

UCS1704 – Management and Ethical Practices

UNIT – II

**Human Resource Management
Training & Development, Current Issues**

Semester – VII

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OUTLINE

Why Human Resources Is Important: The HRM Process

- Explain how an organization's human resources can be a significant source of competitive advantage.
- List eight activities necessary for staffing the organization and sustaining high employee performance.
- Discuss the environmental factors that most directly affect the HRM process.

OUTLINE (cont'd)

Human Resource Planning; Recruitment/ Decruitment; Selection; Orientation; Training

- Contrast job analysis, job description, and job specification.
- Discuss the major sources of potential job candidates.
- Describe the different selection devices and which work best for different jobs.
- Tell what a realistic job preview is and why it's important.
- Explain why orientation is so important.
- Describe the different types of training and how that training can be provided.

OUTLINE (cont'd)

Employee Performance Management; Compensation/Benefits; Career Development

- Describe the different performance appraisal methods.
- Discuss the factors that influence employee compensation and benefits.
- Describe skill-based and variable pay systems.
- Describe career development for today's employees.

Current Issues in Human Resource Management

- Explain how managers can manage downsizing.
- Discuss how managers can manage workforce diversity.

OUTLINE (cont'd)

Current Issues in Human Resource Management (cont'd)

- Explain what sexual harassment is and what managers need to know about it.
- Describe how organizations are dealing with work-life balances.

Other Selection Approaches

- **Interviews**
 - Although used almost universally, managers need to approach interviews carefully.
- **Background Investigations**
 - Verification of application data
 - Reference checks:
 - ❖ Lack validity because self-selection of references ensures only positive outcomes.
- **Physical Examinations**
 - Useful for physical requirements and for insurance purposes related to pre-existing conditions.

Suggestions for Interviewing

1. Structure a *fixed set of questions* for all applicants.
2. Have *detailed information about the job* for which applicants are interviewing.
3. *Minimize any prior knowledge* of applicants' background, experience, interests, test scores, or other characteristics.
4. Ask *behavioral questions* that require applicants to give detailed accounts of actual job behaviors.
5. Use a *standardized evaluation form*.
6. *Take notes* during the interview.
7. *Avoid short interviews* that encourage premature decision making.

Source: Based on D.A. DeCenzo and S.P. Robbins, *Human Resource Management*, 7th ed. (New York Wiley: 2002, p. 200)

Examples of “Can’t Ask and Can Ask” Interview Questions for Managers*

Can’t Ask

- **What’s your birth date? or How old are you?**
- **What’s your marital status? or Do you plan to have a family?**
- **What’s your native language?**
- **Have you ever been arrested?**

Can Ask

- **Are you over 18?**
- **Would you relocate?**
- **Are you authorized to work in the United States?**
- **Have you ever been convicted of [fill in the blank]?—The crime must be reasonably related to the performance of the job.**

* Note: Managers should be aware that there are numerous other “can and can’t ask” questions. Be sure to always check with your HR department for specific guidance.

Quality of Selection Devices as Predictors

Selection Device	Position			
	Senior Management	Middle and Lower Management	Complex Nonmanagerial	Routine Work
Application form	2	2	2	2
Written tests	1	1	2	3
Work samples	—	—	4	4
Assessment center	5	5	—	—
Interviews	4	3	2	2
Verification of application data	3	3	3	3
Reference checks	1	1	1	1
Physical exam	1	1	1	2

Note: Validity is measured on a scale from 1 (highest) to (lowest). A dash means "not applicable."

Other Selection Approaches (cont'd)

- Realistic Job Preview (RJP)
 - The process of relating to an applicant both the positive and the negative aspects of the job.
 - ❖ Encourages mismatched applicants to withdraw.
 - ❖ Aligns successful applicants' expectations with actual job conditions; reducing turnover.

Orientation

- Transitioning a new employee into the organization.

- Work-unit orientation

- ❖ Familiarizes new employee with work-unit goals
- ❖ Clarifies how his or her job contributes to unit goals
- ❖ Introduces he or she to his or her coworkers

- Organization orientation

- ❖ Informs new employee about the organization's objectives, history, philosophy, procedures, and rules.
- ❖ Includes a tour of the entire facility

Types of Training

Type	Includes
General	Communication skills, computer systems application and programming, customer service, executive development, management skills and development, personal growth, sales, supervisory skills, and technological skills and knowledge
Specific	Basic life/work skills, creativity, customer education, diversity/cultural awareness, remedial writing, managing change, leadership, product knowledge, public speaking/presentation skills, safety, ethics, sexual harassment, team building, wellness, and others

Source: Based on "2005 Industry Report—Types of Training," *Training*, December 2005, p. 22.

Employee Training Methods

- **Traditional Training Methods**

- On-the-job
- Job rotation
- Mentoring and coaching
- Experiential exercises
- Workbooks/manuals
- Classroom lectures

- **Technology-Based Training Methods**

- CD-ROM/DVD/videotapes/ audiotapes
- Videoconferencing/ teleconferencing/ satellite TV
- E-learning

Employee Performance Management

- **Performance Management System**

- A process of establishing performance standards and appraising employee performance in order to arrive at objective HR decisions and to provide documentation in support of those decisions.



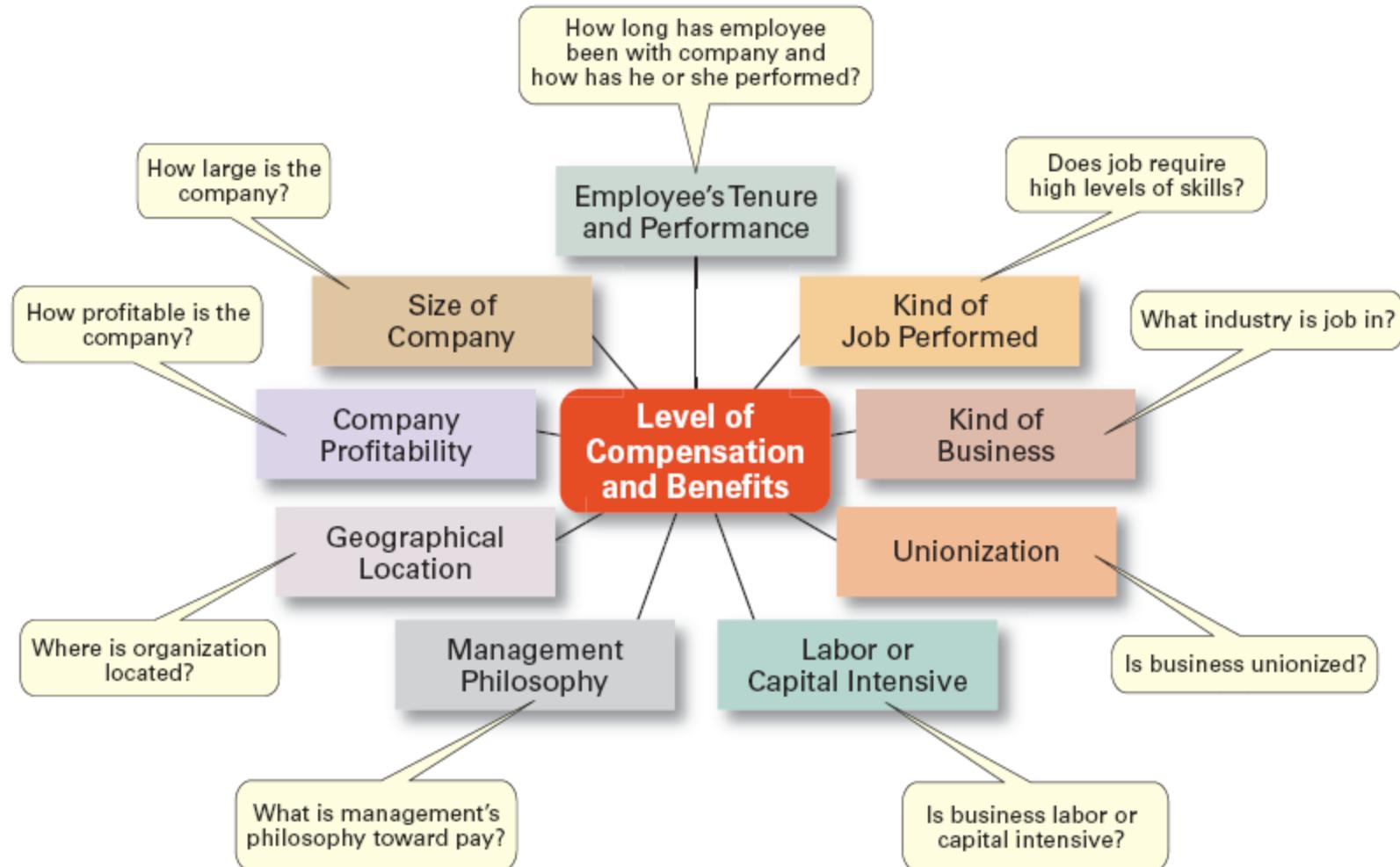
Advantages and Disadvantages of Performance Appraisal Methods

Method	Advantage	Disadvantage
Written essays	Simple to use	More a measure of evaluator's writing ability than of employee's actual performance
Critical incidents	Rich examples; behaviorally based	Time-consuming; lack quantification
Graphic rating scales	Provide quantitative data; less time-consuming than others	Do not provide depth of job behavior assessed
BARS	Focus on specific and measurable job behaviors	Time-consuming; difficult to develop
Multiperson comparisons	Compares employees with one another	Unwieldy with large number of employees; legal concerns
MBO	Focuses on end goals; results oriented	Time-consuming
360-degree appraisals	Thorough	Time-consuming

Compensation and Benefits

- Benefits of a Fair, Effective, and Appropriate Compensation System
 - Helps attract and retain high-performance employees
 - Impacts on the strategic performance of the firm
- Types of Compensation
 - Base wage or salary
 - Wage and salary add-ons
 - Incentive payments
 - Skill-based pay
 - Variable pay

Factors That Influence Compensation and Benefits



Sources: Based on R.I. Henderson, Compensation Management, 6th ed. (Upper Saddle River, NJ: Prentice Hall, 1994), pp. 3–24; and A. Murray, "Mom, Apple Pie, and Small Business," Wall Street Journal, August 15, 1994, p. A1

Career Development

- Career Defined
 - The sequence of positions held by a person during his or her lifetime.
 - The Way It Was
 - ❖ Career Development
 - Provided for information, assessment, and training
 - Helped attract and retain highly talented people
 - ❖ Now
 - Individuals—not the organization—are responsible for designing, guiding, and developing their own careers.
 - Boundaryless Career
 - ❖ A career in which individuals, not organizations, define career progression and organizational loyalty

What College Graduates Want From Jobs

Top Factors for U.S. Students

- Work-life balance
- Annual base salary
- Job stability and security
- Recognition for a job done well
- Increasingly challenging tasks
- Rotational programs

Top Factors for U.K. Students

- International career opportunities
- Flexible working hours
- Variety of assignments
- Paid overtime

Sources: Based on S. Shellenbarger, "Avoiding the Next Enron: Today's Crop of Soon-to-Be Grads Seeks Job Security," *Wall Street Journal Online*, February 16, 2006; "MBAs Eye Financial Services and Management Consulting," *HRMarketer.com*, June 7, 2005; and J. Boone, "Students Set Tighter Terms for Work," *FinancialTimes.com*, May 21, 2005.

Some Suggestions for a Successful Management Career



Current Issues in HRM

- Managing Downsizing

- The planned elimination of jobs in an organization
 - ❖ Provide open and honest communication.
 - ❖ Provide assistance to employees being downsized.
 - ❖ Reassure and counseling to surviving employees.

- Managing Work Force Diversity

- Widen the recruitment net for diversity
- Ensure selection without discrimination
- Provide orientation and training that is effective

Current Issues in HRM (cont'd)

- Sexual Harassment

- An unwanted activity of a sexual nature that affects an individual's employment.
 - ❖ Unwanted sexual advances, requests for sexual favors, and other verbal or physical conduct of a sexual nature when submission or rejection of this conduct explicitly or implicitly affects an individual's employment.
- An offensive or hostile environment
 - ❖ An environment in which a person is affected by elements of a sexual nature.

- Workplace Romances

- Potential liability for harassment

Current Issues in HRM (cont'd)

- Work-Life Balance

- Employees have personal lives that they don't leave behind when they come to work.
- Organizations have become more attuned to their employees by offering **family-friendly benefits:**
 - ❖ On-site child care
 - ❖ Summer day camps
 - ❖ Flextime
 - ❖ Job sharing
 - ❖ Leave for personal matters
 - ❖ Flexible job hours

Current Issues in HRM (cont'd)

- Controlling HR Costs
 - Employee health-care
 - ❖ Encouraging healthy lifestyles
 - Financial incentives
 - Wellness programs
 - Charging employees with poor health habits more for benefits
 - Employee pension plans
 - ❖ Reducing pension benefits
 - ❖ No longer providing pension plans