HUMAN RESOURCE MANAGEMENT

HUMAN RESOURCE MANAGEMENT by Gary Dessler

TALENT MANAGEMENT PROCESS **3**
4| Job Analysis **4**
Basics of Job Analysis 4
Uses of Job Analysis Information 4
Steps in Job Analysis 5
1) Decide how you will use the information. 5
2) Review relevant background information. 5
Workflow Analysis 5
Job Redesign 5
3) Select representative positions. 5
4) Do the “actual” Job Analysis. 5
● Interview 5
● Questionnaire 6
● Observation 6
● Participant’s Log/Diary 7
● Internet-Based Job Analysis 7
● Quantitative Job Analysis Techniques 7
5) Verify the Job Analysis Information. 7
6) Develop a Job Description and Job Specification. 7
Writing Job Description → what the job is? 7
Writing Job Specification → which people to hire for this? 7
Job Analysis Guidelines 8
5| Personnel Planning and Recruiting **9**
Forecasting Personnel Needs 9
Trend Analysis 9
Ratio Analysis 9
Scatter Plot 9
Markov Analysis 9
HRIS 9
Forecasting the Supply of Inner Candidates (Internal) 10
Succession Planning → Who comes after 10
Rehiring → Hiring a past employee 10
Job Posting → Telling the internal employees about the job (transfer occurs). 10
Forecasting the Supply of Outer Candidates (External) 10
Application Forms 11

6| Testing and Selection **12**
Why is Careful Selection important? 12
Person-Job Fit → Matching the job's requirements with the employee's competencies. 12
Testing Basic Concepts 12
Validation Process 12
Testing Types 13
Personalities 13
Management Assessment Centers 13
Typical Simulated Tasks 13
Background Investigation and Reference Checks 14
7| Interviewing Candidates **15**
Basic Types 15
Interviewed Questions Contents 15
How should we administer Interview 15
Ways to make interview useful 15
Errors that make the interview less useful/unuseful. 15
How to design the interview 16
How to conduct the interview 16
8| Training **17**
Orientation Process 17
Training Process 17
Training Types 17
On-the-Job Training Process. 18
Training Methods 18
Creating your own Training Program. 18
Implementing Management Development Programs (Training for Managers) 19
On-the-Job Management Training 19
Off-the-Job Management Training 19
What to Change? 19
Evaluating Training Effort 19
9| Performance Management and Appraisal **20**
Why Appraise? 20
Defining Employee goals and Standards. 20
Who Should do the Appraising? 20
Techniques for Appraising Performance 21
Dealing with Performance Appraisal Problems 21
Guidelines to hold effective appraisal 21
Appraisal Interview 22

Types of Appraisal Interviews 22
How to take Appraisal Interview. 22
Performance Management 22
Basic Building Blocks of Performance Management. 22
10| Managing Employee Separation 23
How to Retain Employees 23
Cost of Employee Separation 23
Types of Employee Separation 24
Early Retirement 24
Avoiding Problems with Early Retirement. 24
Implementing Layoff. 25

Everything Sir taught in class.

Extra things in book.

Some terms:

- **Warning** →
- **Information** →
- **Knowledge** →
- **Observation** → Seeing
- **Experiment** → Testing
- **Experience** → Repeated Experiments
- **Motivation** →
- **Learning** →
- **Ethics** → Mannerism
- **Education** → Knowledge with Ethics
- **Reinforcement** →

- **Initial Stress Interview** → To check patience.
- **Final Stress Interview** → To check mental health issues.

TALENT MANAGEMENT PROCESS

It is the goal-oriented process with the following steps:

1. Decide the positions to fill; through Job Analysis, Planning and Forecasting.
2. Build a pool of candidates; by Recruitment.
3. Candidates fill Applications Forms and Take initial Interviews.
4. Use Selection Tools like Tests and Exams.

5. Decide whom to Offer.
6. Train the (now) employees for the job.
7. Appraise Employees and Test them to see how they're doing.
8. Reward and Compensate Employees to motivate them.

4| Job Analysis

Understanding what jobs need to be filled and the people needed for that. It has two processes: **Job Description** (what the job is) and **Job Specification** (what type of people to hire for it).

Basics of Job Analysis

The supervisor from Job Analysis, collects information about

- **Work Activities →** What? How? Why? When? Workers perform activities.
    - Work Hours
    - Consulting Hours
- **Human Behaviours →** human behvaiours required for the job.
- **Machine, Tools and Equipment →** services and Tools used.
- **Performance Standards →** quality/quantity levels for the job.
- **Job Content →** work conditions, schedule, incentives and people to interact.
- **Human Requirements →** required knowledge/skills/attributes.

Uses of Job Analysis Information

The information gathered from Job Analysis can be used for

- **Recruitment and Selection**
- **Legal Compliance**
- **Performance Appraisal**
- **Compensation**
- **Training**
- **Discovering Unassigned Duties**

Evaluation → Grading/Comparing an individual to a criteria/standard.
Examination → the structured analysis by testing an individual's capabilities.

Steps in Job Analysis

1) Decide how you will use the information.

This will decide **the way** to collect the information.

Interview → good for writing job descriptions.
Questionnaire → good for compensation purposes.

2) Review relevant background information.

Organization Charts → shows the division of work and where the job fits.

Workflow Analysis

A detailed study of the flow of work from job to job in a work process. It answers questions like **should this job even exist?**

Job Redesign

Repetitive Jobs are very de-humanizing so solutions were proposed to lessen this.

1. **Job Enrichment** → redesigning the jobs to motivate the worker.
2. **Job Enlargement** → assigning extra same-level tasks to workers.
3. **Job Rotation** → moving workers from one job to another.

Business Job Reengineering → redesigning the processes of the business.

3) Select representative positions.

Choose which positions/jobs to focus on.

4) Do the "actual" Job Analysis.

Methods for Collecting Job Analysis information.

- **Interview**

  Asking questions related to the job.
  Distortion of Information is the main problem as people can fake information by either misunderstanding or on purpose.
  Guidelines → Quickly establish rapport (close relationship) with the interviewee.
  -
  - **Typical Questions** like *What are the job duties?* or *What activities do you participate in?*
    -

- **Open Ended** Questions → Give your own answer. (Subjective Questions)
- **Close Ended** Questions → Choose from fixed responses. (Objective Questions)

- **Unstructured** Interview → Without any format.
- **Structured** Interview → In a proper format.
  - **Pyramid** (Close Ended Questions into Open Ended Questions)
  - **Reverse Pyramid** (Open Ended Questions into Close Ended Questions)
  - **Funnel** (Open Ended Questions into Close Ended into Open Ended Questions)
  - **Unstructured**

- **Planned** Interview → An interview where everything is decided beforehand.
- **Unplanned** Interview

- **Planted** Interview → An interview where every question is fixed beforehand.
- **Unplanted** Interview

- **Facts** → Truth Statements.
- **Assumptions** → Preconceived Notions.

- **Interviewer** → Person conducting the interview.
- **Interviewee** → Person giving the interview.

- **Panel** Interview → Single Interviewee, Multiple Interviewers.
- **Group** Interview → Multiple Interviewees, Single Interviewer.

- **Questionnaire**

  A set of printed or written questions with a choice of answers, for the purpose of a survey or a study.
  - Number of Questions in the Questionnaire
  - **Likert Scale** → a rating scale used to measure opinions, attitudes, or behaviours.
  - Application of the Questionnaire
- **Observation**

  The action of closely seeing someone.
  - **Direct Observation →** by an operator
    - Good → Physical Jobs (Clerk, Workers etc.)
    - Not Good → Technical Jobs (Teacher, Doctor, Lawyer)
  - **Indirect Observation →** some other way

- **Participant's Log/Diary**

  A record of their daily activities. This is done randomly during the day.

- **Internet-Based Job Analysis**

  Using the internet to do the Job Analysis. Saves a lot of time.

- **Quantitative Job Analysis Techniques**

  Different from the Qualitative methods above. It uses facts and hard data to define a job.
  - **Position Analysis Questionnaire** → a standardized questionnaire with 194 items divided into 5 activities.
  - **Department of Labor Procedure** → a standardized method.

5) Verify the Job Analysis Information.

With the worker and with their supervisor.

6) Develop a Job Description and Job Specification.

Writing Job Description → what the job is?

- **Job Identification** → Upper Portion (Job Title).
- **Job Summary** → Major Functions/Activities.
- **Responsibilities and Duties**
- **Authority of the Incumbent** → Relationships with others like "Reports to" and "Supervises".
  - Incumbent is a person who is sandwiched between upper and lower employees.
- **Standards of Performance** → Company's expectations.
- **Working Conditions.**
- **Job Environment.**

Writing Job Specification → which people to hire for this?

- Specification for the **Trained** → It is Straightforward.
- Specification for the **Untrained** → It is Complex.

- Specification based on **Judgement** → by Educated Guesses from HRMs or Supervisors.
  - Use Common Sense.
- Specification based on **Performance.**

- **Statistical Analysis →** Analyzing large volumes of data to find trends and get valuable information.

- **Profile** → A list of competencies, traits, knowledge and experience that the employee has in multiple jobs.

- Specification based on **Competency** → based on observable/measurable behaviour.

Job Analysis Guidelines

- Make Job Analysis a joint-effort between Manager, Employee and Supervisor.
- Make sure the questions and the process are clear to the employees.
- Use several different Job Analysis tools.

5| Personnel Planning and Recruiting

Workforce Planning → Knowing which positions to fill and how.
Strategy Planning → Virtual Implementation.

Good Implementation **cannot overcome** Bad Planning
Good Planning **can overcome** Bad Implementation.

Forecasting → Prediction/Estimation about the Future.

1. Prospect → before applying.
2. Applicant → applied for the job.
3. Candidate → selected and now further in the process.
4. Employee → after clearing the hiring process.

Forecasting Personnel Needs

Trend Analysis

Studying variations/trends in the employment levels.

Ratio Analysis

Taking ratio between some casual factor and number of employees required.

Scatter Plot

Show graphically how two variables are related.

Markov Analysis

Creating a matrix of probabilities that employees will be able move from job to job to fill key positions.

HRIS

Human Resource Information System) → Computerized Forecasting.

Forecasting the Supply of Inner Candidates (Internal)

Succession Planning → Who comes after

Process of finding critical positions within your organization and make plans for individuals to take those positions.

Rehiring → Hiring a past employee

Either because they left voluntarily for sometime or were kicked). This is good because it removes extra training and other things.

Job Posting → Telling the internal employees about the job (transfer occurs).

Forecasting the Supply of Outer Candidates (External)

- **Recruiting via the Internet** (LinkedIn, Indeed etc.)
- **Advertisements** → Job Announcement.
- **Employment Agencies**
    - **Public** → Government
    - **Private** → Individually-owned
    - **Non-Profit** → No Profit/ Welfare
- **Temporary/Alternate Staffing** → Part-time workers. (Visiting Employees)
- **Offshoring** → Getting work done by someone else outside the country.
- **Outsourcing** → Getting work done by someone else. (intside the country)
- **Executive Recruitors → Headhunters**
  Special employment agencies who find high-level employees and charge huge sums of money.
    - Retained E.Rs find the highest-level individuals and take their payment even if they fail to find one.
    - Contingency E.Rs find medium to junior level individuals.
- **On-Demand Recruiting** → Provide short term help when in need.
- **College Recruiting** → On-campus (like directly recruiting from University).
- **Referrals and Walk-ins** → Interviews without any need for appointment.
- **Telecommutors** → Working from home or somewhere else.
- **Military Personnel** → Recruiting from the Army as they have disciplined/trained individuals.

Recruiting a more diverse workforce

It is important to recruit a diverse workforce, especially including Single Parents, Older People, Minorities, Disabled and Skill-less people (Welfare-to-Work).

Application Forms

They provide 4 types of information.

- About Judgement/Substantive Matters
- About Previous Progress/Growth
- About Employee's Stability
- About Future (Make Predictions)

6| Testing and Selection

Why is Careful Selection important?

- **Performance** → There is an impact on performance.
- **Cost** → It's costly to hire new people.
- **Legal Obligation** → Mismanagement can have Legal problems.
    - **Negligent Hiring** → Hiring the wrong people (like people with criminal records).

Person-Job Fit → Matching the job's requirements with the employee's competencies.

Testing Basic Concepts

Reliability → First requirement of a test. Basically how reliable is the test at testing peoples' abilities.

Test-Retest Reliability Estimate → Retaking the test multiple times on different days.

Internal Comparison Estimate → Repeating the same question multiple times.

Reliability Coefficient → Shows correlation between the Test retakes.

Validity → Whether the test is actually measuring what you want it to.

- **Test Validity** → Does this test measure what it's supposed to measure?
- **Criterion Validity** → Do Higher test scores mean Higher Job Performance? or no?
    - **Predictor** → The measurement which tells us about the future. (Test Score)
    - **Criteria** → The thing we are trying to measure and find relation of. (Job Performance)
- **Content Validity** → Is the content actually about the performance of job?
- **Construct Validity** → It measures a Construct (Abstract Ideas) and then asks Is this construct important to the job?

Validation Process

1. **Analyze the Job** → Write Job Description/Specification.
2. **Select the Test(s)**
3. **Administer the Test**
    - **Concurrent Validation** → Testing already Hired Employees.
    - **Predictive Validation** → Testing before Hiring.

4. **Validate the Test results by Criteria.**
5. **Revalidate/Cross-Validate.**

Test Takers/Givers individual rights

- **Confidentiality** of the test results.
- **Informed Consent** on the use of test scores.
- **Sufficient Information** is given to person checking the test.
- **Doubting the fairness** of the test.

Testing Types

- **Testing Cognitive Abilities →** Testing the mind.
    - **Intelligence Tests** → Measures intellect.
    - **Aptitude Tests** → Measures some specific cognitive ability (like reasoning).
- **Motor Skills and Physical Tests** → Testing the body.
    - **Motor Abilities** → Finger Dexterity, Reaction Speed etc.
    - **Physical Abilities** → Static Strength, Dynamic Strength, Stamina etc.
- **Achievement Test** → Measures skills and knowledge learned.
- **Personality Test** → Measures basic personality traits.

Personalities

- **Big Five →** These are 5 big personalities to measure.
    - **Neuroticism** → tendency of Emotional Stability.
    - **Extraversion** → tendency to engage in Sociable Activities.
    - **Conscientiousness** → tendency to do own work Honestly/Earnestly.
    - **Agreeableness** → tendency to be trusting/compliant.
    - **Open to Experience** → tendency to learn new things.

Do Personality Tests predict Performance → Yes

Job Previews and Work Samples → Situations inside the job.
Situational Judgement Tests → To assess judgement capabilities.

Management Assessment Centers

A 2-3 Day simulation where 10-12 Candidates perform managerial tasks.

Typical Simulated Tasks

- **The in-Basket** → Memos, Reports, Letters, Calls and other materials are given to the candidate who then takes appropriate action. These measure problem-solving.

- **Leaderless Dicussions** → A group without a leader is given a discussion question. They are then checked for their Leadership skills, Influence/Acceptance and Interpersonal Skills.
- **Management Games** → Candidates solve realistic problems as members of simulated companies competing for marketplace.
- **Individual Presentations** → To check Communication/Persuasion skills.

Situational Testing → Testing for response on Situations in the job.

Background Investigation and Reference Checks

Why? → To avoid hiring the wrong person, as that's bad in many ways.

- **Legal Dangers** → Privacy, Defamation.

How to Check? → Verifying the applicant's position/salary, motivation, competence, abilities etc. with their previous employer.

Pre Employment Information Services → They check on your behalf.

- **Polygraph** → Lie Detector used to test Honesty.
    - **Paper-and-Pencil Honesty Tests** → Alternative to Polygraph.
- **Graphology** → Handwriting Analysis to test Personality Traits.
- **Substance Abuse Testing** → Drug tests.

7| Interviewing Candidates

An interview is a discussion designed to gain information from the person.

Basic Types

Structured(Directive) vs **Unstructured**(Non-Directive) → Is there a format?

Interviewed Questions Contents

Situational Questions → What the Candidate will do in a certain situation?
Behavioural Questions → How they reacted to situations in past?

Job-Related Interview → Asking questions about relevant past experiences.
Stress Interview → Making the interviewer uncomfortable with rude questions to check tolerance.

How should we administer Interview

- **Panel Interview** → Interview taken by a team of interviewers who make a final combined score. A panel interviewing multiple candidates at once is called **Mass Interview**.
- **Phone Interview** → Conducting the interview over on call.
- **Video Based or Assisted Interview** → Conducting the interview on video call.
- **Computerized Interview**

Ways to make interview useful

- **Structure the Interview.**
- **Be careful about traits to assess** → Interview are better at assessing some traits better than others.
- **Beware of committing errors.**

Errors that make the interview less useful/unuseful.

- **Snap Judgement** (First Impressions) → Jumping to conclusions.
- **Not Clarifying what the job requires**
- **Candidate-order Error** (Pressure to Hire) → The order you see the candidates in, affects ratings. An average candidate when presented after many below-average ones makes him seem better than he is.
- **Non-Verbal Behavior** (Impression Management)→ Applicant's non-verbal behaviour can skew the ratings as well.

- **Effects of Personal Characteristics** → Attractiveness, Gender, Race etc.
- **Interviewer Behaviour** → Can also affect the Interviewee's rating.

How to design the interview

1. Analyze the Job.
2. Rate the Job's main duties.
3. Create interviews/questions.
4. Create Benchmark/Ideal Answers.
5. Appoint the Interview Panel.

How to conduct the interview

1. Know your job.
2. Structure the Interview.
3. Get Organized.
4. Establish Rapport → Making the Interviewee comfortable.
5. Ask Questions.
6. Make Brief Notes.
7. Close the Interview.

Structured Situational Interviews

8| Training

Employee Orientation → Provide them with information required for the job.
Purpose of Employee Orientation/Onboarding → Make them feel welcomed, Provide information and Introduce them to the culture of the company.

Orientation Process

An orientation can take hours.

- **Employee Handbook** → A document which includes business's rules, policies and expectations.
- **Informal Orientation** → Orientation given casually.
- **Orientation Technology** → Using technology to help in giving orientation.

Training Process

Negligent Training → Situation where the employer fails to give proper training.

1. Analyze Training Needs → Strategic and Current Training both need Analysis.
2. Design the Training Program.
3. Develop the course.
4. Implement the program.
5. Evaluate.

Designing the Training Program

- Training, Learning, Motivation
- Making the Learning Meaningful.
- Make Skill Transfer Easy.
- Reinforce Learning.
- Analyze the Training Needs.

Task Analysis → Detailed study of the job to identify specific skills required.
Performance Analysis → Finding a performance problem and Asking if it needs fixing.

Can't Do → Unable to perform tasks for some reason.
Won't Do → Not doing tasks as they lack incentive.

Training Types

On-the-Job Training (OJT) → Having the person learn the job by actually doing it.

On-the-Job Training Process.

1. Prepare the Learner.
2. Present the Operations.
3. Do a tryout.
4. Follow-up or repeat.

Apprenticeship Training → A structured process by which people become skilled workers through a combination of Instructions and OJT. like Internships.

Informal Training → Training given Casually.

Job Instruction Training → Listing the job's basic tasks/key-points to train the employees, step-by-step.

Training Methods

- **Lectures**
- **Programmed Learning** → Step-by-step self-learning training process.
- **Audio-Visual Based Learning** → Using Videos to train.
- **Vestibule Training** → Training using simulated equipment. Useful in riskier/costly jobs.
- **Teletraining and Video Conferencing** → Training from long distances.
- **Electronic Performance Support System** → Computerized Tools
- **Computer-based Training** → Use of interactive computer based systems.
- **Simulated Training** → Simulated Learning Experiences.
- **Interactive Learning**
- **Internet-based Training**
- **Learning Portals** → LMS
- **Virtual Classrooms** → Using collaborative software.
- **Lifelong Training** → Continuous learning over their tenure.
- **Literacy Training** → Training to read and write.
- **Voice and Accent Training**

Creating your own Training Program.

1. Training Objective.
2. Use a detailed Job Description.
3. Task Analysis
4. Develop Job Instruction.
5. Compile Training Program.

Implementing Management Development Programs (Training for Managers)

Strategy and Development Program → Attempts to improve performance.

On-the-Job Management Training

- **Job Rotation** → Moving a manager from job to job to increase their experience.
- **Coaching/Understudy Approach** → A trainee works directly under a senior.
- **Action Learning** → Trainees are allowed to work full-time solving problems in other departments.

Off-the-Job Management Training

- **Case Study Method** → Managers are given an organizational problem in written form to solve.
- **Management Games** → Allows managers to learn from real scenarios in simulated settings.
- **Outside Seminar**
- **University Related Programs** → Management Education
- **Role Playing** → Playing the part of someone else by making a scenario.
- **Behavior Modeling** → Showing them the right way of doing things.
- **Corporate Universities** → In-house Development Centers.
- **Executive Coaches** → Outsider Consultants.

What to Change?

Strategic Change → A change in the organization's goals/objectives.

Lewin's Change Process

- **Unfreezing** → Reducing the forces against the change.
- **Moving** → Develop new behaviors/attitudes.
- **Refreezing** → Reinforcing the change so that it might not get reverted.

Evaluating Training Effort

Designing the Study → How to design the training evaluation study?

- **Controlled Examination** → Testing the effectiveness of a training program.

Training Effects to Measure

- Reaction
- Learning
- Behavior
- Results

9| Performance Management and Appraisal

Performance Appraisal → Evaluation of an employee's current/past performance based on the performance standards.

Why Appraise?

1. Pay, Promotion, Retention are based on Appraisal.
2. Makes sure the Team's Performance is according to the Company's Goals.
3. To correct any problems and reinforce good points.
4. Shows us strengths and weaknesses in an employee's career plans.
5. Identify Needs.

Defining Employee goals and Standards.

Effective goals are **SMART**

- **Specific** → Clear
- **Measurable** → How much?
- **Attainable** → Achievable
- **Relevant** → Related to the Company's desires.
- **Timely** → Respecting Deadlines.

How to Set Effective Goals

1. Assign Specific Goals.
2. Assign Measurable Goals.
3. Assign Doable Goals.
4. Encourage Participation.

Who Should do the Appraising?

- **Peer Appraisal** → Appraisal by people on same rank.
- **Rating Committees** → Appraisal by people above you.
- **Self-Appraisal** → Appraisal by youself.
- **Appraisal by Subordinates** → Appraisal by people under you.
- **360 Degree Feedback** → Combined

Realistic Appraisal → A carefully done appraisal.
Supervisor Role → A person who directs/oversees work.

Techniques for Appraising Performance

- **Graphic Rating Scale Method** → Ranking by using a Graph to rate.
- **Alternation Rating Method** → Ranking employees from best to worst on each trait.
- **Critical Incident Method** → Keeping a record of very good/bad examples of an employee's behaviour. Important Moments.
- **Forced Distribution Method** → Rating employees on a curve by placing their grades/ratings in performance categories.
- **Paired Comparison Method** → Ranking employees by picking all possible pairs and comparibg.
- **Narrative Forms** → Written Appraisal.
- **Behaviorally-Anchored Rating Method** → Uses a numerical rating system with specific examples of good/bad performance.
- **Management by Objectives** → Organization-wide goal setting and appraisal.
- **EPM** (Electronic Performance Monitoring) → Use of Technology to allow managers to monitor their employees.
- **Computerized and Web-based Performance Appraisal**

Dealing with Performance Appraisal Problems

- **Unclear Standards** → Not setting clear standards.
- **Halo Effect** → Letting one good/bad thing base your entire decisions, for Evaluation.
- **Central Tendency** → Rating all employees average.
- **Leniency or Strictness** → Either being too strict or too lenient when taking P.A.
- **Recency Effect** → Letting Employee's recent effort blind you from his performance over the year.
- **Supervisor Bias** → Tendency to judge based on individual differences.

Guidelines to hold effective appraisal

1. Know the problem.
2. Use the right (approach) appraisal tool.
3. Keep a diary (record).
4. Get agreement on a plan.
5. Be Fair.

Appraisal and Law → Holding unfair appraisals and cause legal problems for the employer.

Appraisal Interview

Types of Appraisal Interviews

1. **Satisfactory** - **Promotable** → Easiest, Discuss person's career plans and development program.
2. **Satisfactory** - **Not Promotable** → Maintain satisfactory performance by giving incentives.
3. **Unsatisfactory** - **Correctable** → Make a plan to correct the performance.
4. **Unsatisfactory** - **Uncorrectable** → You can skip the interview.

How to take Appraisal Interview.

1. Talk in terms of objective work data.
2. Don't get personal.
3. Encourage the person to talk.
4. Get Agreement.

Performance Management

Basic Building Blocks of Performance Management.

- **Direction Sharing**
- **Goal Alignment**
- **Ongoing Performance Monitoring**
- **Ongoing Feedback**
- **Coaching and Development**
- **Rewards**

Using Information Technology to support Performance Management.

Why Performance Management?

- Quality Assurance
- Appraisal
- Strategic Planning

Improving Productivity through the Human Resource Information System (HRIS)

10| Managing Employee Separation

Turnover → The rate at which employees leave a company.

How to Retain Employees

1. **Good Selection**
2. **Professional Growth**
3. **Provide Career Direction**
4. **Meaningful Work**
5. **Recognition and Rewards**
6. **Culture/Environment**
7. **Promote Work-Life Balance**
8. **Acknowledge Achievements**

Cost of Employee Separation

1. **Recruitment Cost**
    - Advertising
    - Campus Visit → College Visit
    - Recruiter's Time
    - Search firm fees

2. **Selection Cost**
    - Interviewing
    - Testing
    - Reference Check
    - Relocation → Sending somewhere else.

3. **Training Cost**
    - Orientation
    - Direct Training Cost
    - Trainer Cost
    - Lost Productivity during Training → Pay of Alternate Staff.

4. **Separation Cost**
    - Separation Pay → Pension, Graduatee.
    - Benefits
    - Unemployment Insurance Cost → Forced Dismissal.
    - Exit Interview

- Outplacement → Placing somewhere else.

Types of Employee Separation

- **Voluntary Separation**
  - **Quits** → Resignation.
  - **Retirements**

- **Involuntary Separation**
  - **Discharges** → Suspension, Dismissal, Removal.
  - **Layoffs** → Removing in bulk.
  - **Downsizing** → Reducing, **Upsizing** → Increasing
  - **Rightsizing** → Removing bad people.

Early Retirement

Avoiding Problems with Early Retirement.

Alternatives to Layoffs.

1. Employment Policies
   - Hiring Freeze → Attrition
   - Cut Part-time Employees.
   - Cut Internship.
   - Voluntary Time off.
   - Leave of Absence → Mandatory Leave.
   - Reduced Work Hours → Reduce Salaries to Compensate.
2. Change in Job Design
   - Transfer → Moving from one place to another, different post.
   - Relocation → Moving from one place to another, same post.
   - Job Sharing
   - Demotions
3. Pay and Benefit Policies
   - Pay Freeze.
   - Cut Overtime Pay.
   - Use Vacation and Leave Days.
   - Pay Cuts.
   - Profit Sharing → Dividends
   - Variable Pay → Less Pay when in Loss, More Pay when in Profit.
4. Retraining

Non-Traditional Alternatives to Layoffs → Laying off without prior notice.

Implementing Layoff.

1. Notifying Employees.
2. Developing Layoffs Criteria.
3. Communicating to Laid off Employees.

- **Coordinating Media (Journalists)**
- **Maintaining Security.**
- **Reassuring Survivors of Layoffs.**
- **Goal of Outplacement** → To help give them jobs.
- **Outplacement Service** → Gives hope and helps finding suitable replacement job.