organisation culture, low labour costs, extensive flexibility/development opportunities

- Weakness – poor work conditions, high labour costs, poor IR climate/managers, 'poisonous'/destructive work culture
- Opportunities – new labour market (globalization)/customer market, skills surplus (high unemployment rates)
- Threats – government/legislative change affecting employment, competitor/industry wages rates, competitors' technological innovation, labour shortages.

- Occupations on the SOL (Schedule 1) from 1 July 2012.
- The updated SOL comprises 192 high value occupations, as listed at http://www.immi.gov.au/skilled/-pdf/updated-sol.pdf.

Skill Shortages

- Construction Project Manager
- Project Builder
- Engineering Manager
- Production Manager (mining)
- Child Care Centre Manager
- Medical Administrator
- Nursing Clinical Director
- Primary Health Organisation Manager
- Welfare Centre Manager
- Accountant (General)
- Management Accountant
- Taxation Accountant
- External Auditor
- Internal Auditor
- Actuary
- Land Economist
- Valuer

External influences

Political/Legal (interrelated)

E.g. ALP and new IR legislation (Fair Work Act) of Federal Coalition, WRA Act, Work Choices legislation

http://www.fairwork.gov.au/employment/national-employment-standards/pages/default.aspx

Complex: bullying now subject of Federal & state anti-discrimination/EO laws, State Work Health & Safety Act, Fair Work Commission (Fair Work Laws).

Demographics

The nature of labour market in terms of numbers, geographical distribution, age, sex, literacy, skill & education levels.

Australia

- 22.3m (2010) – 24.9 to 33.4m (2051)
- 11.5m in work (32% PT; 40% 45+; 46% female)
- 2.5m (1/5) professionals (HE qualification); accounts for 70% of job growth (+ associate professionals, tradespersons, managers)

What does not work

The 'pipeline theory' that says gender balance will be achieved over time now that there are more women entering the workforce & moving into more senior roles

- Formal talent management programs that ignore gender
- A focus on promoting 'meritocracy'
- Asking women to 'learn in' more
- Gender conscious initiatives such as targeted recruitment programs and women's leadership development
- Fixing the culture by moving away from the 'deficit model'
- Sponsoring rather than mentoring
- Addressing bias of all kinds (un/conscious, individual, organisational)
- Targets/public accountability as well as a dedicated diversity function
- Adopting a broader, more gender inclusive (and effective) definition of leadership capability.

Cultural Diversity

25% of people in workforce born outside Australia (UK, NZ, Italy, China, Vietnam, Greece, India, Philippines + 160 other countries).

Migrant labour force participation rate: Men 84%, women 59%

Management: 6%, Association/Professional: 32%, trade: 12%, Clerical, sales, service: 28%, production/transport: 10%, labourers: 11%

Multi-cultural work practices, practices that don't discriminate.

Australian Migration Program

46% permanent arrivals are skilled

31% Europe, 18% SE Asia, 16% S/NE Asia/Africa

26% family members, 0% humanitarian

Social Diversity

Changing values & attitudes re: dress, work, minorities, union, management, status, rewards, job security, quality of life, employees' privacy, sex roles & gay rights affect HRM.

Generation Y (1980-1994)

- More assertive, with a 'can-do attitude', 'optimistic', think & act as if they can always get work
- Still not married +/- live at home
- Pick & choose where/when they work, especially if skilled; difficult to retain
- Stereotyped as 'impatient', don't want to pay their dues cf baby boomers (1946-1964)

Baby Boomers

- One of five or six children in a family. Learned about hierarchy, 'waiting your turn'.
- Committed to marriage, mortgage & children by 25 as young workers they're concerned about maintaining their income.
- Now in managerial positions dealing with 'flighty Ys'. How do you hold workers without "anchors"?

Downshifters, sea changers, cultural creatives...'getting a life'

'Changing voluntarily to a less demanding work schedule in order to enjoy life more'.

- Voluntary long-term changes in lifestyle
    - Significantly less income & consume less
- Blue-white-collar workers, men & women, with/without children, 30-60
- 1/5 adult Australians may choose to downshift to simpler lifestyles on less income

HR concessions (?)

- Telecommuting
- Job-sharing
- Part-time work
- Flexitime
- The condensed work week
- Sabbaticals

Competition

- Changed strategies, e.g. downsizing
- IR reform, e.g. link improvements in wages to improvements in productivity

Internal environment

Organisational culture represents the values, beliefs, assumptions & symbols that define the way the organisation conducts its business.

<u>Week 4 </u>- *Human Resource Planning, HRP*

What is HR Planning?

An activity carried out to ensure a match between the knowledge, skills & abilities the organisation will need in the future and those it will have available.

- The purpose is to ensure that a predetermined number of persons with the correct skills are available at a specified time in the future.

*If you don't p*lan…

Surplus of employees

- Layoff staff
  "Shedding staff is expensive. First, there is the cost of redundancies and… the cost of rehiring and retraining when you turn the corner… The cost of large scale slash and burn… is negative. It lowers service standards right at the exact time when your loyal customers have most incentive to try out the competition"
  Shortage of employees
- Overtime, casual employees, immigration

Why its important to plan

The Australian market for un/skilled labour is shrinking

- Until recently, 14 years of economic growth
- Ageing workforce (37% >45)
- Baby boomers retiring (or about to)
- Public sector: 25% of all public service employees will be eligible for retirement by 2010 (Australian National Audit Office, 2005)

Labour shortages

- Difference in work attitudes between baby boomers and generation X&Y.

What is the Skilled Occupation List?

If you wish to apply for any General Skilled Migration visa, you must nominate an occupation which is on the Skilled Occupation List (SOL) at the time you lodge your application.

The Skilled Occupation List details:

- The number of points awarded for each occupation

- The name and address of the Australian organisation approved to assess a person's skills and/or qualification for migration purposes for each occupation.

What is a 'skilled occupation' for migration?

For most General Skilled Migration visas, you will satisfy the 'skilled occupation' requirement if you have the skills and/or qualifications of an occupation on the Skilled Occupation List.

- Professionals and other Skilled Migrants
- Business People
- Specialist Entry
- Doctors and Nurses
- Regional Employment
- Skills Australia Needs Expos
- Air and Sea Crew
- Pacific Seasonal Worker

Globalisation

Increase in the movement of skilled labour around the world

- 'a brain drain' e.g. 70% of 1 million Chinese studied o/s between 1978-2006 did not return
- Labour shortage, competition between organisations and nations

HR Planning process

1. Assess demand for & supply of, human resources
2. Develop HR objectives
3. Design & implement program
4. Control and evaluation

Step 1. Assess demand for, & supply of, human resources

Approaches to HRP

The Quantitative Approach see employees as numerical entities and groups them according to age, sex, experience, skills, qualification, job level, pay, performance rating or some other means of classification.

Trend Projection/time series analysis predictions work by projecting trends of the past and present into the future.

Econometric Modelling/Multiple Predictive Techniques involve building complex computer models to simulate future events based on probabilities and multiple assumptions.

The Quantitative Approach uses expert opinion to predict the future.

Delphi Technique a panel of experts make independent anonymous predications in answer to questions relating to HR planning.

Forecast HR Availability (Supply)

Present employees who can be promoted, transferred, demoted, developed or exited make up the internal supply.

Turnover Analysis

Labour turnover rates from past years are the best source of this information for most organisations.

- A detailed analysis of why people leave the organisation is essential if meaningful information is to be obtained.

Skills Inventory

- *Identify qualified employees for different jobs*
- *Determine which skills are present or lacking in the organisation*
- *Assess longer term recruitment, selection & training & development requirements*

Replacement Charts

Replacement Charts summarise this information in visual form for key managers so they can easily identify both the present incumbents (or lack of) for given positions.

Succession Planning

Fill development vacancies

- Development of high potential employees; LT view of HR needs

Forecast the external availability of HRs

The labour (pool) market is a pool of skills and abilities that can be tapped as a need arises. Effective planning must include important changes in the composition of the workforce.

Several government bodies regularly f/c the supply of labour and make estimates of available workers in general jobs and demographic categories.

Step 2. Develop HR Objectives

Reconcile demand and supply forecasts, and develop HRP objectives (target).

Step 3. Design/implement program

Outsourcing

Outsourcing is another organisation performs activities previously performed in house (cheaper or don't have access to expertise).

IBM

Employees who would otherwise face layoff from their North American jobs at IBM are being given the chance to work abroad 'Project Match'.

- Argentina, Brazil, China, Czech Republic, Hungary, Mexico, Poland, Romania, Slovakia, Slovenia, South Africa, Turkey & UAE.
- "Satisfactory performers' who are "willing to work on local terms and conditions"
- Moving costs and provide visa assistance

Step 4. Evaluate Program Effectiveness

Matching workforce supply with demand: An industry case example

Demand

Increasing demand (24/7)

- Population demographics e.g. growth especially QLD, WA
  - 23-24m (2021); 24-27m (2031)
- Aging, consumer expectations, medico-legal factors, health status (environmental/lifestyle factors)
- Government health initiatives (e.g. screening programs)
- Technological advancements (e.g. PET, MRI, teleradiology)
  - Medical imaging utilization rates.

<u>Week 5</u> - *Human Resource Management & the Law*

HRM & the Law

HR specialists/managers manage people within the employer-employee relationship

Sources of legal obligations

1. Contracts

A contract will exist between the employer and employee in most situations of employment

This can be either:

a) Formal: a written document signed by both parties
b) Informal: an oral agreement

2. Statutes

State and Federal governments have legislated to prescribe minimum conditions of employment which apply despite any express provision in the contract.

- Racial Discrimination Act 1975
- Sex Discrimination Act 1984
- Human Right & Equal Opportunity Commission Act 1986
- Disability Discrimination Act 1992
- The Workplace Gender Equality Act 2012 (formerly Equal Opportunity for Women in the Workplace Act 1999)
- Fair Work Act 2009'
- Age Discrimination Act 2004
- SA Equal Opportunity Act 1984
- Racial Vilification Act 1996 (SA)
- Wrongs Act 1936 (SA)
- Industrial and Employee Relations Act 1994 (SA)

3. Awards

Historically, the primary source of employment obligations for most Australian employees & employers.

- The Workplace Relations Act 1996 (Commonwealth) lessened the importance of awards, as employment relationships become governed by certified agreements (made between an employer and a group of employees or a union) or Australian workplace agreements (made between an employer and employee)
- Fair Work Act 2009

4. Common Law

'Case Law' which has developed in the courts. The body of previous judgements guide how we interpret other sources of legal obligations.

Employer's Duties and Obligations to Employees

1. To pay employees wages and reasonable expenses incurred in the course of the employment
2. To provide work in the circumstances where payment is directly tied to performance.
3. To take reasonable care for the health and safety of the employees
4. To indemnify an employee for losses incurred by the employer while performing duties during the courses of their employment
5. To give employees reasonable notice of termination of employment

Employee's Duties and Obligations to Employer's

1. A duty to work in a skillful and competent manner
2. A duty to obey the employer's lawful demands
3. A duty to provide faithful service, which includes a prohibition on disclosing confidential information, a duty to account for & protect the employer's property and a duty to give complete attention to performing the work. The benefit of discoveries or inventions developed by employees during the course of their employment must be given to the employer.
4. To cooperate with their employer.
5. To display good conduct at all times.

Equal Employment Opportunity (EEO)

A situation in which employees have equal access to employment and its benefits

Discrimination

Make a distinction between individuals or groups so as to disadvantage some and advantage others.

Unlawful relation to certain activities:

- Access to public education
- The provision of goods and services
- Access to facilities and accommodation
- Access to join clubs
- Access to equal treatment in employment, EEO

Unlawful Discrimination

Workplace decisions about people made on criteria irrelevant to the reasonable performance of their work.

Anti-discrimination legislation prohibits discrimination in all aspects of employment including:

- Recruitment and selection
- Terms and conditions of employment
- Training and development
- Promotion and transfer
- Termination

Direct Discrimination: Treatment of a person or group less favourably than another person or group in similar circumstances. Example: An employer dismisses a female purely on the basis of her gender.

Indirect discrimination: A practice which appears inoffensive but which produces a result in which a person or group is disadvantaged. Example: A company make promotion dependent upon 5 years continuous service. This disadvantages women who may be more likely to take time off to have children.

NSW Anti-discrimination legislation

Illegal to discriminate in employment on basis of 'carer's* responsibilties'.

- Unilaterally change start/finish times such that it is difficult for employees to arrange childcare.
- Refuse reasonable request to work from home, work part time
- Fail to employ because applicant wanted flexible arrangements because of carer's responsibilities
- Discriminate against employee because need time off to car for sick family member

*children, de facto spouses, parents

Fair Work Act 2009

The Right to request entitles an eligible employee* to request a change in their working arrangements to "assist the employee to care for [a] child".

- Hours of work, patterns of work and location of work

*a parent or a person who has responsibility for the care of a child who is under school age or is under 18 & has a disability.

- Genuine Occupational Requirements – permits a decision not to employ a person because it would be difficult for the person to perform the work.
- Reasonable adjustment – refers to the changes to work processes/physical environment which an employer must make to enable the employment of a disabled person
- Unjustifiable hardship – an employer must show that it would be an unreasonably imposed upon if forced to alter work processes/environments

BAE Systems Australia

Granted a 3 year exemption from racial discrimination laws in order to comply with tight United States security requirements.

- To resent employees with dual-nationality of certain "proscribed nations" from working on some top secrete Defence projects.
- Under US guidelines, citizens of countries (Iran, Syria, China, and Sudan) cannot have access to some information.

To find out if someone has been unlawfully discriminated against, compare how the person in the EEO category is treated in the same circumstances.

If the person from the EEO category is treated less favourably may claim to have been unlawfully discriminated against.

Making & Responsibility to a Complaint

1. Initial inquiries

EEO Commission (SA) confirms there is a complaint OR advises complaint incident is not covered & why.

2. Investigation

Compliant unsupported by evidence and declined OR if discrimination is proved, conciliation will commence.

3. Conciliation (finding a private, agreed settlement)

Settlement is not reached and hearing before relevant tribunal is set down OR settlement is agreed and complaint closed.

4. Hearing

Equal Opportunity Tribunal finds discrimination occurred and makes determination OR tribunal dismisses complaint.

Intent is not relevant. The intention of the person/employer discriminating is irrelevant.

Need not be calculated, intentional or even conscious to be unlawful – it can result from entrenched beliefs, norms and attitudes.

Vicarious Liability

A person claiming they have been unlawfully discriminated against by an employee of an organisation can make a complaint against the employee and the organisation jointly and severally.

Steps to try to reduce their vicarious liability:

- Having a sated policy that they will not discriminate on any grounds covered by the legislation in employment, provision of services, etc.
- Training supervisors and managers so that they understand the range of grounds covered and the types of behaviours and decisions that are lawful.
- Training employees in their rights and responsibilities under legislation
- Having an appropriate procedure for dealing with complaints from employees who feel they may have been/are being discriminated against so that they can rectify the situation at the lowest level possible or take appropriate action such as training or disciplining employees who practice discrimination or harassment.

- Having audited their policies, practices and procedures to ensure that they don't directly/indirectly discriminate against people in the EEO categories.

Harassment

Is a particular form of discrimination and sexual harassment is prohibited under anti-discrimination.

Sexual Harassment

Physical, visual, verbal or non-verbal behaviour of a sexual nature that in uninvited and unwelcome and that adversely affects a person's employment.

Sexual harassment may take the following forms:

- Quid pro quo harassment in which a person is required to accept or perform sexual behaviour to gain an employment benefit.
- Harassment which creates a sexually permeated or hostile work environment (e.g. display of sexually explicit material, constant discussion of sexual matters).
- Criminal behaviour (e.g. sexual assault or obscene communication).

Categories of sexual harassment

- Wolf whistles
- Suggestive looks or leers
- Pushing, shoving, jostling
- Unnecessary leaning over someone
- Displaying pornographic material
- Offensive jokes
- Offensive body gestures
- Repeated unwelcome invitations
- Programming suggestive material into computers
- Brushing up against a person
- Questioning about a person's private life

Employer's Responsibility to prevent sexual harassment

- The more development and dissemination of a sexual harassment policy is usually not regarded as satisfying the employer's responsibility to prevent sexual harassment
- Employers need to ensure that employees are properly advised of expected behaviour and to ensure that employees are properly supervised to minimize the likelihood of sexually harassing behaviour occurring.

Week 6 – no lecture

– job Analysis, Job Design & Quality of Work Life

Defining Job Analysis

The process by which jobs are examined to determine what tasks, duties and responsibilities they include, their relationships to other jobs, the conditions under which work is performed and KSAOCs required for satisfactory performance.

Reasons for Job Analysis and relation to other HRM functions

- HR Planning
- Recruitment and Selection
- Orientation
- Training & Development
- Performance Appraisal
- Job evaluation and Salary and benefits
- W/OHS
- IR

Job description and person (job) specifications

- Job specification is derived from the job description. It identifies the knowledge, skills, abilities and other requirements needed to successfully perform the job.
- Job description: a written statement explaining why a job exists, what the job-holder actually does, how he or she does it, and under what conditions and to what standards the job is performed.

ANZ SCO – Australian and New Zealand Standard Classification of Occupations

Classification system that provides for the standardized collection, analysis and dissemination of occupation data replaces the former Australian Standard Classification of Occupations (ASCO).

Major Groups based on skill level and skill specialization

The five skill levels in ANZSCO are defined in terms of formal education and training, previous experience and OTJ training.

Skill Level 1: Occupations at Skill Level 1 have a level of skill commensurate with a bachelor degree or higher qualification. At least 5 years of relevant experience may substitute for the formal qualification. In some instances relevant experience and/or OTJ-training may be required too.

Skill Level 2: Occupations at Skill Level 2 have a level of skill commensurate with AQF Associate Degree, Advanced Diploma or Diploma. At least 3 years of relevant experience may substitute for the formal qualifications listed above. In some instances relevant experience and/or OTJ-training may be required too.

Skill Level 3: Occupations have a level of skill commensurate with one of the following:

- AQF Certificate IV or
- AQF Certificate III including at least two years of OTJ-training. At least 3 years of relevant experience may substitute for the formal qualifications listed above. In some instances relevant experience and/or OTJ-training may be required too.

Skill Level 4: Occupations 4 have a level of skill commensurate with AQF Certificate II or III. At least one year of relevant experience may substitute for the formal qualifications listed above. In some instances relevant experience may be required too.

Skill Level 5: Occupations have a level of skill commensurate with

- AQF Certificate I or
- Compulsory secondary education
- For some occupations a short period of OTJ-training may be required in addition to or instead of the formal qualification. In some instances, no formal qualifications or OTJ-training may be required.
- Managers (1 or 2, Advanced Diploma/Diploma)
- Professionals (1, Bachelor or higher)
- Technicians and trades (3, Certificate III or IV)
- Community and personal services workers (4, Certificate II or III)
- Clerical & admin workers
- Sales
- Machinery operators and drivers (5, Certificate I or secondary education)
- Labourers (5, Certificate 1 or secondary education)

Job descriptions usually contain the following

- Job title
- Identification: company name, department/location, reporting relationships, supervision, direct subordinates
- Job CONTENT: duties/tasks, frequency, relative importance, equipment/methods, scope of responsibility
- Performance standards: physical and psychological characteristics required for an individual to do the job (person specification).

Conducting a Job Analysis

- Methods of job analysis
- Sources of job analysis information
    - Supervisors
    - HR specialists/Job analyst

- Job incumbents
- External consultants
- Data collection methods

Occupational Analysis

Process which identifies and classifies work done by individuals and groups within trades and occupations

Establishes what is actually done and how long it takes; enables managers to know what is taking up the most or least time.

- Navy Electronic and Marine Technician
- Army Linguist Army Psychology Examiner
- Physical Training Instructors
- ADF Communication and IS Operators
- ADF Electronic Warfare
- ADF Aviation Technical Trades
- ADF Clerical and Administrative trades
- ADF Nurses

2 part process: the initial step being the formulation of a task list. The list forms the basis for the questionnaire. Small working group meetings occurred in Townsville (18-19 August 2009), Brisbane (27-28 August 2009) and Sydney (1-2 September 2009) where a sample of nursing officers from the reserve and permanent Force met with DSPPR to establish:

- Who's doing what
- Where and
- How long they spend doing it

The final component is online survey, distributed by email to all active reserve and permanent members in October. The survey will be open for a 4 week period and will take about 2 hours to complete.

Job design

The specification of the content of a job, the material and equipment required to do the job, and the relation of the job to other jobs.

Job redesign

Changing the way work is performed in existing jobs.

Quality of Work Life

QWL programs represent a comprehensive effort to improve the quality of the work environment, by integrating employees wellbeing with the organisation's need for higher productivity.

METHODS of Job Re/design

- Job specialization/simplification
- Job enlargement
- Job rotation
- Job enrichment

Flexible Work Arrangements*

- Compressed workweek
- 48/52 arrangement (purchased leave)
- Flexitime
- Job sharing/Part-or fractional time
- Telecommuting
- Flexible leave options (use of SL to attend to carer responsibilities)
- Provision of/subsidized child care
- Transition to retirement – e.g. educing hours progressively over a period of time
- Career, study or community participation breaks

*work arrangements varying from traditional M-F 9-5, i.e. standard hours or days, or location of work on a temporary or LT basis.

Benefits of work/life balance

- Reduced staff turnover/recruitment costs
- Reduced absenteeism
- Increase return rates from parental leave, more rapid return
- Easier to attract and retain employees
- Improved employee satisfaction, loyalty and morale.

NSW Anti-discrimination legislation

Illegal to discriminate in employment on basis of 'carer* responsibilities'

Employers face liability if

- Unilaterally change start/finish times such that it is difficult for employees to arrange childcare
- Refuse reasonable request to work from home, work/part time
- Fail to employ because applicant wanted flexible arrangements because of carer's responsibilities
- Discriminate against employee because need tim off to care for sick family member

*children, de facto spouses, parents

Fair Work Act 2009

Requests for flexible working arrangements

Employee may request change in working arrangements

1) An employee who is a parent, or has responsibility for the care, of a child may request the employer for a change in working arrangements to assist the employee to care for the child if the child:
   a) Is under school age; or
   b) Is under 18 and has a disability

Examples of changes in working arrangements include changes in hours of work, changes in patterns of work and changes in location of work.

Agreeing to the request:

4) The employer must give the employee a written response to the request within 21 days, stating whether the employer grants or refuses the request

5) The employer may refuse the request only on reasonable business grounds

6) If the employer refuses the request, the written response under subsection 4) must include detail of the reasons for the refusal.

66 state and territory laws that are not excluded:

This Act is not intended to apply to the exclusion of laws of a Sate or Territory that provide employee entitlements in relation to flexible working arrangements, to the extent that those entitlements are more beneficial to employees than the entitlements under this Division.

- To increase the number of employees who can ask for flexible working arrangements to all workers who have care responsibilities, those over 55, workers with a disability, or anyone who is experiencing domestic violence to also be able to ask for more flexibility from their employers.
- The Equal Opportunity for Women in the Workplace Act 1999 (EOWW Act) has been renamed the Workplace Gender Equality Act 2012 (WGE Act) to put a focus on promoting and improving gender equality and outcomes for both women and men in the workplace.
- The Equal Opportunity for Women in the Workplace Agency has been renamed the Workplace Gender Equality Agency (Agency).

Objects of the Workplace Gender Equality Act 2012

- Promote and improve gender equality (including equal remuneration between women and men) in employment and in the workplace.
- Support employers to remove barriers to the full and equal participation of women in the workforce, in recognition of the disadvantaged position of women in relation to employment matters.
- Promote, amongst employers, the elimination of discrimination on the basis of gender in relation to employment matters (including in relation to family and caring responsibilities).
- Foster workplace consultation between employers & employees on issues concerning gender equality in employment and in the workplace
- Improve the productivity and competitiveness of Australian business through the advancement of gender equality in employment and in the workplace.

Workplace Gender Equality Act 2012

Broadening the focus of gender equality at work to include men has the potential to broker major change in this area. These reforms will assist Australian employers to deliver better outcomes for both women and men in their workplaces, while also generating productivity benefits in their own organisations.

Week 8 – Recruitment Strategies

Recruitment: the process of locating and attracting qualified candidates for job vacancies within an organisation.

Sources of Recruitment

Internal: seeks applicants for positions from among the ranks of those currently employed.

External: entry-level positions, or positions which canot be filled internally.

Recruitment - Internal sources

Advantages	**Disadvantages**
Organisation has more knowledge of the candidate's	Inbreeding can stifle creating and innovation
Candidate already knows the organisation	Employee infighting for promotion can affect morale
Employee morale and motivation is enhanced	Excellent training and development programs are necessary
Organisation's return on investment in training and development is increased	
Can generate a succession of promotions	
Organisation needs to hire only entry-level candidates	

Recruitment – External Sources

Advantages	Disadvantages
The pool of talent is bigger	Attracting and selecting a new employee is more expensive
New insights, skills & know-how can be introduced into the organisation	New employee adjustment and orientation takes longer
Outside employees are not members of existing cliques	Morale may suffer among existing employees who have been passed over
	An employee may be selected whose performance is below the standard required or whose personality does not match with the organisation's culture.

Recruitment Methods

Internal methods:

- Computerised record systems (HRIS)
- Job posting via bulletin boards (including electronic ones)
- Referrals
- Replacement charts/succession plans

External methods:

- Advertising (including internet advertising)
- Employment agencies (including Job Services Australia)
- Recruiting consultants (e.g. Manpower, Drake)
- Executive search firms (e.g. Korn Ferry, Heidrick & Struggles)
- Educational institutions
- Unsolicited applications
- Professional associations

Job Search Strategies

- Advertisement on the internet – 24.1%
- Family or friends – 14.4%
- University or college careers services – 12.8%
- Approached employer directly – 9.1%
- Other – 8%
- Work contacts or networks – 6.4%
- Approached by an employer – 7%
- Careers fair or information session – 6.2%

- Other university source (e.g. faculties/lecturers) – 5.3%
- Advertisement in a newspaper (other print media) – 2.4%
- Employment agency – 2.9%
- Via resume posted on the internet – 1.4%

Employment branding

Promoting the image of a company as a god employer to create a favourable impression with potential applicants, e.g. career development opportunities (training, promotion opportunities), fringe benefits (e.g. flexibility).

<u>Week 9:</u> Employee Selection

Define Selection

Selection: identify from the pool of applicants the candidate/s who should be hired.

The Cost of a Poor Selection Decision

In/direct costs

- Employee may not complete probationary period
- Re-advertising costs
- Panel time and effort, including HR staff time & effort

Selection Methods

Commonly used in Australia	**Uncommon, or never used in Australia**
Interviews	Handwriting analysis
Application forms	Astrology
References	
Personality tests	
Cognitive tests	
Assessment centres	

Application Forms

- Identify suitably qualified/experienced candidates
  - Employment history
- Equal opportunity law and questions asked

Interview

Objective: to gather information from the interviewee's responses upon which to base a prediction of future job performance.

- Most commonly used selection method in Austraila

Interviews

- Number of interviewers – e.g. panel v.s. single
- Length of interview
- Number of interviews
- Structure of interview

Unstructured interview

Characterized by open-ended questions, but may not necessarily relate to, or be based on the job to be filled, e.g. "Tell me about yourself" "What are your strengths and weaknesses"?

Structured Interview

Ask the same questions of all candidates in the same order

Structured interviews require preparation

- Job analysis
- Rating importance of job duties
- Developing questions
- Developing sample answers
- Forming an interview panel

Conducting the interview

- Plan
- Establish rapport
- Ask questions
- Allow time for interviewee's questions
- Review notes

Google

You are shrunk to the height of a nickel and thrown into a blender. Your mass is reduced so that your density is the same as usual. The blades start moving in 60 seconds. What do you do?

Jump out of the jar!

If you were shrunk to 1/10 your present height, your muscles would be only 1/100 as powerful – but you'd weight a mere 1/1000 as much. All else being equal, small creatures are "stronger" in lifting their bodies against gravity. Were you shrunk to nickel size, you'd be strong enough to leap like Superman, right out of the blender.

How do you measure talent for invention?

Creative-thinking questions: test the type of mental processes used in inventing a new product

- The blender riddle encapsulates the process of inventing a new product. You begin by brainstorming. There are many possible answers, and you shouldn't be in a hurry to settle for the first idea that seems "good enough".

Behavourial/Situational Interview

Require applicants to describe how they have behaved in the past/situation.

Premise: "You can predict future performance on the basis of past performance".

Results oriented

'Give me an example where you achieved your goals, against all odds?'

What were the challenges? How did you overcome them?

Team player – describe an occasion where you decided to involve others in making a decision. Why did you? To what extent did you use their impetus? What happened?

Problem solving

Describe a problem you've been asked to solve. What did you do? What alternatives did you consider? Did you succeed or fail?

Good leader

…specific examples that proves you are a good leader

…an example where your leadership made the difference between success or failure in a specific instance.

Interviews

Confirm/reject information on the application form BUT… the selection interview is a subjective process and prone to:

- Bias
- Stereotypes
- Initial impressions
- Poor memory

Reference/background check

Positive information given only

Selection Testing

Validity

Accuracy with which a test measures what it purports to measure.

- Criterion validity

Those do well on test also do well OTJ

- Content validity

Test contains fair sample of job content

Validity of Various Selection Devices

Predictor	Validity
Cognitive ability and special aptitude	Moderate
Personality	Low
Interest	Low
Physical ability	Moderate-high
Biographical information	Moderate
Interviews	Low
Work samples	High
Seniority	Low
Peer evaluations	High
Reference checks	Low
Academic performance	Low
Self-assessments	Moderate
Assessment centres	High

Reliability

Consistency of scores obtained when re-tested with same [or equivalent] test

Selection tests

Designed to measure intelligence, aptitude, skill, physical fitness, trade knowledge and personality characteristics such as managerial potential, leadership motivation and more.

Aptitude and/or ability tests

Measure applicant's aptitude/special abilities that are required in specific jobs

Test of mechanical reasoning

Technical and trade positions involving mechanical comprehension

Personality tests

Measure basic aspects of a person's personality, e.g. degree of introversion/extroversion, emotional stability, agreeableness, conscientiousness, open to experience…motivation.

Californian Psychological Inventory, CPI

- Do you ever feel like picking a fist fight with someone?
- Do you like 'Alice in Wonderland'?
- Do you like going to parties with loud noise?
- Should women be allowed in hotel bars?
- Do you like tall women?

Assessment centres

- Used for managerial jobs, or large scale/ongoing recruitment
- Test ability to make decisions in hypothetical situations
- Useful for predicting managerial job performance

- Individual exercise 0 in-trays (or in-basket); aptitude tests, tests of productive thinking and "self-report" questionnaires – personality, interests and motivation
- Interactive exercises – group exercises, interviews, presentations and fact-finding exercises

In-tray (or in-baskets)

Work from contents of a mangers in tray

Test of productive thinking

You're presented with open ended questions re: problems and asked to generate responses in limited time.

Interactive exercises

Group exercises – a group of participants work together to solve problems – how you interact with team members. Your leadership potential, influence…

Interviews

Presentations

A formal presentation to assessors; or you're asked to interpret and analyse given information and support your decision

Fact-finding exercises

You are given partial information and are asked to solve a problem

Handwriting analysis

'Brainwriting'; body language on paper

Premise: handwriting imitates body language and emotions… claim to infer character and personality from handwriting.

Anistotle (362BC)

"Just as all men have not the same speech sounds, so all men have not the same writing… Thought and personality are reflected in handwriting"

- Ovals left open at base… dishonesty, embezzler's script, guilt +/- uneven, light pressure… you are being lied to.
- Illegible address… lack of consideration
- Write with heavy pressure… energetic, live life at fast pace, attracts people
- Write with light pressure… more passive person
- No margin… egotism

Signatures

- Underlined… attention seeking… self-assertiveness
- Full stop… prudent, cautious, comfortable saying no, has the last word.

Week 10: Appraising and Managing Performance

- Can an employer dismiss an employee (with a known mental health illness) for sending threatening emails?
- Can an employer suspend a bus driver who returns a positive drug test?
- Can an employer dismiss an employee for producing a video of planking or a dance routine (e.g. the 'Harlem Shake') in the workplace in uniform?

What is performance appraisal?

Determine how well employees are doing their jobs, communicate that information to employees, agree on new objectives and establish a plan for performance improvement.

Objectives:

- Reward employees
- Develop employees

Managing Poor Performance

Formal discipline

- You must have a disciplinary procedure in place and every employee should be familiar with this system and understand the steps involved.
- If you are facing a situation where an employee may be dismissed, it is essential that you can document and substantiate your actions.

Disciplinary procedure

- Employees who are performing unsatisfactorily will be counselled so they understand the standards expected of them .they will be offered assistance and guidance in achieving the expected standards.
- Confidential records of any counselling undertaken will be made. The employee will be shown and given a copy of the written records and have an opportunity to comment on its contents. This can be done either in written or orally. The record will only be placed on the employee's personal file when the employee has been given the opportunity of responding to the record and adding any notations regarding the contents of the record.
- Employees whose performance or behaviour is unsatisfactory will be given adequate time to demonstrate a willingness to improve. If at the end of this period the employee shows no willingness to improve in the opinion of the employer, a final warning writing will be issued to the employee. This notice will inform the employee in writing that disciplinary action up to and including dismissal may be taken if the employee does not cease the unsatisfactory performance or behaviour immediately.
- The employer also has the right to summarily dismiss an employee for serious and willful misconduct

Summary termination for breach and repudiation

When an employee has committed a serious breach or repudiation the employer has the right to elect to terminate the employment with immediate effect.

- Dismissal for cause – termination at the initiative of the employer is for either employee underperformance, or inappropriate behaviour, which is not serious enough to justify summary dismissal.
- Redundancy – occurs when an organisation genuinely ceases to require the employee's job to be performed by anyone because of changes in the operational requirements of the business, or because of employer insolvency or bankruptcy
- Termination by notice or agreement – when either the employee or employer gives the other party notice of the intention to terminate the employment contract. This notice is effective once it is received by the other party and does not require the other party to accept the notice.
- Abandonment of Employment – commonly occurs when an employee walks off the job and does not return for a period of time, or does not return to work after a period of leave without the express permission of the employer. Employers need to prove that they tried to get in contact with their employees.
- Termination by Frustration – some event not contemplated at the time of entering into the employment contract renders the continuation of the employment relationship untenable.

Unfair dismissal occurs where a worker is sacked by their employer and the worker believes the action is harsh, unreasonable or unjust.

Is a dismissal harsh, unjust or unreasonable?

- Is there a valid reason for the dismissal related to the person's capacity or conduct (including its effect on the safety and welfare of other employees)
- Is the person notified of that reason
- Is the person given an opportunity to respond to any reason related to their capacity or conduct
- Is there any unreasonable refusal by the employer to allow the person to have a support person present to assist at any discussions relating to dismissal
- If the dismissal related to unsatisfactory performance by the person is the person warned about that unsatisfactory performance before the dismissal.
- The degree to which the size of the employer's enterprise would be likely to impact on the procedures followed in effecting the dismissal, and
- The degree to which the absence of dedicated HRM specialists or expertise in the enterprise would be likely to impact on the procedures followed in effecting the dismissal…

A butcher deliberately contravened health standards and breached QA standards by throwing meat on the floor. These standards were well known and displayed, and all staff had been warned about the consequences of not complying with these standards.

- A plant operator fails to notify his employer about a serious value malfunction and is dismissed.
- The employer had the employee shifted around the various jobs within the company because his disenchantment with his job meant he could not integrate with the various work teams within the business.
- He had been counselled but had been given a final warning after the value malfunction incident.

Performance Management

An 'interlocking set of policies and practices which have as their focus the enhanced achievement of organized objectives through a concentrate on individual performance.'

Performance Standard

The benchmark by which employee performance is evaluated against.

Validity

The extent to which the performance measure assesses all relevant aspects of performance.

A contaminated measure evaluates irrelevant aspects of performance or aspects that are not job related. A performance measure is deficient if it doesn't measure all aspects of performance.

Reliability

The consistency of the performance measure, e.g. inter-rater reliability

Rating errors

1. Halo Effect: Assessments are generalized from instant impressions or unrepresentative data.
2. Errors of Central Tendency: the appraiser avoids the high and low of a rating scale and rates all subordinates and all aspects of subordinates' performance, around the middle.

3/4. Errors of Leniency/Strictness: The appraiser rates at the top or bottom end of the scale, respectively

5. Recency Error: more recent behaviour and performance is more readily remembered, than that which occurred some time ago.

Performance Appraisal Approaches

1. Comparative approach: each ratee's evaluation is dependent on all other rates

Sun Microsystems

- 20% superior
- 70% standard
- 10% underperforming
  - 3 months to improve performance (coaching)
  - One-off chance to resign with severance pay
  - If don't improve, sacked with no payout

Simple ranking

Requires a manager to rank all employees from 'best' to 'worst'.

2. Absolute Approach

Each ratee's evaluation is independent of all other ratees.

Graphic Rating Scale

A manager assesses an employee's performance on several performance dimensions using a rating scale, with clearly defined points, representing various levels of performance, e.g. unsatisfactory, marginal, satisfactory, good, superior.

Behaviourially Anchored Rating Scale (BARS)

A graphic scale, with specific descriptions of actual employee behavior ('anchors') that represent a series of performance levels. A manager uses these anchors as guides to evaluating employee performance.

3. The Objectives-based Approach

Management by Objective, MBO

A technique whereby the manager and subordinate mutually identify common goals, define the subordinate's major areas of responsibility in terms of expected results and use these as measures in assessing the subordinate's performance.

- Set specific measurable goals with each employee and periodically review progress made.

Appraisals

- Supervisor evaluation
- Self-evaluation
- Peer evaluation
- Upward evaluation
- Customer evaluation
- Multisource evaluation

Multisource Evaluation

Or 360 degree evaluations are gaining increasing popularity. It seeks performance feedback on employees from their colleagues, superiors, customers and subordinates.

The Appraisal Interview

- Evaluation
- Development
  - Tell and listen
  - Tell and sell
  - Problem-solving

Week 11: no lecture notes

Week 12: Human Resource Development

Distinguish between training and development:

- Training emphasizes immediate improvements in job performance via the procurement of specific skills
- Development aims to prepare the employee for future job responsibilities through the acquisition of new experiences, knowledge, skills and attitudes.

Systematic Training and Development model

1. Needs assessment. Establish what training is needed, by whom, when and where, so that training objectives can be determined.
2. Training activity. Select the training methods and learning principles to be employed.
3. Evaluation. Measure how well the training activity met the objectives.

Needs Assessment

1. Organisational analysis – Identify organisation wide issues that have training implications
2. Person analysis – identifies who needs training and the specific types of training needed.

Performance appraisal – identifies employee shortcomings in performance in current jobs.

If a gap between present performance and some desired performance level exists

- Is the discrepancy a skill or knowledge deficiency, requiring training?
- The required skills is present, but performance is still lacking?

3. Job/task analysis

What should be taught in training?

Job analysis – the tasks or duties involved in the job, as well as the KSAOCs needed to carry out the duties, i.e. describes the work activities to be performed.

- The content of the training program

Implementation

Evaluation

Has the program been effective in meeting the stated objectives?

1. Reactions: impressions during and after
2. Learning: during and after
3. Behaviour: transfer of training
4. Results: effects on organisational objectives