



# Human Resources Management

## Introduction to HRM

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# Sources

- Briscoe, D.R., Schuler, R. S. & Claus, L. (2009). *International human resource management: Policies and practices for multinational enterprises*. NY: Routledge.
- Cascio, W. F. (2003). *Managing human resources: Productivity, quality of work life, profits*. New Delhi: Tata McGraw Hill.
- Gomez-Mejia, L. R., Balkin, D. B. & Cardy, R. L. (2012). *Managing human resources (7<sup>th</sup> Ed.)*. New Delhi: PHI Ltd.
- Pande, S. & Basak, S. (2012). *Human resources management: Text and cases*. New Delhi: Pearson.

# Basic concepts (Gomez-Mejia, Balkin & Cardy, 2012)

- Human resources (HR): “People who work in an organization”

Discuss whether the above should be called ‘personnel’ or ‘human resources’ and why?

- Manager: “A person who is in charge of others and is responsible for the timely and correct execution of actions that promote his or her unit’s success
- Line employee: “Employee involved directly in producing the company’s good(s) or delivering the service(s)”
- Staff employee: “An employee who supports line employees”

# Evolution of HRM (Pande & Basak, 2012)

- 1800 BC: Minimum wage rate and incentive wage plan – Babylonian code of Hammurabi.
- 300 BC: Kautilya's Arthashastra
- India:
  - 1920s: interest in management as a discipline
  - 1931: Government intervening to protect the interests of workers through the appointment of labour welfare officers.
  - 1948: Factories Act: Appointment of labour welfare officers compulsory.
  - 1970s: Shift of focus from concern for the welfare of people to concern for the performance of organizations.
  - 1980: National Institute of Labour Management & Indian Institute of Personnel Management merged to form the National Institute of Personnel Management.
  - 1980s: Personnel management morphed into HR as new technologies came to be discussed to manage people and their differences.
- 1990: American Society of Personnel Management renamed itself as The Society of Human Resource Management.

# Defining HRM (Pande & Basak, 2012)

- 50 years ago: “Personnel management aims to achieve both efficiency and justice. It seeks to bring together and develop into an effective organization the men and women who make up the enterprise, enabling each to make his own best contribution to its success. It seeks to provide fair terms and conditions of employment and satisfying work for those employed.”

# Personnel management & HRM

(Pande & Basak, 2012)

<b>Personnel Management</b>	<b>Human Resource Management</b>
Reactive, servicing role	Proactive, innovative role
Emphasis on implementation of procedures	Emphasis on strategy
Specialist department	General management activity
Focus on employees' need in their own right	Focus on employees' requirements in the light of business needs
Employees seen as a cost to be controlled	Employees seen as an investment to be nurtured as well as a cost to be controlled
Presumption of union manager conflicts	Conflicts dealt with by team members within their teams
Preference for collective bargaining of pay and working conditions	Management led planning of people resources & employment conditions

# Personnel management & HRM

(Pande & Basak, 2012)

<b>Personnel Management</b>	<b>Human Resource Management</b>
Emphasis on settling pay more in terms of the organization's internal market	Emphasis on competitive pay and conditions to stay ahead of competitors
Serving other departments/ units	Contributing 'added value' to business
Supporting change	Stimulating change
Challenging business goals in the light of effect on employees	Total commitment to business goals
Less flexible approach to staff deployments	Completely flexible approach to staff deployment

# The HRM System (Cascio, 2003)

- Staffing
  - Identifying work requirements within an organization
  - Determining the numbers of people and the skills mix necessary to do the work
  - Recruiting selecting and promoting qualified candidates
- Retention
  - Rewarding employees for performing their jobs effectively
  - Ensuring harmonious working relations between employees and managers
  - Maintaining a safe, healthy work environment
- Development: To preserve and enhance employees' competence in their jobs by improving their knowledge, skills, abilities, and other characteristics (Competencies)
- Adjustment: Activities intended to maintain compliance with the organization's HR policies (e.g. discipline) and business strategies)
- Managing change: Ongoing process whose objective is to enhance the ability of an organization to anticipate and respond to developments in its external and internal environments, and to enable employees at all levels to cope with the changes



# Responsibilities of HR Department

(Cascio, 2003)

Activity	Responsibility of HR Department
<u>Staffing</u>	Job analysis, human resource planning, recruitment, compliance with civil rights laws and regulations, application blanks, written tests, performance tests, interviews, background investigations, reference checks, physical examinations
<u>Retention</u>	Compensation and benefits, employee relations, health and safety, employee services
<u>Development</u>	Development of legally sound performance management systems, morale surveys, technical training, management and organizational development, career planning, counseling, HR research
<u>Adjustment</u>	Investigation of employee complaints, outplacement services, retirement counselling
<u>Managing change</u>	Provide expertise to facilitate the overall process of managing change

# Challenges of HRM (Gomez-Mejia, Balkin & Cardy, 2012)

- Environmental challenges: “Forces external to the firm”
  - Rapid change
    - New company townships
    - Dealing with stress
  - Rise of the Internet
    - Necessitating better written communication skills
    - Dealing with information overflow
    - Breaking down labor market barriers – workers & companies know where to get what they need
    - Using online learning
    - Enabling HR to focus on management
  - Workforce diversity

# Challenges of HRM (Contd.)

(Gomez-Mejia, Balkin & Cardy, 2012)

## ■ Environmental challenges (Contd.)

### □ Globalization

- Worldwide company culture
- Worldwide recruiting
- Industrial metamorphosis
- Global alliances
- A virtual workforce
- The global enterprise
- Wage competition

### □ Legislation

- Evolving work and family roles: Dual career families, changing family structure, etc.
- Skill shortages & rise of the service sector
- Natural disasters

# Challenges of HRM (Contd.)

(Gomez-Mejia, Balkin & Cardy, 2012)

- Organizational challenges: “Concerns or problems internal to a firm”
  - Competitive position: Cost, quality, or distinctive capabilities
    - Controlling costs
    - Improving quality
    - Creating distinctive capabilities
  - Decentralization
  - Downsizing
  - Organizational restructuring
  - Self managed work teams
  - Growth of small businesses

# Challenges of HRM (Contd.)

(Gomez-Mejia, Balkin & Cardy, 2012)

## ■ Organizational challenges (Contd.):

- Organizational culture: “Basic assumptions and beliefs shared by members of an organization”
  - “Observed behavioral regularities
  - Norms
  - Dominant values espoused by an organization
  - Philosophy that guides organization’s policy
  - Rules of the game
  - Feeling or climate
- Technology
  - Rise of telecommuting
  - Ethics of proper data use
  - Electronic monitoring
  - Medical testing
  - Increase in egalitarianism

# Challenges of HRM (Contd.)

(Gomez-Mejia, Balkin & Cardy, 2012)

## ■ Organizational challenges (Contd.)

- ☐ Internal security
- ☐ Data security
- ☐ Outsourcing
- ☐ Product integrity

# Challenges of HRM (Contd.)

(Gomez-Mejia, Balkin & Cardy, 2012)

## ■ Individual challenges:

- ☐ Matching people and organizations
- ☐ Ethics and social responsibility
- ☐ Productivity
- ☐ Employee ability
- ☐ Motivation
- ☐ Empowerment
- ☐ Brain drain
- ☐ Job insecurity

# Responses of firms to the new competitive realities (Cascio, 2003)

- Smaller companies that employ fewer people
- The shift from vertically integrated hierarchies to networks of specialists
- Technicians, ranging from computer repair specialists to radiation therapists, replacing manufacturing operatives as the worker elite.
- Pay tied less to a person's position or tenure in an organization and more to the market value of his or her skills
- A change in the paradigm of doing business from making a product to providing a service, often by part-time or temporary employees
- Outsourcing of activities that are not core competencies of a firm (e.g. Payroll, or Collections, or downsizing – movie Up in the air)
- Redefinition of work itself: Constant learning, more higher order thinking, less nine to five mentality



# Responses of firms to the new competitive realities (Contd.) (Cascio, 2003)

- New forms of organization: Virtual, offshoring, telecommuting
- Restructuring, including downsizing
- Total quality management
- Reengineering: Fundamental rethinking and radical redesign of business processes to achieve dramatic improvements in cost, quality and speed.
- Flexibility

# Why does effective HRM matter?

(Cascio, 2003)

- Personnel selection
- Job design
- Information sharing
- Performance appraisal
- Promotion systems
- Attitude assessment
- Incentive systems
- Grievance procedures
- Labour management participation

# HR managers try to answer the following questions (Cascio, 2003)

- Who specifies the content of each job?
- Who decides how many jobs are necessary?
- How are the interrelationships among jobs determined and communicated?
- Has anyone looked at the number, design and content of jobs from the perspective of the entire organization? What is the big picture?
- What should training programs stress?
- How should performance on each job be measured?
- How much is each job worth?

# Planning and implementing strategic HR policies

(Gomez-Mejia, Balkin & Cardy, 2012)

Strategic HR planning: “Process of formulating HR strategies & establishing programs or tactics to implement them.”

## □ Benefits:

- Encouragement of proactive rather than reactive behavior
- Explicit communication of company goals
- Stimulation of critical thinking and ongoing examination of assumptions
- Identification of gaps between current situation and future vision
- Encouragement of line managers' participation
- Identification of HR constraints and opportunities
- Creation of common bonds



# Challenges of strategic HR planning

(Gomez-Mejia, Balkin & Cardy, 2012)

- Maintaining a competitive advantage
- Reinforcing overall business strategy
- Avoiding excessive concentration on day to day problems
- Developing HR strategies suited to unique organizational features
- Coping with the environment
- Securing management commitment
- Translating the strategic plan into action
- Combining intended and emergent strategies
- Accommodating change

# Strategic HR Choices

(Gomez-Mejia, Balkin & Cardy, 2012)

Strategic HR choices: Options it has available in designing its HR system

## ■ Work flows:

- ☐ Efficiency/ innovation
- ☐ Control/ flexibility
- ☐ Explicit/ broad job descriptions
- ☐ Detailed/ loose work planning

## ■ Staffing:

- ☐ Promoting from within/ hiring from outside
- ☐ Empowering immediate supervisors/ centralizing decisions in HR dept
- ☐ Emphasizing good fit between applicant/ hiring most knowledgeable applicant regardless of interpersonal considerations
- ☐ Hiring new workers informally/ formal & systematic hiring

# Strategic HR Choices (Contd.)

(Gomez-Mejia, Balkin & Cardy, 2012)

## ■ Employee separations

- ☐ Voluntary inducements (e.g.VRS)/ layoffs
- ☐ Hiring freeze/ recruiting as needed
- ☐ Continued support to separated employees/ leaving them to fend for themselves
- ☐ Committing to rehiring laid off employees / fresh unbiased recruitment if circumstances permit

## ■ Performance appraisal

- ☐ Customised/ standardized appraisal system
- ☐ Appraisal data as developmental tool/ control mechanism
- ☐ Designing appraisal system with multiple objectives/ narrow purpose
- ☐ Appraisal system with active participation/ only inputs from employees

# Strategic HR Choices (Contd.)

(Gomez-Mejia, Balkin & Cardy, 2012)

## ■ Training and career development

- ☐ Individual/ group training
- ☐ Training on the job/ by external agencies
- ☐ Job specific/ generic training
- ☐ Hiring external experts at a higher wage/ training own employees to become experts

## ■ Compensation

- ☐ Fixed salary and benefits/ variable compensation
- ☐ Compensation based on position/ individual contribution
- ☐ Rewarding for length of service/ performance
- ☐ Centralizing pay decisions/ empowering supervisors to make pay decisions



# Strategic HR Choices (Contd.)

(Gomez-Mejia, Balkin & Cardy, 2012)

## ■ Employee & labor relations

- ☐ Top-down communication/ bottom-up feedback
- ☐ Avoiding or suppressing/ dealing with unions
- ☐ Adversarial approach/ responding to employee needs

## ■ Employee rights

- ☐ Discipline/ proactive encouragement for appropriate behavior
- ☐ Employer's / employee's interest
- ☐ Informal/ explicit standards and procedures for ethical behavior

# Strategic HR Choices (Contd.)

(Gomez-Mejia, Balkin & Cardy, 2012)

## ■ International management

- Creating common company culture to reduce inter-country cultural differences/ expecting foreign subsidiaries to adapt to local culture
- Sending expats to / hiring locals in foreign country offices
- Repatriation agreement with/ no commitment to or from employees on foreign assignments
- Centralized/ decentralized company policies for multi-country operations

# Selecting HR strategies to increase firm performance

(Gomez-Mejia, Balkin & Cardy, 2012)

- “The better the match between the HR strategy & the firm’s overall organizational strategies
- The more the HR strategy is attuned to the environment in which the firm is operating
- The more closely the HR strategy is moulded to unique organizational features
- The better the HR strategy enables the firm to capitalize on its distinctive competencies
- The more the HR strategies are mutually consistent or reinforce one another”
- And eventually, the better the firm performance



*Thank You*

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# Human Resources Management

## Job Analysis & Design

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- What should training programs stress?
- How should performance on each job be measured?
- How much is each job worth?



# Basic Concepts (Cascio, 2003; Gomez-Mejia, Balkin & Cardy, 2012)

- Business processes: “Value adding, value creating activities such as product development, customer service, & order fulfilment”
- Business process re-engineering: “Fundamental re-thinking & radical re-design of business processes to achieve dramatic improvements in cost, quality, service, & speed.”
- Job design: “The process of organizing work into the tasks required to perform a specific job”
- Job analysis: The process of obtaining information about jobs
- Job description: An overall written summary of task requirements
- Job specification: An overall written summary of worker requirements
- Work flow: “The way we work is organized to meet the organization’s production or service goals.”
- Work flow analysis: “Examin[ation of] how work creates or adds value to the ongoing business processes”

# Why study job requirements? (Cascio, 2003)

- Organizational structure and design
- Human resource planning
- Job evaluation and compensation
- Recruitment
- Selection
- Placement
- Orientation, training, and development
- Performance appraisal
- Career path planning
- Labor relations
- Engineering design and methods improvement
- Job design
- Safety
- Vocational guidance and rehabilitation counseling
- Job classification systems

# Types of organizational structure

(Gomez-Mejia, Balkin & Cardy, 2012)

## ■ Bureaucratic organizational structure:

- ☐ Top down management approach
- ☐ Many levels of management
- ☐ Hierarchical career paths within one function
- ☐ Highly specialized jobs
- ☐ Narrowly specified job descriptions
- ☐ Rigid boundaries between jobs & units
- ☐ Employees or individuals working independently

# Types of organizational structure

## (Contd.)

(Gomez-Mejia, Balkin & Cardy, 2012)

### ■ Flat:

- ☐ Decentralized management approach
- ☐ Few levels of management
- ☐ Horizontal career paths that cross functions
- ☐ Broadly defined jobs
- ☐ General job descriptions
- ☐ Flexible boundaries between jobs and units
- ☐ Emphasis on teams
- ☐ Strong focus on the customer

### ■ Boundaryless

- ☐ Joint ventures with customers, suppliers & competitors
- ☐ Emphasis on teams whose members may cross organizational boundaries

# Process based organizations (Cascio, 2003)

- A process is a collection of activities (such as procurement, order fulfillment, product development, or credit issuance), that takes one or more kinds of input and creates an output that is of value to a customer.
- Priorities of a process based organization:
  - Identification of job specifications (i.e. The personal characteristics – knowledge, skills, abilities, and other characteristics – necessary to do the work)
  - Identification of the environment, context, and social aspects of work
  - A change in emphasis, from describing jobs to describing roles

# Job characteristics theory

(Gomez-mejia, Balkin & Cardy, 2012)

“States that employees will be more motivated to work and more satisfied with their jobs to the extent that jobs contain certain core characteristics, as these will lead to psychological states that will further lead to specific work outcomes.”

## ■ Core job characteristics:

- Skill variety: Degree to which a job requires a person to do different things
- Task identity: Degree to which a person can do the job from beginning to end with a visible outcome
- Task significance: Degree to which the job has a significant impact on others – inside & outside
- Autonomy: Amount of freedom, independence, & discretion the employee has in areas such as scheduling the work, making decision, & determining how to do the job”
- Feedback: Degree to which the job provides the employee with clear & direct information about job outcomes & performance”

# Job characteristics theory (Contd.)

(Gomez-mejia, Balkin & Cardy, 2012)

- Physiological state affected by job characteristics
  - Experienced meaningfulness: Extent to which the employee experiences the work as important, valuable, & worthwhile
  - Experienced responsibility: Degree to which the employee feels personally responsible or accountable for the results of the work
  - Knowledge of results
- Personal & work outcomes:
  - High internal work motivation
  - High quality work performance
  - High satisfaction with the work
  - Low turnover & absenteeism
- Link between core job characteristics & outcomes – Strength of relationships which is determined by intensity of employee growth need, which thrives on & affects feedback & commitment of employees to their teams & organization

# Characteristics of jobs (Cascio, 2003)

- Dynamic characteristics
  - Time
  - People
  - Environment and context
- Job specifications and people requirements
  - Minimally acceptable qualifications and skills
  - Ideal qualifications and skills



# Legal Issues: India

- Religious minorities and the Indian Constitution  
(<https://www.nls.ac.in/csseip/Files/Material%20for%20uploading/Minorities.pdf>)
- The Persons with Disabilities (Equal Opportunities, Protection of Rights and Full Participation) Act, 1995  
(<http://socialjustice.nic.in/pwdact1995.php>)
- National Commission for Backward Classes Act, 1993  
(<http://socialjustice.nic.in/pdf/ncbcact1993.pdf>)
- National Commission for Backward Classes Rules, 1994 (<http://socialjustice.nic.in/ncbcrules94.php>),

# How do we study job requirements

(Cascio, 2003)

- Job performance: Actual experience on the job
- Observation: Physical first hand observation of people at work
- Interview: Descriptions of workers
- Critical incidents: Reports of significant incidents highlighting effective and ineffective worker behaviors
- Structured questionnaires: Job oriented. e.g. Position Analysis Questionnaire – 194 items in following categories
  - ☐ Information input
  - ☐ Mental processes
  - ☐ Work output
  - ☐ Relationships with other persons
  - ☐ Job context
  - ☐ Other job characteristics

# Designing jobs (Gomez-mejia, Balkin & Cardy, 2012)

- Job design: “The process of organizing work into the tasks required to perform a specific job”
  - Influences:
    - Work flow analysis
    - Business strategy
    - Organizational structure

# Approaches to job design (Gomez-mejia, Balkin & Cardy, 2012)

- Work simplification: “Assumes that work can be broken down into complete, repetitive tasks that maximise efficiency”
- Work elimination: Combining tasks or eliminating parts of tasks that one can do without
- Job enlargement: Expansion of a job’s duties
- Job rotation: “Rota[tion] of workers among different narrowly defined tasks without disrupting the flow of work”
- Job enrichment: “Puts specialized tasks back together so that one person is responsible for producing a whole product or an entire service”
- Team based job designs: “Focus on giving a team, rather than an individual, a whole and meaningful piece of work to do. Team members are empowered to decide among themselves how to accomplish the work.”

# Job analysis (Gomez-mejia, Balkin & Cardy, 2012)

- “*Task*: Basic element of work that is a logical and necessary step in performing a job duty
- *Duty* consists of one or more tasks that constitute a significant activity performed in a job
- *Responsibility* is one or several duties that identify and describe the major purpose or reason for the job’s existence.”

# Methods of gathering job information

(Gomez-Mejia, Balkin & Cardy, 2012)

- Interviews
- Observation
- Diaries
- Questionnaires
- Internet-based data collection

# Why analyze jobs?

(Gomez-Mejia, Balkin & Cardy, 2012)

- Recruitment
- Selection
- Performance appraisal
- Compensation
- Training & career development

# Techniques of job analysis

(Gomez-Mejia, Balkin & cardy, 2012)

- Task Inventory Analysis: “Used to determine knowledge, skills, and abilities (KSAs)”

*Steps:*

- ☐ Interview
- ☐ Survey
- ☐ Generation of a task by the KSA matrix

e.g. <http://nau.edu/human-resources/management-resources/hiring-selection/applicant-evaluation/sample-matrices/>

- Critical Incident Technique: “Supervisors & workers generate behavioral incidents of job performance.

*Steps:*

- ☐ Generate dimensions
- ☐ Generate incidents
- ☐ Retranslate
- ☐ Assign effectiveness values



# Techniques of job analysis (Contd.)

(Gomez-Mejia, Balkin & cardy, 2012)

- Position Analysis Questionnaire (PAQ): “Seeks to determine the degree to which different items or job elements, are involved in performing a particular job.” 194 items in six sections:
  - *Information input*: Where & how a worker gets information needed to perform the job
  - *Mental processes*: Reasoning, decision-making, planning, & information-processing activities involved in performing the job
  - *Work output*: Physical activities, tools, & devices used by the worker to perform the job
  - *Relationships with other persons*
  - *Job context*
  - *Other characteristics*
- Functional Job Analysis (FJA):
  - What the job incumbent does to people, data, & things
  - Methods & techniques the job incumbent uses to perform the job
  - Machines, tools & equipment used by the job incumbent
  - Materials, projects, or services produced by the job incumbent

# Advantages & Disadvantages of Job Analysis Methods

(Cascio, 2003)

<u>Method</u>	<u>Advantages</u>	<u>Disadvantages</u>
Job performance	Exposure to actual job tasks, physical, environmental, & social demands of job. Appropriate for hands on jobs that can be learnt quickly.	Inappropriate for jobs that require extensive training or are hazardous to perform
Observation	Direct exposure can provide a richer, deeper understanding of job requirements than second hand information through peers.	Not suitable for jobs that require critical thinking and analysis.
Interviews	Information about standard & nonstandard & mental work. Personal reports about work that can't be observed or documented.	Lack of faith in the interviewer can lead to distortion/ falsification of information.
Critical incidents	Insight into job dynamics. Info can be used for job analysis.	Time consuming (gathering, summarizing & categorizing incidents).
Structured questionnaire	Cheap, quick, easy, can be done off work, mass administration, quantifiable, analyzable.	Difficult to develop, explanations may be required, impersonal.



# O\*Net Content Model

<http://www.onetonline.org/>

[http://www.onetcenter.org/dl\\_files/ContentModel\\_Summary.pdf](http://www.onetcenter.org/dl_files/ContentModel_Summary.pdf)

[http://www.onetcenter.org/dl\\_files/ContentModel\\_Detailed.pdf](http://www.onetcenter.org/dl_files/ContentModel_Detailed.pdf)

[http://www.onetcenter.org/dl\\_files/ContentModel\\_DetailedDesc.pdf](http://www.onetcenter.org/dl_files/ContentModel_DetailedDesc.pdf)

# Relationship of job analysis to workforce planning (Cascio, 2003)

## ■ Types of plans

- Strategic: Plan about changing industry rules or creating tomorrow's industries
  - Defining philosophy
  - Formulating statements of identity, purpose and objectives
  - Evaluating strengths, weaknesses, and competitive dynamics
  - Determining design
  - Developing strategies
  - Devising programs
- Tactical/ Operational planning: Addresses issues associated with the growth of current or new operations as well as with any specific problems that might disrupt the pace of planned growth
- Workforce planning: Focuses on questions such as
  - What do the proposed business strategies imply with respect to human resources?
  - What kinds of internal and external constraints will (or do) we face?

# Foundations for workforce planning

(Cascio, 2003)

- What level will the wage rate for an occupation be?
- How many people will be employed?
- How much more will the firm have to pay to attract more employees?
- How would the number of people the company employs change if the wage were lower?

# Activities comprising a workforce planning system (Cascio, 2003)

- Talent inventory
- Workforce forecast
- Action plans
- Control and evaluation

# Talent inventories (TI) (Cascio, 2003)

- TI facilitates assessment of the current workforce
- Forecasts of workforce supply and demand help to determine future needs
- Typical information included on a TI
  - Current position info
  - Previous positions in the company
  - Other significant work experience
  - Education (Degrees, licences etc.)
  - Language skills and relevant international experience
  - Training and development programs attended
  - Community or industry leadership responsibilities
  - Current and past performance appraisal data
  - Disciplinary actions (when specifically required)
  - Awards received

# Uses of a talent inventory (Cascio, 2003)

- Identification of candidates for promotion
- Management succession planning
- Assignment to special projects
- Transfers
- Training
- Workforce diversity planning and reporting
- Compensation planning
- Career planning
- Organizational analysis



# Workforce forecasts (Cascio, 2003)

- Estimate labor requirements at some time in future
    - External: Depends on the external business environment
    - Internal: Succession plan: Includes setting a planning horizon, identifying replacement candidates for each key position, assessing current performance and readiness for promotion, identifying career development needs, and integrating the career goals of individuals with company goals
  - Types
    - External and internal supply of labor
    - Aggregate external and internal demand for labor
- \* Internal supply forecasts relate to conditions inside the organization, such as the wage distribution of the workforce, terminations, retirements, and new hires within job classes.



# Concerns Regarding Job Analysis

(Gomez-Mejia, Balkin & Cardy, 2012)

- Legal compliance
  - Organizational flexibility
- NPTEL



# Guidelines for conducting a job analysis

(Gomez-Mejia, Balkin & Cardy, 2012)

- Determine the desired applications of the job analysis
- Select the jobs to be analyzed
- Gather the job information
- Verify the accuracy of the job information
- Document the job analysis by writing a job description

# Job Descriptions (Gomez-Mejia, Balkin & Cardy, 2012)

“*Job description* is a summary statement of the information collected in the job-analysis process.”

## Elements of a job description

- Make sure the job titles do not refer to a specific gender
- Make sure job descriptions are updated regularly so that the date on the job description is current.
- Avoid inflating a job title to give the job a more impressive-sounding status than it deserves
- Ensure that the supervisor of the job incumbent(s) verifies the job description.

“*Job summary* is a short statement that summarizes the job’s duties, responsibilities, and place in the organizational structure.”

# Job Descriptions (Contd.)

(Gomez-Mejia, Balkin & Cardy, 2012)

- “*Job duties & responsibilities* explain what is done on the job, how it is done, and why it is done.”
- “*Job specifications* section lists the worker characteristics (KSAs) needed to perform a job successfully.
- “*Minimum qualifications* are the basic standards a job applicant must have achieved to be considered for the job.”

## Caution:

- A college degree should be a minimum qualification only if it is related to the successful performance of the job
- Work experience qualifications should be carefully specified so that they do not discriminate against a specific gender, minorities or persons with disabilities, etc.

# The Flexible Workforce (Gomez-Mejia, Balkin & Cardy, 2012)

- Core Workers: Have full time jobs & enjoy special benefits/ privileges
- Contingent Workers: Hired as per need and convenience; Are usually not paid as well as core workers; Do not usually get special benefits/ privileges
  - Temporary
  - Part-time
  - Outsourced/ subcontracted: Employees transfer routine or peripheral work to another organization that specializes in that work & can perform it more efficiently.
    - Local
    - Offshore
  - Contract workers

# Flexible work schedules (Gomez-Mejia, Balkin & Cardy, 2012)

- Flexible work hours: “Divide core schedules into core time, when all employees are expected to be at work, and flexible time (flextime), when employees can choose to organize work around personal activities.”
- Compressed workweeks: “Alter the number of workdays per week increasing the length of the work day to 10 or more hours”, & adjust the number of hours accordingly
- Telecommuting: Working location not specified/ flexible

# Forecasting workforce demand

(Cascio, 2003)

- Factors affecting the forecasting of workforce demand
  - Changes in technology
  - Consumer attitudes and patterns of buying behavior
  - Local, national, and international economies
  - Number, size, and types of contracts won or lost
  - Government regulations that might open new markets or close off old ones
  - ...



# Selection Methods (Briscoe, Schuler & Claus, 2009)

- Interviews (international assignee and spouse/ partner)
- Formal assessment
- Committee decision
- Career planning
- Self-selection
- Internal job posting and individual bid
- Recommendations
- Assessment centers



*Thank You*

NOTE



# Human Resources Management

## Employee Testing & Selection

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- Gomez-Mejia, L. R., Balkin, D. B. & Cardy, R. L. (2012). *Managing human resources (7<sup>th</sup> Ed.)*. New Delhi: PHI Ltd.
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# Basic Concepts (Cascio, 2003; Gomez-Mejia, Balkin & Cardy, 2012)

- Business processes: “Value adding, value creating activities such as product development, customer service, & order fulfilment”
- Business process re-engineering: “Fundamental re-thinking & radical re-design of business processes to achieve dramatic improvements in cost, quality, service, & speed.”
- Job design: “The process of organizing work into the tasks required to perform a specific job”
- Job analysis: The process of obtaining information about jobs
- Job description: An overall written summary of task requirements
- Job specification: An overall written summary of worker requirements
- Work flow: “The way we work is organized to meet the organization’s production or service goals.”
- Work flow analysis: “Examin[ation of] how work creates or adds value to the ongoing business processes”

# The hiring process (Gomez-Mejia, Balkin & Cardy, 2012)

- Recruitment: Process of generating a pool of candidates
- Selection: Deciding who from this pool of candidates would be the best fit and who may not be suitable

# Recruitment (Cascio, 2003)

- Specifying human resource requirements (numbers, skills mix, levels, time frame)
- Initial screening: Rapid, rough selection
- Selection process: Interview, tests etc.
- Orientation (in the case of junior management)
- Placement: Assignment of specific job (in the case of senior management, orientation occurs after placement)
- Performance appraisal usually leading to confirmation or termination

# Developing recruitment policies:

## Labor market issues (Cascio, 2003)

- Labor market: Geographical area within which the forces of supply interact with the forces of demand
- Loose labor market: Supply of labor more than demand
- Factors affecting or defining limits of a labor market:
  - Geography
  - Education and/ or technical background required to perform a job
  - Industry
  - Licensing or certification requirements
  - Union membership



# Internal vs. external labor markets

(Cascio, 2003)

- External labor markets: labor market outside the organization, i.e. the jobs are open to people from within and outside the organization
- Internal labor market: Jobs are open only to people within the organization

# Sources of recruiting (Gomez-Mejia, Balkin & Cardy, 2012)

- Current employees
- Referrals from current employees
- Former employees
- Former armed forces personnel
- Customers
- Print & radio/ television advertisements
- Advertising through the Internet (Career websites, social media sites, etc.)
- Employment agencies
- Temporary workers
- College recruiting
- Non-traditional recruiting – prisoners, welfare recipients, senior citizens, workers from foreign countries, e.g. Sheroes – café in Agra that recruits only victims of acid attacks (<http://www.livemint.com/Politics/F3tFIPfsE4JjNMtsfE3FGP/Rbuilding-a-life-after-an-acid-attack.html>)

# Evaluation hiring (Gomez-Mejia, Balkin & Cardy, 2012)

Hiring workers for a trial period of 90 days, then deciding whether they should be retained or not

## ■ Benefits:

- ☐ Staffing firm handles recruitment & pays salary & benefits
- ☐ Company can make a better determination of who will best fit in an organization than with just an interview & test
- ☐ Tryout period helps employers avoid making bad hiring decisions

## ■ Ethical issues:

- ☐ Is the uncertainty about job permanence fair?
- ☐ Should the trial period be longer/ shorter?
- ☐ Comparison with temporary hiring

# Workforce utilization (Cascio, 2003)

- A way of identifying whether or not the composition of the workforce – measured by race and sex – employed in a particular job category in a particular firm is representative of the composition of the entire labor market available to perform that job

# The process of recruitment (Cascio, 2003)

- Recruitment pipeline: Time between the receipt of a résumé and the time a new hire starts work
- Internal recruitment:
  - Job posting
  - Employee referrals
  - Temporary worker pools: e.g. homeguards
- External recruitment
  - University relations
  - Executive search firms
  - Employment agencies
  - Recruitment advertising

# Diversity oriented recruitment (Cascio, 2003)

- Gender and cultural diversity essential among:
  - Recruiters
  - Public faces of the organization
  - Advertisements

# Managing recruitment operations

(Cascio, 2003)

- Re-engineered recruitment in the information age – Using technology to screen résumés
- Evaluation and control of recruitment operations
  - Cost of operations, i.e., labor costs of company recruitment staff, operational costs (e.g., recruiting staff's travel and living expenses, agency fees, advertising expenses, brochures, supplies, and postage)
  - Cost per hire, by source
  - Number and quality of résumés by source
  - Acceptance offer/ ration
  - Analysis of post-visit and rejection questionnaires
  - Salary offered – acceptances versus rejections
- Realistic Job Previews (RJP): Requires that, in addition to telling applicants about the nice things a job has to offer, recruiters must also tell applicants about the unpleasant aspects of the job. Benefits – Improvement in retention rates, more organizational involvement, more trust in the organization



# The other side of recruitment: Job search

(Cascio, 2003)

- Scenario 1: Unemployed
  - Scenario 2: Employed but searching for a new job
- NPTEL



# Challenges in the hiring process

(Gomez-Mejia, Balkin & Cardy, 2012)

- Turnover costs
  - Separation: Exit interview, paperwork processing
  - Recruitment: Advertising, recruiter fees
  - Selection: Pre-employment testing
  - Hiring: Orientation, training
  - Productivity: Vacancy cost, disruption
- Determining characteristics important to performance
- Measuring characteristics that determine performance
- Motivation factor
- Who should make the decision?

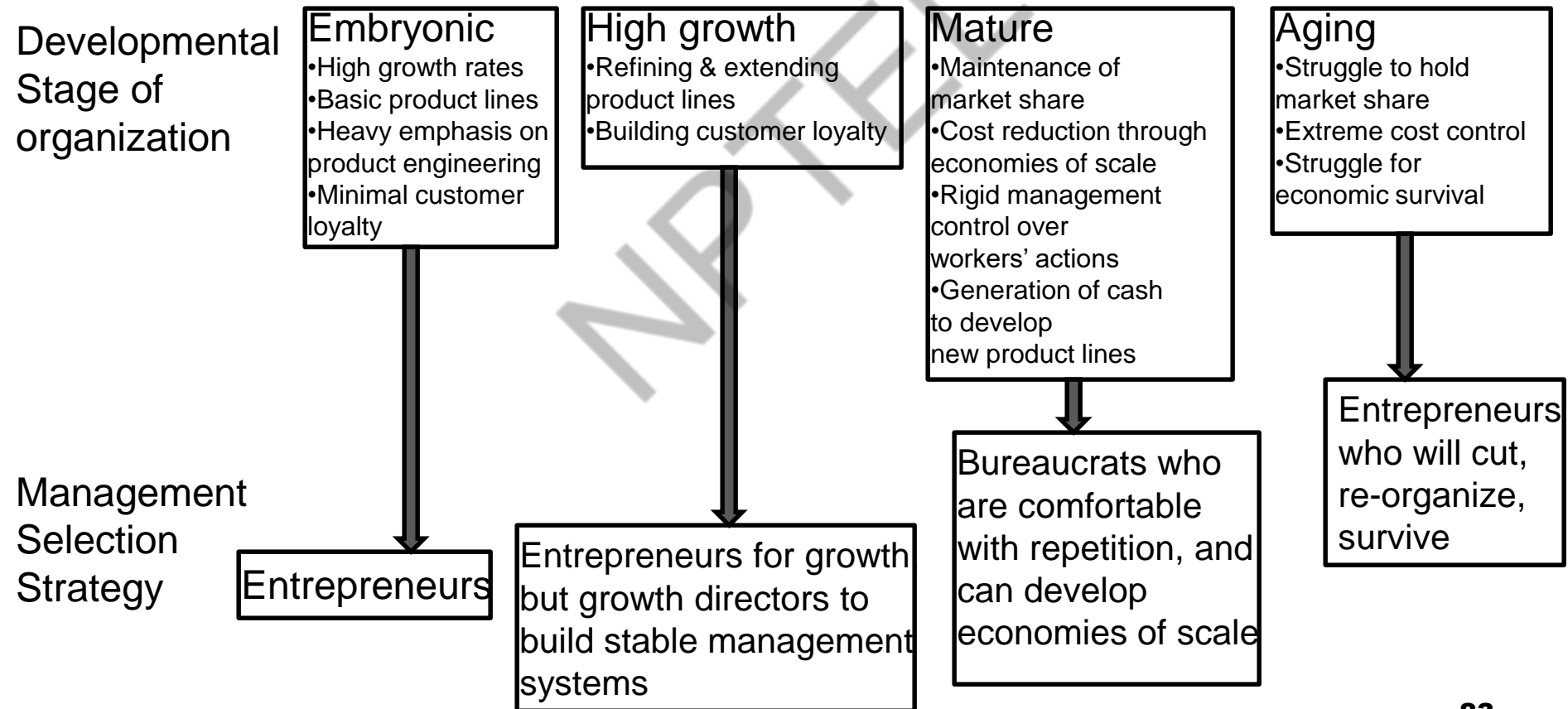


# Staffing

NPTEL

# Organizational considerations in staffing decisions (Cascio, 2003)

## ■ Business strategy:



# Organizational considerations in staffing decisions (Contd.) (Cascio, 2003)

## ■ Organizational culture:

### □ Transmitted through:

- Formal statements of organizational philosophy and materials used for recruitment, selection, & socialization of new employees
- Promotion criteria
- Stories, legends, and myths about key people & events
- What leaders pay attention to, measure, and control
- Implicit & possibly unconscious criteria that leaders use to determine who fits key slots in the organization

### □ Implications:

- Important consideration for prospective employees
- If consistent with the values, beliefs, and attitudes of employees, can lead to high productivity and satisfaction among employees

# Organizational considerations in staffing decisions (Contd.) (Cascio, 2003)

- Logic of personnel selection
- Reliability and validity of measurement while predicting the relative level of job performance

# Screening and selection methods (Cascio, 2003)

## ■ Employment application forms:

Should not contain the following:

- ☐ Questions that might lead to an adverse impact on the employment of members of groups protected under civil rights law
- ☐ Questions that cannot be demonstrated to be job related or that do not concern a bona fide occupational qualification
- ☐ Questions that could possibly constitute an invasion of privacy

# Screening and selection methods (Contd.)

(Cascio, 2003)

## ■ Recommendations and reference checks

### □ Provide information about:

- Education & employment history
- Character & interpersonal competence
- Ability to perform the job
- Willingness of the past or current employer to re-hire the applicant

### □ Meaningful only if the referee

- Has had an adequate opportunity to observe the applicant in job-related situations
- Is competent to evaluate the applicant's job performance
- Can express such an evaluation in a way that is meaningful to the prospective employer, and
- Is completely candid

# Recommendations & reference checks

## (Contd.) (Cascio, 2003)

- Guidelines for writing letters of recommendation:
  - Indicate degree of familiarity with the candidate in terms of time known and time observed
  - Indicate degree of referee familiarity with the job in question
  - Indicate specific examples of performance
  - Indicate comparison with other individuals and groups who might be applying for the position
- Guidelines for seeking information through letters of reference
  - Request job-related information only
  - Obtain candidate's written permission to check references prior to doing so
  - Stay away from subjective areas like the candidate's personality
  - Evaluate the credibility of the source of the reference material
  - Wherever possible, use public records to evaluate on-the-job behavior or personal conduct
  - Stay within the purview of the law governing seeking of personal information



# Recommendations & reference checks

## (Contd.) (Cascio, 2003)

- Guidelines for providing reference information
  - Obtain written consent from the employee prior to providing reference data
  - Do not blacklist former employees
  - Keep a written record of all released information
  - Make no subjective statements. Provide specific information where necessary.
  - Do not provide any information esp. negative information that cannot be backed by official records
  - If you are contacted by phone, get the phone number and call people back to give them the information they seek, as far as possible after checking with the candidate
  - Release only the following general types of information: Dates of employment, job titles and duration, promotions, demotions, attendance record, salary, & officially cited reason for termination/employee resigning from present job

# Screening and selection methods (Contd.)

(Cascio, 2003)

## ■ Tests and inventories

### □ Physical tests

- Tests of physical fitness
- Drug testing

### □ Procedures for testing

- Inform all candidates in writing of the company's policies regarding fitness standards and drug use
- Include the policy, and the possibility of testing, in all employment contracts
- Present the program in a medical & safety context
- Check the testing laboratory's experience, its analytical methods, & the way it protects the security & identity of each sample
- Ensure uniformity of testing

# Screening and selection methods (Contd.)

(Cascio, 2003)

## ■ Controversial selection techniques

- Handwriting analysis
- Polygraph examinations

## ■ Tests of integrity

- Shrinkage: Industry term for losses due to bookkeeping errors and employee, customer, and vendor theft
- Types of tests of integrity:
  - Overt
  - Personality-based
- Tests of mental ability
- Validity generalization: Validity of job descriptors & predictors: ref: O\*Net Content Model

# Screening and selection methods (Contd.)

(Cascio, 2003)

- Measures of personality
  - General measures
  - Neuroticism
  - Faking
- Projective measures: Present an individual with ambiguous stimuli and allow him/ her to respond in an open-ended fashion
- Measures of leadership ability
  - Consideration: Reflects management actions oriented toward developing mutual trust, respect for subordinate's ideas, and consideration of their feelings
  - Initiating structure: reflects the extent to which an individual defines and structures his or her role and the roles of his or her subordinates toward accomplishing tasks
- Personal History Data
- Employment interviews
- Peer assessment:
  - Peer nomination
  - Peer rating
  - Peer ranking

# Screening and selection methods (Contd.)

(Cascio, 2003)

- Work-sample tests
  - Standardized measures of behavior whose primary objective is to assess the ability to do rather than the ability to know
  - Examples
    - Leaderless Group Discussion
    - In Basket Test
    - Business Games
- Assessment centers: process that evaluates a candidate's potential based on multiple assessment techniques, standardized measures, and pooled judgments, that assess the following
  - Administrative skills
  - Interpersonal skills
  - Intellectual ability
  - Stability of performance
  - Work oriented motivation
  - Career orientation
  - Dependency on others

# The employment interview (Angell, 2007)

- “An *employment interview* involves the interpersonal communication exchange between a potential employer & a job applicant.”
- The process:
  - Depending upon the no. of people interviewing:
    - ☐ One on one interview
    - ☐ Panel interview
  - Depending upon the traits being tested:
    - ☐ Traditional: Questions & answers
    - ☐ Behavioral: Expression of skills required for the job

# Goals of an employment interview

(Angell, 2007)

- To gather relevant information regarding a specific topic for subsequent evaluation and use for the purpose of:
  - Assessing a match between the applicant's qualifications & the requirements for the position
  - Evaluation of the applicant's personality, attitude, disposition, team skills, & general ability to fit in with other employees
  - Determining the applicant's motivation, communication skills, & dependability
  - Orientation of the applicant to the job requirements & background of the organization

# What should one ask in an interview?

(Gomez-Mejia, Balki & Cardy, 2012)

- Open-ended questions:
  - Set the tone for the interview
  - Help build rapport between interviewer & interviewee
- Situational questions: “Elicit from candidates how they would respond to particular work situations.”
- Job knowledge: “Assess whether candidates have the basic knowledge required to perform the job.”
- Worker requirements questions: “Assess willingness of candidates to perform under prevailing job conditions.”



# What should one not ask during the interview?

(Gomez-Mejia, Balkin & Cardy, 2012)

- Do not ask applicants if they have children, plan to have children, or what child-care arrangements they have made
- Do not ask the age of the applicants
- Do not ask whether the candidate has a physical or mental disability that could interfere with doing the job
- Do not ask for the applicant's height or weight even on the job application if this information does not directly pertain to the work the applicant is required to do
- Do not ask a female candidate for her maiden name
- Never ask any candidate about their marital status or plans to get married if they are single



*Thank You*

NOTE