HUMAN RESOURCES MANAGEMENT

CANADIAN EDITION

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Human Resources Management - Canadian Edition

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Introduction

Human Resource Management – Canadian Edition is the first open textbook used at JMSB and we're glad that you, students of MANA 362, are part of this initiative. By using this book you are part of the revolution. This book contains the best and latest in terms of HR content and is offered to you for free. The fact that it is open-source makes it a continuous work in progress, from one semester to the next, it will evolve and change, in sync with HRM.

Competing books are focused on the academic part of HRM, which is necessary in a university or college setting. However, the goal with this book is not only to provide the necessary academic background information but also to present the material with a practitioner's focus on both large and small businesses. While the writing style is clear and focused, we don't feel jargon and ten-dollar words are necessary to making a good textbook. Clear and concise language makes the book interesting and understandable (not to mention more fun to read) to the future HRM professional and manager alike.

Welcome to open source learning!

Stéphane Brutus
Nora Baronian

About the Book

This open textbook *Human Resources Management – Canadian Edition*, by Stéphane Brutus and Nora Baronian (Department of Management, John Molson School of Business, Concordia University), licensed under a **Creative Commons Attribution-NonCommercial-ShareAlike 4.0 International License**, has been adapted from ***Human Resources Management*** by University of Minnesota Libraries Publishing. Changes from the original book include:

- Additions of Canadian content (e.g. links, images, videos, cases)
- Updates of content based on the Covid-19 pandemic
- Major revisions to the chapters on the HR environment and Labour Relations based on the Canadian context
- A new chapter on HR Analytics

Open textbooks are open educational resources (OER), which are defined as "teaching, learning and research materials in any medium – digital or otherwise – that reside in the public domain or have been released under an open license that permits no-cost access, use, adaptation and redistribution by others with no or limited restrictions."[1]

This open textbook was developed as a part of the **Open Educational Resources Program** at Concordia University, Montreal. For more information, please contact **oer@concordia.ca**.

1. UNESCO. "Open Educational Resources (OER)". Accessed January 1, 2020. https://en.unesco.org/themes/building-knowledge-societies/oer

Acknowledgments

This book stems from a collective effort. I would like to thank the many human resources professors from the John Molson School of Business (JMSB) for their contributions to this book. Their ideas, feedback, and suggestions make this book the first open textbook in use at JMSB.

- Dr. Ingrid Chadwick
- Neil Fernandez
- Dr. Alexandru Lefter

I am grateful to Chloé Lei, Dianne Cmor, and Guylaine Beaudry of Concordia University Library for launching the Open Educational Resources Program at Concordia University. This book would not have been possible without the technical and financial support provided by this initiative.

Finally, I would like to thank the three MSc students who have helped me in the project: Sarah Herchet, and Michael Ogrom and Caroline Task.

Stéphane Brutus and Nora Baronian

August 2020

What is an Open Textbook?

The following is a revised version of ***What is an Open Textbook?*** *by Christina Hendricks:*

An open textbook is like a commercial textbook, except: (1) it is publicly available online free of charge (and at low-cost in print), and (2) it has an open license that allows others to reuse it, download and revise it, and redistribute it. For example, this guide has a **Creative Commons Attribution** license, which allows reuse, revision, and redistribution so long as the original creator is attributed.

In addition to saving students money, an open textbook can be revised to be better contextualized to one's own teaching. In a recent study of undergraduate students in an introductory level physics course, students reported that the thing they most appreciated about the open textbook used in that course was that it was customized to fit the course, followed very closely by the fact that it was free of cost (**Hendricks, Reinsberg, and Rieger 2017**). For example, in an open textbook one may add in examples more relevant to one's own context or the topic of a course, or embedded slides, videos, or other resources.

A number of commercial publishers offer relatively inexpensive digital textbooks (whether on their own or available through an access code that students must pay to purchase), but these may have certain limitations and other issues:

- Access for students is often limited to a short period of time;
- Students cannot buy used copies from others, nor sell their own copies to others, to save money;
- Depending on the platform, there may be limits to how students can interact with and take notes on the books (and they may not be able to export their notes outside the book, so lose access to those as well when they lose access to the book).

None of these is the case with open textbooks. Students can download any book and keep it for as long as they wish. They can interact with it in multiple formats: on the web; as editable word processing formats; offline as PDF, EPUB; as a physical print book, and more.

CHAPTER 1: PERSPECTIVES ON HUMAN RESOURCES MANAGEMENT: EXPLORING WHY HRM MATTERS

Human Resource Management Day-to-Day

CREDIT: *Dave Chan for The New York Times*

HRM and the birth of an industry: The birth of a marijuana producer

You have just been hired by High Growth Industries (HGI), a regionally accredited marijuana grower with headquarters in St Jerome. On your first day, you meet some of the employees and spend several hours with the company owner, Isidore Tremblay, hoping to get a handle on which human resource processes are already set up. HGI has established an excellent reputation as a tomato grower during more than 30 years of operation and has worked hard to achieve its motto of the "best tasting tomatoes in Quebec, all year long". In 2015, HGI started a small operation of medical marijuana and with the recent legalization of marijuana in October 2018, it transformed all of its operations to marijuana culture. In 2019, it was awarded its largest contract ever from the Quebec Government that will make HGI one of the only five marijuana providers in the province. While the future of the industry is still not certain, it does show promise: the Canadian market is estimated to be between 5 and 10 billion dollars annually. HGI currently operates 3 greenhouses, which employ 55 employees, biologists, chemists, botanists, and manual workers. Here is one of the workers discussing her job .

One or more interactive elements has been excluded from this version of the text. You can view them online here: **https://opentextbooks.concordia.ca/hrmcanadian/?p=24#oembed-1**

A majority of the workers have been with HGI for more than 10 years. With the new government contract, the owner has very ambitious expansion plans. HGI will be adding between 50 and 100 technical employees in the next year, and a commensurate number of non-skilled staff. In the next five years, Mr. Tremblay wants to have 10 new greenhouses.

In the past, it was Mr. Tremblay and each greenhouse manager who performed all of the organization's personnel functions…by the seat of their pants. Recruiting was done by word-of-mouth and performance appraisals rarely occurred. The company has been unionized for the better part of 20 years and the most recent contract expires January 1 of next year; the president was the chief union negotiator in prior negotiations. While these processes were sufficient for a tomato-growing company, it is another story for a company that operates in a tightly regulated industry such as marijuana production.

After your first day on the job, you realize it will be your responsibility to educate Mr. Tremblay on the value of a human resource manager. You look at it as a personal challenge—both to educate him and also to show him the value of this role in the organization. First, you tell him that HRM is a strategic process having to do with the staffing, compensation, retention, training, and employment law and policies of the business. In other words, your job as the human resources (HR) manager will be to not only write policy and procedures and to hire people (the administrative role) but also to use strategic plans to ensure the right people are hired and trained for the right job at the right time. For example, you ask him if he knows what the revenue will be in six months, and he answers, "Of course. We expect it to increase by 20 percent." You ask, "Have you thought about how many people you will need due to this increase?" Mr. Tremblay looks a bit sheepish and says, "No, I guess I haven't gotten that far." You then ask him about the risk of being infiltrated by organized crime and the type of background checks that are being done when hiring new employees, as per the Cannabis Act (see below). He responds with….the sound of crickets.

An interactive H5P element has been excluded from this version of the text. You can view it online here:
https://opentextbooks.concordia.ca/hrmcanadian/?p=24#h5p-1

He finally says "Well, it looks like we have some work to do. I didn't know that human resources involved all of that." You smile at him and start discussing some of the specifics of the business, so you can get started right away by writing the human resource management plan, starting with the need to be very careful with who you select.

> ***Security clearances under the Cannabis Act and Regulations****: Under the Cannabis Act and the Cannabis Regulations , key individuals associated with the holders of certain classes of licences must obtain a security clearance from Health Canada. Security clearances help minimize the risk to public health or public safety, including the risk of cannabis being diverted to an illicit market.*

Human Resource Management: An introduction

Learning Objectives

1. Define HRM and explain its evolution over the years.
2. Explain the role of HRM in organizations.
3. Define, discuss and explain the major HRM activities.
4. Explain the professional and personal skills needed to be successful in HRM.
5. Understand the role of the Quebec HR professional order.
6. Understand how the business context influences HRM.

Every organization, large or small, uses a variety of capital to make the business work. Capital includes cash, valuables, or goods used to generate income for a business. For example, a retail store uses registers and inventory, while a consulting firm may have proprietary software or buildings. No matter the industry, all companies have one thing in common: they must view people as intellectual capital. This will be our focus throughout the text: achieving organizational effectiveness through the use of people's skills and abilities.

1. What Is HRM?

Human resource management (HRM) is an integrated set of processes, practices, programs, and systems in an organization that focuses on the effective deployment and development of its employees. These processes include employing people, training them, compensating them, developing policies relating to them, and developing strategies to retain them. It is, by most account, one of the most critical functions of an organization, because for an organization to be efficient, it needs employees and systems that support them. Think of an organization that you admire (you

can use **Fortune's ranking of the World's Most Admired** companies). If you look closely at these companies, you'll find that they are all built, without exception, around efficient, strong, and innovative HR processes.

1.1. HRM: A Short History

As a field, HRM has a long history. It takes root in the study of psychology, organizational behaviour, and industrial engineering. The field has undergone many changes over the last twenty years, giving it an even more important role in today's organizations. In the past, human resource management (HRM) was called the personnel department. This department was in charge of hiring people and dealing with the paperwork related to employment. More recently, however, the personnel department has been divided into human resource management and human resource development, as these functions continue to evolve. HRM is not only crucial to an organization's success, but it should be part of the overall company's strategic plan, because so many businesses today depend on people to support their vision and accomplish their mission. Strategic planning plays an important role in how productive the organization is.

Figure 1.1. Examples of Differences between Personnel Management and HRM

Personnel Management Focus	**HRM Focus**
Administering of policies	Helping to achieve strategic goals through people
Stand-alone programs, such as training	HRM training programs that are integrated with company's mission and values
Personnel department responsible for managing people	Line managers share joint responsibility in all areas of hiring and management of people
Creates a cost within an organization	Contributes to the profit objectives of the organization

In the book *HR From the Outside In* (Ulrich, Younger, Brockbank, & Ulrich, 2012), the authors describe the evolution of HR work in 4 "waves".[1] (see Figure 1).

Early 1900: Wave 1 focused on the administrative work of HR personnel, such as the terms and conditions of work, delivery of HR services, and regulatory compliance (e.g., payroll). This administrative side still exists in HR today, but it is often accomplished differently via technology and outsourcing solutions.

1970's: Wave 2 focused on the design of innovative HR practice areas, such as, compensation, learning, and sourcing. The HR professionals in these practice areas began to interact and share with each other to build a consistent approach to human resource management. The HR credibility in Wave 2 came from the delivery of "best-practice" HR solutions.

1990's: Wave 3 has focused on the integration of HR strategy with the overall business strategy. Human resources appropriately began to look at the business strategy to determine what HRM priorities to work on and how to best use resources. HR began to be a true partner to the business, and the credibility of HRM was dependent upon HR having a seat at the table when the business was having strategic discussions.

2000's: In Wave 4, HRM continues to be a partner to the business, but has also become a competitive practice for responding to external business conditions. Organizations get ahead of the competition with their HRM practices.

Although each "wave" of HRM's evolution is important and must be managed effectively, it is the "outside in" perspective that allows the human resource management function to shine via the external reputation and successes of the organization.

Figure 1.2.

2. The Role of HRM in Organizations

HRM is an 'umbrella' term for many different and interrelated functions. It is necessary to point out at the very beginning of this text, that every manager has a role relating to human resource management. Just because we do not have the title of HR manager it does not mean we won't perform all or at least some of the HRM tasks. For example, most managers deal with the selection, compensation, and motivation of employees—making these aspects not only part of HRM but also part of management in general. Most experts agree on eight main roles that HRM plays in an organization. These roles are described in the following sections.

2.1. Dealing with Laws and Setting Policies & Procedures

Legislation and HRM

It is very important that human resource managers are aware of all the laws that affect the workplace and they ensure that the processes in place abide by them. An HRM manager will work under the following legal frameworks:

- Discrimination laws
- Health and safety requirements
- Compensation and benefits requirements (e.g., minimum wage and holidays)
- Labour laws

The legal environment of HRM is always changing, therefore, HRM must always be aware of changes taking place and then communicate the changes to the entire management organization. In this textbook, we have decided to address these laws in each relevant chapter instead of presenting them in a single chapter.

Policies and HRM

Example of how HRM can thwart a bad idea at work...

In addition to having to comply with the requirements mandated by law, every organization may have their own set of unique policies. These policies can be set to ensure fairness (e.g., vacation policy above and beyond those legally mandated), to enhance effectiveness (e.g., internet usage policy), or simply to reinforce the culture (e.g., dress code). Some of the roles of HRM are to identify issues that can be addressed by implementing a policy, these can range from chronic tardiness of employees to a lack of decorum in meetings. HRM, management and executives are all involved in the process of developing policies. For example, the HRM professional will likely recognize the need for a new policy or a change of policy, they will then seek opinions on the policy, write the policy, and then communicate that policy to employees. The range of policies that can be designed is endless; **here** are a few examples of innovative policies that can be found in some companies, including giving time-off to employees to volunteer in community organizations (to promote well-being and group work) and getting rid of job titles (to reduce hierarchy).

2.2. Job analysis and job design

Organizations rely on the execution of numerous and varied tasks. These tasks, which are often carried by employees, have to be structured in such a way to maximize efficiency. They should be clear and distinct from each other. They should also be performed by capable employees. HRM is responsible for the definition and organizations of these tasks through the processes of job analysis and job design.

2.3. Talent Acquisition

You need the right people to perform tasks and get work done in the organization. Even with the most sophisticated machines, humans are still needed, therefore, one of the major tasks in HRM is staffing. Staffing involves the entire hiring process from posting a job to negotiating a salary package. Within the staffing function, there are four main steps:

- Development of a staffing plan allows HRM to see how many people they should hire based on revenue expectations.
- Development of policies to encourage multiculturalism at work. Multiculturalism in the workplace is becoming more and more important as there is an increasing amount of people from a variety of backgrounds in the workforce.
- Recruitment. This involves finding the right people to fill the open positions.
- Selection. At this stage, people will be interviewed and selected and a proper compensation package will be negotiated. This step is followed by training, retention and motivation.

2.4. Training and Development

Once we have spent the time to hire new employees, we want to make sure they are trained to do the job and continue to grow and develop new skills. This results in higher productivity for the organization. Training is also a key component in employee motivation. Employees who feel they are developing their skills tend to be happier in their jobs, which results in an increase of employee retention. Examples of training programs might include the following:

- Job skills training, such as how to use a computer program
- Training on communication
- Team-building activities
- Policy and legal training, such as sexual harassment training, safety training and ethics training

2.5. Performance Assessment and Management

Employee performance is one of the main objectives of the HRM professional. Basically, people have to be good at what they do. In a coffee shop, baristas have to produce a great cup of coffee, within a certain amount of time, and serve it to the customer in a pleasant manner. Every job is different and quite complex when you think of the different ways in which performance is defined. It is the role of the HRM professional to devise systems to measure this performance with precision and use this information to help the employee and the organization. Performance appraisal systems may include:

- A 360 *appraisal process*
- A behavior checklist
- A graphic rating scale
- *MBO* or *management by objectives*

However, assessing performance is only the beginning. Once a measure of performance is obtained, the HRM professional uses it for multiple purposes, including:

- Provide feedback for employees
- Determine compensation (e.g., bonus, raise, etc.)
- Take disciplinary measures

2.6. Compensation and Benefits Administration

HRM professionals need to determine that compensation is fair, meets industry standards, and is high enough to entice people to work for the organization. Compensation includes anything the employee receives for his or her work. In addition, HRM professionals need to make sure the pay is comparable to what other people performing similar jobs are being paid. This involves setting up pay systems that take into consideration the number of years with the organization, years of experience, education, and similar aspects. Examples of employee compensation include the following:

- Pay
- Health benefits
- Retirement plans
- Stock purchase plans
- Vacation time
- Sick leave
- Bonuses
- Tuition reimbursement

2.7. Labour Relations

A labour union, also called a trade union or worker's union, is an organization that represents the collective interests of employees. HRM professionals are involved in the negotiation (collective bargaining) and management of union contracts. These contracts typically cover compensation, work schedules, benefits, discipline, and other work-related processes. Unions are very prevalent in Canada and especially in the province of Quebec. As such, an understanding of labour unions is very important to be effective.

2.8. Health and Safety

Safety is a major consideration in all organizations. Oftentimes new laws are created with the goal of setting federal or state standards to ensure worker safety. Unions and union contracts can also impact the requirements regarding worker safety in the workplace. It is up to the human resource manager to be aware of worker protection requirements and ensure the workplace is meeting both federal and union standards. Worker protection issues might include the following:

- Chemical hazards
- Heating and ventilation requirements
- Use of "no fragrance" zones
- Protection of private employee information

2.9. HR Analytics

Like every function in organizations, HRM has been drastically affected by technology. Today, a vast amount of information is collected about employees via Human Resource Information Systems (HRIS). This information, in turn, can be used to support management decisions using sophisticated analytical tools. For example, a financial institution can implement monthly satisfaction surveys and investigate predictors of 'dips' and 'jumps' in satisfaction. It could uncover that those employees that work on the investment side of the business tend to be very sensitive to end-of-quarter results. Knowing this, they could implement special communication efforts aimed at reassuring those employees at critical moments of the year. We take a closer look at this exciting and relatively new HR function in Chapter 11 "HR Analytics".

3. HRM as an Integrated Set of Processes.

While HRM can be described as a set of different processes, it is important to consider the interdependence of each of these processes. In other words, each HR process is connected with other HR processes. The effectiveness of HRM lies in how well integrated these processes are and how they are aligned to support the mission and strategy of the organization. For example, a new policy on workplace bullying will only be effective if employees are trained to understand and respect it. In addition, that policy has little chance of taking hold if it is not part of the performance appraisal process. Finally, in a unionized environment, the policy will have to be designed with the cooperation of the labour union so that it is integrated into the collective agreement.

References

Ulrich, D., Younger, J., Brockbank, W. and Ulrich, M. (2012), "HR talent and the new HR competencies", *Strategic HR Review*, Vol. 11 No. 4, pp. 217-222.

Skills Needed for HRM

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https://opentextbooks.concordia.ca/hrmcanadian/?p=26#video-26-1

HRM is a specialized area, much like accounting, marketing or finance. In this section, we borrow extensively from the material produced by l'**Ordre des conseillers en ressources humaines agréés**, the professional association that governs HR professionals in Quebec. Later in the section, we will discuss the HR Order in more depth, but first, we list the set of **12 competencies** that are important to have for an HR professional, as defined by the HR Order.

4. HR Competencies

The HR Order proposes 12 competencies that are key for the HR professional. The competencies define what it means to be an HR professional. We list those in the section below with a special focus on the first competency, ethics, which is by far the most important one.

Ethics

Ethics and a sense of fairness are very important in human resources. Adhering to a code of ethics is what distinguishes members of a professional Order from non-members. At the core of this code is the notion of protecting the public. As part of the ethical code of an HR professional it is essential to engage in continuous development, to maintain professional independence (i.e., avoid conflict of interest), and to preserve professional discretion. Consider the fact that many HR managers negotiate salary and union contracts, they also manage conflict. In addition, HR managers have the task of ensuring compliance with ethical standards within the organization. Many HR managers are required to work with highly confidential information, such as salary information, so a sense of ethics is essential when managing this information.

Agility

The capability to progress in an ambiguous, complex, and constantly changing environment is a key competence. HR managers have to foster adaptation and value creation through improvement loops by adjusting to context, people and developments.

Guidance

The HR professional must help individuals, teams, or organizations find and implement concrete solutions that suit their context. The HR professional supports employees in solving problems or meeting objectives.

Business acumen

The HR professional has the ability to identify opportunities and strategies that create value and can implement them in order to benefit the organization, workers, and society. To be effective, it is very important that she/he 'understands the business' and common, applicable business practices.

Comprehensive vision

The ability to have an overview of the organizational context, both internal and external, at the local, regional, and international levels is important for the HR professional. He or she must identify issues and opportunities in order to be proactive.

Influence

The HR professional must have the ability to identify resources that can be used to effectively increase her/his power to act. She/he must have the ability to inspire confidence and direct people toward a shared goal; and to motivate people to follow her/his lead.

Project management

The HR professional possesses the ability to organize work, manage their own and others' time, and establish priorities. He or she has the ability to structure tasks in order to be as efficient as possible and meet deadlines.

Analysis and synthesis

The ability to use all available information to understand a situation from all angles is key for the HR professional. He or she must be able to identify the various aspects of a problem and obtain an overall perspective on the main issues at hand.

Communication

The HR professional must be able to convey information and adapt wording based on context and audience, while arousing interest and enthusiasm. He or she must have the capacity to write in a way that ensures they will be understood.

Relational intelligence

The HR professional has the capacity to forge relationships and establish meaningful connections with people. He or she recognizes, understands, and controls his or her own emotions and deals with those of others.

Digital literacy

The HR professional possesses the ability to understand and use computer and technological tools at work to support his or her practice and organizational processes.

Continuous learning

The HR professional is able to evaluate his or her professional practice so as to continuously develop both professionally and personally. He or she demonstrates their willingness to learn new things with interest and motivation.

5. The HR Professional: The HR Order

As mentioned at the beginning of this section, HR has the particularity of being governed by a professional order. This is somewhat unique in the business world, and if you think of JMSB as a microcosm of the different professions within businesses, only two JMSB majors lead to membership of a professional order: accountancy and HR. In Canada, professional orders are under the jurisdiction of each province and the Quebec HR Order is one of 46 professional orders in the province of Quebec. The role of a professional order is to:

- Monitor their members' competence and integrity;
- Supervise the practice of the profession;
- Regulate the practice of the profession.

The primary mission of a professional order is the protection of the public. The license issued by an order is therefore a privilege granted to individuals who agree to meet the highest standards of competence and integrity of their profession. JMSB's HR program (Major in HRM) is one of the handful of programs recognized by the Quebec HR Order. This means that graduating from JMSB with a major in HR automatically qualifies you for the Order. It is important to note that there are some language requirements for joining the Quebec Order, these are detailed in the following **document on the language criteria.** The benefits of achieving certification for HR professionals are numerous. In addition to demonstrating the abilities of the HR professional, certification allows HR professionals to be more marketable in a very competitive field.

5.1. How to get one's career going as an HR student?

A university degree is a pre-requisite for admission in the HR Order, so if you are reading this you are on the right track if you are interested in this profession. There are also interesting extra-curricular activities that could boost your learning and potentially accelerate your career. For one, **student membership to the Quebec HR Order** is free. Being a student member of the Order offers some interesting benefits and activities for students. In addition, the John Molson Human Resources and Management Association (**JHMA**) is a "student-run organization led by a group of dynamic students working together to organize events in order to expose students to the Human Resources and Management industries". Involvement in extracurricular activities has been shown to increase employability upon graduation (Kim & Bastedo, 2017).

JMHA Executives 2019-2020

6. HR Jobs

Most organizations need a human resource department, or at a minimum, a manager with HR skills. The industries and job titles are so varied that it is only possible to list general job titles in human resources:

1. Recruiter/talent acquisition manager
2. Compensation analyst
3. Human resources assistant
4. Employee relations manager
5. Benefits manager
6. Work-life coordinator

7. Training and development manager
8. Human resources manager
9. Vice president for human resources

This is not an exhaustive list, but it can be a starting point for your research on this career path.

Reference

Jeongeun Kim & Michael N. Bastedo (2017) Athletics, clubs, or music? The influence of college extracurricular activities on job prestige and satisfaction, *Journal of Education and Work*, 30(3), 249-269

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HRM and Business Challenges

HR processes are designed to improve the effectiveness of an organization, for example, by ensuring that the right people are hired or motivating them with the right compensation package and work conditions. While HR processes are internal to the organization, these same processes need to have an external focus and help organizations overcome the challenges that they face. Thus, HRM is also heavily influenced by the external environment or the context of the business. The HR manager needs to consider the many outside forces that may affect HR processes and the organization as a whole. In this section, we describe how HR management has to be in tune with changes in the environment.

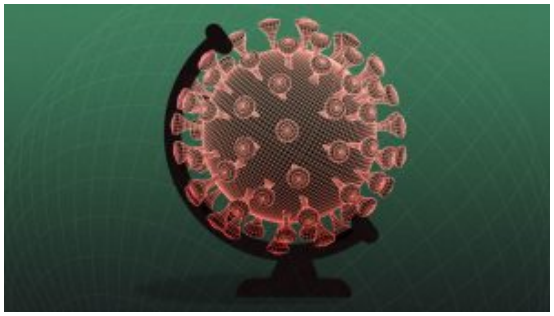
7. Business Challenges

Every organization must have the capacity to adjust to changes in its environment. Thus, it is important for organizations to be aware of outside forces, or external factors. These forces are beyond their control but could positively or negatively impact the organization and their human resources. External factors might include the following:

- Globalization and offshoring
- Changes to employment law
- Health, safety, and employee protection
- Employee expectations
- Diversity of the workforce
- Changing demographics of the workforce
- Changes in education profile of workers
- Layoffs and downsizing
- Technology used
- Increased use of social networking

Basically, HRM professionals have to be aware of external factors, so they can develop policies that meet not only the needs of the company but also the needs of the individuals. Any manager operating without considering outside forces will likely alienate employees, resulting in unmotivated and unhappy workers. Not understanding the external factors can also result in breaking the law, which has a concerning set of implications as well. In this section, we list four broad categories of external factors faced by organizations today.

7.1. Pandemics



This one is fresh off the press and took most of us by surprise. We now know that pandemics and the rapid spread of infectious diseases represents an external factor affecting organizations and HRM. It is an understatement to say that the COVID crisis that took us by storm in winter 2020 had an impact on organizations in a major way. Of course, organizations have had to deal with crises in the past, such as in 2008, where the economy was hit with a massive financial crisis. The relaxing of credit lending standards by investment banks and a significant increase in subprime lending was the cause of this crisis. This resulted in the collapse of the financial system. In just a few weeks, the S&P 500 lost half of its value and housing prices lost 20% of their value in the US. Companies, banks, and even countries, went bankrupt. The impact of this event on HRM was immediate: the economy slowed down considerably which led to massive layoffs (unemployment in the US shot up to 10%).

The COVID pandemic is unique, because at its very core, it is a 'human' crisis; it concerns HRM because it affects people. The COVID crisis made health and safety a priority for governments and organizations. It has brought to the fore a myriad of HR issues such as turnover, absenteeism, and burn-out. It has also accelerated the transformation of HR processes such as telework, remote training, and compensation (think of all of the controversy around the salary of nursing home staff). As we write this chapter, these changes are unfolding and it's hard to predict how they will evolve over time. This interesting **article** summarizes the views of top HR executives on how the COVID pandemic has affected HRM.

7.2. Globalization

In 2020, it would be almost impossible to find an organization that does not have some part of its activities outside of its national border. You can look at any local success story—-Saputo, Groupe Dynamite, Lightspeed, CAE, Hopper, Cirque du Soleil, Couche Tard—-and you will see how these organizations have deep international connections. The same is true of smaller businesses: your local coffee shop buys its coffee from an organic grower in Haiti and its paper cups from the US. For organizations, globalization is found in their supply chains, core activities, or customer base. Canada's economy is one of the world's top ten trading nations, with a highly globalized economy. In 2018, Canadian trade in goods and services reached CA$1.5 trillion. Canada's exports totalled over

CA$585 billion, while its imported goods were worth over CA$607 billion. The US is our most important trade partner with approximately CA$391 billion of these imports originating from the United States (CA$216 billion from non-U.S. sources). The recently signed North American trade agreement, now called the United States-Mexico-Canada Agreement, updates the quarter-century-old NAFTA. It has stronger protections for workers and the digital economy, expanded markets for American farmers and new rules to encourage auto manufacturing in North America.

The implication of globalization is significant for HRM. For HRM professionals, globalization means dealing with people from different cultures and adjusting to different employment laws and business practices. This **video** from LinkedIn Talent Solution discusses how globalization has affected HR practices.

7.3. Technological Changes

Technology has greatly impacted human resources and will continue to do so as new technology is developed. Technology impacts HRM in two major ways. For one, it influences skills and competencies that employees need to perform their job. Technology also creates a workforce that expects to be mobile. Due to the ability to work from home or anywhere else, many employees may request and even demand a flexible schedule to meet their own family and personal needs. Productivity can be a concern for all managers in the area of flextime, and another challenge is the fairness to other workers when one person is offered a flexible schedule. Technology also creates the need for HR policies related to employee privacy. The major challenge with technology is the rapid pace at which it evolves and the need to continuously up-date employees' knowledge. Technology also creates additional stress for workers. Increased job demands, constant change, constant e-mailing and texting, and the physical aspects of sitting in front of a computer can be not only stressful but also physically harmful to employees.

According to an article in Fast Company, the ability to manage your personal brand (because of the increasing importance of social media), digital fluency, and resilience are some of the 'super skills' that are needed for the new world of work.

The second way in which technology influences HRM, is how HRM is delivered. Increasingly, jobs are being replaced by robots or artificial intelligence. Most companies now use social media platforms for recruiting employees. Interviewing and training are being done on Zoom or other specialized platforms. More and more organizations now use virtual reality (VR) technology to onboard and train their employees. This is especially useful for jobs that are particularly dangerous or high-

stress. Here is a short article on how **VR can be used for onboarding employees**. Payroll and benefits management are now fully automated. All of these processes are centralized in Human Resource Information Systems (HRIS), and as a result, the large variety of databases available to perform HR tasks is mind boggling. These systems can be very useful to track recruiting and hiring processes, compensation, and training.

7.4 Cost Containment and Efficiency

Factors such as global competition and increasing costs puts an enormous pressure on organizations to maximize their efficiency and productivity. As profit margins become smaller, every department has to look for ways to maximize its contribution for the organization. For HRM, this means that the processes it manages contribute to the 'bottom line' in an objective and measurable way. For example, an HR manager who asks for $20,000 for a training budget will have to make their case, and show that this investment will lead to better employee performance and, ultimately, more profits (or less costs). If you consider employee compensation and benefits, HRM is responsible for a large budget, and optimization of resources is always a top priority for HRM managers. The impact of HRM on the business is often complex and the demonstration of the HRM impact on a business requires a solid understanding of business principles. Take the implementation of a wellness program as an example. Investments in a company gym, a healthy menu at the cafeteria, or ergonomically-sound workstations can make a serious dent in a company's budget, but if designed wisely, this investment can lead to a significant decrease in health-related issues. In early 2000's, Johnson & Johnson estimated that, for every dollar invested in their wellness program, they obtained a return of $2.71, for total savings of over $250 million in health care costs[1]. Here is a **short article how HRM can help save costs for small businesses**.

1. https://hbr.org/2010/12/whats-the-hard-return-on-employee-wellness-programs

CHAPTER 2: HRM, SOCIETY AND THE LAW

Human Resource Management Day-to-Day

The Black Lives Matter movement and the call for a 'new' police

In the Spring of 2020, while the pandemic raged on, people from around the world rallied around a common cause: **Black Lives Matter**. This social movement has focused on a quest for liberty, justice, and freedom for African-Americans, and more specifically, the need to address police brutality against minorities. Without a doubt, this issue is especially acute in the US, where the use of force by police has reached alarming rates.

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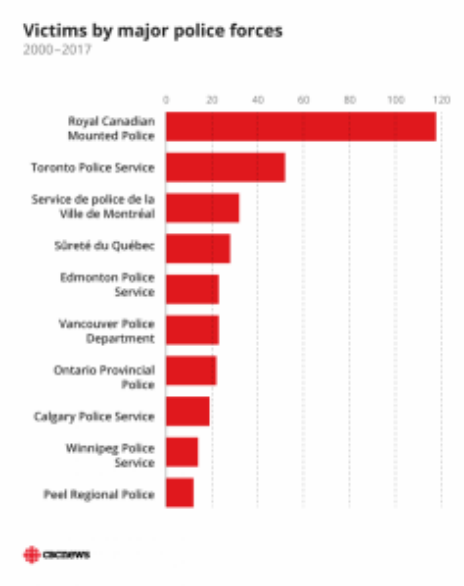
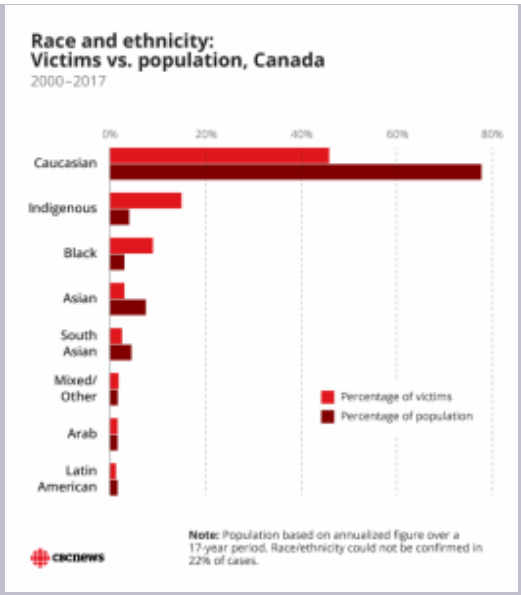
https://opentextbooks.concordia.ca/hrmcanadian/?p=28#h5p-3

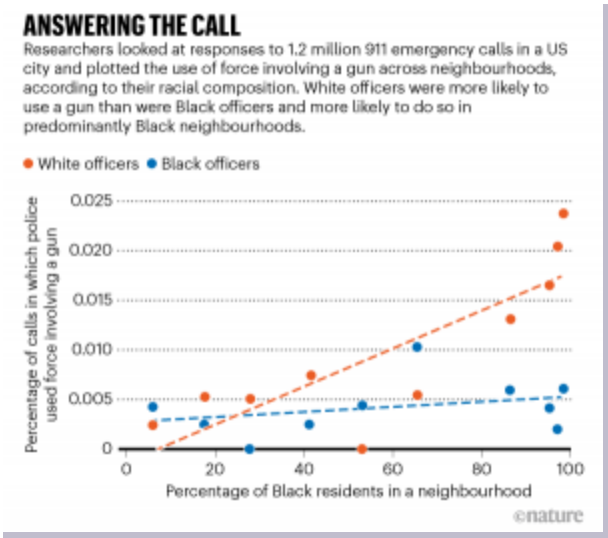
However, in Canada, the situation is also concerning as evidenced by these graphs:





The situation in Canada is different than that of the US, as two groups are overwhelmingly over-represented in deadly encounters with the police: blacks and Indigenous people. In Winnipeg, for example, indigenous people represent an average of 10.6 percent of the population, but account for nearly two thirds (over 60%) of deadly encounters with the police. These statistics are troublesome and elected officials are being asked to find solutions. To do so, governments, police forces, and scientists have started to look at the problem in more depth. One of their conclusions, is that as an organization, the police has not kept up with the evolution of the role of its members. For example, as a result of budget cuts to long-term psychiatric care, improvements in treatment, and the philosophy of integration, an increasing number of people with a mental illness live in the community. As a result, police officers are becoming, by default, the informal 'first responders' of our mental health system. A comprehensive database assembled by the CBC shows that 70 percent of the people who died at the hands of police struggled with mental health issues or substance abuse, or a combination of both. On a day-to-day basis, police officers are much more likely to have to calm down a homeless schizophrenic individual screaming in the middle of St Catherine street, than to go on a high speed chase with bank robbers. The need to fill these very different roles puts enormous pressure on police officers: it is important to remember that it is **the profession with the highest level of suicide**. All of this evidence points to a serious issue and begs the question: How to transform the police force to help it fulfill its new role in society? While the answer to this question is very complex, two HRM processes have been at the center of possible solutions.

Recruitment and Selection: It makes sense that, as the job evolves, the competencies required by police officers also need to evolve. This evolution can be summarized by a shift from physical attributes to psychological ones. For one, emotional intelligence and the capacity to de-escalate situations is key, more so than physical strength. More and more, interviews and selection tests for police officers focus on abilities such as communication, problem-solving and cooperation. Secondly, an emphasis is put on hiring officers who 'understand' the population they serve. In the US, research has shown that white officers dispatched to Black neighbourhoods fired their guns five times as often as Black officers dispatched for similar calls to the same neighbourhoods (see graph).



The impetus is then on efforts to diversify the force by recruiting officers from every community, and also hiring officers with non-traditional backgrounds (i.e., with psychology, sociology, or social work degrees). The Montreal Police **force has been trying to diversify its ranks, with limited success:** approximately 33% of people living in the City of Montreal identify as a visible minority, yet just 7.7 percent of Montreal police officers are visible minorities.

Training:

Training has always been a very important HRM process for police organizations. Increasingly, this training has focused on the competencies listed above (i.e., communication, problem-solving and cooperation). An example of a very interesting initiative can be found on the south shore of Montreal, in the Longueuil police department. Led by an innovative police chief, the police force is piloting a program in which officers spend time in the community to bridge the gap between police and the people they serve.

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Leaving the gun and uniform at home, officers have the chance to bond and interact with different cultures, community groups and families in their jurisdictions. The objective of the police chief is to cut in half the number of his police officers who respond to calls, and replace them by officers who would be assigned to a specific neighbourhood. These officers would always be the same, in order for them to establish relationships with people. “Instead of always being a police of reaction, I want my officers to be a police of prevention”, says the chief.

The Changing Workforce

Learning Objectives

1. Understand some of the key social factors that influence the evolution of the workforce.
2. Understand the distinct, common and integrated Canadian Federal and Provincial legal systems with respect to employment legislation.
3. Understand the distinction between direct and indirect discrimination.
4. Understand the concepts of job relatedness, Bona Fide Occupational requirements, duty to accommodate and undue hardship.
5. Understand the steps needed to ensure employment equity in organizations.

The focus of human resource management is people. People bring with them feelings, emotions, perceptions, values, prejudices and are often unpredictable. Data, on the other hand is generally neat, quantifiable and often predictable. Thus, HR processes have to adapt and be particularly sensitive to how people and society change and evolve over time. Workers, like the society in which they live, are subject to constant change. Some of these changes have been slow and steady while others are very sudden (COVID-19). We discuss these changes, and their implications for HRM in this section.

1. Social Factors: The Constantly Evolving Workers

1.1 Diversity

The makeup of the Canadian workforce has changed dramatically over the past 50 years. In the 1950s, more than 70 percent of the workforce was composed of males.[19] Today's workforce reflects the broad range of differences in the population—differences in gender, race, ethnicity, age, physical ability, religion, education, and lifestyle. Most companies strive for diverse workforces and HR managers work hard to recruit, hire, develop, and retain employees from different backgrounds. As we will see later in this chapter, these efforts are motivated in part by legal concerns: mismanagement in recruiting, hiring, advancement, disciplining and firing has legal consequences under applicable law. However, reasons for building a diverse workforce go well beyond mere compliance with legal standards. It even goes beyond commitment to ethical standards. Diversity is simply good business! In a competitive market, an organization cannot afford to limit their talent pools arbitrarily. Imagine a hockey team that would only hire players who love Death Metal music (let's assume that 20% of the population falls into that category). This means that this team would exclude 80% of all available players from the draft. The likelihood of that team ever winning the Stanley Cup with such a restricted pool of players is very, very slim! The point is that organizations cannot afford to exclude workers based on frivolous characteristics. When they do exclude workers, as it is their prerogative, it should be based on characteristics that are proven to be related to performance. In the case of a hockey team: skating, puck handling, vision, etc.

A study by Cedric Herring called *Does Diversity Pay?* (*Herring, 2006*) reveals that diversity does in fact pay. The study found that the businesses with greater racial diversity reported higher sales revenues, more customers, larger market shares, and greater relative profits than those with more homogeneous workforces. Other research on the topic by Scott Page, the author of *The Difference: How the Power of Diversity Creates Better Groups, Firms, Schools, and Societies* (*Page, 2007*) ended up with similar results. Page found that people from varied backgrounds are more effective at working together than those who are from similar backgrounds, because they offer different approaches and perspectives in the development of solutions.

Eric Foss, chairperson and CEO of Pepsi Beverages Company opined, "It's not a fad. It's not an idea of the month. It's central and it's linked very directly to business strategy" (Holstein, 2009). A study by the late Roy Adler of Pepperdine University shows similar results. His 19-year study of 215 *Fortune* 500 companies shows a strong correlation between female executives and high profitability (Adler). Another study, conducted by Project Equality, found that companies that rated low on equal opportunity earned 7.9 percent profit, while those who rated highest with more equal opportunities resulted in 18.3 percent profit (Lauber, 2011). These numbers show that diversity and multiculturalism are certainly not a fad, but a way of doing business that better serves customers and results in higher profits.

Sir George Williams Class of 1958. From Concordia University Records Management and Archive

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1.2. Employees' Expectations

Another trend that HRM needs to account for is how employees' values and attitudes are evolving. It is important for HRM to meet employees' expectations when it comes to work. We outline three broad areas for which expectations have evolved drastically over the past 20 years.

Rights and ethics

Employees are more demanding than ever when it comes to their rights and the behaviour of their employers. Regarding their rights, employees are more informed than ever. With the rise of social media, a new phenomenon is also taking place in organizations: employee militancy. People are willing to commit their time and energy to an organization, but if that organization fails to meet their expectations in terms of values or ethics, they will no longer remain silent. Employee mili-

tancy has moved from advocating for workers right (e.g., better pay, gender equity) to pushing for a better society. A good example of this is how **Facebook** employees staged a virtual protest, pressing Facebook executives to take a tougher stand on Donald Trump's inflammatory posts. Some of the issues that have become very important for employees are listed below, with a relevant example demonstrating it:

Sustainability: At Amazon, employees organized an 'online walk out' to protest the company's stance on climate change.

> *Hey, Jeff Bezos: I work for Amazon – and I'm protesting against your firm's climate inaction*
>
> Since late last year, a group of workers within Amazon have been organizing to push the company to radically reduce its carbon emissions. On 2020-09-20, Amazon workers around the world will walk out of their offices to join the Global Climate Strike.

Privacy: **Humanyze**, a Boston-based start-up makes wearable badges equipped with sensors, an accelerometer, microphones and Bluetooth. The devices — just slightly thicker than a standard corporate ID badge — can gather audio data such as tone of voice and volume, an accelerometer to determine whether an employee is sitting or standing, and Bluetooth and infrared sensors to track where employees are and whether they are having face-to-face interactions (see video below). The privacy of workers is increasingly threatened by such technological advances and many employees are taking their opposition to this technology to court. Here is an example of **a court decision regarding en employer requiring the implant of microchips in workers to track productivity.**

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Work life balance

Work-life balance is an important aspect of a healthy work environment, and more and more, employees are insisting on it. Maintaining work-life balance helps reduce stress and helps prevent burnouts in the workplace. To satisfy the assumed desires of employees, many employers over-

compensate by adding game rooms and beanbags to spice up the work environment. An entire industry has popped up surrounding making workspaces more "millennial-friendly." **WeWork**, one of the most well-known of this new breed of property managers, is known for designing such work environments. However, these environments tend to blur the boundaries between work and life, and many employees report that they do not care for these types of perks. One of the answers for employers is to create a flexible work environment, one that satisfies the work-life balance needs of most employees.

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HRM and The Law

As described in the previous section, the society in which we live in is constantly evolving. As the values that we share collectively change, so do the rules and regulations that we impose on ourselves. The legislative framework that is adopted by governments is a reflection of our values. For the HR manager, a clear understanding of the legal framework is absolutely necessary.

2. The Legal Framework

The Canadian Charter of Rights and Freedoms

The constitution Act of 1982 is the highest law of Canada and is a landmark document in Canadian history. It achieved full independence for Canada by allowing the country to change its Constitution without approval from Britain. It also enshrined the *Charter of Rights and Freedoms* in Canada's Constitution which guarantees fundamental rights to every human, including: rights of freedom of speech, press, assembly, association, and religion. This video explains the various aspects of the Charter.

The Canadian Human Rights Act (CHRA)

The CHRA became effective in March 1978. It proclaims that "all individuals should have an opportunity equal with other individuals to make for themselves the lives that they are able and wish to have and to have their needs accommodated, consistent with their duties and obligations as members of society, without being hindered in or prevented from doing so by discriminatory practices based on race, national or ethnic origin, colour, religion, age, sex, sexual orientation, gender identity or expression, marital status, family status, genetic characteristics, disability or conviction for an offence for which a pardon has been granted or in respect of which a record suspension has been ordered". Let's examine this statement in order to fully understand its significance for HRM.

1) "All individuals should have opportunity equal with other individuals to make for themselves the lives that they are able and wish to have": this means that, considering their desires and abilities, the opportunity to earn a living, which implies the 'opportunity to work', should be equal for all.

2) These opportunities should not be hindered by discriminatory practices based on "race, national or ethnic origin, colour, religion, age, sex, sexual orientation, gender identity or expression, marital status, family status, genetic characteristics, disability or conviction for an offence for which a pardon has been granted or in respect of which a record suspension has been ordered": the CHRA is very specific as to the categories that are deemed discriminatory. These categories have changed over time, following changes in our society. Currently, the issues raised by genetic testing are at the forefront of these societal changes. Is it legal to deny insurance for people known to have gene mutation that causes or increases the risk of an inherited disorder? These issues are currently being debated (see Canadian Supreme Court decision) and as genetic testing becomes more common, we as a society, will have to decide the extent to which it is OK to use this information to make decisions about people.

Enforcement of Canadian human rights laws

The CHRA only applies to federal government departments and agencies, to Crown corporations, and to businesses under federal jurisdictions such as banks, airlines, and communication companies. Employees of those organizations that fall under the Canadian Human Rights Laws who feel discriminated against can file complaints directly to the Canadian Human Rights Commission. There is a **systematic process in place to handle these complaints**. After a complaint is filed, a mediation process is attempted to try to resolve the issue between the parties. If the mediation fails, the dossier is handed over to the Human Rights Commissioner who can decide to:

- dismiss the complaint;
- send the complaint to conciliation;
- defer the decision and request more information and further analysis; or
- refer the complaint to the Canadian Human Rights Tribunal

Quebec Human Rights Laws

Organizations that do not fall under the CHRA are subject to provincial human rights laws. Overall, there are 14 jurisdictions in Canada (10 provinces, 3 territories and the federal jurisdiction which covers crown corporations, civil service, banking, and communication). Approximately 90% of the enforcement of the equity laws are done by the provinces and 10% by the federal government. While provincial laws are very similar to the federal one, there are some variations across provinces. A good example of one of these variations is the inclusion of 'sexual orientation' as a protected category. Quebec was the first province to include it in 1977, while the last province was Alberta in 2009.

It is important to stress the fact that these protections are not universal and that they reflect the society that they are intended to influence. In the US for example, many protections that are

considered basic in Canada have been challenged in court. For example, the Supreme Court recently upheld a decision that protects LGBTQ workers from discrimination by a 6-3 margin.

Enforcement of Provincial human rights laws

Employees of those organizations that fall under the Quebec Human Rights Laws who feel discriminated against can file complaints directly to the human rights tribunal of Quebec. With respect to the federal level, there is a systematic process that handles these complaints. An investigation is undertaken and a report is submitted to the minister in charge of administering human rights legislation. If the complaint is substantiated, the two parties are asked to reach a settlement. If no agreement is reached, the case is presented to the province's human rights commission (tribunal).

Pay Equity

Over the years, the Canadian and Provincial governments have enacted various forms of legislation and statutory mechanisms to specifically address the issue of gender wage discrimination (see graph).

In 1996, the Quebec government adopted the *Pay Equity* Act to address systemic wage discrimination against women. The Act imposed ongoing obligations on employers to measure and correct pay inequities in predominantly female jobs. Pay Equity refers to equal pay for work of equal value, based on two principles:

1. Pay equality – Male and female workers must be paid the same wage rate for doing identical work.
2. Equal pay for similar or substantially similar work (equal pay for work of comparable worth). This means that males and females should be paid the same for jobs of similar nature that may have different titles.

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https://opentextbooks.concordia.ca/hrmcanadian/?p=30#video-30-1

Discrimination in Organizations

In the previous section we covered the general legislative framework overseeing HRM. In each chapter of this book, we will come back to some of these legal principles, as they apply to specific HRM practices. In this section, we go beyond the general legal principles of discrimination and delve deeper in the concept.

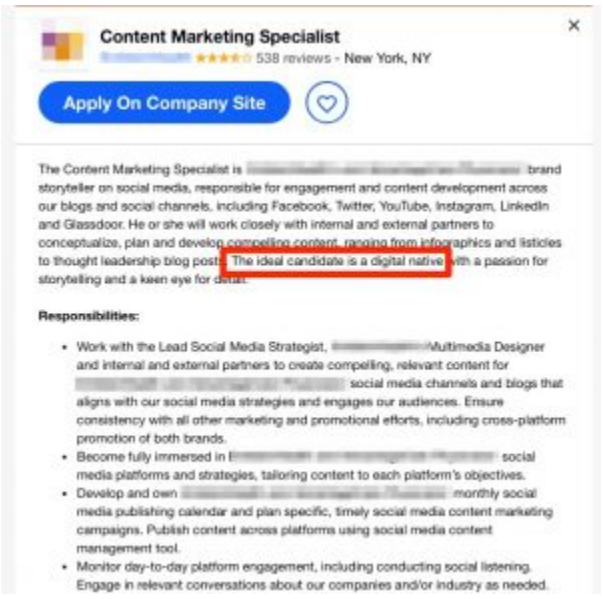
3. Discrimination and the Law

As stated earlier, discrimination laws have evolved over the years; they attempt to be in step with the values of the society that they oversee. In essence, these laws do not prohibit discrimination at large, they only prohibit discrimination along certain characteristics. The **Canadian Human Rights Commission** defines discrimination as "an action or a decision that treats a person or a group badly for reasons such as their race, age or disability." An interesting manner to view discrimination laws is to flip the concept around and consider all of the characteristics or dimensions that one can use to distinguish between people. Think about it: Individual workers differ in thousands of ways: height, eye colour, personality, favourite ice cream flavour, and ability to take care for plants (i.e., green thumb). Thus, the law specifies that one can make decisions based on all of these differences, except for a handful of them: those that are deemed unacceptable by society. In other words, you can 'discriminate' based on personality or favourite ice cream flavour but you cannot do so based on gender or race. It sounds straightforward enough but it is not. Think about discriminating based on height? Or weight? Or postal code? In the context of the law, these are not 'protected' categories, so can one assume that they are OK to use as basis of "discrimination"?

The next section answers these questions in more detail. This is important because HR managers are responsible for making decisions about employees (e.g., hiring, evaluating, promoting, terminating, etc) and thus, they require a sophisticated understanding of how discrimination can occur in the workplace. We explain the two basic mechanisms by which discrimination can manifest itself: direct and indirect (systemic) and additional nuances regarding discrimination.

3.1. Direct Discrimination

Direct discrimination occurs when a decision is made based on one of the categories protected by the legislation. This form of discrimination is blatant and clearly illegal. A truck company cannot have hiring ads stating 'male drivers wanted' or a car dealership cannot favour Catholics in the promotion to managers. This is pretty obvious. It is important to note that this cuts both ways and the law is blind as to how the categories are used: it is illegal to make decisions based on them even if the decision is in favour of the 'minority' group. **Here is an example of a bank employee who won a court decision because he was denied a promotion because he was not gay**. While it is clearly illegal to use these categories explicitly in making organizational decisions, you'll be surprised how many 'waitress wanted' job postings you can find. Here are some examples of direct discrimination in hiring based on age, religion, and national origin/ethnicity:



3.2. Indirect (systemic) Discrimination

Indirect discrimination occurs when a provision, criterion, or practice has the effect of disproportionally impacting individuals in one of the above-mentioned protected categories. The important distinction here is that a practice or criterion that appears neutral may have different impact on people (disparate impact). In other words, indirect discrimination is when you treat someone the same as everyone else, but your treatment of the person has a negative effect on them because of their protected characteristic. This form of discrimination is much more subtle than direct discrimination; it is often not even purposeful. The best way to understand how indirect discrimination occurs is though examples:

- A shop manager introduces a rule that all employees must work at least two Saturdays each month in the shop.

Consequence: This rule would negatively affect employees who are practising Jews, since Saturday is a religious day in Judaism.

- A truck company banning cornrows or dreadlocks for its drivers.

Consequence: This rule would affect Blacks more than other racial groups because they are more likely to have this hairstyle.

- A factory that includes a minimum height requirement for its workers,

Consequence: This rule would have an adverse impact on women, given that women are, on average, shorter than men.

The practices in these three examples have the *appearance* of being neutral—note that they do not specify 'no Jews, no Blacks, no women'—however their *consequences* are harmful, they disproportionately affect individuals among protected categories. This is how indirect discrimination works…indirectly. At this point, you may ask yourself: how can businesses function if they cannot use some of the 'illegal' selection criteria listed above? Are height requirements and Saturday shifts really that unreasonable? How do we, as a society, balance the rights of individuals with those of managers trying to run a business efficiently?

There are some subtleties in how the legislation operates in order to balance the rights of individuals and those of organizations and, in some cases, workplace discrimination is not unlawful. If organizations can objectively justify the use of a criteria by showing business necessity, job relatedness or by claiming bona fide occupational qualification (BFOQ) than the criteria can be used, even if it leads to discrimination. We explain how these concepts work in the next section.

3.3. The Concept of Job Relatedness

The concept of job relatedness refers to the requirement that employment decisions be based on the requirements of a position. The criteria used in hiring, evaluating, promoting, and rewarding people must be directly tied to the jobs performed. For example, a policy that all warehouse workers be at least 175 cm tall would be legal if the employer can prove that physical height is important to perform the job, even if this requirement would lead to lower proportion of women being hired than men (indirect discrimination). While making a demonstration of job relatedness may sound straightforward, it is often quite complicated and subjective. A legal case that occurred in 1988 demonstrated this. A young Sikh, Baltej Singh Dillon wanted to become a RCMP officer. Though he met all the entrance requirements, there was one significant problem: the dress code forbids beards and wearing a turban in place of the uniform hat. **Here is his story**. Basically, the outcome of this case rests on the fact that the rule prohibiting beards and turbans is discriminatory but cannot be linked to performance as a RCMP officer. The rule would have been acceptable if the RCMP would have been able to prove job relatedness, which they were not.

3.4. Bona Fide Occupational Qualification

A Bona fide occupational qualification (BFOQ) is a justifiable reason for direct discrimination. The term 'bona fide' is a latin word that means 'in good faith' or 'genuine'. This clause is unique and interesting because it allows organizations to overtly use the prohibited categories to make decisions. For example, requiring Catholic school teachers to be Catholic is deemed acceptable (discrimination based on religion). Also, airlines are allowed to have mandatory retirement age for pilots, for safety reason (age discrimination) or a manufacturer of men's clothing may lawfully advertise for male models (gender discrimination). Examples of legitimate BFOQ's are relatively rare and relate to unique situations, they also raise many questions as to what are 'genuine' aspects of the job. Think of whether male guards should be allowed to work in female prisons or whether a French restaurant can insist in hiring only French chefs! In these situations, is gender and nationality a BFOQ? Questions such as these often end up debated in court because they are not black and white.

3.5. Duty to Accommodate

The courts place an additional responsibility on organizations when it comes to discrimination: the **duty to accommodate**. Employers and service providers have an obligation to adjust rules, policies or practices to enable individuals to fully participate. The duty to accommodate means that sometimes it is necessary to treat someone differently in order to prevent or reduce discrimination, this is especially true when it comes to physical disabilities. For example, if an employee has a speech impairment, it is not absolutely necessary that he/she answers the phone. An employer can eliminate this as a duty for the individual, and instead he/she can do filing for her coworkers. Another example: an employee may have to be absent for a day or two during the week to receive dialysis. An employer can accommodate him by agreeing to a weekly 3-day work contract, or the employee could agree to recuperate the hours on weekends or work from home. In most cases, the duty to accommodate may require that the employer changes or adjusts the way things usually are in order to attend the needs of individuals with disabilities.

At this point, it is important to note that there are limits to the duty to accommodate for employers. Basically, the law stipulates that an employer has to accommodate employees up to the point of undue hardship. Undue hardship is the point where the accommodation either (a) cost too much, or (b) creates health or safety risks for employees. Thus, undue hardship is a relative concept that varies based on the context. For example, a large organization like Saputo has the financial means to accommodate an employee who is hearing impaired by investing in assistive listening devices such as a microphone, an amplifier, and an earpiece or headphone jack. This would be more difficult to do for your local dépanneur. Another example would be of an employee who develops macular degeneration (a vision impairment). The employee could easily be accommodated if he's an office worker but such accommodation would not be required for a truck driver because of obvious security implications.

3.6. Sexual and Psychological Harassment

The law set out that all employees have a right to a workplace environment free from psychological harassment. The employer has to take reasonable action to prevent psychological harassment in the workplace and to put a stop to such behaviour whenever they become aware of it. The law places an obligation on employers to adopt a psychological harassment prevention and complaint processing policy, and to make such policy available to their employees. It is important to note that the law specifies that "psychological harassment includes such behaviour in the form of such verbal comments, actions or gestures of a sexual nature." The definition of psychological or sexual harassment is specific and requires the presence of all of these elements:

Vexatious behaviour: This behaviour is humiliating, offensive or abusive for the person on the receiving end. It injures the person's self-esteem and causes him anguish. It exceeds what a reasonable person considers appropriate within the context of his work.

Repetitive in nature: Considered on its own, a verbal comment, a gesture or a behaviour may seem innocent but the accumulation of these behaviours is considered harassment. Note, however, that a pattern is not necessary to establish harassment: an isolated act of a more serious nature is sufficient.

Verbal comments, gestures or behaviours that are hostile or unwanted: The comments, gestures or behaviours in question must be considered hostile or unwanted. If they are sexual in nature, they could be considered harassment even if the victim did not clearly express his or her refusal.

Affect the person's dignity or integrity: Psychological or sexual harassment has a negative effect on the person. The victim may feel put down, belittled, denigrated at both the personal and professional levels. The physical health of the harassed person may also suffer.

Harmful work environment: Psychological or sexual harassment makes the work environment harmful for the victim. The harassed person may, for example, be isolated from his colleagues due to the hostile verbal comments, gestures or behaviours towards him or concerning him.

Today, all employers must:

1. Create anti-harassment policies or revise existing ones to ensure that they specifically address not only psychological harassment in the workplace, but sexual harassment as well;
2. Confirm that clear and consistent internal processes to address harassment complaints are set out therein, and implement such processes if they do not already exist;
3. Implement their new or revised anti-harassment policies as soon as possible; and
4. Make their new or revised policies available to all of their employees.

Once again, the laws that our governments choose to implement are a reflection of the evolution of society and recently, there has been a significant change in our attitudes towards harassment, especially when it comes to sexual harassment. The **#meetoo** movement has been the source of a massive wave of denunciation where people publicize their allegations of sex crimes committed by powerful and prominent men. This societal movement has had significant implications for organizations that have not adjusted their practices and culture accordingly. Recently, Ubisoft, a gaming company with a large studio in Montreal, was rocked by a sexual harassment scandal that led to the firing of the head of the Montreal studio, their top producers, and their VP HR. Several employees complained about a range of aggressions that included sexual, emotional and professional abuse from top managers. The male-dominated culture of the gaming industry, at Ubisoft especially, and its excesses is described **in this article**. The scandals can be ruinous for organizations and it is the role of HR managers to instill processes that prevent them from happening.

3.7. Company-Specific Code of Ethics

In addition to the many legal obligations that organizations are subject to, many organizations choose to go above and beyond what they are required to do and design codes of ethics and policies for ethical decision making specific to their organization. Some organizations even hire ethics officers to specifically focus on this area of the business. Today, many organizations have an ethics officer, who reports to either directly to the CEO or the HR executive. A good example of a company that takes ethics seriously is CAE, a Montreal-based company that manufactures simulation technologies, modelling technologies and training services to airlines, aircraft manufacturers, and healthcare specialists. CAE has adopted a code of ethics that holds employees "accountable to the highest standards of integrity, honesty and ethics. It also means having the wisdom and courage to do the right thing". CAE's 37 pages of code of conduct can be found **here**.

[1]Zappos.com, accessed August 25, 2011, **http://about.zappos.com/our-unique-culture/zappos-core-values/build-open-and-honest-relationships-communication**.

[2]National Committee on Pay Equity, accessed August 25, 2011, **http://www.iwpr.org/initiatives/pay-equity-and-discrimination/#publications**.

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York, E. A., "Gender Differences in the College and Career Aspirations of High School Valedictorians," *Journal of Advanced Academics* 19, no. 4 (Summer 2008): 578–600, **http://eric.ed.gov/ERICWebPortal/detail?accno=EJ822323**.

Managing Employment Equity in Organizations

HR managers pay a central role in making sure that organizations meet different legal requirements. The actions of HR managers can often be reactive, as when an incident occurs that requires immediate action. However, effective HRM practices take a proactive approach to employment equity.

4. The Implementation of Employment Equity in Organizations

1. Senior Management commitment and assignment of senior staff
2. Data collection and analysis
3. Employment systems review
4. Establishment of a work plan
5. Implementation
6. Follow-up process that includes evaluation, monitoring, and revision

4.1. Senior Management Commitment

As is the case with most HRM initiatives, obtaining senior management commitment is essential. A written policy describing equity that is widely communicated, visible to everyone and discussed frequently, as it fosters a more supportive culture. For example, Lightspeed is a very successful Montreal-based company whose CEO has fully embraced diversity and inclusivity. Dax DaSilva has made the empowerment of LGBTQA+ employees a priority for his company. From top management, employment equity should be put in the hands of a senior manager, joint-labour management committees, and employment equity advisory committees.

4.2. Data Collection and Analysis

Under the employment equity act, employers may gather data on members of designated groups as long as employees voluntarily agree to be identified or identify themselves as members of

designated groups, and the data must only be used for employment equity and reporting purposes. Two type of information can be used to provide an internal assessment of diversity in an organization. **Stock data** shows the status of designated groups in occupational categories and compensation levels. At Lightspeed for example, a Diversity and Inclusion annual survey showed that there were 16.8 percent of employees who identified as LGBTQ+, which is two to three times higher than other tech companies. Those employees are in the organizational chart and for different compensation levels would be considered stock data. The other type of information, **flow data**, is more dynamic and provides a profile of the employment decisions affecting designated groups (i.e., interview results broken down by gender of applicants). To obtain this information a voluntary self-identification questionnaire is distributed to employees.

4.3. Employment Systems Review

Employment systems or "employment practices" are those processes by which employers carry out personnel activities such as recruitment, hiring, training and development, promotion, job classification, discipline, and termination. These activities are scrutinized to ensure that they are fair and do not exclude members of certain groups. At the core of this review is to ensure that employment policies or practices are based on criteria that are job related. Also, as specified earlier, it is important that the principle of reasonable accommodations be respected and that the organization attempts to adjust the working conditions or schedules of employees, such as redesign job duties, adjust schedules, and upgrade facilities to accommodate them.

4.4. Establishment of a Work Plan

The workforce analysis and the review of the employment system provides the employer with a useful base from which to develop a diversity work plan with realistic goals and timetables. This work plan is adocument that describes how proposed actions are to be achieved. For example, the city of Montreal is trying to diversify its police force members, the objective being to increase the proportion of visible minorities so that it mirrors the diversity of Montreal's population (Visible minorities make up 34 per cent of Montreal's population, according to the 2016 census). There were only 359 visible minority officers of the 4,456-member force in 2019 (8%), compared to 310 (7%) in 2014. For many, this mere one per cent increase in five years is not sufficient and the city has engaged in a series of recruiting events in specific neighbourhoods to try to increase the number of minority applicants (see this article that outlines the city's effort).

4.5. Implementation

Each plan is unique to each organization. Some may target specific occupations or designated groups while others may be more general. The success of these plans depends on top management's commitment to the process, how the roles are
defined, the resources available, and the effectiveness of communication strategies.

4.6. Evaluation, Monitoring, and Revision

Using hard data (stock and flow), is important to monitor progress of diversity initiatives. With careful monitoring, the employer can evaluate overall success of the initiatives and also respond to organizational and environmental changes.
Annual progress reports should be provided to all employees to communicate initiatives and achievements. Take the 2019 RBC Diversity Report which details the efforts made by RBC to increase the diversity of its workforce.

In-Class Exercise

Is this legal?

In this exercise, your task is to assess the legality of the following HR situations. Provide the legal basis for your assessment.

Situation 1. I am the owner of a South American restaurant on Beaubien street. My restaurant specializes in Peruvian cuisine and I spent a lot of money on decor because I want my customers to feel like they are in a small diner in Lima. Naturally, I make it a priority to hire servers of Peruvian descent. **Is it legal?**

Situation 2. I am the owner of a high end coffee shop and I invest a lot in my staff. I pay way above minimum wage, provide generous health benefits (relatively rare for coffee shop jobs), and even send some junior baristas to train in Italy for a week each year. Given my investment in my staff I want to keep its size relatively small and, to do so, I require everyone to work alternating weekends. Because I do not want to manage any exceptions, I am very strict: it is my way…or the highway. One barista who is Jewish has started to complain that he often has to work during shabbat, an important weekly observance for Jews. **Is it legal?**

Situation 3. In its selection process for the job of garbage collector, the City of Montreal uses a physical ability tests. The test asks applicants to throw a 25kg bag along a 150 meters obstacle course. In 2019, 200 were tested, 150 men and 50 women. The results of the test shows that 105 males passed the test while 10 women did. **Is it legal?**

Take home exercise

You are in charge of HR in a growing e-motorcycle company and the president has asked you to design an interview protocol for a new sales position . This job was created specifically to target the Chinese market and grow market shares there. You and the president have estimated that this job will require some travel (approx. 10%). After seeing a draft of the interview protocol, the president has asked that you add the following questions to the protocol:

- What is your nationality? (Why? He wants to give preference to Chinese nationals)
- Are you single? (Why? He wants an employee that has no ties and can travel freely)
- Do you ride motorcycles? (Why? He wants someone who understands the psychology of riders)

Assess the legality of each question and provide a rationale for your answer. If you deem an answer illegal, provide a suggestion(s) to replace it?

CHAPTER 3: ANALYZING AND DESIGNING WORK

Job Analysis at Matrix Agricultural Systems

Matrix Agricultural Systems (MAS) is a large producer of agricultural IT products. With 25 offices in Canada and a plan for an additional 5 more in the next two years, MAS is the leader in its field within the country. It manufactures innovative web-based technologies and sensors to help farmers improve their agricultural productivity. For example, it has developed sensors, that when placed strategically around fields along with image recognition technologies, it allows farmers to view their crops from anywhere in the world. The company's most important strategic objective is to keep up with technological advances and find ways to drive the price of their product down.

In recent years, MAS has had difficulty recruiting engineers. The problem appears to have worsened because of an increase in the turnover rate. This rate is now higher than the market average for the agricultural business sector despite the highly competitive remuneration packages that MAS pays. The company has traditionally recruited engineers with a mechanical engineering background. Recently however, the shortage of engineers has become a more acute problem, especially in industrial areas where there is an abundance of technology companies and an increasing demand for engineers. Nathalie Lebrun, the vice president of human resources is very worried that this situation may lead the company to lose its competitive edge. She has a pair of very specific mandates for Marcel Tremblay, her Talent Acquisition manager:

First, the criteria for entry-level engineer positions have to be looked at. They specify (a) an undergraduate degree in mechanical or industrial engineering and (b) at least three years' experience. Nathalie wants Marcel to devise a method for evaluating the appropriateness and value of these as job specifications. Are these criteria really necessary to perform the job? Aren't they unnecessarily restricting the labour pool from which MAS finds its employees?

Second, Nathalie wants Marcel to develop training modules for new technical employees to be included in “Matrix Agricultural Systems University”. Consequently, Marcel needs to determine what knowledge, skills, competencies and abilities are essential or critical for the job and integrate them into a training module.

Job Analysis

1. Job Analysis

Job Analysis is a systematic process used to identify and determine, in detail, the particular job duties and requirements and the relative importance of these duties for a given job. It allows HR managers to understand what tasks people actually perform in their jobs and the human abilities required to perform these tasks. Job analysis aims to answer questions such as:

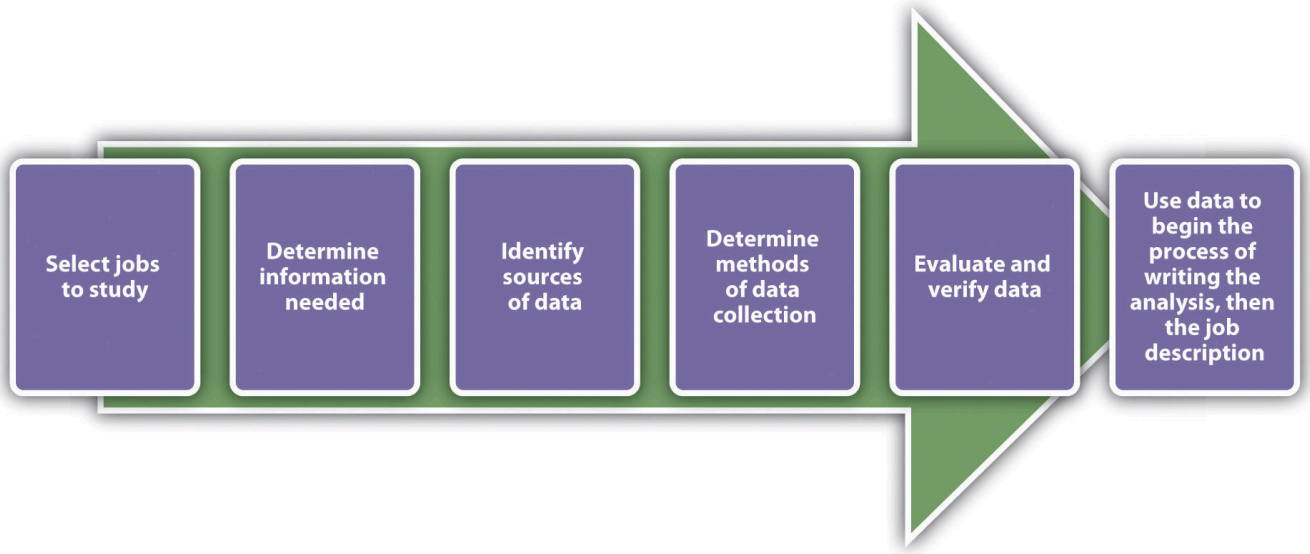
- What are the specific elements of the job?
- What physical and mental activities does the worker undertake?
- When is the job to be performed?
- Where is the job to be performed?
- Under what conditions is it to be performed?

A major aspect of job analysis includes research, which may mean reviewing job responsibilities of current employees, researching job descriptions for similar jobs with competitors, and analyzing any new responsibilities that need to be accomplished by the person with the position.

For HRM professionals, the job analysis process represents the foundation needed to design every other HR process. For this reason, job analysis is often referred to as the 'building block' of HRM. Here are some examples of how the results of job analysis can be used in HRM:

- Production of accurate job postings to attract strong candidates;
- Identification of critical knowledge, skills, and abilities required for success to include as hiring criteria;
- Identification of risks associated with the job responsibilities to prevent accidents;
- Design of performance appraisal systems that measure actual job elements;
- Development of equitable compensation plans;
- Design training programs that address specific and relevant knowledge, skills, and abilities.

Figure 3.1. This flowchart shows the process of conducting a job analysis.



1.1. The Job as Unit of Analysis

Any job, at some point, needs to be looked at in detail in order to understand its important tasks, how they are carried out, and the necessary human qualities needed to complete them. As organizations mature and evolve, it is important that HR managers also capture aspects of jobs in a systematic matter because so much relies on them. If HRM cannot capture the job elements that are new and those that are no longer relevant, it simply cannot build efficient HRM processes. Take the job of university professor for example. Think of how that job has changed recently, especially in terms of how professors use technology. Ten years ago, technology-wise, a basic understanding of PowerPoint was pretty much all that was required to be effective in the classroom. Today, professors have to rely on Zoom, Moodle, YuJa and countless other pedagogical platforms when they deliver their courses. These changes point to a profound change in the job. It is critical that this change be captured by Concordia HR department in order for Concordia to achieve their educational mission. With this information, departments can now select professors based on their level of technological savvy, develop training programs on various platforms, and evaluate/reward those professors who are embracing the technological shift, etc.

While job analysis seeks to determine the specific elements of each job, there are many studies that have looked at how jobs are evolving *in general*. These mega trends (see picture) are interesting because they not only point towards new characteristics of jobs but also towards an acceleration in the rate of change. For example, Artificial Intelligence (AI) has just begun to make its impact on the world of work. In the next decade, many tasks will be replaced and even enhanced by algorithms. Project yourself, if you can, 50 years from now. Do you really think that transportation companies will rely on truck drivers? Autonomous vehicles are already a reality, this promises to be incredibly efficient. Do you really think that customer service representatives will be required? We are already having conversations with voice-recognition automated systems without realizing it. Let's push this to more sophisticated jobs: medical doctors. The diagnosis of illness requires a vast amount of knowledge and, in the end, judgment. Who would bet against the ability of computers able to process billions of bits of information per second not to outperform the average doctor? Bottom line: the AI revolution is not coming, it is already here.

1.2. Determine Information Needed

The information gathered from the job analysis falls in two categories: the task demands of a job and the human attributes necessary to perform these tasks. Thus, two types of job analyses can be performed: a task-based analysis or a competency- or skills-based analysis.

Task-based job analysis

This type of job analysis is the most common and seeks to identify elements of the jobs. Tasks are to be expressed in the format of a task statement. The task statement is considered the single most important element of the task analysis process. It provides a standardized, concise format to

describe worker actions. If done correctly, task statements can eliminate the need for the personnel analyst to make subjective interpretations of worker actions. Task statements should provide a clear, complete picture of what is being done, how it is being done and why it is being done. A complete task statement will answer four questions:

1. Performs what action? (action verb)
2. To whom or what? (object of the verb)
3. To produce what? or Why is it necessary? (expected output)
4. Using what tools, equipment, work aids, processes?

When writing task statements, always begin each task statement with a verb to show the action you are taking. Also, do not use abbreviations and rely on common and easily understood terms. Be sure to make statements very clear so that a person with no knowledge of the department or the job will understand what is actually done. Here are some examples of appropriate task statements:

- Analyze and define architecture baselines for the Program Office
- Analyze and support Process Improvements for XYZ System
- Analyze, scan, test, and audit the network for the Computer Lab
- Assess emerging technology and capabilities for the Computer Lab
- Assist in and develop Information Assurance (IA) policy and procedure documents for the Program Office
- Automate and generate online reports for the Program Office using XYZ System
- Capture, collate, and report installation safety issues for XYZ System
- Conduct periodic facility requirements analysis for the Program Office
- Copy, collate, print, and bind technical publications and presentation materials for the Program Office

Competency-based job analysis

A competency-based analysis focuses on the specific knowledge and abilities an employee must have to perform the job. This method is less precise and more subjective. Competency-based analysis is more appropriate for specific, high-level positions.

1.3. Identify the Source(s) of Data

For job analysis, a number of human and non-human data sources are available besides the job-holder himself. The following can be sources of data available for a job analysis.

Figure 3.2.

Non-Human Sources	**Human Sources**
Previous job analysis reports	
Existing job descriptions and specifications Equipment maintenance records Equipment design blueprints Architectural blueprints of work area Recordings of employee working Training manuals and materials Magazines, newspapers, other literature	Job Incumbents Supervisors Job Experts

1.4. Determine Methods of Data Collection

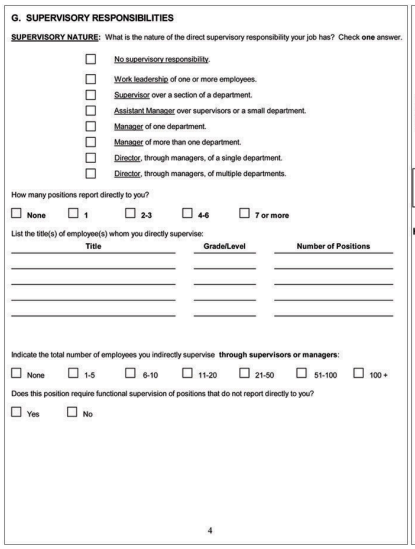
Determining which tasks employees perform is not easy. The most effective technique when collecting information for a job analysis is to obtain information through direct observation as well as from the most qualified incumbent(s) via questionnaires or interviews. The following describes the most common job analysis methods.

Open-ended questionnaire

Job incumbents and/or managers fill out questionnaires about the Knowledge, Skills, and Abilities (KSA's) necessary for the job. HR compiles the answers and publishes a composite statement of job requirements. This method produces reasonable job requirements with input from employees and managers and helps analyze many jobs with limited resources.

Structured questionnaire

These questionnaires only allow specific responses aimed at determining the nature of the tasks that are performed, their relative importance, frequencies, and, at times, the skills required to perform them. The structured questionnaire is helpful to define a job objectively, which also enables analysis with computer models. This questionnaire shows how an HR professional might gather data for a job analysis. These questionnaires can be completed on paper or online, many are available for free.



G. SUPERVISORY RESPONSIBILITIES

SUPERVISORY NATURE: What is the nature of the direct supervisory responsibility your job has? Check **one** answer.

- ☐ No supervisory responsibility.
- ☐ Work leadership of one or more employees.
- ☐ Supervisor over a section of a department.
- ☐ Assistant Manager over supervisors or a small department.
- ☐ Manager of one department.
- ☐ Manager of more than one department.
- ☐ Director, through managers, of a single department.
- ☐ Director, through managers, of multiple departments.

How many positions report directly to you?

☐ None ☐ 1 ☐ 2-3 ☐ 4-6 ☐ 7 or more

List the title(s) of employee(s) whom you directly supervise:

Title	Grade/Level	Number of Positions

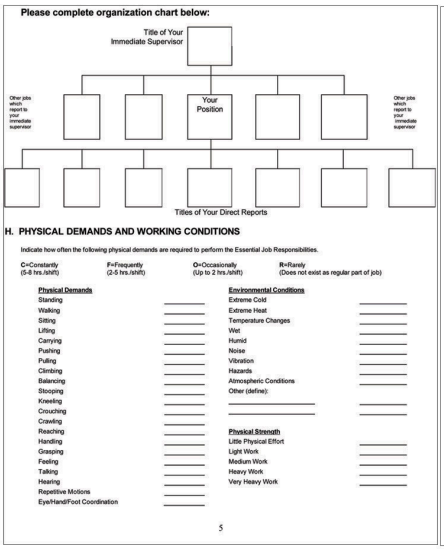
Indicate the total number of employees you indirectly supervise **through supervisors or managers**:

☐ None ☐ 1-5 ☐ 6-10 ☐ 11-20 ☐ 21-50 ☐ 51-100 ☐ 100 +

Does this position require functional supervision of positions that do not report directly to you?

☐ Yes ☐ No

4



Please complete organization chart below:

Title of Your Immediate Supervisor

Other jobs which report to your immediate supervisor

Your Position

Other jobs which report to your immediate supervisor

Titles of Your Direct Reports

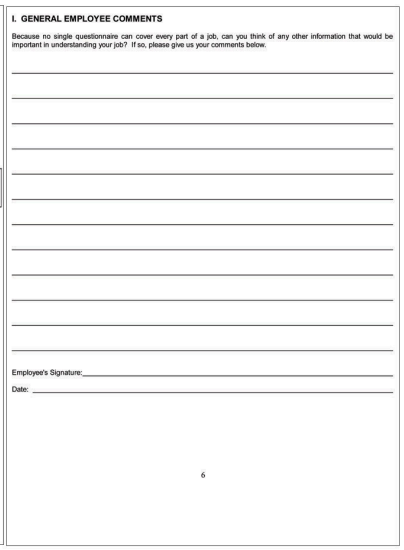
H. PHYSICAL DEMANDS AND WORKING CONDITIONS

Indicate how often the following physical demands are required to perform the Essential Job Responsibilities.

C=Constantly (6-8 hrs./shift) F=Frequently (2-5 hrs./shift) O=Occasionally (Up to 2 hrs./shift) R=Rarely (Does not exist as regular part of job)

Physical Demands		Environmental Conditions	
Standing		Extreme Cold	
Walking		Extreme Heat	
Sitting		Temperature Changes	
Lifting		Wet	
Carrying		Humid	
Pushing		Noise	
Pulling		Vibration	
Climbing		Hazards	
Balancing		Atmospheric Conditions	
Stooping		Other (define):	
Kneeling			
Crouching			
Crawling			
Reaching		**Physical Strength**	
Handling		Little Physical Effort	
Grasping		Light Work	
Feeling		Medium Work	
Talking		Heavy Work	
Hearing		Very Heavy Work	
Repetitive Motions			
Eye/Hand/Foot Coordination			

5



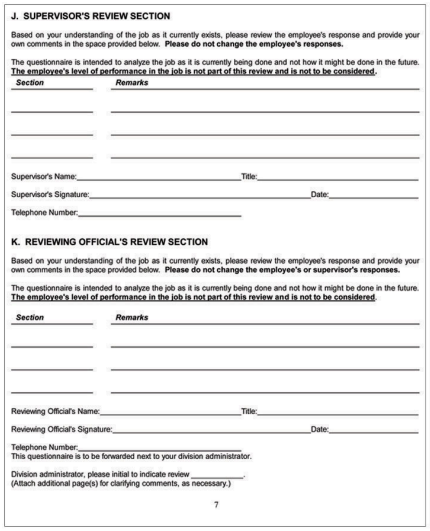
I. GENERAL EMPLOYEE COMMENTS

Because no single questionnaire can cover every part of a job, can you think of any other information that would be important in understanding your job? If so, please give us your comments below.

Employee's Signature:

Date:

6



J. SUPERVISOR'S REVIEW SECTION

Based on your understanding of the job as it currently exists, please review the employee's response and provide your own comments in the space provided below. **Please do not change the employee's responses.**

The questionnaire is intended to analyze the job as it is currently being done and not how it might be done in the future. **The employee's level of performance in the job is not part of this review and is not to be considered.**

Section	*Remarks*

Supervisor's Name: Title:

Supervisor's Signature: Date:

Telephone Number:

K. REVIEWING OFFICIAL'S REVIEW SECTION

Based on your understanding of the job as it currently exists, please review the employee's response and provide your own comments in the space provided below. **Please do not change the employee's or supervisor's responses.**

The questionnaire is intended to analyze the job as it is currently being done and not how it might be done in the future. **The employee's level of performance in the job is not part of this review and is not to be considered.**

Section	*Remarks*

Reviewing Official's Name: Title:

Reviewing Official's Signature: Date:

Telephone Number:

This questionnaire is to be forwarded next to your division administrator.

Division administrator, please initial to indicate review _____.
(Attach additional page(s) for clarifying comments, as necessary.)

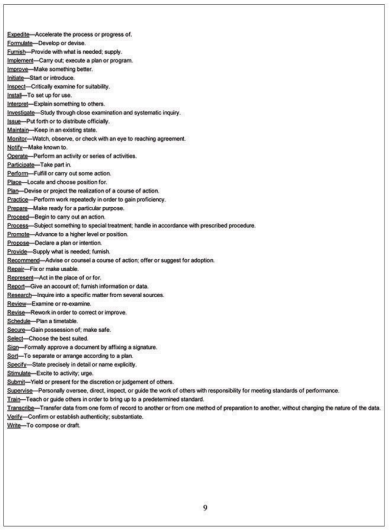
7

ACTION VERBS ATTACHMENT

This list of action verbs should be used to assist you in completing the Summary of Responsibilities section. These verbs are useful in identifying and defining job functions. Although many of the terms may seem obvious, definitions are provided in the interest of consistency.

Administer—Manage or direct the execution of affairs.
Adopt—Take up and practice as one's own.
Advise—Recommend a course of action; offer an informed opinion based on specialized knowledge
Analyze—Separate into elements and critically examine.
Anticipate—Foresee and deal with in advance.
Appraise—Give an expert judgement of worth or merit.
Approve—Accept as satisfactory; exercise final authority with regard to commitment of resources.
Arrange—Make preparation for an event; put in proper order.
Assemble—Collect or gather together in a predetermined order from various sources.
Assign—Specify or designate tasks or duties to be performed by others.
Assume—Undertake; take for granted.
Assure—Give confidence; make certain of.
Authorize—Approve; empower through vested authority.
Calculate—Make a mathematical computation.
Circulate—Pass from person to person or place to place.
Clean—To remove dirt or make tidy.
Clear—Gain approval of others.
Collaborate—Work jointly with; cooperate with others.
Collect—Gather.
Compile—Put together information; collect from other documents.
Concur—Agree with a position, statement, action, or opinion.
Conduct—Carry on; direct the execution of.
Confer—Consult with others to compare views.
Consolidate—Bring together.
Construct—Build, make or modify.
Consult—Seek the advice of others.
Control—Measure, interpret, and evaluate actions for conformance with plans or desired results.
Coordinate—Regulate, adjust, or combine the actions of others to attain harmony.
Correlate—Establish a reciprocal relationship.
Correspond—Communicate with.
Debug—To detect, locate and remove mistakes from a routine of malfunctions from a computer.
Delegate—Commission another to perform tasks or duties that may carry specific degrees of accountability.
Deliver—Carry to intended destination.
Design—Conceive, create, and execute according to plan.
Determine—Resolve; fix conclusively.
Develop—Disclose, discover, perfect, or unfold a plan or idea.
Devise—Come up with something new; perhaps by combining or applying known ideas or principles.
Direct—Guide work operations through the establishment of objectives, policies, rules, practices, methods, and standards.
Discuss—Exchange views for the purpose of arriving at a conclusion.
Dispose—Get rid of.
Disseminate—Spread or disperse information.
Distribute—Deliver to proper destinations.
Draft—Prepare papers or documents in preliminary form.
Endorse—Support or recommend.
Establish—Bring into existence.
Estimate—Forecast future requirements.
Evaluate—Determine or fix the value of.
Execute—Put into effect or carry out.
Exercise—Exert.

8



Expedite—Accelerate the process or progress of.
Formulate—Develop or devise.
Furnish—Provide with what is needed; supply.
Implement—Carry out; execute a plan or program.
Improve—Make something better.
Initiate—Start or introduce.
Inspect—Critically examine for suitability.
Install—To set up for use.
Interpret—Explain something to others.
Investigate—Study through close examination and systematic inquiry.
Issue—Put forth or to distribute officially.
Maintain—Keep in an existing state.
Monitor—Watch, observe, or check with an eye to reaching agreement.
Notify—Make known to.
Operate—Perform an activity or series of activities.
Participate—Take part in.
Perform—Fulfill or carry out some action.
Place—Locate and choose position for.
Plan—Devise or project the realization of a course of action.
Practice—Perform work repeatedly in order to gain proficiency.
Prepare—Make ready for a particular purpose.
Proceed—Begin to carry out an action.
Process—Subject something to special treatment; handle in accordance with prescribed procedure.
Promote—Advance to a higher level or position.
Propose—Declare a plan or intention.
Provide—Supply what is needed; furnish.
Recommend—Advise or counsel a course of action; offer or suggest for adoption.
Repair—Fix or make usable.
Represent—Act in the place of or for.
Report—Give an account of; furnish information or data.
Research—Inquire into a specific matter from several sources.
Review—Examine or re-examine.
Revise—Rework in order to correct or improve.
Schedule—Plan a timetable.
Secure—Gain possession of; make safe.
Select—Choose the best suited.
Sign—Formally approve a document by affixing a signature.
Sort—To separate or arrange according to a plan.
Specify—State precisely in detail or name explicitly.
Stimulate—Excite to activity; urge.
Submit—Yield or present for the discretion or judgement of others.
Supervise—Personally oversee, direct, inspect, or guide the work of others with responsibility for meeting standards of performance.
Train—Teach or guide others in order to bring up to a predetermined standard.
Transcribe—Transfer data from one form of record to another or from one method of preparation to another, without changing the nature of the data.
Verify—Confirm or establish authenticity; substantiate.
Write—To compose or draft.

9

Interview

In a face-to-face interview, the interviewer obtains the necessary information from the employee about the KSAs needed to perform the job. The interviewer uses predetermined questions, with additional follow-up questions based on the employee's response. This method works well for professional jobs.

Observation

Employees are directly observed performing job tasks, and observations are translated into the necessary KSAs for the job. Observation provides a realistic view of the job's daily tasks and activities and works best for short-cycle production jobs.

Work diary or log

A work diary or log is a record maintained by the employee and includes the frequency and timing of tasks. The employee keeps logs over a period of days or weeks. HR analyzes the logs, identifies patterns and translates them into duties and responsibilities. This method provides an enormous amount of data, but much of it is difficult to interpret, may not be job-related and is difficult to keep up-to-date. *See* **Job Analysis: Time and Motion Study Form**.

1.5. Evaluate and Verify the Data

Once obtained, job analysis information needs to be validated. This can be done with workers performing the job or with the immediate supervisor, for accuracy purposes. This corroboration of the data will ensure the information's accuracy, and can also help the employees' acceptance of the job analysis data.

1.6. Using the Data to Yield a Job Analysis Report

Once the job analysis has been completed, it is time to write the job description. These are technical documents that can be very detailed. For example, here is a **job analysis report** conducted in the US by the Federal Aviation Administration (FAA) within strategic initiatives focusing on four occupations with primary responsibilities for safety and risk data collection, analysis, and presentation: Operations Research Analyst, Engineer, Economist, and Mathematician. In a totally different category of work, here is another one describing the job of **Amusement and Recreation Attendant**.

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Job Analysis and The Law

1.7. Job Analysis: The Process that Defines Job Relatedness

In the chapter on discrimination, we emphasized the importance of the concept of job relatedness. Jobs contain many elements, some of which are essential to doing the job, and others that are ideal or preferable, but not essential. A job analysis will distinguish between essential and non-essential duties. The essential requirements must be determined objectively and employers should be able to show why a certain task is either essential or non-essential to a job. Finding out what the essential characteristics of a job are is fundamental in determining whether some employment decisions are discriminatory or not. For example, a hiring requirement that states 'frequent travel' will disproportionately impact women with major caregiving responsibilities. When travel is included in a job description, it must be an essential duty otherwise its disparate impact on women will make it illegal. Moreover, even if travel is found to be an essential job duty, the employer would be expected to accommodate the family-status needs of employees. The purpose of a job analysis is to objectively establish the 'job relatedness' of employment procedures such as training, selection, compensation, and performance appraisal.

In order to comply with the law, an employer may consider the following questions:

1. Is the job analysis current or does it need to be updated?
2. Does the job analysis accurately reflect the needs and expectations of the employer?
3. Which are essential requirements and which are non-essential?

Job Description

2. Job Description

The job description is essentially a standardized summary of a job analysis. Job descriptions are usually very concise documents but they should always include the following components:

1. Date
2. Job title
3. **National Occupation Classification** (NOC) code
4. Job functions (the tasks the employee performs)
5. Knowledge, skills, and abilities (what an employee is expected to know and be able to do, as well as personal attributes)
6. Education and experience required
7. Physical requirements of the job (ability to lift, see, or hear, for example)

Samples of job descriptions

Job Descriptions: Best Practices

saif

Sample job description format

Job description: Cook

Summary: To assist the Food Services Director in operating a clean, sanitary and orderly kitchen to provide wholesome and nutritious meal selections.

Essential functions:

- Properly operate and care for kitchen equipment.
- Establish and maintain cooperative relationships with fellow staff members, students and the general public.
- Understand and carry out oral and written directions.
- Assist in cleaning kitchen area.
- Prepare, cook, and serve nutritious, attractive and appetizing meals.

Supervisory responsibilities: None

Qualifications:

- High school diploma or equivalent.
- Knowledge of and ability to prepare, cook, and serve nutritious meals.
- Knowledge of proper nutrition, sanitation and safety laws and standards.

Physical demands:

- Ability to continuously stand or walk.
- Ability to bend, climb stairs and lift frequently.
- Ability to lift up to 10 pounds frequently.
- Ability to squat occasionally.

Work environment:

- Work will be conducted in a kitchen environment.
- May encounter temperatures ranging from 32 degrees to 425 degrees around equipment.
- May occasionally walk on slippery surfaces.
- Noise level in the work environment is frequently loud.

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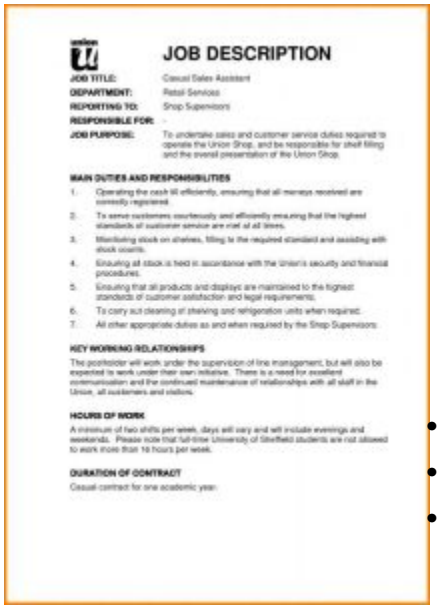
Notice how the job description includes the job function; knowledge, skills, and abilities required to do the job; education and experience required; and the physical or psychological requirements of the job. These two examples are missing the NOC code. The purpose of this code is to provide a categorization to compile labour statistics. It is relatively easy to find this code on the **National Occupation Classification** website.

Once the job description has been written, it can be modified to use for recruiting or filed in the HR department records. Before we discuss specific recruitment strategies, we should address the law and how it relates to hiring. This is the topic of **Section 4.2 "The Law and Recruitment"**.



JOB DESCRIPTION

JOB TITLE: Casual Sales Assistant
DEPARTMENT: Retail Services
REPORTING TO: Shop Supervisors
RESPONSIBLE FOR: -
JOB PURPOSE: To undertake sales and customer service duties required to operate the Union Shop, and be responsible for shelf filling and the overall presentation of the Union Shop.

MAIN DUTIES AND RESPONSIBILITIES

1. Operating the cash till efficiently, ensuring that all moneys received are correctly registered.
2. To serve customers courteously and efficiently ensuring that the highest standards of customer service are met at all times.
3. Merchising stock on shelves, filling to the required standard and assisting with stock counts.
4. Ensuring all stock is held in accordance with the Union's security and financial procedures.
5. Ensuring that all products and displays are maintained to the highest standards of customer satisfaction and legal requirements.
6. To carry out cleaning of shelving and refrigeration units when required.
7. All other appropriate duties as and when required by the Shop Supervisors.

KEY WORKING RELATIONSHIPS

The postholder will work under the supervision of line management, but will also be expected to work under their own initiative. There is a need for excellent communication and the continued maintenance of relationships with all staff in the Union, all customers and visitors.

HOURS OF WORK

A minimum of two shifts per week, days will vary and will include evenings and weekends. Please note that full-time University of Sheffield students are not allowed to work more than 16 hours per week.

DURATION OF CONTRACT

Casual contract for one academic year.

2.1. The National Occupation Classification (NOC) Code

The NOC provides a standardized nomenclature for describing the work performed by Canadians. It serves as a framework to:

- define and collect statistics related to work and jobs in Canada
- analyze labour market trends in Canada
- extract practical career planning information

For example, statistics gathered for Human Resource Manager (NOC 0112) shows the following trends:

View unit group

Human resources managers plan, organize, direct, control and evaluate the operations of human resources and personnel departments, and develop and implement policies, programs and procedures regarding human resource planning, recruitment, collective bargaining, training and development, occupation classification and pay and benefit administration.

These are the statistics for pet-sitter (NOC 6163):

Pet-sitter in Canada | Labour Market Facts and Figures

Find key facts and figures about working as a pet-sitter in Canada: available jobs, wages, career prospects, skills, job requirements and more. Visit Job Bank to learn about this occupation or for more information about the Canadian labour market.

Tips to Writing a Good Job Description

- Be sure to include the pertinent information:
    - Title
    - NOC code
    - Department
    - Reports to
    - Duties and responsibilities
    - Terms of employment
    - Qualifications needed
- Think of the job description as a snapshot of the job.
- Communicate clearly and concisely.
- Make sure the job description is interesting to the right candidate applying for the job.
- Avoid acronyms.
- Don't try to fit all job aspects into the job description.
- Proofread the job description.

Job Design

3. Job Design

Job design pertains to the specification of contents, methods and relationship of jobs in order to satisfy technological and organizational requirements as well as the social and personal requirements of the job holder. Through job design, organizations can raise productivity levels of employees and employee satisfaction. Although job analysis, as just described, is important for an understanding of existing jobs, organizations must also adapt to changes in workflow and organizational demands and consider whether jobs need to be revised. When an organization is changing or expanding, human resource professionals must also help plan for new jobs and shape them accordingly.

These situations call for job design, the process of defining the way work will be performed and the tasks that a given job requires. Job redesign is a similar process that involves changing an existing job design. To design jobs effectively, a person must thoroughly understand the job itself (through job analysis) and its place in the larger work unit's work flow process. Having a detailed knowledge of the tasks performed in the work unit and in the job gives the manager many alternative ways to design a job.

4. Designing Efficient Jobs: Job Characteristics Model

The job characteristics model is one of the most influential attempts to design jobs with increased motivational properties (Hackman & Oldham, 1975). The model describes five core job characteristics leading to critical psychological states, resulting in work-related outcomes.

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Skill variety refers to the extent to which the job requires a person to utilize multiple skills. A car wash employee whose job consists of directing customers into the automated car wash demonstrates low levels of skill variety, whereas a car wash employee who acts as a cashier, maintains car wash equipment, and manages the inventory of chemicals demonstrates high skill variety.

Task identity refers to the degree to which a person is in charge of completing an identifiable piece of work from start to finish. A web designer who designs parts of a website will have low task identity, because the work blends in with other Web designers' work; in the end it will be hard for any one person to claim responsibility for the final output. The webmaster who designs an entire web site will have high task identity.

Task significance refers to whether a person's job substantially affects other people's work, health, or well-being. A janitor who cleans the floors at an office building may find the job low in significance, thinking it is not a very important job. However, janitors cleaning the floors at a hospital may see their role as essential in helping patients get better. When they feel that their tasks are significant, employees tend to feel that they have an impact on their environment, and their feelings of self-worth are boosted (Grant, 2008).

Autonomy is the degree to which a person has the freedom to decide how to perform his or her tasks. For example, an instructor who is required to follow a predetermined textbook, covering a given list of topics using a specified list of classroom activities, has low autonomy. On the other hand, an instructor who is free to choose the textbook, design the course content, and use any relevant materials when delivering lectures has higher levels of autonomy. Autonomy increases motivation at work, but it also has other benefits. Giving employees autonomy at work is a key to individual and company success, because autonomous employees are free to choose how to do their jobs and therefore can be more effective. They are also less likely to adopt a "this is not my job" approach to their work environment and instead be proactive (do what needs to be done without waiting to be told what to do) and creative (Morgeson, Delaney-Klinger, & Hemingway, 2005). The consequence of this resourcefulness can be higher company performance. For example, a study shows that small businesses that gave employees autonomy grew four times more than those that did not (Davermann, 2006).

Feedback refers to the degree to which people learn how effective they are being at work. Feedback at work may come from other people, such as supervisors, peers, subordinates, and customers, or it may come from the job itself. A salesperson who gives presentations to potential clients but is not informed of the clients' decisions, has low feedback at work. If this person receives

notification that a sale was made based on the presentation, feedback will be high. The relationship between feedback and job performance is more controversial. In other words, the mere presence of feedback is not sufficient for employees to feel motivated to perform better. In fact, a review of this literature shows that in about one-third of the cases, feedback was detrimental to performance (Kluger & DeNisi, 1996). In addition to whether feedback is present, the sign of feedback (positive or negative), whether the person is ready to receive the feedback, and the manner in which feedback is given will all determine whether employees feel motivated or demotivated as a result of feedback.

According to the job characteristics model, the presence of these five core job dimensions leads employees to experience three psychological states: They view their work as **meaningful**, they feel **responsible for the outcomes**, and they acquire **knowledge of results**. These three psychological states in turn are related to positive outcomes such as overall job satisfaction, internal motivation, higher performance, and lower absenteeism and turnover (Humphrey, Nahrgang, & Morgeson, 2007; Johns, Xie, & Fang, 1992).

Note that the five job characteristics are not objective features of a job. Two employees working in the same job may have very different perceptions regarding how much skill variety, task identity, task significance, autonomy, or feedback the job affords. In other words, motivating potential is in the eye of the beholder. This is both good and bad news. The bad news is that even though a manager may design a job that is supposed to motivate employees, some employees may not find the job to be motivational. The good news is that sometimes it is possible to increase employee motivation by helping employees change their perspectives about the job. For example, employees laying bricks at a construction site may feel their jobs are low in significance, but by pointing out that they are building a home for others, their perceptions about their job may be changed.

5. Approaches to Job Design

5.1. Engineering Approach

If workers perform tasks as efficiently as possible, not only does the organization benefit from lower costs and greater output per worker, but workers should be less fatigued, physically and mentally. This point of view has for years formed the basis of classical industrial engineering, which looks for the simplest way to structure work in order to maximize efficiency. Typically, applying industrial engineering to a job reduces the complexity of the work, making it so simple that almost anyone can be trained quickly and easily to perform the job. Such jobs tend to be highly specialized and repetitive.

In practice, the scientific method traditionally seeks the "one best way" to perform a job by performing time-and-motion studies to identify the most efficient movements for workers to make. Once the engineers have identified the most efficient sequence of motions, the organization should select workers based on their ability to do the job, then train them in the details of the "one best way" to perform that job. The company should also offer pay structures to motivate workers to do their best.

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Despite the logical benefits of industrial engineering, a focus on efficiency alone can create jobs that are so simple and repetitive that workers get bored. Workers performing these jobs may feel their work is meaningless. Hence, most organizations combine industrial engineering with other approaches to job design.

5.2. Job Enlargement

Job enlargement is a job design approach in which the scope of a job is increased through extending the range of its job duties and responsibilities. It involves combining various activities at the same level in the organization and adding them to the existing job.

Job enlargement, also called the horizontal expansion of job activities, can be explained with the help of the following example. If Mr. A is working as an executive with a company and is currently performing three activities in his job, and after job enlargement or through job enlargement we add four more activities to the existing job, so now Mr. A performs seven activities on the job.

It must be noted that the new activities which have been added should belong to the same hierarchy level in the organization. By job enlargement we provide a greater variety of activities to the individual so that we are in a position to increase the interest of the job and make maximum use of an employee's skills.

There is some evidence that job enlargement is beneficial, because it is positively related to employee satisfaction and higher quality customer services, and it increases the chances of catching mistakes (Campion & McClelland, 1991). At the same time, the effects of job enlargement may depend on the *type* of enlargement. For example, job enlargement consisting of adding tasks that are very simple in nature had negative consequences on employee satisfaction with the job and

resulted in fewer errors being caught. Alternatively, giving employees more tasks that require them to be knowledgeable in different areas seemed to have more positive effects (Campion & McClelland, 1993).

5.3. Job Enrichment

Job enrichment is a job design approach aimed at making work more interesting and challenging for the employees. It mainly consists of giving more responsibility than what originally applied to the job, creating opportunities for professional growth and recognition.

As an alternative to job specialization, companies using job enrichment may experience positive outcomes, such as reduced turnover, increased productivity, and reduced absences (McEvoy & Cascio, 1985; Locke, Sirota, & Wolfson, 1976). This may be because employees who have the authority and responsibility over their work can be more efficient, eliminate unnecessary tasks, take shortcuts, and increase their overall performance. At the same time, there is evidence that job enrichment may sometimes cause dissatisfaction among certain employees (Locke, Sirota, & Wolfson, 1976). The reason may be that employees who are given additional autonomy and responsibility may expect greater levels of pay or other types of compensation, and if this expectation is not met they may feel frustrated. One more thing to remember is that job enrichment is not suitable for everyone (Cherrington & Lynn, 1980; Hulin & Blood, 1968). Not all employees desire to have control over how they work, and if they do not have this desire, they may become frustrated with an enriched job.

6. Contemporary Issues in Job Design

In this section we look at certain trends that have emerged in the design of jobs in organizations. These trends are:

1. Telecommuting
2. Team-based work
3. Flexible working hours
4. Alternative work patterns
5. Artificial intelligence

6.1. Telecommuting

Almost overnight, the COVID-19 pandemic has made telecommuting, or working from home, the normal way of working. While the concept of a virtual office was slowly becoming more and more popular in the years before this crisis, there was still much resistance from organizations and workers because of the perceived lack of control and supervision that this mode of work entails. However, this resistance has now mostly disappeared and organizations will now consider telecommuting as a normal alternative for many jobs. In the near future, the rise of telecommuting will have enormous effects on organizations and society in general.

6.2. Team-Based Work

Due to the complexity of tasks, the need to integrate multiple perspectives and disciplines into work products and services, or the sheer volume of work, organizations are increasingly structuring work around teams. Teamwork involves a set of tasks and activities performed by individuals who collaborate with each other to achieve a common objective. That objective can be creating a product, delivering a service, writing a report, or making a decision. Teamwork differs from individual work in that it involves shared responsibility for a final outcome. Effective teamwork requires certain conditions to be in place that will increase the likelihood that each member's contributions—and the effort of the group as a whole—will lead to success. Effective teams share five characteristics:

- *Shared values*: a common set of beliefs and principles about how and why the team members will work together
- *Mutual trust*: confidence between team members that each puts the best interest of the team ahead of individual priorities
- *Inspiring vision*: a clear direction that motivates commitment to a collective effort
- *Skill/talent*: the combined abilities and expertise to accomplish the required tasks and work productively with others
- *Rewards*: recognition of achievement toward objectives and reinforcement of behaviour that supports the team's work

Effective teamwork requires that people work as a cohesive unit. These five characteristics can help individuals collaborate with others by focusing their efforts in a common direction and achieving an outcome that can only be reached by working together.

6.3. Flexible Working Hours

The adjustment of working hours based on work demands or employee preferences is an important factor in designing work. There are many ways in which working hours can be structured. In a compressed workweek, the typical five-day work week is compressed within a four-day workweek in which employees work four ten-hour days. A daily flexible schedule (or flextime) enables employees to come to work early and go home early or arrive late and stay late or take extra time at lunch that is made up. In this schedule, employers may require that employees work core hours, for example, from 10 a.m. to 3 p.m.

6.4. Artificial Intelligence

The rise of artificial intelligence is having major implications in how work is performed. Just like the advent of robotics has allowed for the replacement of physical tasks by machines, artificial intelligence can be used to support or even replace mental tasks. For instance, a call center employee could get instant intelligence about what the caller needs in order to do their work faster and better. Another example would be an accountant who generates customized revenue reports every month for clients. This task requires exporting data from a spreadsheet, sorting it to find the relevant information, doing calculations, building a brand new table, charting the table, inserting it in a PowerPoint slide and more. AI can easily perform the heavy lifting of these reports – and associated steps – could be generated in a fraction of the time, allowing the accountants to focus on more value-added tasks such as client management and validation.

You can hear Kai-Fu Lee, CEO of Sinovation Ventures, describe how AI will influence jobs in the future. According to him, "accountants, factory workers, truckers, paralegals, and radiologists — just to name a few — will be confronted by a disruption akin to that faced by farmers during the Industrial Revolution". "As research suggests, the pace in which AI will replace jobs will only accelerate, impacting the highly trained and poorly educated alike."

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CHAPTER 4: RECRUITMENT

Recruiting or the search for talent at Zendesk[1]

Over the last few years, **Zendesk**, the company where Melinda works as an HR manager, has seen plenty of growth. Zendesk builds software designed to improve customer relationships. The company has a strong culture that encourages employees to grow and innovate. At the beginning, Zendesk recruited simply on the basis of the applications they received, rather than actively searching for the right person for the job. The first thing Melinda did when arriving at the company was to develop a job analysis questionnaire, which she had all employees fill out. The goal was to create a job analysis for each position that existed at the company. This happened to be at the point where the organization started seeing rapid growth, as a result of increased demand from their client base of small and medium businesses. Luckily, since Melinda followed the industry closely and worked closely with management, part of her strategic outline planned for the hiring of several new positions. Keeping in mind the employment laws and the company's position on a diverse workforce, Melinda set out to write new **job descriptions** from the job analysis she had performed. She also used a significant part of her budget to produce a slick recruiting video that emphasized the strong culture of Zendesk.

https://www.youtube.com/watch?v=l0uaSU6IVN4#action=share

She aggressively pushed this video through Twitter and Instagram. After a three-week period, Melinda had 345 applications for the different positions, a 146% increase from last year. Pleased with the way recruiting had gone, she started reviewing the resumes to continue with the selection process.

1. This a real company but the example is fictitious

The Recruitment Process

Learning Objectives

1. Discuss the need and techniques for forecasting human resource needs.
2. Be able to explain the steps to an effective recruitment strategy.
3. Be able to develop a job analysis and job description.
4. Explain the various strategies that can be used in recruitment.

1. The Recruitment Process

The recruitment process is an important part of human resource management (HRM). It is defined as a process that provides the organization with a pool of qualified job candidates from which to choose. As a process, recruitment somewhat resembles marketing, as its objective is to raise the level of interest of customers (i.e., prospective employees) in what the company has to offer (i.e., jobs).

1.1 Staffing Plan

Although it might seem straightforward, obtaining the right talent, at the right place and at the right time, is not easy and requires extensive planning. A staffing plan comprises six main steps:

1. **Evaluate the goals of the organization**. What is the organization's plan for growth? Does it need personnel to staff a new office or retail location? Is it hoping to multiply the size of its sales force to support a significant sales push? Does it intend to offer additional customer

service or internal support to boost customer satisfaction?

2. **Identify the factors that might affect the staffing plan**. This is where the NOC and Statistics Canada come in handy. Large and small companies alike should examine information from local chambers of commerce, business publications and industry associations to predict possible developments in the market. That can include new businesses or other larger employers increasing their hiring or laying off employees.
3. **Establish the current talent landscape**. Keeping the organization's objectives in mind, there is a need for a complete picture of the current workforce. A detailed company organizational chart can illustrate the jobs, skills, and competencies of each member of the organization.
4. **Forecasting needs**. Many factors need to be accounted for when looking ahead for future needs: turnover rate, investments in new technology, the economy, the unemployment rate, and the competition (poaching) can all influence the ability to achieve one's staffing goals. Performing a trend analysis based on historical data is an effective way to forecast labour needs.
5. **Conduct a gap analysis.** The difference between your future needs and the current landscape becomes the target to meet for your recruitment process.
6. **Develop a recruitment plan**.

1.2. Trend Analysis

Trend analysis examines past employment levels against selected business variables to predict future staffing requirements. To perform this analysis, an HR manager will select the factor(s) that influence labour levels the most and chart them for a four-to-five-year period. The headcount for the current time period is used with the historic data to arrive at a ratio to calculate future staffing needs. The usefulness of a trend analysis depends on the operational factor selected. For example, a moving company wants to determine how many employees it will need for the upcoming moving season. It uses *sales*, an operational factor and, according to historical records, it needs 3 movers for every $5,000 in sales. When the strategic plan calls for average weekly sales of $50,000 during the holiday shopping season, HR can predict a 30-employee staffing requirement. Another more complex example would be how hospitals prepared for the pandemic. The *number of nurses needed for each COVID patient in intensive care* would be an appropriate operational factor for hospital staff projections. A hospital may determine that it normally needs, on average, 0.2 nurses per intensive care patient per day. However, that ratio would rise significantly, to 0.8, from all of the protection measures required. Using projections of public health officials, a hospital predicted that when the pandemic was to hit, it would treat approximately 50 COVID patients. Thus, it determined that it would need 40 nurses as opposed to the normal 10.

2. Development of a Recruiting Plan

When devising a recruiting plan, an important element to consider is whether the pool of candidates will be internal, external, or both. All of these options have consequences for how recruiting will be conducted. Note that, for some organizations, there is really no choice to go internal (e.g., military) or external (e.g., small business).

2.1. Internal Recruitment

Assuming the job analysis and job description are ready, an organization may decide to look at internal candidates' qualifications first. **Internal candidates** are people who are already working for the company. If an internal candidate meets the qualifications, this person might be encouraged to apply for the job, and the job opening may not be published. Many organizations have formal job posting procedures and **bidding systems** in place for internal candidates. For example, job postings may be sent to a listserv or other avenues so all employees have access to them.

2.2. External Recruitment

The alternative to internal recruitment is external recruitment. For example, for a high-level executive position, it may be decided to hire an outside head-hunting firm. For an entry-level position, advertising on social networking websites might be the best strategy. When recruiting externally, an understanding of the labour market is essential. For example, the pandemic had a drastic effect on **unemployment rates in Canada**, shifting from 5.5% to 13.7% in just a few months (see graph below). From a general recruiting perspective, this means that the available talent doubled in that period. Of course, the need for talent also shifted dramatically and, in general, most companies are not hiring as much (which causes the high unemployment numbers). However, recruiting strategy requires a finer-grained analysis of general unemployment numbers because there are vast variations in the availability of specific talent in the labour market. For example, the pandemic has led to an important shortage of workers in healthcare and agricultural industries but an abundance of workers in other areas (e.g., hospitality).

https://tradingeconomics.com/embed/?s=canlxemr&v=202008142300v20200716&h=300&w=600&ref=/canada/unemployment-rate

source: **tradingeconomics.com**

2.3. Advantages and Disadvantages of Each Approach

In sum, both approaches to recruitment are valid, each one providing distinct advantages to the organization. The selection of one or both approaches depends on the situation (e.g., labour market, availability of internal talent, budget, etc.) and the objectives of the company. Here is a summary of advantages and disadvantages of each approach.

Figure 4.1. Possible Advantages and Disadvantages of Hiring an Internal versus an External Candidate

	Advantages	**Disadvantages**
Internal recruitment	Rewards contributions of current staff	Can produce "inbreeding," which may reduce diversity and different perspectives
	Can be cost effective, as opposed to using a traditional recruitment strategy	May cause political infighting between people to obtain the promotions
	Can improve morale	
	Knowing the past performance of the candidate can assist in knowing if they meet the criteria	Can create bad feelings if an internal candidate applies for a job and doesn't get it
External recruitment	Brings new talent into the company	Implementation of recruitment strategy can be expensive
	Can help an organization obtain diversity goals	Can cause morale problems for internal candidates
	New ideas and insight brought into the company	Can take longer for training and orientation

2.4. Recruitment Pipeline

When drafting a recruiting plan, it is easy to underestimate the time required for the process to unfold. On average, the time between the posting of an employment ad on a company's website and actually having an employee sign an employment contract is around 40 days. If you change the end-point to the time at which the new employee actually meets minimal performance requirements, the timeline is more like 6 months. Given this delay, HRM managers need to be proactive and one step ahead of future vacancies. The objective being not simply hiring for open positions but hiring for positions that *are likely* to be open in the future. Tracking recruiting pipelines using analytical tools helps create a more efficient recruitment process. Here is an **example of a workplace analytics firm** that helps organizations in making these predictions.

2.5. Yield Ratio

Yield ratio is a performance indicator that pertains to thepercentage of candidates from a specific source that made it from one stage to the next. For example, if 100 applicants sent résumés and 30 of them were convened for interviews, the yield of that step would be 30%. Essentially, the yield ratio shows how efficient the selected recruiting method is. An HR manager could compare the yield of different recruitment sources to determine which one he or she should invest on in the future. For example, LinkenIn could have a yield of 25% of interviewees compared to Indeed with a yield of 20%. If the cost of posting is equal, posting on LinkedIn is more beneficial.

The Law and Recruitment

3. Recruitment and Legislation

Recruiting employees can be considered a passive process, one that does not directly involve making decisions about people. A job is posted and whoever is interested applies for it. However, despite the lack of concrete actions, the process of specifying the desired knowledge, skills, abilities, others (KSAO's) implicitly excludes some potential applicants. In the event that some criteria affects some of the protected categories disproportionately, it is important that these criteria be proven to be job related. For example, can you explain why these postings are discriminatory? What should these companies do to defend their choices?

- A fashion retail store looking for a person who is "young and dynamic".
- A community centre advertises a job assisting recent immigrants from Iran in adjusting to life in Quebec. The ad expresses a preference for a person of Persian origin fluent in Farsi.

Recruitment Strategies

Now that we have discussed development of the job analysis, job description, and job specifications, and you are aware of the laws relating to recruitment, it is time to start the recruiting process. In many ways, recruiting borrows from the field of marketing. The objective of a recruiting campaign is to generate as many quality applications as possible; this objective is very similar to a marketing campaign that aims to attract customers. As such, with some exceptions, many principles core to marketing apply to recruiting. A recruiting campaign must establish a clearly defined audience (future employees), create high-quality, creative, and easy-to-share content (job posting, company videos, etc.), rely on multiple content channels (company website, LinkedIn), and be followed with rigorous analysis and reporting.

The concept of company branding is relatively new in HRM. This marketing concept focuses on the way that organizations differentiate themselves from each other. This can be in logo design, name selection or messaging. These marketing efforts tell a story to attract and retain customers. Today, branding is also very important for companies in their competition for talent. The rise of social media platforms has accentuated the importance of HR to manage the public image of companies. For example, **Glassdoor** is a site that allows current and former employees to anonymously review companies and provide salary information. In fact, a majority of job seekers aged 18-44 look at Glassdoor reviews when deciding to accept a job offer and sign at a new company. Review sites and social pages that collect ratings (like Facebook) are more important than one would think.

Here are creative recruitment videos from **Deloitte** and **Canadian Tire**.

4. Recruiting Sources

4.1. Recruiters

Many organizations have specific employees who focus solely on the recruiting function of HR. Recruiting is often an entry-level position in HR because of the energy level it requires. Recruiters have to be strong networkers and they usually attend many events where possible candidates will be present. Recruiters keep a constant pipeline of possible candidates in case a position should arise that would be a good match. There are three main types of recruiters:

1. **Corporate recruiter.** A corporate recruiter is an employee within a company who focuses entirely on recruiting for his or her company. Corporate recruiters are employed by the company for which they are recruiting. This type of recruiter may be focused on a specific area, such as technical recruiting.
2. **Temporary recruitment or staffing firm.** Suppose your receptionist is going on medical leave and you need to hire somebody to replace him or her, but you do not want a long-term hire. You can utilize the services of a temporary recruitment firm to send you qualified candidates who are willing to work shorter contracts. Usually, the firm pays the salary of the employee and the company pays the recruitment firm, so you don't have to add this person to your payroll. If the person does a good job, there may be opportunities for you to offer him or her a full-time permanent position.
3. **Executive search firm.** These firms are focused on high-level management positions, such as director, VP, and CEO roles. They typically charge 10–20 percent of the first year salary, so they can be quite expensive. However, they do an extensive amount of the upfront work, sending candidates who meet the qualifications.

4.2. Websites

Job posting sites

If you have ever had to look for a job, you know there are numerous websites to help you do that. From an HR perspective, there are many options to place an ad, most of which are inexpensive. The downside to this method is the immense number of resumes you may receive from these websites, all of which may or may not be qualified. Many organizations to overcome this, implement software that searches for keywords in resumes. We discuss more about this in **Chapter 5 "Selection"**. Some examples of websites might include the following:

- Monster
- Indeed
- Workopolis

Company website

Company career pages are now a point of pride for many businesses, and the effort put into the page layout, design, and messaging, demonstrates how many organizations rely on their career page to attract the right talent. Here are some examples of high-quality career pages:

- Verizon media
- Spotify
- Square

4.3. Social Media

Facebook, Twitter, LinkedIn, YouTube, and MySpace offer interesting opportunities to gain a media presence to attract a variety of employees. The goal of using social media as a recruiting tool is to create a buzz about your organization, share stories of successful employees, and tout an interesting culture. Even smaller companies can utilize this technology by posting job openings as their status updates. This technique is relatively inexpensive, but there are some things to consider. For example, tweeting about a job opening might spark interest in some candidates, but the trick is to show your personality as an employer early on.

4.4. Campus Recruiting and Events

Colleges and universities can be excellent sources of new candidates, usually at entry-level positions. Consider technical colleges focused on culinary expertise, aerospace technology, or adult correctional interventions. These can be great sources of talent with specialized training in a specific area. In turn, universities can provide talent who have formal training in a specific field. Many organizations use their campus recruiting programs to develop new talent, who will eventually develop into managers.

For this type of program to work, it requires the establishment of relationships with campus communities, such as campus career services departments. It can also require time to attend campus events, such as job fairs. Every year, JMSB's **Career Management Services** holds a **career fair**.

Many organizations or associations also hold their own events to allow people to network and learn about new technologies. Here is a **link** that lists those to be held soon in Montreal.

4.5. Professional Associations

Professional associations are usually nonprofit organizations whose goal is to further a particular profession. Almost every profession has its own professional organization. For example, in the field of human resources, l'Ordre des Conseillers en Ressources Humaines Agrées allows **companies to post jobs relating to HR**. Usually, there is a fee involved, and membership in this association may be required to post jobs.

4.6. Referrals

Many recruiting plans include asking current employees, "Who do you know?". The quality of referred applicants is usually high, since most people would not recommend someone they thought is incapable of doing the job. E-mailing a job opening to current employees and offering incentives to refer a friend can be a quick way of recruiting individuals. For example, **Groupe Dynamite**, is a very successful fashion retailer based in Montreal. It is recognized as one of the **city's best employers** and offers referral bonuses as an incentive for employees to recruit candidates from their personal networks (up to $2,500 for a successful referral).

Figure 4.2. Advantages and Disadvantages of Recruiting Methods

Recruitment Method	Advantages	Disadvantages
Outside recruiters, executive search firms, and temporary employment agencies	Can be time saving	
Campus recruiting/educational institutions		
Professional organizations and associations		
Websites/Internet recruiting		
Social media	Inexpensive	
Events	Access to specific target markets of candidates	
Referrals		
Unsolicited resumes and applications	Inexpensive, especially with time-saving keyword resume search software	Time consuming
Internet and/or traditional advertisements	Can target a specific audience	Can be expensive

5. Recruiting Message: Concept of Realistic Job Preview

At the beginning of this section, a parallel was made between recruiting and marketing. It is true that there are many similarities between generating quality applications and attracting customers. However, these two processes differ in one specific area: the communication of less favourable characteristics of the job. In a marketing campaign, negative elements of the product will be minimized. When advertising pick up trucks, Ford will not stress the fact that these vehicles are gas guzzlers and are not very comfortable. The focus will instead be on the favourable characteristics of the pick up: the strength of the engine, the robustness of the suspension, and the large capacity of the cargo area. When advertising for a job, HRM managers must take a much more balanced approach, called realistic job preview (RJP). The RJP is the presentation of realistic, often quite negative information about an organization to a job candidate. This information is given to job candidates during the selection process to help them make an informed job choice, should a job offer be made. If a company is looking for recruiters, it should mention that the job entails a lot of travel and atypical work hours. Research by Jean Phillips (1998) found an effect of the RJP on job performance and retention of new hires.

6. Costs of Recruitment

Part of recruitment planning includes budgeting the cost of finding applicants. For example, let's say you have three positions you need to fill, with one being a temporary hire. You have determined your advertising costs will be $400, and your temporary agency costs will be approximately $700 for the month. You expect at least one of the two positions will be recruited as a referral, so you will pay a referral bonus of $500. Here is how you can calculate the cost of recruitment for the month:

cost per hire = advertising costs + recruiter costs + referral costs + social media costs + event costs.

$400 + $700 + $500 = $1600/3 = $533 recruitment cost per hire.

In addition, when we look at how effective our recruiting methods are, we can look at a figure called the yield ratio. A **yield ratio** is the percentage of applicants from one source who make it to the next stage in the selection process (e.g., they get an interview). For example, if you received two hundred resumes from an ad you placed within a professional organization, and fifty-two of those make it to the interview stage, this means a 26 percent yield (52/200). By using these calculations, we can determine the best place to recruit for a particular position. Note, that some yield ratios may vary for particular jobs, and a higher yield ratio must also consider the cost of that method. For an entry-level job, corporate recruiters may yield a better ratio than using social media, but it likely has a much higher cost per hire.

After we have finished the recruiting process, we can begin the selection process. This is the focus of **Chapter 5 "Selection"**.

Key Takeaways

- HR professionals must have a recruiting plan before posting any job description. The plan should outline where the job announcements will be posted and how the management of candidate materials, such as resumes, will occur. Part of the plan should also include the expected cost of recruitment.
- Many organizations use recruiters. Recruiters can be executive recruiters, which means an outside firm performs the search. For temporary positions, a temporary or staffing firm such as Kelly Services might be used. Corporate recruiters work for the organization and function as a part of the HR team.
- Campus recruiting can be an effective way of recruiting for entry-level positions. This type of recruiting may require considerable effort in developing relationships with college campuses.
- Almost every profession has at least one professional association. Posting announcements on their websites can be an effective way of targeting for a specific job.
- Most companies will also use their own website for job postings, as well as other websites such as Monster and CareerBuilder.
- Social media is also a popular way to recruit. Usage of websites such as Twitter and Facebook can get

the word out about a specific job opening, or give information about the company, which can result in more traffic being directed to the company's website.

- Recruiting at special events such as job fairs is another option. Some organizations have specific job fairs for their company, depending on the size. Others may attend industry or job-specific fairs to recruit specific individuals.
- SIGs, or special/specific interest groups, are usually very specialized. For example, female project managers may have an interest group that includes a discussion board for posting of job announcements.
- Employee referrals can be a great way to get interest for a posted position. Usually, incentives are offered to the employee for referring people they know. However, diversity can be an issue, as can *nepotism*.
- Our last consideration in the recruitment process is recruitment costs. We can determine this by looking at the total amount we have spent on all recruiting efforts compared to the number of hires. A *yield ratio* is used to determine how effective recruiting efforts are in one area. For example, we can look at the number of total applicants received from a particular form of media, and divide that by the number of those applicants who make it to the next step in the process (e.g., they receive an interview).

Exercises

1. Perform an Internet search on professional associations for your particular career choice. List at least three associations, and discuss recruiting options listed on their websites (e.g., do they have discussion boards or job advertisements links?).
2. Have you ever experienced nepotism in the workplace? If yes, describe the experience. What do you think are the upsides and downsides to asking current employees to refer someone they know?

[1]"University Students," IBM, n.d., accessed January 17, 2011, **http://www-03.ibm.com/employment/start_university.html**.

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CHAPTER 5: STAFFING

The Interview

Many of us have or will sit in a waiting room with our best clothes on awaiting a job (or school) interview. You can feel your palms sweat and thoughts race as you wait for your name to be called. You look around at the office environment and imagine yourself walking through those doors everyday. People walk by and smile, and overall, you have a really good first impression of the organization. You hope they like you. You tell yourself to remember to smile, while recalling all your experience that makes you the perfect person for this job. A moment of self-doubt may occur, as you wonder about the abilities of the other people being interviewed and hope you have more experience and make a better impression than they do. You hear your name, stand up, and give a firm handshake to the HR manager. The interview has begun.

As she walks you back to a conference room, you think you see encouraging smiles as you pass by people. She asks you to take a seat and then tells you what the interview process will be like. She then asks the first question, "Tell me about yourself." As you start discussing your experience, you feel yourself relax, just a little bit. After the interview finishes, he or she asks you to take a quick cognitive test, which you feel good about. She tells you she will be doing reference checks and will let you know by early next week.

To get to this point, the hiring manager may have reviewed hundreds of resumes and developed criteria she would use for the selection of the right person for the job. She has probably planned a time line for hiring, developed hiring criteria, determined a compensation package for the job, and enlisted help of other managers to interview candidates. She may have even performed a number of phone interviews before bringing only a few of the best candidates in for interviews. It is likely she has certain qualities in mind that she is hoping you or another candidate will possess. Much work goes into the process of hiring someone, with selection being an important step in that process. A hiring process done correctly is time-consuming and precise. The interviewer should already have questions determined and should be ready to sell the organization to the candidate as well. This chapter will discuss the main components to the selection process.

Here is how Dwight, from The Office, chooses to tackle his interviews:

One or more interactive elements has been excluded from this version of the text. You can view them online here:
https://opentextbooks.concordia.ca/hrmcanadian/?p=45#oembed-1

The Selection Process

Learning Objective

1. Be able to name and discuss the steps in the selection process.
2. Be able to explain why criteria development is an important part of the selection process.
3. Give examples of types of criteria that can be developed.
4. Describe the advantages and disadvantages of internal and external candidates.
5. Explain the various types of interviews and interview questions.
6. Explain the types of tests that can be administered as part of the selection process.
7. Be able to discuss the types of selection models and errors in selection.

After the recruitment has yielded a sufficient number of quality applications, the selection of candidates can begin. The **selection process** refers to the multiple steps involved in choosing people who have the right qualifications to fill a current or future job opening. Usually, managers and supervisors will have the ultimate decision as to who gets hired, but the role of HRM is to create a funnel, narrowing down the list of candidates and guiding managers in this process. Similar to the recruitment process, the selection process can be expensive. The time for all involved in the hiring process to review resumes, weigh the applications, and interview the best candidates takes away time (and costs money) that those individuals could spend on other activities. In addition, there are the costs of testing candidates and bringing them in from out of town for interviews. In fact, the US Department of Labor and Statistics estimates the combined direct and indirect cost of hiring someone new can reach upwards of $40,000 (Hamm, 2011). Due to the high cost, it is important to hire the right person from the beginning and ensure a fair selection process.

1. How to Select Employees

The selection process consists of five distinct aspects:

1. **Criteria development.** The first aspect to selection is planning the interview process, which includes criteria development. Criteria development means determining which characteristics

are sought for the future employee and how those characteristics will be assessed during the selection process. As mentioned multiple times so far, the criteria should be related directly to the job analysis and the job specifications. By developing the criteria before reviewing any resumes, the HR manager can be sure he or she is being fair in selecting people to interview. Some organizations may need to develop an application or a biographical information sheet. Most of these are completed online and should include information about the candidate, education, and previous job experience.

2. **Application and resume review.** Once the criteria have been developed (step one), applications can be reviewed. Increasingly, HR managers use automated software to screen applications and CV's. These are based on keywords searches and narrow down the number of candidates that must be looked at and reviewed.
3. **Interviewing.** After the HR manager and/or managers have determined which applications meet the minimum criteria, he or she must select those people to be interviewed. Most people do not have time to review twenty or thirty candidates, so the field is sometimes narrowed even further with a phone interview.
4. **Test administration.** Any number of tests may be administered before a hiring decision is made. These include drug tests, physical tests, personality tests, and cognitive tests. Some organizations also perform reference checks, and credit report checks. Increasingly, at this stage, companies also perform **social media checks** to confirm that the information in their resume is the same as posted online, or to see how applicants present themselves to the public.
5. **Making the offer.** The last step in the selection process is to offer a position to the chosen candidate. Development of an offer via e-mail or letter is sometimes a more formal part of this process. Compensation and benefits will be defined in an offer.

Figure 5.1. The Selection Process at a Glance

Criteria Development	• Understand KSAOs • Determine sources of KSAO information such as testing, interviews • Develop scoring system for each of the sources of information • Create an interview plan
Application and Resume Review	• Should be based on criteria developed in step one • Consider internal versus external candidates
Interview	• Determine types of interview(s) • Write interview questions • Be aware of interview bias
Test Administration	• Perform testing as outlined in criteria development; could include reviewing work samples, drug testing or written cognitive and personality tests
Selection	• Determine which selection method will be used • Compare selection method criteria
Making the Offer	• Use negotiation techniques • Write the offer letter or employment agreement

We will discuss each of these aspects in detail in this chapter.

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Criteria Development

2. Principles of Selection

Before reviewing resumes and applications, a company must have a clear idea of the person they want to hire for the position. Obviously, the job specifications derived from the job analysis will help to understand the qualifications (KSAO's), such as education level and years of experience. However, in addition to knowing **what** KSAO's are needed, it is also important to decide **how** these will be assessed. HR managers have access to a wide variety of tools to assess candidates' KSAO's, and when structuring the selection process, there are a few principles to keep in mind.

2.1 Sequencing Based on Cost

Some KSAO's are objective and very easy to measure. For example, whether someone has a bachelor's degree in Biology or a truck driver's license is easy to assess by looking at resumes. Whether someone is a team player or is able to handle stress is not as straightforward to assess. This KSAO could be measured with an interview or a simulation, two relatively costly processes. In order to efficiently narrow down a list of applicants, HR managers will first screen for those objective, easy-to-assess KSAO's and leave the more expensive tests for the end.

2.2 Validity and Reliability

Validity and reliability of assessment methods are considered the two most important characteristics of the assessment procedure. Validity is arguably the most important criteria for the quality of a test. The term validity refers to whether or not the test measures what it claims to measure. On a test with high validity the items will be closely linked to the test's intended focus. For example, if you are interested in measuring intelligence, the test that you are using must demonstrate

that those who score high are more intelligent than those who score low. Reliability, on the other hand, refers to whether an assessment instrument gives the same results each time it is used in the same setting, with the same type of subjects. Reliability essentially means *consistent* or *dependable* results. Reliability is a part of the assessment of validity. For example, if you ask the same interview question for every applicant for the project management position, and the "right" answer always yields similar, positive results, such as the hiring of a successful employee every time, the question would be considered reliable. An example of an unreliable test might occur with reference checks. Most candidates would not include a reference on their resume who might give them a poor review, making this a less reliable method for determining skills and abilities of applicants.

2.3 Organizational Fit

Fit includes not only the right technical expertise, education, and experience or the KSAO's derived from the job analysis, but also fit in the company culture and team culture. This means that companies can select based on criteria that goes above and beyond the specific elements of the job. For example, at Facebook headquarters in Palo Alto, California, engineers are selected based on their willingness to take risks, as risk taking is nurtured at Facebook (McGirt, 2010). In addition to this component of their company culture, the company looks for the "hacker" personality, because a hacker is someone who finds ways around the constraints placed upon a system. At Amazon a core value in their company culture is a focus on developing leaders to grow with the organization. If a potential candidate is not interested in long-term career growth, he or she might not be deemed an appropriate strategic fit with the organization. In today's organizations, most people are required to work within teams. As a result, fit within a team is as important as the fit with company culture. Microsoft, for example, does an immense amount of teamwork. The company is structured so that there are marketers, accountants, developers, and many others working on one product at the same time. As a result, Microsoft looks for not only company culture fit, but also fit with other team members.

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The Resume

The selection of employees is a complex process, involving many important steps. As a result of technological advances and research in psychology, this process has also evolved dramatically over the years. Interestingly, there are two elements of the selection process that have remained very stable over the years: the use of the resumé (or CV) and the use of the interview. We will spend some time discussing the interview in the next section but here, we will focus on the resume and more specifically, how to write one.

3. Resumes

For the past 50 years, a key piece of information used to select candidates has been the resume. This document is a summary of a candidate's education, work experience, and skill set. A quick web search will yield hundreds of articles on how to write the perfect resume. Given the prevalence of the resume in the selection process, it is very important to have one on file, ready to go if an interesting opportunity arises. **JMSB's Career Management Services** is a unit that aims to empower students and alumni by providing resources, programs and networking opportunities. It can provide support for JMSB students looking to improve their CV.

Employment Interview

Interviewing, like the use of resumes, has been a staple of employee selection for many years. Hiring managers appreciate the first-hand contact with the candidate that the interviews provide. Compared to other selection tools available to companies, interviewing is relatively expensive. The time of the interviewer is the major factor for this cost, thus, in the sequencing of tests, interviews are often placed towards the end of the selection process.

One major downside of interviews is that they can be very subjective and fraught with biases, conscious and unconscious. For example, it is common to have different interviewers come up with diverging assessments of a candidate. All this to say that the interview can potentially be problematic to use. However, scientific advances in HRM have provided some solutions to help make the interview a reliable and valid selection tool. These advances lie in the use of interviewer training and structuring of the interview. We discuss these two solutions in this section.

4. Interviewer Training

As stated in the opening paragraph, unconscious biases and subjectivity tend to drastically reduce the usefulness of the interview. One effective way to counter this is to train those conducting the interviews. Research has shown that interviewer training is a very effective way to reduce biases (Posthuma, Morgeson, & Campion, 2002). Here is a short video from the Royal Society that explains how they seek to reduce biases in their selection process.

One or more interactive elements has been excluded from this version of the text. You can view them online here:
https://opentextbooks.concordia.ca/hrmcanadian/?p=49#oembed-1

The interesting aspect of unconscious biases is that they are greatly reduced by simply raising awareness of their existence. Thus, knowing that they exist and what form they take helps eliminate them. Here is a list of some common biases that can cloud an interviewer's judgment.

Confirmation bias: This is the tendency to search for, interpret, favor, and recall information that confirms or supports one's person beliefs or values. People display this bias when they gather or remember information selectively, or when they interpret it in a biased way. For example, an interviewer who meets an extremely well-dressed candidate may cherry-pick empirical data that

supports one's belief that this candidate is meticulous, ignoring the remainder of the data that is not supportive. This is a great video that demonstrates the strength of confirmation bias; it shows how we are deeply conditioned to look for information that confirms what we know versus seeking information that actually tests our beliefs, creating a very narrow mindset.

Anchoring: A tendency to depend too heavily on an initial piece of information offered (considered to be the "anchor") to make subsequent judgments during decision making. Once the value of this anchor is set, all future negotiations, arguments, estimates, etc. are considered in relation to the anchor. Information that aligns with the anchor tends to be assimilated toward it, while information that is more dissonant gets discarded. For example, research has shown that we form opinions about others very quickly, in just a few seconds (Willis, & Todorov, 2006), partly because of the effect of anchoring.

Stereotyping: This is forming an opinion about how people of a given race, gender, religion or other characteristics will think, act or respond. For example: Women with children will miss a lot of work. A veteran won't be able to adjust to working in an office. A male candidate will make a more assertive leader than a female candidate.

Halo effect. The halo effect occurs when one positive characteristic or strong point made by the candidate influences the entire interview. For instance, a candidate has a degree from a prestigious University so you think he or she must be highly competent and is looked upon favourably. The opposite of this is known as the pitchfork effect, when one negative characteristic or point overshadows the interview. For example, a candidate answers the first two questions of the interview poorly which leads you to believe he or she is not qualified for the job.

5. Structuring the Interview

Having a trained interviewer is one way in which to reduce biases in the interview. The other is to structure the interview and treat it less like a free flowing conversation but rather, like a standardized test. In a **structured interview**, candidates are asked a set of standardized, pre-determined questions based on the job analysis. The expected or desired answers to these questions are determined ahead of time, which allows the interviewer to rate responses as the candidate provides answers. This allows for a fair interview process (everyone is treated the same way) and one that is up to twice as effective at predicting job performance than an unstructured interview (Wiesner, & Cronshaw, 1988). Keeping in mind the necessity of structuring the interview, there are many forms of structured interviews that an HR manager can choose from.

Interviews can be time-consuming, so it makes sense to choose the right type of interview(s) for the individual job. Some jobs, for example, may necessitate only one interview, while another may necessitate a telephone interview and at least one or two traditional interviews. Keep in mind, that there will likely be other methods with which to evaluate a candidate's potential, such as testing. In the next section, we list some of these interview formats.

5.1. Types of Interviews

1. **Traditional interview.** This type of interview normally takes place in the office. It consists of the interviewer and the candidate, and a series of questions are asked and answered.
2. **Telephone/video interview.** A telephone interview is a relatively quick and inexpensive way to narrow the list of people before a traditional interview. It can be used to determine salary requirements or other data that might automatically rule out giving someone a traditional interview. For example, if you receive two hundred resumes and narrow these down to twenty-five, it is still unrealistic to interview twenty-five people in person. At this point, you may decide to conduct phone interviews of those twenty-five candidates, which could narrow the in-person interviews to a more manageable ten or so people.
3. **Panel interview.** A panel interview occurs when several people are interviewing one candidate at the same time. While this type of interview can be nerve racking for the candidate, it can also be a more effective use of time. Consider some companies who require three to four people to interview candidates for a job. It would be unrealistic to ask the candidate to come in for three or four interviews, so it makes sense for them to be interviewed by everyone at once.
4. **Group interview.** In a group interview, two or more candidates interview at the same time. This type of interview can be an excellent source of information if you need to know how they may relate to other people in their job.
5. **Company tour/meal or cocktail interviews.** Many organizations offer to take the candidate to lunch or dinner for the interview. Others may offer a tour of the workplace. This can allow for a more casual meeting where, as the interviewer, you might be able to gather more information about the person, such as their manners, social skills, and treatment of waitstaff. This type of interview is common in certain industries (e.g., finance, accounting). While this interview may resemble an unstructured interview, organizations do try to structure them as much as possible with detailed assessment sheets to be completed after the event.

Most organizations include multiple interviews in their selection process. These processes may include one or more of these types of interviews. For example, they may conduct preliminary phone interviews, then do a meal interview, and follow up with a traditional interview, depending on the type of job.

5.2. Interview Questions

Most interviews consist of three types of questions: ice-breakers, situational questions, and/or behavioural questions.

Ice-breaker

Interviews can be awkward, particularly at the beginning when tension is high. Icebreaker questions allows the interviewee to become more comfortable, therefore, feel freer to creatively and efficiently express themselves during the interview process. It also helps the interviewer feel more at ease to ask the questions that need to be asked. The interviewer also gets a better sense of who the applicant is and what type of employee they can be in the future. Here is a **list of possible ice-breaker questions** that could be used.

Situational questions

S**ituational questions are** ones in which the candidate is given details on a hypothetical scenario and is asked how he or she might deal with this situation. Such questions help gain insight as to the candidate's analytical and problem-solving skills, as well as determine how well candidates can handle a problem that they did not prepare for. Here are some **examples of situational questions with possible answers**.

Behavioural questions

B**ehavioural** questions focus on the candidates' past experience and what they actually did in a variety of given situations. These questions often begin with 'tell me about a time when you [...]'. The assumption in this type of interview question is that someone's past experience or actions are an indicator of future behaviour.

JMSB's Career Management Centre has produced this video to help you prepare for job interviews. Please check it out:

CMS VIDEO

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Testing and Other Selection Methods

A vast number of KSAO's can be measured by a well-designed structured interview. However, as mentioned earlier, interviewing can be expensive. In addition, even in the best of cases, it remains a subjective process and biases can influence the interviewers. A common complement to interviewing that is relatively inexpensive and much more objective, is standardized testing. In this section we will cover the most common tests used for employment decisions. Many of these tests are psychological in nature but others focus on various characteristics.

6. Psychological Tests

HRM managers can draw from a wide variety of psychological tests to assess KSAO's. In the next section, we list the most common ones.

6.1. Cognitive Ability Tests

A cognitive ability test measures intelligence. The most common types, IQ tests, measure general mental ability. Other tests can specifically focus on verbal ability, math skills, spatial perception, or inductive and deductive reasoning. The GMAT, a test often required for admission in MBA programs, is an example of a cognitive ability test.

6.2. Aptitude Tests

Aptitude tests can measure things such as mechanical aptitude and clerical aptitude (e.g., speed of typing or ability to use a particular computer program). Usually, an aptitude test asks specific questions related to the requirements of the job. For example, to become a Royal Canadian Mounted Police officer, you need to pass CritiCall, which is an aptitude test. The test measures memory, spatial abilities, prioritization, ability to multitask, decision-making, and listening capabilities.

6.3. Personality Tests

Personality is a major psychological construct that is defined aspatterns of individual differences in thinking, feeling and behaving. These patterns are relatively stable across situations and over time. For that reason, they are very useful to make employment decisions because we can be confident that personality traits will manifest themselves in the workplace. Of the many personality theories that exists in psychology, the "Big Five" personality model is the most commonly used for employment decisions. It categorizes personalities into five broad dimensions: extroversion, agreeableness, conscientiousness, emotional stability, and openness to experience.

Extroversion focuses on how well people get along with others. Extroversion concerns sources of energy and the pursuit of interactions with others. In general, extroverts draw energy or recharge by interacting with others, while introverts get tired from interacting with others and replenish their energy with solitude. Someone who scores high on this trait is generally seen as being more assertive, outgoing, and generally talkative. Others see a person who scores high on this trait as being sociable — who actually thrives in social situations.

Agreeableness is a trait that describes a person's overall kindness, affection levels, trust, and sense of altruism. A person who scores high on this trait is someone who is comfortable with being kind and friendly to others. Others see such people as being helpful and cooperative, and someone who is trustworthy and altruistic.

Conscientiousness can be described as the tendency to engage in goal-directed behaviours, exert control over one's impulses, and overall thoughtfulness. Conscientious people have the ability to delay gratification, work within the rules, and plan and organize effectively.

Emotional stability, as the name implies, relates to the overall emotional stability of an individual. A person who scores low on this trait may be seen by others as being moody, irritable, and anxious. A person who scores high on this trait is seen as being more emotionally stable and resilient.

Openness to experience is a trait that describes a person's preference for imagination, artistic, and intellectual activities. People who score high on this trait are seen by others as being intellectual, creative, or artistic. They tend to be forever curious about the world around them and are interested in learning new things. A person who scores high on this trait typically has a broad range of interests and may enjoy travelling, learning about other cultures, and trying out new experiences.

If you are curious about your own personality profile, there are a lot of free tests available on the web; **here is a quick self-assessment** that I would recommend.

7. Other Types of Tests

Besides psychological tests, there are other types of tests available to HR managers.

Honesty and integrity tests measure an applicant's propensity toward undesirable behaviours such as lying, stealing, taking illegal drugs or abusing alcohol. Two types of tests assess honesty and integrity. Overt integrity tests ask explicit questions about honesty, including attitudes and behaviour regarding theft. Personality-oriented (covert) integrity tests use psychological concepts such as dependability and respect for authority. Critics have said these tools may invade privacy and generate self-incrimination. They also claim that candidates can interpret the questions' intent and provide politically correct answers. However, many organizations are motivated to use them because the behaviours that these tests attempt to capture can have disastrous impact for their bottom line. For example, **a recent study shows** that in the retail industry, an employee that steals averaged $1,890 in theft, compared with $438 for a shoplifter! Thus, there is tremendous motivation from retail companies to prevent these behaviours in employees.

7.1. Physical Ability Test

For certain jobs, some organizations rely on physical ability tests. For example, to earn a position in a fire department, you may have to be able to carry one hundred pounds up three flights of stairs. If you use tests in your hiring processes, the key to making them useful is to determine a minimum standard or expectation, specifically related to the requirements of the job. An HR manager should also consider the legality of such tests because they run the risk of discriminating against women applicants or those with physical disabilities. Thus, physical ability tests need to show direct correlation with the job duties. Below is an example of the physical test used by the Alberta Wilfire department for assessing firefighter applicants.

https://youtube.com/watch?v=cDJ0nAtvM4I

7.2. Job Knowledge Test

A **job knowledge test** measures the candidate's level of understanding about a particular job. For example, a job knowledge test may require an engineer to write code in a given period of time or may ask candidates to solve a case study problem related to the job.

7.3. Work Sample

Work sample tests ask candidates to show examples of work they have already done. In the advertising business, this may include a portfolio of designs, or for a project manager, this can include past project plans or budgets. When applying for a pharmaceutical representative position, a "brag book" might be required. A brag book is a list of recommendation letters, awards, and achievements that the candidate shares with the interviewer. Work sample tests can be a useful way to test for KSAOs. These work samples can often be a good indicator of someone's abilities in a specific area. As always, before looking at samples, the interviewer should have specific criteria or expectations developed so each candidate can be measured fairly.

8. Final Steps in Selection

Once the interview is completed and testing occurs, there are a few final checks that can be performed, for example, checking references, criminal records, and social media presence.

Reference checking is essential to verify a candidate's background. It is an added assurance that the candidate's abilities are parallel with what you were told in the interview. While employment dates and job titles can be verified with previous employers, many employers will not verify more than what can be found in the employment record because of privacy laws.

Criminal background checks may be used for employees who will be working in positions of trust or dealing with vulnerable populations such as the young, old or disabled. Since criminal background checks can easily breach human rights law and privacy issues, it is best that employers demonstrate that there is a bona fide occupational requirement for conducting one. Employers must receive written consent from their prospective employee before performing any sort of criminal background check.

Social media checks are now performed by a majority of organizations. According to a **recent survey**, 70 percent of employers screen candidates profile on Facebook, Twitter, Instagram, or LinkedIn before hiring. Employers are searching for the following when researching candidates via these social networking sites:

- Information that supports their qualifications for the job (61 percent)
- If the candidate has a professional online persona at all (50 percent)
- What other people are posting about the candidates (37 percent)
- Any reason at all not to hire a candidate (24 percent)

Here are **some tips from Monster.com** as to how to ensure that your social media profile does not impede your chances of obtaining your dream job.

9. Combining The Information

So far, we have seen that HR managers have access to many tools to select employees. In the vast majority of cases, multiple tools will be used, and the HR manager will have to decide how to combine the results of these different tools in order to make a decision. In this section, we discuss three methods that can be used to arrive at that final decision.

9.1. Clinical Approach

A **clinical selection approach** involves reviewing the data, and based on what has been learned from the candidate and the information available to them, they decide who should be hired for a job. Since interviewers have a different perception about the strengths of a candidate, this method leaves room for error. One consideration is disparate treatment, in which one's biases may result in not hiring candidates based on their age, race, or gender.

9.2. Statistical Approach

In this method, a selection model is developed that assigns scores and gives more weight to specific factors if necessary. For example, for certain jobs, the ability to work in a team might be more important, while in others, knowledge of a specific computer program is more important. In this case, a weight can be assigned to each of the job criteria listed. With the statistical approach, there is more objectivity than with the clinical approach. Statistical approaches include the compensatory model, multiple cutoff model, and the multiple hurdle model.

Compensatory model

This model is very similar to the weighted model but allows a high score in an important area to make up for a lower score in another area. For example, if the job is a project manager, ability to work with the client might be more important than how someone dresses for the interview. This method allows for a fairer process and can limit disparate treatment, although it may not limit disparate impact. A statistical method may work like this: you and the hiring team review the job analysis and job description and then determine the criteria for the job. You assign weights for each area and score ranges for each aspect of the criteria, rate candidates on each area as they interview, and then score tests or examine work samples. Once each hiring manager has scored each candidate, the hiring team can compare scores in each area and hopefully hire the best person in the best way.

Figure 5.2. Sample Selection Model, with Sample Scores and Weighting Filled In

Job Criteria	**Rating***	**Weight****	**Total**	**Comments**
Dress	4	1	4	*Candidate dressed appropriately.*
Personality	2	5	10	*Did not seem excited about the job.*
Interview questions				
Give an example of a time you showed leadership.	3	3	9	*Descriptive but didn't seem to have experience required.*
Give an example of when you had to give bad news to a client.	0	5	0	*Has never had to do this.*
Tell us how you have worked well in a team	5	4	20	*Great example of teamwork given.*
Score on cognitive ability test.	78	5	390	*Meets minimum required score of 70*
			458	

***Rating system of 1-5, with 5 being the highest**

****Weighting of 1-5, with 5 being the most important**

Multiple cutoff model

This model requires that a candidate receives a minimum score level on all selection criteria. For example, a candidate for a firefighter position may be required to have a score of at least 3 out of 5 on each criteria. If the candidate scored low on a "physical ability" test he or she wouldn't get the job in a multiple cutoff model regardless of how well he or she did in the other tests.

Multiple hurdle model

This model is similar to the multiple cutoff model, but instead of having all of the candidates complete each of the tests, you only have candidates with high (preset) scores go to the next stage of the selection process. This reduces the number of candidates as the process progresses.

Once the discussion on whom to hire has occurred and a person has been selected, the final phase of the process is to make an offer to the candidate.

[1]"Employment Tests and Selection Procedures," US Equal Employment Opportunity Commission, accessed August 2, 2011, **http://www.eeoc.gov/policy/docs/factemployment_procedures.html**.

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The Importance of Selection

The principle of employee selection is relatively simple: HR managers collect current information on candidates to predict the future (i.e., how well they will perform a job). However, predicting future human behaviour is known to be very difficult. People are complex and their behaviour is not as predictable as we would like to think. As a result, perfection in an employee is impossible to achieve in organizations. The mistakes, or errors, that occur can be put in two separate categories, Type I or Type II, and the objective being to try to minimize these types of errors.

Type I error: This error occurs when you select someone who turns out to be a poor performer. Type 1 errors, or 'false positive' error[1], are relatively easy to detect and we all have examples of people who obtain jobs for which they were ill-suited for. These errors are costly for organizations: production or profit losses, damaged public relations or company reputation, accidents due to ineptitude or negligence, absenteeism, etc. Another type of costs are those associated with training, transfer, or terminating the employee. Costs of replacing the employee, the third type of cost, includes costs of recruiting, selecting, and training a replacement. Generally, the more important the job, the greater the costs of type 1 errors. A spectacular example of a Type 1 error occurred in the US Space Program and NASA. **The incredible story of astronaut Lisa Nowak** is an example of the fact that even the most rigorous selection system can lead to Type 1 errors.

Type II error: This error takes place when a selection process fails to detect a potentially good performer. Type 2 are different than the first type in that they are harder to detect (i.e., the person is never given a chance to perform). As a result, costs associated with 'false negative' errors, as they are also referred to, are generally difficult to estimate. A context in which the impact of a false negative can be detected and measured is in professional sports. In the **1984 National Hockey League draft**, Patrick Roy, one of the greatest goaltenders of all time and quite possibly the best clutch goaltender in NHL playoff history, was not taken until the third round. For all of the NHL teams that passed him over (twice, some three times!), he was definitely a Type II error!

1. The terms 'false positive' and 'false negative' are used in any contexts in which testing occurs. We are now all very familiar with these terms in the context of testing for COVID-19.

It is obvious that organizations want to minimize these selection errors as much as possible. However, doing so can be quite tricky because the two types of errors are negatively related to each other. Think of the NASA example. NASA, to make sure that all astronauts have the 'right stuff', relies on one of the most rigorous selection system ever designed (for those interested, **check out the selection process for Mars One**, aimed to establish a permanent human settlement on Mars). While this process will be effective in minimizing Type I errors (false positive), it will inevitably lead to many Type II (false negatives) and screen out potentially strong candidates. Conversely, an organization that wants to minimize Type II (i.e., make sure that it does not let 'diamonds in the rough' slip away), will inevitably suffer from a higher rate of Type I errors. Thus, Type I and Type II errors are related and one or the other is inevitable for organizations. The objective is to simply minimize them or even better, make less of these errors than your competitor.

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Mini Case: Recruiting at the Great Mattress Company

Objectives

- Understand how to use low data for HR planning.
- Understand how an HR problem can be solved efficiently by using data.

Part A. Individual analysis

Read the following background data on the *Great Mattress Company*. Using the information provided, think about the implications of this information for future recruitment at the company.

The *Great Mattress Company* is a leading bed-in-a-box mattress company in Canada. The concept of mattress-in-a-box has revolutionized the industry by allowing customers to

go online to research, select, and buy a mattress. With no showrooms and in-home 120+ night sleep trial Canadians are waking up to the reality that it really is possible to buy a better mattress at a better price.

The company is very successful and sales have risen sharply in the past few years. This has generated a need for more customer service representatives. The advertisement for customer service representative contains the following qualification:

- Ability to type 40 words per minute
- Must be available to work occasional nights, holidays and weekends
- Experience in customer contact

The job involves answering the telephone, referring customer calls to a supervisor, and some selling of additional services. The salary is $14.50 an hour for a 30-hour workweek. Customer service "reps", as they are called, work 4 days of 7-hour shifts per week. They do not receive any fringe benefits.

The majority of the workday is spent talking with customers on the telephone regarding account or delivery problems with their mattress. Billing errors consume about 50 percent of the reps' time. Most of the remaining time is spent responding to customer complaints such as late or improper delivery, or nondelivery. Examples of these complaints are: "my mattress was supposed to be delivered today, but it did not arrive", "I want to return my mattress but the box is no longer usable", "my mattress is the wrong colour". Most of the subscribers who call to register complaints are not friendly.

While the company has been able to successfully recruit new customer service reps, turnover in the position is very high. The Director of Human Resources has prepared recruitment data (next page). The data shows that 200 applicants from all recruiting sources had to be screened to produce 40 who accepted a job offer. Within 6 months of hiring, over half of the new hires had resigned from the newspaper. Exit interviews with departing customer service reps revealed many reasons for their dissatisfaction with the job:

- All customer service reps are required to work one Saturday and one Sunday a month.
- Seventy-five percent of calling customers are irate about things for which the customer service reps have no control.
- Customer service reps must sit for long periods of time, talking with customers on the phone. Physical movement is restricted.
- Customer service reps have little contact with other people in the company.
- The work environment is hectic and noisy.
- Customer service reps have not been trained to respond to billing complaints.
- Supervisors monitor a sample of calls taken each day and often contradict what the customers service rep say to customers.

The director of Human Resources has asked you to analyze the recruitment and selection process and the related data, and to make specific recommendations. Enter the yield ratios (i.e., percentage of people from the previous step who made it to the subsequent one) for each step in the recruitment and selection process based on the data presented. Think about the implications of these data for future recruitment at the company, and answer the questions on the form.

Part B. Group analysis

In groups, members should review each other's forms and then attempt to reach consensus on the questions. Analyze the recommendations is the context of the turnover problem, the potential effects on other HR programs, and the cost of implementation. Justify specific recommendations with relevant research.

DATA COLLECTED BY THE HR DEPARTMENT

Recruitment Source	Number of applicants	Potentially qualified	Interviewed	Qualified and offered the job	Accepted job	6-month survival	Recruitment cost per offer
Newspaper ads	120	100	50	38	23	5	$500
Walk-in applicants	40	20	19	8	7	5	$250
Public employment agency	40	30	19	13	10	5	$300
Total	200a	150 b	88 c	59d	40e	15 f	

a. 95 males, 105 females
b. 72 males, 78 females
c. 42 males, 46 females
d. 39 males, 20 females
e. 25 males, 15 females
f. 14 males, 1 females

Questions

1. What conclusions can you draw from the recruiting data?
2. What strategies should the *Great Mattress Company* consider to reduce the high turnover rate?
3. What additional studies should be done based on this data?

Take home exercise

Design of Interview Questions

For this assignment, you are asked to design a set of interview questions that could potentially be used for selecting applicants to an existing job.

The basis for this assignment will be 'Connexion', the portal for JMSB's Career Management Services. For the assignment you are to:

-Log on to ConneXions (connexions.concordia.ca)

-Go to 'Job postings' and select a job (take advantage of this to look for a job that would interest you. Spend some time researching).

-Read through the job description and highlight the hard and soft skills required for the job.

-Design 2 behavourial and 2 situational interview questions for the job to assess a candidate's suitability.

Deliverable:

-A report that contains (a) the job description with the targeted competencies highlighted and (b) your 4 interview questions.

-In PDF

CHAPTER 6: TRAINING AND DEVELOPMENT

Training: Not Like It Used to Be

Imagine this: You have a pile of work on your desk and as you get started, your Outlook calendar reminds you about a sexual harassment training in ten minutes. You groan to yourself, not looking forward to sitting in a conference room and seeing PowerPoint slide after PowerPoint slide. As you walk to the conference room, you run into a colleague who is taking the same training that day and commiserate on how boring this training is probably going to be. However, when you step into the conference room you see something very different.

Computers are set up at every chair with a video ready to start on the computer. The HR manager greets you and asks you to take a seat. When the training starts, you are introduced to "**It takes all of us**", a web-based training developed at Concordia University that introduces the concepts of consent, bystander interventions, and how to deal with sexual harassment using realistic scenarios. The videos stop, and there is a recorded discussion about what the videos portrayed. Your colleagues in the Vancouver office are able to see the same training, and via video conferencing they are able to participate in the discussions. It is highly interactive and interesting. Once the training is finished, there are assignments to be completed via specific channels that have been set up for this training. You communicate about the material and complete the assignments in teams with members of your Vancouver office. If you want to review the material, you simply click on 'review' and the entire session or parts of the training can be reviewed. In fact, on your bus ride home from work, you access the channels on your iPhone, chatting with a colleague in your other office about the sexual harassment training assignment you have due next week. You receive an e-mail from

your HR manager asking you to complete a training assessment located in a specific channel in the software, and you happily comply because you have an entirely new perspective on what training can be.

This is the training of today. No longer do people sit in hot, stuffy rooms to get training on boring content. Training has become highly interactive, technical, and interesting owing to the amount of multimedia we can use—just think of the possibilities offered by Virtual Reality! An estimated $1,400 per employee is spent on training annually, with training costs consuming 2.72 percent of the total payroll budget[1] for the average company. With such a large amount of funds at stake, HR managers must develop the right training programs to meet the needs; otherwise, these funds are virtually wasted. This chapter is all about how to assess, develop, implement, and measure an effective training program.

[1]See the American Society for Training and Development Trend Review, *ASTD Website*, accessed July 25, 2010, **http://www.astd.org/**.

Steps to Take in Training an Employee

Learning Objective

1. Understand basic legislation related to training in organizations
2. Describe employee orientation
3. Summarize the differences between in-house training and external training
4. Describe the steps in developing training programs
5. Understand the principles of employee development
6. Explain how to assess training effectiveness

Training is the act of increasing the knowledge, skills and abilities of an employee for doing a particular job. Organizations invest in training to make sure employees can perform their jobs effectively. A vast amount of research support the fact that training is positively and directly related to organizational performance (*GARAVAN, MCCARTHY, LAI, MURPHY, SHEEHAN, CARBERY,* 2020).

Even the right person has been selected, he may need training in how your company does things. Lack of training can result in loss of productivity, loss of customers, and poor relationships between employees and managers. It can also result in dissatisfaction, which means retention problems and high turnover. All of these consequences end up being direct costs to the organization. In fact, a study performed by the American Society for Training and Development (ASTD) found that 41 percent of employees at companies with poor training, planned to leave within the year, but in companies with excellent training, only 12 percent planned to leave (Branham, 2005). Thus, training can be considered as an investment in employees that is central to an organization's health.

For effective employee training, there are four steps that generally occur. First, the new employee goes through an orientation, and then he or she will receive in-house training on job-specific areas. Next, the employee should be assigned a mentor, and then as comfort with the job duties grow, he or she may engage in external training. **Employee training and development** is the process of helping employees develop their personal and organization skills, knowledge, and abilities.

1. Training and the Law

In 1998, the Government of Quebec put in place the *Loi sur les compétences* (commonly known as the *1% Training Law*). This law obligated companies to invest in the development of their workforce to foster the acquisition of new competencies and abilities. More specifically, Bill 90 obligates companies with a salary mass of 2 million or more to spend 1% of their salary mass on training to develop their employees competencies. Importantly, if a company fails to make this investment in training, the amount will be remitted to the government who then deposits that sum in a National Training Fund.

2. Employee Orientation

Probably the most basic and common training that organizations invest in is an employee orientation program. **Employee orientation** is the process used for welcoming a new employee into the organization. The objectives of employee orientation are as follows:

1. **To reduce start-up costs.** If an orientation is done right, it can help get the employee up to speed on various policies and procedures, so the employee can start working right away. It can also be a way to ensure all hiring paperwork is filled out correctly, so the employee is paid on time.
2. **To reduce anxiety.** Starting a new job can be stressful. One goal of an orientation is to reduce the stress and anxiety people feel when going into an unknown situation.
3. **To reduce employee turnover.** Employee turnover tends to be higher when employees don't feel valued or are not given the tools to perform. An employee orientation can show that the organization values the employee and provides tools necessary for a successful entry.
4. **To save time for the supervisor and coworkers.** A well-done orientation makes for a better prepared employee, which means less time having to teach the employee.
5. **To set expectations and attitudes.** If employees know from the start what the expectations are, they tend to perform better. Likewise, if employees learn the values and attitudes of the organization from the beginning, there is a higher chance of a successful tenure at the company.

Some companies use employee orientation as a way to introduce employees not only to the company policies and procedures but also to the staff.

Figure 6.1. An example of an orientation schedule for the day

Schedule

Below you find the planned schedule for New Employee Orientation. Following the topic are the beginning and ending times and the topic's duration.

Topic	Start Time	End Time	Duration
Introduction	7:30 AM	8:05 AM	35 min
Welcome Video	8:05 AM	8:20 AM	15 min
Form Completion/Oath	8:20 AM	8:55 AM	35 min
Management Welcome & Mission/Philosophy	8:55 AM	9:10 AM	15 min
Payroll	9:10 AM	9:25 AM	15 min
BREAK	9:25 AM	9:40 AM	15 min
Personnel Health (TB Test)	9:40 AM	10:10 AM	30 min
Patient Privacy Training/HIPPA	10:10AM	10:20 AM	10 min
Union	10:20 AM	10:50 AM	30 min
Police Briefing	10:50 AM	11:05 AM	15 min
ID Badges	11:05 AM	11:45 AM	40 min
LUNCH	11:45 AM	12:15 PM	30 min
Employee Responsibility and Conduct	12:15 PM	12:45 PM	30 min
Information Security	12:45 PM	1:00 PM	15 min
Benefits (*See remarks below)	1:00 PM	2:30 PM	1.5 hr
BREAK (P&R Form Completion)	2:30 PM	2:45 PM	15 min
Computer Orientation	2:45 PM	4:00 PM	1 hr 15 min
Student Programs/Career Development	2:45 PM	4:00 PM	1 hr 15 min

*All Employees **NOT** receiving Benefits will attend Computer Orientation from 1:00 PM TO 2:30 PM then from 2:45 PM to 4:00 PM. Information sessions on Student Programs and Career Development are by an HR Staff member.

Beverage will be served in the morning and a box lunch will be served at lunchtime.

Source: Sample schedule courtesy of Louis Stokes Cleveland VA Medical Center, **http://www.cleveland.va.gov/docs/NEOSchedule.pdf** (accessed September 2, 2011).

3. In-House Training

In-house training programs are learning opportunities developed by the organization in which they are used. This is usually the second step in the training process and often is ongoing. In-house training programs can be training related to a specific job, such as how to use a particular kind of software. In a manufacturing setting, in-house training might include an employee learning how to use a particular kind of machinery.

Many companies provide in-house training on various HR topics as well, meaning it doesn't always have to relate to a specific job. Some examples of in-house training include the following:

- Ethics training
- Sexual harassment training
- Multicultural training
- Communication training
- Management training
- Customer service training
- Operation of special equipment
- Basic skills training

In the 1980's, the fast-food chain Wendy's had gained a reputation for its training videos. Below is a classic one on how to pour drinks (trigger warning: it's from another era!).

One or more interactive elements has been excluded from this version of the text. You can view them online here: ***https://opentextbooks.concordia.ca/hrmcanadian/?p=54#oembed-1***

4. External Training

External training includes any type of training that is not performed in-house. It can include sending an employee to a seminar to help further develop leadership skills or helping pay tuition for an employee who wants to take a marketing class.

Reference

GARAVAN, T., MCCARTHY, A., LAI, Y., MURPHY, K., SHEEHAN, M., CARBERY, R. (2020) Training and organisational performance: A meta-analysis of temporal, institutional, and organisational context moderators. *Human Resource Management Journal*, 1– 26

Training Delivery Methods

A very important step in the training process is to create a training framework that will help guide the training program. Information on how to use the framework is included in this section.

5. Training Program Framework Development

When developing a training plan, there are a number of considerations to keep in mind. Training is a process that should be planned and developed in advance.

The considerations for developing a training program are as follows:

1. **Needs assessment and learning objectives.** This part of the framework development asks you to consider what kind of training is needed in your organization. Once you have determined the training needed, you can set learning objectives to measure at the end of the training.
2. **Consideration of learning styles.** Making sure to be able to teach to a variety of learning styles is important to the development of training programs.
3. **Delivery mode.** What is the best way to get your message across? Is web-based training more appropriate, or should mentoring be used? Can vestibule training be used for a portion of the training while job shadowing be used for another part of the training? Most training programs will include a variety of delivery methods.
4. **Budget.** How much money do you have to spend on this training?
5. **Content.** What needs to be taught? How will you sequence the information?
6. **Timelines.** How long will it take to develop the training? Is there a deadline for training to be completed?

5.1. Needs Assessment

The first step in developing a training program is to determine exactly what the organization needs in terms of training. There are three levels of training needs assessment: **organizational assessment**, **occupational (task) assessment**, and **individual assessment**:

1. **Organizational assessment.** In this type of needs assessment, we can determine the skills, knowledge, and abilities a company needs to meet its strategic objectives. This type of assessment considers things such as changing demographics and technological trends. To perform an organizational assessment, one can look at future trends and the overall company's strategic plan. HR managers can also see how jobs and industries are changing. For example, the COVID-19 pandemic has made the use of technology much more important for educational institutions. It is likely that many of the technological tools that schools now rely on will remain, and as a whole, schools must take a closer look at exactly how technology will affect teaching in the future. Overall, this type of assessment looks at the types of KSA's that will be needed for the success of the organizations and whether training can help in developing them.
2. **Occupational (task) assessment.** This type of assessment looks at the specific tasks, skills knowledge, and abilities required to do the different jobs within the organization. Data for this step can come from a review of performance evaluations that can uncover a pattern where employees in specific jobs are not meeting expectations. As a result, this may provide data as to where your training is lacking. In the example of schools, the pressure of technology may be the strongest for the teaching staff and less so for the support staff.
3. **Individual assessment.** An individual assessment looks at the performance of an individual employee and determines what training should be accomplished for that individual. At this stage, the analysis would focus on the individual teachers and their level of comfort with the new technology. As a result of this analysis, it may be decided that only teachers with a technological fluency below a certain level need to be be trained.

5.2. Learning Objectives

After you have determined what type of training should occur, learning objectives for the training should be set. A **learning objective** is what you want the learner to be able to do, explain, or demonstrate at the end of the training period. Good learning objectives are performance based and clear, and the end result of the learning objective can be observable or measured in some way. Examples of learning objectives might include the following:

1. Be able to explain the company policy on sexual harassment and give examples of sexual harassment.
2. Be able to show the proper way to take a customer's order.
3. Perform a variety of customer needs analyses using company software.
4. Understand and utilize the new expense-tracking software.
5. Explain the safety procedure in handling chemicals.
6. Be able to explain the types of communication styles and strategies to effectively deal with each style.
7. Demonstrate ethics when handling customer complaints.
8. Be able to effectively delegate to employees.

Once we have set our learning objectives, we can utilize information on learning styles to then determine the best delivery mode for our training.

5.3. Learning Styles or the Psychology of Learning

Learning styles refer to individual preferences in how people learn new material. The concept of learning styles has gained much popularity in training circles and a whole industry has been built around this concept. Unfortunately, the research evidence supporting the concept is very weak (Pashler, McDaniel, Rohrer, & Bjork, 2008). However, this is not to say that psychological principles do not play a role in the effectiveness of training. Learning strategies refer to techniques that have been proven to facilitate learning and increase the effectiveness of training programs. These strategies are based on known psychological processes to enhance the retention of learned material.

- **Retrieval Practice**, or practice testing, is a form of low-stakes or no-stakes quizzing that attempts to force retrieval of material from one's memory. The quizzing can be in many forms and doesn't even have to match the form of a summative evaluation.

- **Distributed Practice**, or spaced practice, refers to distributing practice of material over time. This spacing of practice aids in the retention of material much better than cramming. The amount of spacing depends on the complexity of the task and can range from hours to months.
- **Interleaved Practice** involves shifting the focus of one's studies among differing topics. This is in contrast to studying and practicing all of one topic before moving on to the next topic of study. While this does make studying more difficult, studies have shown far greater retention of material on summative evaluations with the interleaving of material.

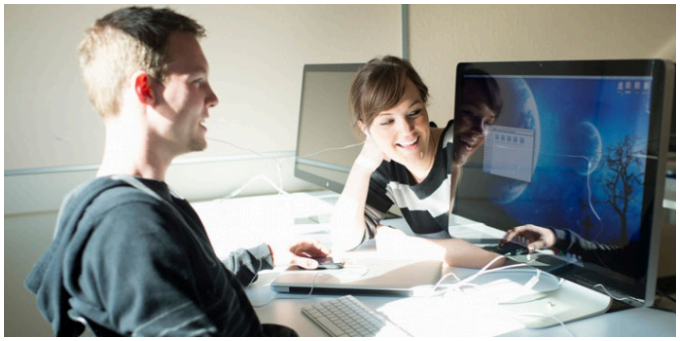
5.4. Delivery Mode

Depending on the type of training that needs to be delivered, you will likely choose a different method to deliver the training. An orientation might lend itself best to vestibule training, while sexual harassment training may be better for web-based training. When choosing a delivery mode, it is important to consider the audience and budget constraints.

On-the-Job Coaching Training Delivery

On-the-job coaching is one way to facilitate employee skills training. **On-the-job coaching** refers to an approved person training an employee on the skills necessary to complete tasks. A manager or someone with experience shows the employee how to perform the actual job. The selection of an on-the-job coach can be done in a variety of ways, but usually the coach is selected based on personality, skills, and knowledge. This type of skill training is normally facilitated in-house. The disadvantage of this training is that success revolves around the person delivering the training. If he or she is not a good communicator, the training may not work.

On-the-job coaching is similar to mentoring. Think of on-the-job coaching as more skills-based training, while mentoring is usually a training delivery method that is more long term and goes beyond just showing the employee skills to do the job.



Mentoring and Coaching Training Delivery

Mentoring is a type of training delivery that has gained in popularity in organizations. A mentor is a trusted, experienced advisor who has direct investment in the development of an employee. **Mentoring** is a process by which an employee can be trained and developed by an experienced person. Normally, mentoring is used as a continuing method to train and develop an employee. While mentoring may occur informally, a formal mentorship program can help ensure the new employee not only feels welcomed, but is paired up with someone who already knows the ropes and can help guide the them through any on-the-job challenges. For example, **Mila** is a research institute in artificial intelligence which rallies 500 researchers specializing in the field of deep learning. Based in Montreal, Mila's mission is to become a global pole for scientific advances in Artificial Intelligence. Recently, Mila launched a mentoring program for its researchers. The program, which unfolds over a nine-month period, aims to help researchers achieve their personal and professional development objectives. The program used very clear criteria for mentors and mentees and a **very detailed schedule** with mandatory monthly meetings to ensure its success.

Web-Based Training Delivery

Web-based training delivery has a number of labels: e-learning or Internet-based, computer-based, or technology-based learning. No matter what it is called, any **web-based training** involves the use of technology to facilitate training. There are two types of web-based learning. First, **synchronous** learning uses instructor-led facilitation. **Asynchronous** learning is self-directed, and there is no instructor facilitating the course. There are several advantages to web-based training. First, it is available on demand, does not require travel, and can be cost efficient. However, disadvantages might include an impersonal aspect to the training and limited bandwidth or technology capabilities[1].

Web-based training delivery lends itself well to certain training topics. For example, this might be an appropriate delivery method for safety training, technical training, quality training, and professional training. However, for some training, such as soft-skills training, job skills training, managerial training, and team training, more personalized methods may be better for delivery. However, there are many different platforms that lend themselves to an interactive approach to training, such as Sun Microsystems' Social Learning eXchange (SLX) training system, which has real-time video and recording capabilities. Hundreds of platforms are available to facilitate web-based training. Some companies use SharePoint, an intranet platform, to store training videos and materials (Microsoft SharePoint, 2010). Moodle, Blackboard and Angel (used primarily by higher education institutions) allows human resource managers to create training modules, which can be moderated by a facilitator or managed in a self-paced format.

In terms of web-based delivery, advances in virtual reality has the potential to transform how training is done. Virtual reality allows the training to take place in a simulated environment, reducing costs, and in some cases, reducing the risks associated with learning on-the job. Here are two great example of how virtual reality is used to support training.

This training was designed by a hospital to train emergency room doctors for pediatric emergencies:

One or more interactive elements has been excluded from this version of the text. You can view them online here:
https://opentextbooks.concordia.ca/hrmcanadian/?p=55#oembed-1

Here is another VR training solution designed for Airports' Ground Operators:

https://youtube.com/watch?v=lKybAxJAorQ

Job Shadowing Training Delivery

Job shadowing is a training delivery method that places an employee who already has the skills with another employee who wants to develop those skills. Apprenticeships use job shadowing as one type of training method. For example, an apprentice electrician would shadow and watch the journeyman electrician perform the skills and tasks and learn by watching. Eventually, the apprentice would be able to learn the skills to do the job alone. The downside to this type of training is the possibility that the person job shadowing may learn "bad habits" or shortcuts to performing tasks that may not be beneficial to the organization.

Fortune 500 Focus

It takes a lot of training for the Walt Disney Company to produce the best Mickey Mouse, Snow White, Aladdin, or Peter Pan. In Orlando at Disney World, most of this training takes place at Disney University. Disney University provides training to its 42,000 cast members (this is what Disney calls employees) in areas such as culinary arts, computer applications, and specific job components. Once hired, all cast members go through a two-day Disney training program called *Traditions*, where they learn the basics of being a good cast member and the history of the company. For all practical purposes, *Traditions* is Disney's employee orientation program.

Although, training does not stop at orientation for Disney. All positions receive extensive training but the most extensive training is reserved for Disney characters, since their presence at the theme parks is a major part of the customer experience. To become a character cast member, a character performer audition is required. The auditions require dancing and acting, and once hired, the individual is given the job of several characters to play. After a two-week intensive training process on character history, personalities, and ability to sign the names of the characters (for the autograph books sold at the parks for kids), an exam is given. The exam tests competency in character understanding, and passing the exam is required to become hired (Hill, 2005).

While Disney University trains people for specific positions, it also offers an array of continuing development courses called Disney Development Connection. In 2010 Disney said, more than 3,254,596 hours were spent training a variety of employees[2], from characters to management. The training does not stop at in-house training. Disney offers tuition reimbursement up to $700 per credit and pays for 100 percent of books and $100 per course for cost of other materials. In 2010, Disney paid over $8 million in tuition expenses for cast members[2].

Disney consistently ranks in "America's Most Admired Companies" by *Fortune Magazine*, and its excellent training could be one of the many reasons.

5.5. Budget

How much money do you think the training will cost? Training programs can bee very expensive and HR managers are often required to have a detailed budget before implementing them. According the **2017 State of the Industry** report from the Association for Talent Development, organizations spend an average of $1,273 per employee for direct learning expenditures. If extrapolate this figure for a large company like CAE, which is headquartered in Montreal (10,000 employees), you get an approximate training budget of $13 million! Thus, tight budgeting is important for organizations obtain the maximum value from their investment in training. Budgeting for training programs should include direct costs such as travel, trainers'/programmers' fee, training material, and catering. It should also consider the time of employees. If employees are in training for two hours, the cost to the organization of them not performing their job is an indirect cost of training.

5.6. Content Development

The content that HR managers want to deliver is perhaps one of the most important parts in training and one of the most time-consuming to develop. Development of learning objectives or the things you want your learners to know after the training makes for a more focused training. Think of learning objectives as goals—what should someone know after completing this training? Here are some samples of learning objectives:

1. Be able to define and explain the handling of hazardous materials in the workplace.
2. Be able to utilize the team decision process model.
3. Understand the definition of sexual harassment and be able to recognize sexual harassment in the workplace.
4. Understand and be able to explain the company policies and structure.

After the objectives and goals have been developed, HR managers can begin to develop the content of the training. Consideration of the learning methods you will use, such as discussion and role playing, will be outlined in the content area.

5.7. Timelines

For some types of training, time lines may be required to ensure the training has been done. This is often the case for safety training; usually the training should be done before the employee starts. In other words, in what time frame should an employee complete the training?

Another consideration regarding time lines is how much time you think you need to give the training. Perhaps one hour will be enough, but sometimes, training may take a day or even a week. After you have developed your training content, you will likely have a good idea as to how long it will take to deliver it. Consider the fact that most people do not have a lot of time for training and keep the training time realistic and concise.

From a long-term approach, it may not be cost effective to offer an orientation each time someone new is hired. One consideration might be to offer orientation training once per month so that all employees hired within that month are trained at the same time. Developing a dependable training schedule allows for better communication to your staff, results in fewer communication issues surrounding training, and allows all employees to plan ahead to attend training.

Communicate the training. Many companies have Listservs that can relay the message to only certain groups, if need be.

[2]"Oakwood Worldwide Honored by Training Magazine for Fifth Consecutive Year Training also Presents Oakwood with Best Practice Award," press release, February 25, 2011, *Marketwire*, accessed February 26, 2011, **http://www.live-pr.com/en/oakwood-worldwide-honored-by-training-magazine-r1048761409.htm**.

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Employee Development

Employee development should be considered a natural extension of training. Like training, this process is concerned with the growth of employees. However, unlike training which occurs in a short period and targeted at specific KSA's, employee development unfolds over a longer period of time and targets a more general set of competencies. Thus, career development focuses on systems that manage and track employees' broad progress over many years.

6. Employee Development

An employee**development program** is a process developed to help people manage their career, learn new things, and take steps to improve personally and professionally. Employee development programs are very important in today's organizations for two main reasons:

1) Succession planning is key to the success of organizations: An organizations should always be concerned with the growth and development of its next generation of leaders. Because this development unfolds over many years, succession planning has to be a constant priority for HR managers. It usually takes 20 years to develop the CEO of a large organization, so one must start early and be very proactive to ensure that the pipeline of leadership talent for top positions is healthy. Remember how the success of Apple was so closely tied to its charismatic CEO, Steve Jobs, and how his untimely death in 2011 created much speculation as to the future of the company. It turns out that Apple did not miss a beat with its successor, Tim Cook, and is now one of the most profitable company in the world with a market capitalization of $2 trillion! The development of Tim Cook as a successor of Steve Jobs did not occur overnight. Cook was carefully groomed, along many others, to succeed Jobs just like the **potential successor of Cook is currently being groomed at Apple**.

2) Employee development helps with employee motivation and retention. There are few things more motivating for employees than knowing that the company that they work for is committed to their professional development. Conversely, an employer who does not focus on employee learning is going to suffer from low performance, engagement and retention. According to LinkedIn's **2018 Workforce Learning Report**, a whopping 93% of employees say that they stay at a company longer if it invested in their careers. People want to know how their goals and aspirations fit with the plans of the company that they work for.

Many organizations put a lot of effort in employee development and even invest in what is classed 'corporate universities'. These in-house learning institutions are modeled after universities with programs, courses, and credits. CGI, for example, has the **CGI Leadership Institute** which offers courses such as CGI 101 and CGI 201 as well as courses on leadership and project management. Another famous example is McDonald's Hamburger University which was founded in 1961 and has more than 275,000 graduates. This video describes the role that McDonald's Hamburger University plays in developing leaders of the company.

One or more interactive elements has been excluded from this version of the text. You can view them online here:
https://opentextbooks.concordia.ca/hrmcanadian/?p=56#oembed-1

7. High potential programs

High potential (hi-po) programs are concerned with the early identification and the development of employees who have the potential to assume leadership positions in the future. If we would transpose such a program in the hockey world, it would be a system that identify pee-wee players with the most potential and make sure that they get the coaching and the team environment needed to develop into elite NHL players. Keys to these programs are (a) the identification of talent and (b) the development of this talent. First, potential has to be identified early. Large organizations often flag hi-po's in their very first years in the company. This early identification is difficult to do and often leads to false positives (or employees identified as hi-po's who do not develop into superior executives). This is the reason why companies tend to cast a wide net and identify as many high-po's as possible. After talent has been identified, it needs to be groomed. Over time, the careers of hi-po's are carefully managed to make sure that they reach their full potential. For example, HR managers often use developmental experiences such as international assignments to make sure that hi-po's are put in situations where they can grow.

8. Career development plans

A career development plan usually includes a list of short- and long-term goals that employees have pertaining to their current and future jobs, and a planned sequence of formal and informal training and experiences needed to help them reach their goals. As this chapter has discussed, the organization can and should be instrumental in defining what types of training. Both in-house and external can be used to help develop employees.

Figure 6.2. Sample Career Development Plan Developed by an Employee and Commented on by Her Manager

Today's Date	February 15, 2017
Employee	Sammie Smith
Current job title	Clerk, Accounts Payable
Goals	• Develop management skills • Learn accounting standards • Promoted to Accounts Payable Manager
Estimated Costs	• Management training • Peachtree accounting software Advanced training • Earn AAAS online degree in accounting • Take tax certification course • Communications training
Completion Date	Spring of 2018

Manager Notes:

- In-house training offered yearly: "Reading Body Language," and "Writing Development," and "Running an Effective Meeting"
- External Training needed: Peachtree software, AAAS Degree, Tax Certification Training Course
- Assign Sammie to Dorothy Redgur, the CFO for mentorship
- Next steps: Sammie should develop a timeline for when she plans to complete the seminars.

The budget allows us to pay up to $1,000 per year for external training for all employees. Talk with Sammie about how to receive reimbursement.

As you can see, the employee developed goals and made suggestions on the types of training that could help her meet her goals. Based on this data, the manager suggested in-house training and external training for her to reach her goals within the organization.

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Measuring training effectiveness

After we have completed the training, It is important to make sure the training objectives were met and that the training 'worked'. Given the cost and energy required to train employees, HR managers are increasingly required to justify their budget and show the Return on Investment (ROI) of their activities. For training this involves demonstrating that the investment on training has led to increased effectiveness of the employee and, ultimately, of the organization.

6. Measuring Effectiveness

The classic model to measure effectiveness of training is the Kirkpatrick model (Kirkpatrick, 2006). His model has four levels:

1. Reaction: How did the participants react to the training program?
2. Learning: To what extent did participants improve knowledge and skills?
3. Behaviour: Did behaviour change as a result of the training?
4. Results: What benefits to the organization resulted from the training?

Each of Kirkpatrick's levels can be assessed using a variety of methods. We will discuss those next.

Figure 6.3. Kirkpatrick's Four Levels of Training Evaluation

Level 1: Reaction

The first level, reaction, assessed whether people feel that training was valuable. By measuring how engaged participants were, how actively they contributed, and how they reacted to the training helps understand how well they received the training. In addition, it guides improvements to future programs. Questions to ask trainees include:

- Did you feel that the training was worth your time?
- Did you think that it was successful?
- What were the biggest strengths and weaknesses of the training?
- Did you like the venue and presentation style?

- Were the training activities engaging?
- What are the three most important things that you learned from this training?
- From what you learned, what do you plan to apply in your job?
- What support might you need to apply what you learned?

Level 2: Learning

Level 2 focuses on measuring what the trainees have and have not learned. This demonstrates how training has developed their skills, attitudes and knowledge, as well as their confidence and commitment.

To measure how much your trainees have learned, start by identifying what you want to evaluate. Training sessions should have specific learning objectives (see previous 'content development' section), so those should be the starting point. You can measure learning in different ways, depending on the objectives but it's helpful to measure it before and after training. Before the training begins, trainees can be tested to determine their initial knowledge, skill levels and attitudes. Then, when the training is finished, a second test can measure what has been learned.

Level 3: Behaviour

This level asks HR managers to assess whether people apply what they have learned in the training. This level is also called 'transfer of learning' because it is the stage where the knowledge imparted in the training is 'transferred' to behaviours, from 'knowing' to 'doing'.

This step can reveal where people might need help because behaviour can only change when conditions are favourable. Imagine that you're assessing your team members after a training session. You see little change, and you conclude that they learned nothing, and that the training was ineffective. However, it is possible that they actually learned a lot, but that the organizational or team culture obstructs behavioural change. Perhaps existing processes restricts the application of new thinking. As a result, employees do not feel confident in applying new knowledge, or see few opportunities to do so. In addition, they may not have had enough time to put it into practice. Transfer of learning is difficult to achieve, check out this interesting TedTalk that focuses on how to help with this transfer, or as Dan Ariely (the speaker) calls it 'the gap between what we know and what we do':

One or more interactive elements has been excluded from this version of the text. You can view them online here:
https://opentextbooks.concordia.ca/hrmcanadian/?p=57#oembed-1

Level 4: Results

At this level, HR managers analyze the final results of the training. This includes outcomes that the organization has decided are good for business and good for employees, and which demonstrate a good return on investment (ROI). This level is the most costly and time-consuming. The biggest challenge is to identify which outcomes, benefits, or final results are most closely linked to the training, and to come up with an effective way to measure these outcomes in the long term. For example, a retailer that trained its salespeople on various customer service elements. It would be sensible for this organization to expect that the training had an impact on the average weekly sales of these salespeople, or that the customers reviews of the overall store experience have improved.

CHAPTER 7: PERFORMANCE MANAGEMENT

A Tough Conversation

As you wake up this morning, you think about the performance evaluation you will give later this morning to one of your employees, Sean. Sean has been with your company for two years, and over the last six months his performance has begun to decline. As the manager, it is your responsibility to talk with him about performance, which you have done on several occasions. However, the performance evaluation will make his nonperformance more formalized. You know that Sean has had some personal troubles that can account for some of the performance issues, but despite this, you really need to get his performance up to par. Your goal in the performance evaluation interview today is to create an improvement plan for Sean, while documenting his nonperformance.

When you arrive at work, you look over the essay rating part of Sean's evaluation. It details two client project deadlines that were missed, as well as the over-budget amounts of the two client projects. It was Sean's responsibility to oversee both aspects of this project. When Sean arrives at your office, you greet him, ask him to take a seat, and begin to discuss the evaluation with him.

"Sean, while you have always been a high performer, these last few months have been lackluster. On two of your projects, you were over budget and late. The client commented on both of these aspects when it filled out the client evaluation. As a result, you can see this is documented in your performance evaluation."

Using defensive nonverbal language, Sean says, "Missing the project deadlines and budget was not my fault. Emily said everything was under control, and I trusted her. She is the one who should have a bad performance review."

You respond, "Ultimately, as the account director, you are responsible, as outlined in your job description. As you know, it is important to manage the accountability within your team, and in this case, you did not perform. In fact, in your 360 reviews, several of your colleagues suggested you were not putting in enough time on the projects and seemed distracted."

"I really dislike those 360 reviews. It really is just a popularity contest, anyway," Sean says. "So, am I fired for these two mistakes?" You have worked with people who exhibited this type of defensive behavior before, and you know it is natural for people to feel like they need to defend themselves when having this type of conversation. You decide to move the conversation ahead and focus on future behavior rather than past behavior.

You say, "Sean, you normally add a lot of value to the organization. Although these issues will be documented in your performance evaluation, I believe you can produce high-quality work. As a result, let's work together to develop an improvement plan so you can continue to add value to the organization. The improvement plan addresses project deadlines and budgets, and I think you will find it helpful for your career development."

Sean agrees begrudgingly and you begin to show him the improvement plan document the company uses, so you can fill it out together.

When you head home after work, you think about the day's events and about Sean. As you had suspected, he was defensive at first but seemed enthusiastic to work on the improvement plan after you showed him the document. You feel positive that this performance evaluation was a step in the right direction to ensure Sean continues to be a high producer in the company, despite these mistakes.

Here is how Michael, from The Office, conducts performance reviews:

https://player.vimeo.com/video/78198073

The Office Performance Review Cut from **fateeh** on **Vimeo**.

Performance Management Systems

Learning Objectives

1. Define the reasons for a formal performance evaluation system.
2. Explain the process to develop a performance review system.
3. Be able to discuss best practices in performance review planning.
4. Be able to write an improvement plan for an employee.
5. Explain the types of performance issues that occur in the workplace, and the internal and external reasons for poor performance.
6. Understand how to develop a process for handling employee performance issues.
7. Be able to discuss considerations for initiating layoffs or downsizing.

A **performance management system** is an integrated set of processes aimed at helping employees contribute to organizational effectiveness. At their core, these systems involve the assessment of individual performance. To 'manage performance', the first thing you need to do is find out who does what and how well do they do it. After this information is collected, HR managers can feed the data in various systems to help the employee and improve the organization in general. Some of these processes include compensation, employee development, and employee records. Performance management is a very important HR process because it goes to the essence of HR (employee performance) and essentially relates to every other HR process. For example, to understand if the design of a job is efficient: you use the performance of employees as data. If you want to see whether your new interview protocol is good: you look at whether candidates who score well on it also become superior employees. For training, you can base your needs analysis on performance appraisal data to target who requires training. Performance data is essentially the bloodline of HR—it flows in every HR system.

Some researchers suggest that the performance appraisal system is perhaps one of the most important parts of the organization (Lawrie, 1990), while others suggest that performance appraisal systems are doomed and should be abolished (Derven, 1990), making them worthless. One of the most interesting (and thorny) facet of performance management systems is that, while very important, they are also very much disliked by employees and managers. The reality is that no one likes to be evaluated and 'judged'. As a result, managers are often not comfortable evaluating (and judging) their employees because it can strain relationships. This makes performance management a difficult process for HR managers to handle: it is very important and the organization needs the information but people hate it! In a 2014 survey of the Society of Human Resource Management,**HR**

Professionals' Perceptions About Performance Management Effectiveness , HR professionals were asked their opinions on their organizations' performance management systems. These professionals almost unanimously agreed that this process was a top priority for their organizations, but at the same time, more than half rated their own system 'C+ to B'.

This is not to say that the successful management of performance is not possible just that it requires careful consideration. In this chapter we will explain how to design such a system in order to maximize the contributions of employees and raise the effectiveness of the organization.

1. The different purposes of performance management

One of the reason which explains the difficulty of managing performance is that these systems have multiple purposes and that these purposes are sometimes divergent. In this section, we discuss these various purposes.

1.1. Using Performance Data To Reward

Should salary increases be tied to performance evaluations? The answer to this question might seem obvious but HR managers have to consider it carefully when developing a performance evaluation process. There is research that shows employees have a greater acceptance of performance reviews if the review is linked to rewards (Bannister & Balkin, 1990). The linking of performance to compensation requires some careful analysis. Think of determining bonuses for salepeople: what should be the bonus for a sales person working at Garage, a fashion retailer based in Montreal? What should be the objective? Should it be set monthly (a bonus level for every $20,000 in sales) or weekly ($5,000)? Should the bonus be adjusted to store location: the store on St Catherine has higher volume than the store in St Jerome but it also has more sales people! All this to say, that this can be a delicate exercise. It is even more delicate when the data is subjective (i.e., supervisor ratings instead of hard sales). Are supervisors fair in their evaluations or do they play favorites? Are they confident in their judgment distinguish between good and poor performer or will they 'play it safe' and rate everyone the same? Basically, this process involves the translation of 'soft data' (i.e., performance) into 'hard data' (i.e., dollars) and when this translation takes place, employees pay attention so it must be done well!

One indirect impact of linking performance evaluations with compensation is that it takes away employees focus from another purpose: their use for development.

1.2. Using Performance Data To Develop

Performance management is important for employee development. In order for this development to occur, employees need to know where they stand: what aspect of their work they need to work on (weaknesses) and what aspects they can capitalize on (strengths). Performance management provides the feedback information essential for this awareness to take place. However, for most people, receiving feedback is not an easy thing. One often becomes defensive and finds ways to discredit the feedback, especially if it is negative. Conversely, giving feedback is also difficult. Managers tend to shy away from these difficult conversations by either avoiding them or by simply 'sugar coating' the message. HR managers play an important role in structuring the process so that both employees and managers are equipped and supported when they have these conversations.

1.3. Using Performance Data To Document

A third and final use for performance data is to document HRM decisions and actions. Basically, this data provides a record of performance discussions that took place over the years and the actions agreed upon by employees and supervisors. These records are important in the case of employee discipline and termination. When taken into the legal arena, these decisions must be preceded by a strong 'paper trail' that justify the actions taken.

2. Legal Considerations

The legality of performance appraisals was questioned in 1973 in *Brito v. Zia*, in which an employee was terminated based on a subjective performance evaluation. Following this important case, employers began to rethink their performance evaluation system and the legality of it.

The Civil Service Reform Act of 1978 set new standards for performance evaluation. Although these standards related only to public sector employees, the Reform Act began an important trend toward making sure certain performance evaluations were legal. The Reform Act created the following criteria for performance appraisals in government agencies:

1. All agencies were required to create performance review systems.
2. Appraisal systems would encourage employee participation in establishing the performance standards they will be rated against.
3. The critical elements of the job must be in writing.

4. Employees must be advised of the critical elements when hired.
5. The system must be based exclusively on the actual performance and critical elements of the job. They cannot be based on a curve, for example.
6. They must be conducted and recorded at least once per year.
7. Training must be offered for all persons giving performance evaluations.
8. The appraisals must provide information that can be used for decision making, such as pay decisions and promotion decisions.

Early performance appraisal research can provide us with a good example as to why we should be concerned with the legality of the performance appraisal process (Field & Holley, 1982). Holley and Field analyzed sixty-six legal cases that involved discrimination and performance evaluation. Of the cases, defendants won thirty-five of the cases. The authors of the study determined that the cases that were won by the defendant had similar characteristics:

1. Appraisers were given written instructions on how to complete the appraisal for employees.
2. Job analysis was used to develop the performance measures of the evaluation.
3. The focus of the appraisal was actual behaviors instead of personality traits.
4. Upper management reviewed the ratings before the performance appraisal interview was conducted.

This tells us that the following considerations should be met when developing our performance appraisal process:

1. Performance standards should be developed using the job analysis and should change as the job changes.
2. Provide the employees with a copy of the evaluation when they begin working for the organization, and even consider having the employees sign off, saying they have received it.
3. All raters and appraisers should be trained.
4. When rating, examples of observable behavior (rather than personality characteristics) should be given.
5. A formal process should be developed in the event an employee disagrees with a performance review.

3. Designing a Performance Management System

As stated above, there are a number of things to consider before designing or revising an existing performance management system. For the purpose of this chapter, let's assume we can create a system that will provide value to the organization and the employee. When designing this process, we should recognize that any process has its limitations, but if we plan it correctly, we can minimize some of these.

3.1. Defining Performance

The first step in the process of designing a performance management system is to define the performance that is to be measured. By now, it is probably obvious to you that this definition will stem from a job analysis.

3.2. Assessing Performance

Frequency of appraisal

The first step in the process is to determine how often performance appraisals should be given. Please keep in mind that managers should constantly be giving feedback to employees, and this process is a more formal way of doing so. Some organizations choose to give performance evaluations once per year, while others give them twice per year, or more. The advantage to giving an evaluation twice per year, of course, is more feedback and opportunity for employee development. The downside is the time it takes for the manager to write the evaluation and discuss it with the employee. If done well, it could take several hours for just one employee. Depending on your organization's structure, you may choose one or the other. For example, if most of your managers have five or ten people to manage (this is called **span of control**), it might be worthwhile to give performance evaluations more than once per year, since the time cost is not high. If most of your managers have twenty or more employees, it may not be feasible to perform this process more than once per year.

Evaluators

Determining who should evaluate the performance of the employee is the next decision. It could be their direct manager (most common method), subordinates, customers or clients, self, and/or peers. **Table 7.1 "Advantages and Disadvantages of Each Source for Performance Evaluations"** shows some of the advantages and disadvantages for each source of information for performance evaluations. Ultimately, using a variety of sources might garner the best results.

A **360-degree performance appraisal** method is a way to appraise performance by using several sources to measure the employee's effectiveness. Organizations must be careful when using peer-reviewed information. For example, in the *Mathewson v. Aloha Airlines* case, peer evaluations were found to be retaliatory against a pilot who had crossed picket lines during the pilot's union strike against a different airline.

Management of this process can be time-consuming for the HR professional. That's why there are many software programs available to help administer and assess 360 review feedback. Halogen 360, for example, is used by Princess Cruises and media companies such as MSNBC (Halogen Software, 2011). This type of software allows the HR professional to set criteria and easily send links to customers, peers, or managers, who provide the information requested. Then the data is gathered and a report is automatically generated, which an employee can use for quick feedback. Other similar types of software include Carbon360 and Argos.

Figure 7.1. Advantages and Disadvantages of Each Source for Performance Evaluations

Source	Advantages	Disadvantages
Manager/Supervisor		
Self		
Peer		
Customer/Client		
Subordinate		

Reliability and Validity of Performance Appraisals

As seen earlier in the book, any measurement has to be reliable and valid. Reliability refers to how consistent the same measuring tool works throughout the organization (or job title). When we look at reliability in performance appraisals, we ask ourselves if two raters were to rate an employee, how close would the ratings be? If the ratings would be far apart from one another, the method may have reliability issues. To prevent this kind of issue, we can make sure that performance standards are written in a way that will make them measurable. For example, instead of "increase sales" as a performance standard, we may want to say, "increase sales by 10 percent from last year." This performance standard is easily measured and allows us to ensure the accuracy of our performance methods. Also, HRM often perform calibration meetings to ensure that evaluators. During these meetings, supervisors and an HR representative openly discuss their evaluations and, most importantly, the rationale behind them. This allows the supervisors (the raters) to establish a common, more uniform perspective on the process so that their evaluations are more reliable.

Validity is the extent to which the tool measures the relevant aspects of performance. The aspects of performance should be based on the key skills and responsibilities of the job, and these should be reviewed often to make sure they are still applicable to the job analysis and description. There are two common issues that compromise the validity of performance appraisals. First, contamination occurs when extraneous elements (i.e., factors that are unrelated to performance) influence the evaluation. For example, think of a retail company that uses 'weekly sales' as a performance measure for its salespeople and applies this standard equally for its store in DIX-30 (a large and busy commercial centre on the South Shore) and its store in Magog (a small municipality). This measure would be contaminated by the location (i.e., sales will naturally be higher in the high-traffic store). There are a lot of ways that performance appraisal can be contaminated. A supervisor liking an employee more than another (or disliking an employee) is another classic example.

Another issue that compromises the validity of a performance measure is deficiency. This occurs when the measure fails to capture the entire range of performance. Sales revenue can also be an example of a deficient measure if it is the only criteria used because it fails to capture other areas that may be important such as customer service, collaboration, etc.

In sum, a good performance assessment process is one that captures the whole spectrum of en employees' performance but nothing extra. This level of precision is only an ideal because it is very hard to achieve in organizations. The role of HRM is to try, as much as possible, to minimize the presence of contamination and deficiency in the performance appraisal system. This can be done through various means such as a good design of the appraisal tool and proper training on how to use it.

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Appraisal Methods

4. Appraisal Methods

In this section we will discuss some of the main methods used to assess performance. However, before discussing these methods, we must discuss how they approach the assessment of individual performance. Some methods focus on the employee's specific traits in relation to the job. For these methods, the objective is to capture whether or not the employees possess the KSAO's required for the job. An example would be to assess whether a salesperson is outgoing or whether the accounts payable clerks are conscientious and pay attention to detail. Another way to approach the assessment of performance is to look at individual actions within a specific job. This focus on behaviour, for example, would try to measure whether the salesperson uses a certain protocol when approaching customers or whether the accounts payable clerk follows up on her phone calls. The focus is on 'what employees actually do' as opposed to 'who the employee is' (for the trait methods). **Comparative methods** compare one employee with other employees. Finally, r**esults methods** are focused on objective employee accomplishments. Note that many organizations will use these methods in combination.

4.1. Graphic Rating Scale

The **graphic rating scale**, a trait method, is perhaps the most popular choice for performance evaluations. This type of evaluation lists the traits required for the job and asks the source to rate the individual on each attribute such as dependability and creativity. For example, the ratings can include a scale of 1–10; excellent, average, or poor; or exceeds, meets, or doesn't meet expectations. A **continuous scale allows** the manager to put a mark on the continuum scale that best represents the employee's performance. For example:

Poor	—	—	—	—	—	—	—	—	Exceptional

The disadvantage of this type of scale is that it is quite subjective. Thus, many organizations use a graphic rating scale in conjunction with other appraisal methods to further solidify the tool's validity. For example, some organizations use a **mixed standard scale**, which is similar to a graphic rating scale. This scale includes a series of mixed statements representing excellent, average, and poor performance, and the manager is asked to rate a "+" (performance is better than stated), "0" (performance is at stated level), or "–" (performance is below stated level). Mixed standard statements might include the following:

- The employee gets along with most coworkers and has had only a few interpersonal issues.
- This employee takes initiative.
- The employee consistently turns in below-average work.
- The employee always meets established deadlines.

Figure 7.2. Example of Graphic Rating Scale

Employee Performance Appraisal
XYZ Company

Employee's Name _____

Title _____

Department _____

Please put an X in the area which best describes this employee's performance.

Attribute	Above Average	Average	Below Expectations
Dependable			
Shows problem solving ability			
Works well in a team			
Takes initiative			
Produces high quality work			
Shows leadership within department			
Communication ability			

Please provide specific comments which describe the ratings for each category.

_____

_____

_____

_____

_____

_____

_____

_____

Date _____

Signature of employee _____

Signature of manager _____

4.2. Essay Appraisal

In an **essay appraisal**, the source answers a series of questions about the employee's performance in essay form. This can be a trait method and/or a behavioral method, depending on how the manager writes the essay. These statements may include strengths and weaknesses about the employee or statements about past performance. They can also include specific examples of past performance. The disadvantage of this type of method (when not combined with other rating systems) is that the manager's writing ability can contribute to the effectiveness of the evaluation. Also, managers may write less or more, which means less consistency between performance appraisals by various managers.

Figure 7.3. Example of Essay Rating

Employee Performance Appraisal
XYZ Company

Employee's Name _____

Title _____

Department _____

Please write comments about the employee's performance in the space below.

Attribute	Comments
What does this employee do well?	
What aspects of his/her job performance should be improved upon?	
Describe performance challenges.	
Aspects of job to continue doing	
Aspects of job the employee should improve	

Date _____

Signature of employee _____

Signature of manager _____

4.3. Checklist Scale

A checklist method for performance evaluations lessens the subjectivity, although subjectivity will still be present in this type of rating system. With a **checklist scale**, a series of questions is asked and the manager simply responds yes or no to the questions, which can fall into either the behavioural or the trait method, or both. Another variation to this scale is a check mark in the criteria the employee meets, and a blank in the areas the employee does not meet. The challenge with this format is that it does not allow for more detailed answers and analysis of the performance criteria, unless combined with another method, such as essay ratings.

Figure 7.4. Example of Checklist Scale

Employee Performance Appraisal
XYZ Company

Employee's Name _____

Title _____

Department _____

Please select yes or no for each of the statements.

	Yes	No	Comments
This employee works well with the people on his/her team.			
He/she is well liked and respected by people on the team.			
The employee has in depth knowledge of his or her job.			
The employee needs minimum supervision in performing his or her job.			
Aspects of job the employee should improve			

Date _____

Signature of employee _____

Signature of manager _____

4.4. Critical Incident Appraisals

This method of appraisal, while more time-consuming to develop, can be effective because it provides specific examples of behaviour to anchor the ratings. With a **critical incident appraisal**, the manager records examples of the employee's effective and ineffective behaviour during the time period between evaluations, which is in the behavioural category. When it is time for the employee to be reviewed, the manager will pull out this file and formally record the incidents that occurred over the time period. The disadvantage of this method is the tendency to record only negative incidents instead of positive ones. However, this method can work well if the manager has the proper training to record incidents (perhaps by keeping a weekly diary) in a fair manner. This approach can also work well when specific jobs vary greatly from week to week, unlike, for example, a factory worker who routinely performs the same weekly tasks.

4.5. Work Standards Approach

For certain jobs in which productivity is most important, a **work standards approach** could be the more effective way of evaluating employees. With this results-focused approach, a minimum level is set and the employee's performance evaluation is based on this level. For example, if a sales person does not meet a quota of $1 million, this would be recorded as nonperforming. The downside is that this method does not allow for reasonable deviations. For example, if the quota is not met, perhaps the employee just had a bad month but normally performs well. This approach works best in long-term situations, in which a reasonable measure of performance can be over a certain period of time. This method is also used in manufacturing situations where production is extremely important. For example, in an automotive assembly line, the focus is on how many cars are built in a specified period, and therefore, employee performance is measured this way. Since this approach is centered on production, it does not allow for rating of other factors, such as ability to work on a team or communication skills, which can be important parts of the job.

4.6. Ranking Methods

In a **ranking method system** (also called relative method), employees in a particular department are ranked based on their performance. This system is a comparative method for performance evaluations. The manager will have a list of all employees and will first choose the most valuable employee and put that name at the top. Then he or she will choose the least valuable employee and put that name at the bottom of the list. With the remaining employees, this process would be repeated. Obviously, there is room for bias with this method. It may not work well in a larger organization, where managers may not interact with each employee on a day-to-day basis.

Completing and Conducting the Appraisal

So far, we have discussed the necessity of providing formal feedback to employees through a systematic performance evaluation system. We have stressed the importance of making sure the HR professional knows how often performance evaluations should be given and if they are tied to pay increases.

The next step is to make sure you know the goals of the performance evaluation; for example, is the goal to improve performance and also identify people for succession planning? You will then determine the source for the performance evaluation data, and then create criteria and rating scales that relate directly to the employee's job description. Once this is done, the successful functioning of the performance evaluation system largely depends on the HR professional to implement and communicate the system to managers and employees. This will be the primary focus of our next section.

5. Best Practices in Performance Appraisals

The most important things to remember when developing a performance evaluation system include the following:

1. Make sure the evaluation has a direct relationship to the job. Consider developing specific criteria for each job, based on the individual job specifications and description.
2. Involve managers when developing the process. Garner their feedback to obtain "buy-in" for the process.
3. Consider involving the employee in the process by asking the employee to fill out a self-evaluation.
4. Use a variety of methods to rate and evaluate the employee.
5. Avoid bias by standardizing performance evaluations systems for each job.
6. Give feedback on performance throughout the year, not just during performance review times.
7. Make sure the goals of the performance evaluation tie into the organizational and department goals.

8. Ensure the performance appraisal criteria also ties into the goals of the organization, for a strategic HRM approach.
9. Often review the evaluation for each job title, since jobs and expectations change.

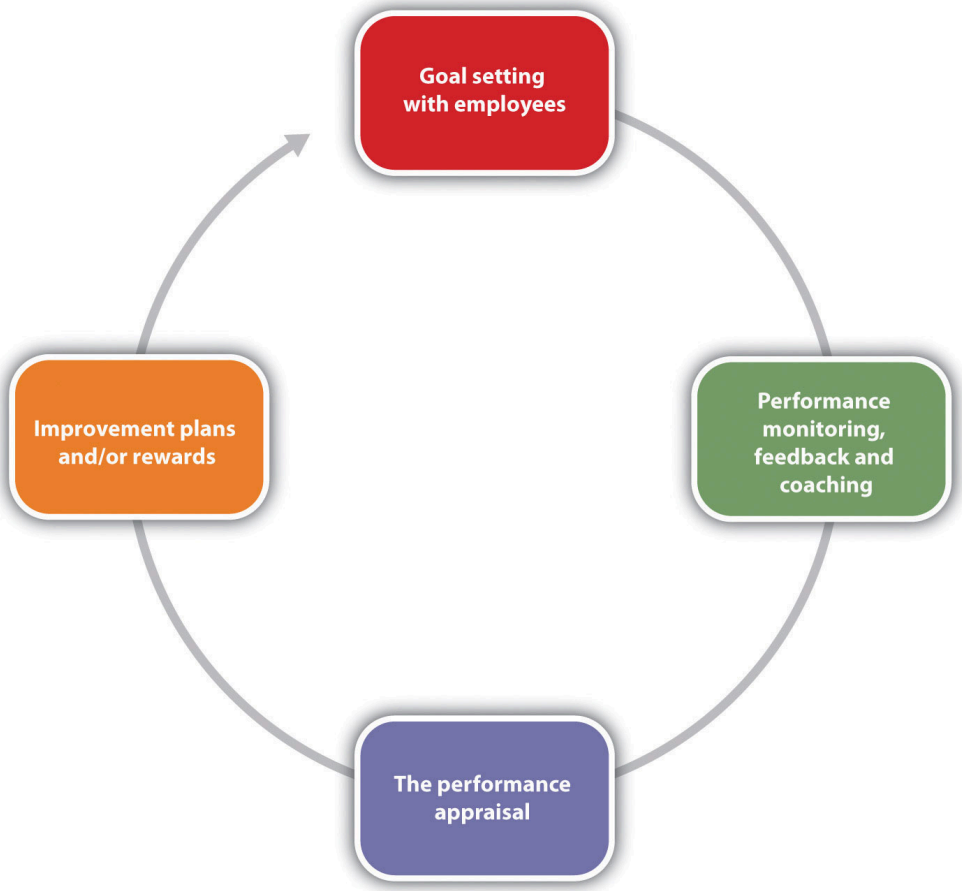
Figure 7.5. Best Practices in Performance Appraisal Systems

As you can see from **Figure 7.6 "Performance Review System"**, the performance appraisal aspect is just one part of the total process. We can call this a performance review system. The first step of the process is goal setting with the employee. This could mean showing the employee his or her performance appraisal criteria or sitting down with the employee to develop MBOs. The basic idea is that the employee should know the expectations and how his or her job performance will be rated.

Constant monitoring, feedback, and coaching are the next steps. Ensuring the employee knows what he or she is doing well and what is not being done well in a more informal manner will allow for a more productive employee.

Next, is the formal performance evaluation process. Choosing the criteria, rating scale, and source of the evaluation are steps we have already discussed. The next step is to work with the employee to develop improvement plans (if necessary) and offer any rewards as a result of excellent performance. The process then begins again, setting new goals with the employee.

Figure 7.6. Performance Review System



5.1. Training Managers and Employees

As HR professionals, we know the importance of performance evaluation systems in developing employees, but this may not always be apparent to the managers we work with on a daily basis. It is our job to educate managers and employees on the standards for completing performance evaluation forms, as well as train them on how to complete the necessary documents (criteria and ratings), how to develop improvement plans when necessary, and how to deliver the performance appraisal interview.

Employee Feedback

One or more interactive elements has been excluded from this version of the text. You can view them online here:
https://opentextbooks.concordia.ca/hrmcanadian/?p=61#oembed-1

This video gives excellent tips on providing feedback to employees during the performance appraisal process.

First, after you have developed the new performance appraisal system (or adjusted an old one), consider offering training on how to effectively use it. The training, if required, can later save time and make the process more valuable. What we want to avoid is making it seem as if the performance appraisal process is "just one more thing" for managers to do. Show the value of the system in your training or, better yet, involve managers in developing the process to begin with.

Set standards should be developed for managers filling out the performance ratings and criteria. The advantage of this is accuracy of data and limiting possible bias. Consider these "ground rules" to ensure that information is similar no matter which manager is writing the evaluation:

1. Use only factual information and avoid opinion or perception.

2. For each section, comments should be at least two sentences in length, and examples of employee behavior should be provided.
3. Reviews must be complete and shared with the employee before the deadline.
4. Make messages clear and direct.
5. Focus on observable behaviors.

Once your managers are trained, understand how to fill out the forms, and are comfortable with the ground rules associated with the process, we can coach them on how to prepare for performance evaluations. For example, here are the steps you may want to discuss with your managers who provide performance evaluations:

1. Review the employee's last performance evaluation. Note goals from the previous evaluation period.
2. Review the employee's file and speak with other managers who interface with this person. In other words, gather data about performance.
3. Fill out the necessary forms for this employee's appraisal. Note which areas you want to address with the employee in the appraisal interview.
4. If your organization bases pay increases on the performance evaluation, know the pay increase you are able to offer the employee.
5. Write any improvement plans as necessary.
6. Schedule a time and date with the employee.

Most people feel nervous about giving and receiving performance evaluations. One way to limit this is to show the employee the written evaluation before the interview, so the employee knows what to expect. To keep it a two-way conversation, many organizations have the employee fill out the same evaluation, and answers from the employee and manager are compared and discussed in the interview. When the manager meets with the employee to discuss the performance evaluation, the manager should be clear, direct, and to the point about strengths and weaknesses. The manager should also discuss goals for the upcoming period, as well as any pay increases or improvement plans as a result of the evaluation. The manager should also be prepared for questions, concerns, and reasons for the employee not being able to meet performance standards.

Improvement plans should not be punitive, but the goal of an improvement plan should be to help the employee succeed. Coaching and development should occur throughout the employee's tenure, and he or she should know before the performance evaluation whether expectations are not being met. This way, the introduction of an improvement plan is not a surprise. There are six main components to an employee improvement plan:

1. Define the problem.
2. Discuss the behaviors that should be modified, based on the problem.
3. List specific strategies to modify the behavior.

4. Develop long- and short-term goals.
5. Define a reasonable time line for improvements.
6. Schedule "check-in" dates to discuss the improvement plan.

An employee improvement plan works best if it is written with the employee, to obtain maximum buy-in. Once you have developed the process and your managers are comfortable with it, the process must be managed. This is addressed in **Section 5.2 "Organizing the Performance Appraisal Process"**.

5.2. Organizing the Performance Appraisal Process

While it will be up to the individual manager to give performance appraisals to employees, as an HR professional, it will be up to you to develop the process (which we have already discussed) and to manage the process. Here are some things to consider to effectively manage the process:

1. Provide each manager with a job description for each employee. The job description should highlight the expectations of each job title and provide a sound basis for review.
2. Provide each manager with necessary documents, such as the criteria and rating sheets for each job description.
3. Give the manager instructions and ground rules for filling out the documents.
4. Work with the manager on pay increases for each employee, if your organization has decided to tie performance evaluations with pay increases.
5. If necessary, provide coaching assistance on the development of objectives and improvement plans.
6. Give time lines to the manager for each performance review he or she is responsible for writing.

Most HR professionals will keep a spreadsheet or other documents that lists all employees, their manager, and time lines for completion of performance evaluations. This makes it easier to keep track of when performance evaluations should be given.

Of course, the above process assumes the organization is not using software to manage performance evaluations. Numerous types of software are available that allow the HR professional to manage key job responsibilities and goals for every employee in the organization. This software tracks progress on those goals and allows the manager to enter notes (critical incidents files) online. The software can track 360 reviews and send e-mail reminders when it is time for an employee or manager to complete evaluations. This type of software can allow for a smoother, more streamlined process. Of course, as with any new system, it can be time-consuming to set up and to train managers and employees on how to use the system. However, many organizations find the initial time to set up software or web-based performance evaluation systems well worth the easier recording and tracking of performance goals.

No matter how the system is managed, it must be managed and continually developed to meet the ultimate goal—continuing development of employees.

The Performance Appraisal

5.3. Performance Appraisal Interviews

Once a good understanding of the process is developed, it is time to think about the actual meeting with the employee. A performance review process could be intricately detailed and organized, but if the meeting with the employee does not go well, the overall strategic objective of performance reviews may not be met. There are three types of appraisal interview styles. The first is the **tell and sell interview**. In this type of interview, the manager does most of the talking and passes his or her view to the employee. In the **tell and listen** type of interview, the manager communicates feedback and then addresses the employee's thoughts about the interview. In the **problem-solving interview**, the employee and the manager discuss the things that are going well and those that are not going well, which can make for a more productive discussion. To provide the best feedback to the employee, consider the following:

1. **Be direct and specific.** Use examples to show where the employee has room for improvement and where the employee exceeds expectations, such as, "The expectation is zero accidents, and you have not had any accidents this year."
2. **Do not be personal; always compare the performance to the standard.** For example, instead of saying, "You are too slow on the production line," say, the "expectations are ten units per hour, and currently you are at eight units."
3. **Remember, it is a development opportunity.** As a result, encourage the employee to talk. Understand what the employee feels he does well and what he thinks he needs to improve.
4. **Thank the employee and avoid criticism.** Instead of the interview being a list of things the employee doesn't do well (which may give the feeling of criticizing), thank the employee for what the employee does well, and work on action plans together to fix anything the employee is not doing well. Think of it as a team effort to get the performance to the standard it needs to be.

The result of a completed performance evaluation usually means there are a variety of ramifications that can occur after evaluating employee performance:

1. The employee now has written, documented feedback on his or her performance.
2. The organization has documented information on low performance, in case the employee needs to be dismissed.
3. The employee has performed well and is eligible for a raise.
4. The employee has performed well and could be promoted.
5. Performance is not up to expectations, so an improvement plan should be put into place.
6. The employee has not done well, improvement plans have not worked (the employee has been warned before), and the employee should be dismissed.

In each of these cases, planning in advance of the performance appraisal interview is important, so all information is available to communicate to the employee. Consider Robin, an employee at Blewett Gravel who was told she was doing an excellent job. Robin was happy with the performance appraisal and when asked about promotion opportunities, the manager said none were available. This can devalue a positive review and impact employee motivation. The point, is to use performance evaluations as a development tool, which will positively impact employee motivation.

Preparing and Giving the Performance Appraisal

Some **great tips** on preparing for the performance appraisal meeting, and how to handle the meeting.

Key Takeaways

- There are many best practices to consider when developing, implementing, and managing a performance appraisal system. First, the appraisal system must always tie into organization goals and the individual employee's job description.
- Involvement of managers in the process can initiate buy-in.
- Consider using self-evaluation tools as a method to create a two-way conversation between the manager and the employee.
- Use a variety of rating methods to ensure a more unbiased result. For example, using peer evaluations in conjunction with self- and manager evaluations can create a clearer picture of employee performance.
- Be aware of bias that can occur with performance appraisal systems.
- Feedback should be given throughout the year, not just at the performance appraisal time.
- The goals of a performance evaluation system should tie into the organization's strategic plan, and the goals for employees should tie into the organization's strategic plan as well.
- The process for managing performance evaluations should include goal setting, monitoring and coaching, and doing the formal evaluation process. The evaluation process should involve rewards or improvement plans where necessary. At the end of the evaluation period, new goals should be developed and the process started over again.
- It is the HR professional's job to make sure managers and employees are trained on the performance evaluation process.
- Standards should be developed for filling out employee evaluations, to ensure consistency and avoid bias.
- The HR professional can assist managers by providing best practices information on how to discuss the evaluation with the employee.
- Sometimes when performance is not up to standard, an improvement plan may be necessary. The improvement plan identifies the problem, the expected behavior, and the strategies needed to meet the expected behavior. The improvement plan should also address goals, timelines to meet the goals, and check-in dates for status on the goals.
- It is the job of the HR professional to organize the process for the organization. HR should provide the manager with training, necessary documents (such as criteria and job descriptions), instructions, pay increase information, and coaching, should the manager have to develop improvement plans.
- Some HR professionals organize the performance evaluation information in an Excel spreadsheet that

lists all employees, job descriptions, and due dates for performance evaluations.

- There are many types of software programs available to manage the process. This software can manage complicated 360 review processes, self-evaluations, and manager's evaluations. Some software can also provide timeline information and even send out e-mail reminders.
- The performance evaluation process should be constantly updated and managed to ensure the results contribute to the success of the organization.
- A variety of ramifications can occur, from the employee's earning a raise to possible dismissal, all of which should be determined ahead of the performance appraisal interview.

Managing Performance Issues

As you know from reading this book so far, the time and money investment in a new employee is overwhelming. The cost to select, hire, and train a new employee is staggering. But what if that new employee is not working out? This next section will provide some examples of performance issues and examples of processes to handle these types of employee problems.

6. Types of Performance Issues

One of the most difficult parts of managing others is not when they are doing a great job—it is when they are not doing a good job. In this section, we will address some examples of performance issues and how to handle them.

1. **Constantly late or leaves early.** While we know that flexible schedules can provide a work-life balance, managing this flexible schedule is key. Some employees may take advantage, and instead of working at home, perform nonwork-related tasks instead.
2. **Too much time spent doing personal things at work.** Most companies have a policy about using a computer or phone for personal use. For most companies, some personal use is fine, but it can become a problem if someone does not know where to draw the line.
3. **Inability to handle proprietary information.** Many companies handle important client and patient information. The ability to keep this information private for the protection of others is important to the success of the company.
4. **Family issues.** Child-care issues, divorce, or other family challenges can cause absenteeism, but also poor work quality. Absenteeism is defined as a habitual pattern of not being at work.
5. **Drug and alcohol abuse.** The US Department of Labor says that 40 percent of industrial fatalities and 47 percent of industrial injury can be tied to alcohol consumption. The US Department of Labor estimates that employees who use substances are 25–30 percent less productive and miss work three times more often than non abusing employees (US Department of Labor, 2011). Please keep in mind that when we talk about substance abuse, we are talking about not only illegal drugs but prescription drug abuse as well. In fact, the National Institute on Drug Abuse says that 15.2 million Americans have taken a prescription

pain reliever, tranquilizer, or sedative for non medical purposes at least once (Fisher, 2011). Substance abuse can cause obvious problems, such as tardiness, absenteeism, and nonperformance, but it can also result in accidents or other more serious issues.

6. **Nonperforming.** Sometimes employees are just not performing at their peak. Some causes may include family or personal issues, but oftentimes it can mean motivational issues or lack of tools and/or ability to do their current job.
7. **Conflicts with management or other employees.** While it is normal to have the occasional conflict at work, some employees seem to have more than the average owing to personality issues. Of course, this affects an organization's productivity.
8. **Theft.** The numbers surrounding employee theft are staggering. The American Marketing Association estimates $10 billion in lost annually owing to employee theft, while the FBI estimates up to $150 billion annually[1]. Obviously, this is a serious employee problem that must be addressed.
9. **Ethical breaches.** The most commonly reported ethical breaches by employees include lying, withholding information, abusive behavior, and misreporting time or hours worked, according to a National Business Ethics study[2]. Sharing certain proprietary information when it is against company policy and violating noncompete agreements are also considered ethical violations. Many companies also have a non fraternization policy that restricts managers from socializing with non management employees.
10. **Harassment.** Engagement of sexual harassment, bullying, or other types of harassment would be considered an issue to be dealt with immediately and, depending on the severity, may result in immediate termination.
11. **Employee conduct outside the workplace.** Speaking poorly of the organization on blogs or Facebook is an example of conduct occurring outside the workplace that could violate company policy. Violating specific company policies outside work could also result in termination. For example, in 2010, thirteen Virgin Atlantic employees were fired after posting criticisms about customers and joking about the lack of safety on Virgin airplanes in a public Facebook group (Smith, 2010). In another example, an NFL Indianapolis Colts cheerleader was fired after racy Playboy promotional photos surfaced (before she became a cheerleader) that showed her wearing only body paint (Chandler, 2011).

While certainly not exhaustive, this list provides some insight into the types of problems that may be experienced. As you can see, some of these problems are more serious than others. Some issues may only require a warning, while some may require immediate dismissal. As an HR professional, it is your job to develop policies and procedures for dealing with such problems. Let's discuss these next.

6.1. What Influences Performance?

When an employee is not performing as expected, it can be very disappointing. When you consider the amount of time it takes to recruit, hire, and train someone, it can be disappointing to find that a person has performance issues. Sometimes performance issues can be related to something personal, such as drug or alcohol abuse, but often it is a combination of factors. Some of these factors can be internal while others may be external. Internal factors may include the following:

1. Career goals are not being met with the job.
2. There is conflict with other employees or the manager.
3. The goals or expectations are not in line with the employee's abilities.
4. The employee views unfairness in the workplace.
5. The employee manages time poorly.
6. The employee is dissatisfied with the job.

Some of the external factors may include the following:

1. The employee doesn't have correct equipment or tools to perform the job.
2. The job design is incorrect.
3. External motivation factors are absent.
4. There is a lack of management support.
5. The employee's skills and job are mismatched.

All the internal reasons speak to the importance once again of hiring the right person to begin with. The external reasons may be something that can be easily addressed and fixed. Whether the reason is internal or external, performance issues must be handled in a timely manner.

6.2. Defining Discipline

If an employee is not meeting the expectations, discipline might need to occur. **Discipline** is defined as the process that corrects undesirable behavior. The goal of a discipline process shouldn't necessarily be to punish, but to help the employee meet performance expectations. Often supervisors choose not to apply discipline procedures because they have not documented past employee actions or did not want to take the time to handle the situation. When this occurs, the organization lacks consistency among managers, possibly resulting in motivational issues for other employees and loss of productivity.

To have an effective discipline process, rules and policies need to be in place and communicated so all employees know the expectations. Here are some guidelines on creation of rules and organizational policies:

1. All rules or procedures should be in a written document.
2. Rules should be related to safety and productivity of the organization.
3. Rules should be written clearly, so no ambiguity occurs between different managers.
4. Supervisors, managers, and human resources should communicate rules clearly in orientation, training, and via other methods.
5. Rules should be revised periodically, as the organization's needs change.

Of course, there is a balance between too many "rules" and giving employees freedom to do their work. However, the point of written rules is to maintain consistency. Suppose, for example, you have a manager in operations and a manager in marketing. They both lead with a different styles; the operations manager has a more rigid management style, while the marketing manager uses more of a laissez-faire approach. Suppose one employee in each of the areas is constantly late to work. The marketing manager may not do anything about it, while the operations manager may decide each tardy day merits a "write-up," and after three write-ups, the employee is let go. See how lack of consistency might be a problem? If this employee is let go, he or she might be able to successfully file a lawsuit for wrongful termination, since another employee with the same performance issue was not let go. **Wrongful termination** means an employer has fired or laid off an employee for illegal reasons, such as violation of anti discrimination laws or violation of oral and/or written employee agreements. To avoid such situations, a consistent approach to managing employee performance is a crucial part of the human resources job.

6.3. The Role of the Performance Appraisal in Discipline

Besides the written rules, each individual job analysis should have rules and policies that apply to that specific job. The performance appraisal is a systematic process to evaluate employees on (at least) an annual basis. The organization's performance appraisal and general rules and policies should be the tools that measure the employee's overall performance. If an employee breaks the rules or does not meet expectations of the performance appraisal, the performance issue model, which we will discuss next, can be used to correct the behavior.

6.4. Performance Issue Model

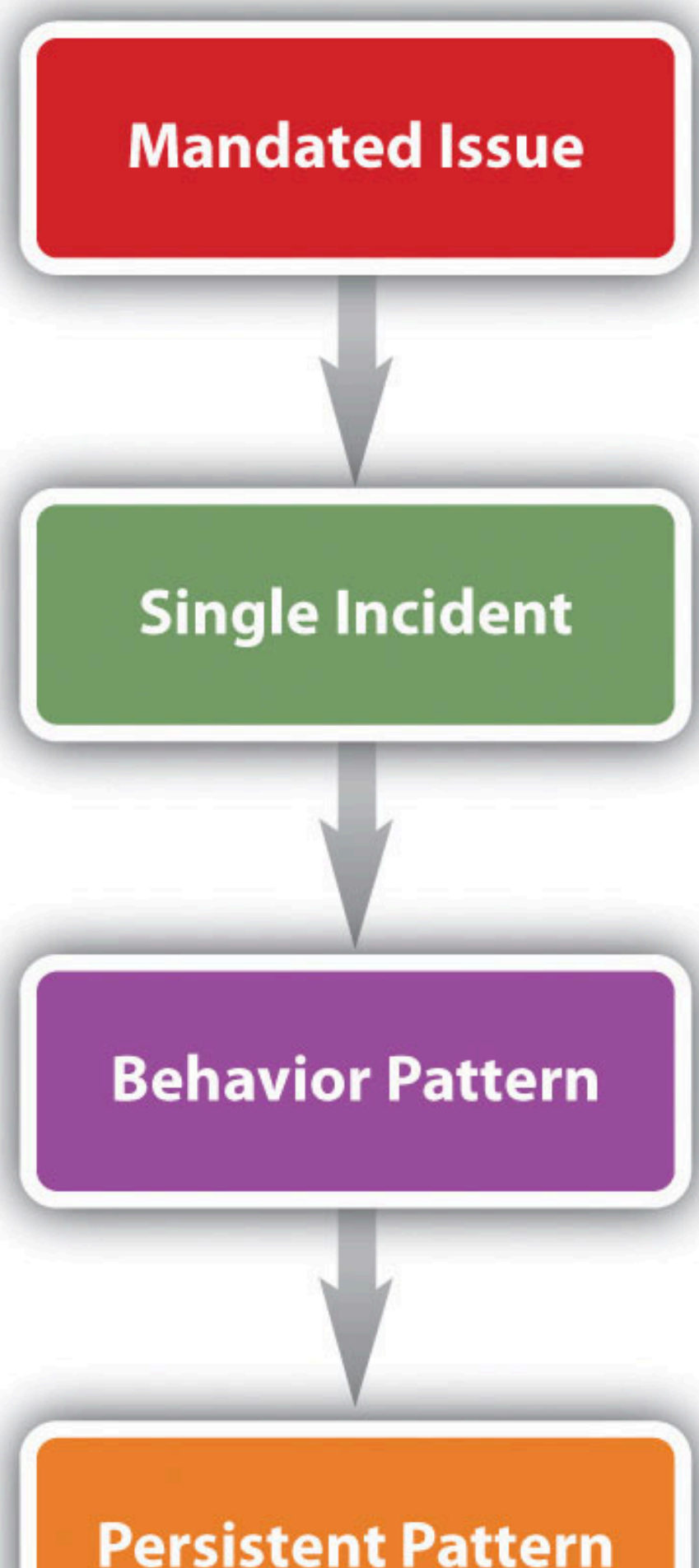
Because of the variety of performance issues, we will not discuss how to handle each type in detail here. Instead, we present a model that can be used to develop policies around performance, for fairness and consistency.

We can view performance issues in one of five areas. First, the mandated issue is serious and must be addressed immediately. Usually, the mandated issue is one that goes beyond the company and could be a law. Examples of mandated issues might include an employee sharing information that violates privacy laws, not following safety procedures, or engaging in sexual harassment. For example, let's say a hospital employee posts something on his Facebook page that violates patient privacy. This would be considered a mandated issue (to not violate privacy laws) and could put the hospital in serious trouble. These types of issues need to be handled swiftly. A written policy detailing how this type of issue would be handled is crucial. In the example above, the policy may state that the employee is immediately fired for this type of violation. The policy may also state that this employee is required to go through privacy training again and is given a written warning. Whatever the result, developing a policy on how mandated issues will be handled is important for consistency.

The second performance issue can be called a single incident. Perhaps the employee misspeaks and insults some colleagues or perhaps he or she was over budget or late on a project. These types of incidents are usually best solved with a casual conversation to let the employee know what he

or she did was not appropriate. Consider this type of misstep a development opportunity for your employee. Coaching and working with the employee on the issue can be the best way to eliminate the problem before it gets worse.

Figure 7.7. The Process for Handling Performance Issues


Mandated Issue
Single Incident
Behavior Pattern
Persistent Pattern

Often when single incidents are not immediately corrected, they can evolve into a behavior pattern, which is our third type of performance issue. This can occur when the employee does not think the incident is a big deal because he has not been corrected before or may not even realize he is doing something wrong. In this case, it is important to talk with the employee and let him know what is expected.

If the employee has been corrected for a behavior pattern but continues to exhibit the same behavior, we call this a persistent pattern. Often you see employees correct the problem after an initial discussion but then fall back into old habits. If they do not self-correct, it could be that they do not have the training or the skills to perform the job. In this phase of handling performance issues, it is important to let the employee know that the problem is serious and further action will be taken if it continues. If you believe the employee just does not have the skills or knowledge to perform the job, asking him or her about this could be helpful to getting to the root of the problem as well. If the employee continues to be non performing, you may consider utilizing the progressive discipline process before initiating an employee separation. However, investigating the performance issue should occur before implementing any sort of discipline.

6.5. Investigation of Performance Issues

When an employee is having a performance issue, often it is our responsibility as HR professionals to investigate the situation. Training managers on how to document performance issues is the first step in this process. Proper documentation is necessary should the employee need to be terminated later for that performance issue. The documentation should include the following information:

1. Date of incident
2. Time of incident
3. Location (if applicable) of incident
4. A description of the performance issue
5. Notes on the discussion with the employee on the performance issue
6. An improvement plan, if necessary
7. Next steps, should the employee commit the same infraction
8. Signatures from both the manager and employee

With this proper documentation, the employee and the manager will clearly know the next steps that will be taken should the employee commit the same infraction in the future. Once the issue has been documented, the manager and employee should meet about the infraction. This type of meeting is called an **investigative interview** and is used to make sure the employee is fully aware of the discipline issue. This also allows the employee the opportunity to explain his or her side of the story. These types of meetings should always be conducted in private, never in the presence of other employees.

However, in unionized organizations the employee is entitled to union representation at the investigative interview. This union representation is normally called **interest based bargaining,** referring to a National Labor Relations Board case that went to the United States Supreme Court in 1975. Recently, Weingarten rights continued to be protected when Alonso and Carus Ironworks were ordered to cease and desist from threatening union representatives who attempted to represent an employee during an investigative interview (National Labor Relations Board, 2011).

6.6. Options for Handling Performance Issues

Our last phase of dealing with employee problems would be a disciplinary intervention. Often this is called the **progressive discipline process**. It refers to a series of steps that take corrective action on non performance issues. The progressive discipline process is useful if the offense is not serious and does not demand immediate dismissal, such as employee theft. The progressive discipline process should be documented and applied to all employees committing the same offense. The steps in progressive discipline are normally the following:

1. First offense: Unofficial verbal warning. Counseling and restatement of expectations.
2. Second offense: Official written warning, documented in employee file.
3. Third offense: Second official warning. Improvement plan (discussed later) may be developed. Documented in employee file.
4. Fourth offense: Possible suspension or other punishment, documented in employee file.
5. Fifth offense: Termination and/or alternative dispute resolution.

6.7. Alternative Dispute Resolution

Another option in handling disputes, performance issues, and terminations is **alternative dispute resolution (ADR)**. This method can be effective in getting two parties to come to a resolution. In ADR, an unbiased third party looks at the facts in the case and tries to help the parties come to an agreement. In **mediation**, the third party facilitates the resolution process, but the results of the process are not binding for either party. This is different from **arbitration**, in which a person reviews the case and makes a resolution or a decision on the situation. The benefits of ADR are lower cost and flexibility, as opposed to taking the issue to court.

Some organizations use a **step-review system**. In this type of system, the performance issue is reviewed by consecutively higher levels of management, should there be disagreement by the employee in a discipline procedure. Some organizations also implement a **peer resolution system**. In this type of system, a committee of management and employees is formed to review employee complaints or discipline issues. In this situation, the peer review system normally involves the peer group reviewing the documentation and rendering a decision. Another type of ADR is called the **ombudsman system**. In this system, a person is selected (or elected) to be the designated individual for employees to go to should they have a complaint or an issue with a discipline procedure. In this situation, the ombudsman utilizes problem-solving approaches to resolve the issue. For example, at *National Geographic Traveler Magazine* an ombudsman handles employee complaints and issues and also customer complaints about travel companies.

6.8. Employee Separation

Employee separation can occur in any of these scenarios. First, the employee resigns and decides to leave the organization. Second, the employee is terminated for one or more of the performance issues listed previously. Lastly, **absconding** is when the employee decides to leave the organization without resigning and following the normal process. For example, if an employee simply stops showing up to work without notifying anyone of his or her departure, this would be considered absconding. Employee separation costs can be expensive. For example, in the second quarter of 2011, Halliburton reported $8 million in employee separation costs (Lemaire, 2011).

Employee Separations and Layoffs

Resignation means the employee chooses to leave the organization. First, if an employee resigns, normally he or she will provide the manager with a formal resignation e-mail. Then the HR professional usually schedules an exit interview, which can consist of an informal confidential discussion as to why the employee is leaving the organization. If HR thinks the issue or reasons for leaving can be fixed, he or she may discuss with the manager if the resignation will be accepted. Assuming the resignation is accepted, the employee will work with the manager to determine a plan for his or her workload. Some managers may prefer the employee leave right away and will redistribute the workload. For some jobs, it may make sense for the employee to finish the current project and then depart. This will vary from job to job, but two weeks' notice is normally the standard time for resignations.

If it is determined that an employee should be terminated, different steps would be taken than in a resignation situation. First, documentation is necessary, which should have occurred in the progressive discipline process. Performance appraisals, performance improvement plans, and any other performance warnings the employee received should be readily available before meeting with the employee. It should be noted that the reliability and validity of performance appraisals should be checked before dismissing an employee based upon them. Questionable performance appraisals come from the real-world conditions common to rating situations, particularly because of limitations in the abilities of the raters (Weekley, 1989).

Remember that if the discipline process is followed as previously outlined, a termination for nonperformance should never be a surprise to an employee. Normally, the manager and HR manager would meet with the employee to deliver the news. It should be delivered with compassion but be direct and to the point. Depending on previous contracts, the employee may be entitled to a severance package. A **severance package** can include pay, benefits, or other compensation for which an employee is entitled when they leave the organization. The purpose of a severance plan is to assist the employee while he or she seeks other employment. The HR professional normally develops this type of package in conjunction with the manager. Some considerations in developing a severance package (preferably before anyone is terminated) might include the following:

1. How the severance will be paid (i.e., lump sum or in x equal increments)
2. Which situations will pay a severance package and which will not. For example, if an employee is terminated for violation of a sexual harassment policy, is a severance still paid?
3. A formula for how severance will be paid, based on work group, years with the organization, etc.
4. Legal documents, such as legal releases and noncompete agreements
5. How accrued vacation and/or sick leave will be paid, if at all

The last topic that we should discuss in this section is the case of an absconded employee. If an employee stops showing up to work, a good effort to contact this person should be the first priority. If after three days this person has not been reachable and has not contacted the company, it would be prudent to stop pay and seek legal help to recover any company items he or she has, such as laptops or parking passes.

Sometimes rather than dealing with individual performance issues and/or terminations, we find ourselves having to perform layoffs of several to hundreds of employees. Let's address your role in this process next.

6.9. Rightsizing and Layoffs

Rightsizing refers to the process of reducing the total size of employees, to ultimately save on costs. Downsizing ultimately means the same thing as rightsizing, but the usage of the word has changed, in that rightsizing seems to better define the organization's goals, which would be to reduce staff to save money, or rightsize. When a company decides to rightsize and, ultimately, engage in layoffs, some aspects should be considered.

First, is the downturn temporary? There is nothing worse than laying people off, only to find that as business increases, you need to hire again. Second, has the organization looked at other ways to cut expenses? Perhaps cutting expenses in other areas would be advisable before choosing to lay people off. Finally, consideration should be given to offering temporary sabbaticals, voluntary retirement, or changing from a full- to part-time position. Some employees may even be willing to take a temporary pay cut to reduce costs. Organizations find they can still keep good people by looking at some alternatives that may work for the employee and the organization, even on a temporary basis.

If the company has decided the only way to reduce costs is to cut full-time employees, this is often where HR should be directly involved to ensure legal and ethical guidelines are met. Articulating the reasons for layoffs and establishing a formalized approach to layoffs is the first consideration. Before it is decided who should get cut, criteria should be developed on how these decisions will be made. Similar to how selection criteria might be developed, the development of criteria that determines which jobs will be cut makes the process of cutting more fair, albeit still difficult. Establishing the criteria ahead of time can also help avoid managers' trying to "save" certain people from their own departments. After development of criteria, the next phase would be to sit down with management and decide who does or does not meet the criteria and who will be laid off. At this

point, before the layoffs happen, it makes sense to discuss severance packages. Usually, when an employee signs for a severance package, the employee should also sign a form (the legal department can help with this) that releases the organization from all future claims made by the employee.

After criteria has been developed, people have been selected, and severance packages determined, it is key to have a solid communication plan as to how the layoffs will be announced. Usually, this involves an initial e-mail to all employees, letting them know of impending layoffs. Speak with each employee separately, then announce which positions were eliminated. The important thing to remember during layoffs is keeping your employees' dignity; they did not do anything wrong to lose their job—it was just a result of circumstances.

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CHAPTER 8: COMPENSATION

Matching Compensation with Core Values

As you sit down to review the compensation package your company offers, one thing that stands out is that your compensation package no longer matches the core values of your organization. When your organization merged five years ago with a similar firm that specializes in online shoe retailing, your company had to hire hundreds of people to keep up with growth. As a result—and what happens with many companies—the compensation plans are not revised and revisited as they should be. The core values your company adopted from the merging company focused on customer service, freedom to work where employees felt they could be most productive, and continuing education of employees, whether or not the education was related to the organization. The compensation package, providing the basic salary, health benefits, and retirement plan, seems a bit old-fashioned for the type of company yours has become.

After reviewing your company's strategic plan and your human resource management (HRM) strategic plan, you begin to develop a compensation plan that includes salary, health benefits, and retirement plan, but you feel it might be smart to better meet the needs of your employees by making some changes to these existing plans. For example, you are considering implementing a team bonus program for high customer service ratings and coverage for alternative forms of medicine, such as acupuncture and massage. Instead of guessing what employees would like to see in their compensation packages, you decide to develop a compensation survey to assess what benefits are most important to your employees. As you begin this task, you know it will be a lot of work, but it's important to the continued recruitment, retention, and motivation of your current employees.

So, what is compensation and how do you determine it?

6.2 Developing a Compensation Package

Learning Objectives

1. Be able to explain the internal and external considerations of compensation package development.
2. Know how to develop a compensation philosophy.
3. Be able to explain the goals of a compensation plan.
4. Explain types of job evaluation systems and their uses.
5. Be able to define and discuss the types of pay systems and factors determining the type of pay system used.
6. Know the laws relating to compensation.
7. Explain the various types of benefits that can be offered to employees.

There are a few basic aspects of compensation packages we should discuss before moving into the specific aspects of compensation. These foundations can assist in the development of a compensation strategy that meets the goals of your organization and is in line with your strategic plan.

Before beginning to work on your compensation packages, some analysis should be done to determine your organization's philosophy in regard to compensation. Before developing your compensation philosophies, there are some basic questions to address on your current compensation packages.

1. From the employee's perspective, what is a fair wage?
2. Are wages too high to achieve financial health in your organization?
3. Do managers and employees know and buy-into your compensation philosophy?
4. Does the pay scale reflect the importance of various job titles within the organization?
5. Is your compensation good enough to retain employees?
6. Are you abiding by the laws with your compensation package?
7. Is your compensation philosophy keeping in line with labour market changes, industry changes, and organizational changes?

Once these basic questions are addressed, we can see where we might have "holes" in our compensation package and begin to develop new philosophies in line with our strategic plan, which benefits the organization. Some possible compensation policies might include the following:

1. Are salaries higher or lower depending on the location of the business? When looking at what to pay in a given country or area of a province different facets come into play…these could include cost of living in the area and fewer qualified people in a given area.

2. Are salaries lower or higher than the average in your region or area? If the salary is lower, what other benefits will the employee receive to make up for this difference? For example, wages might not be as high, but offering flextime or free day care might offset the lower salary.
3. Should there be a specific pay scale for each position in the organization, or should salaries be negotiated on an individual basis? If there is no set pay scale, how can you ensure individual salary offers are fair and nondiscriminatory?
4. What balance of salary and other rewards, such as bonuses, should be part of your compensation package? For example, some organizations prefer to offer a lower salary, but through bonuses and profit sharing, the employee has the potential to earn more.
5. When giving raises, will the employee's tenure be a factor, or will pay increases be merit based only, or a combination of both?

Let's discuss some internal and external factors in determining compensation in more detail.

Internal and External Pay Factors

One major internal factor is the compensation strategy the company has decided to use. Sixty-two percent of organizations have a written, documented compensation policy (Scott, 2011).

Some organizations choose a market compensation policy, market plus, or market minus philosophy. A **market compensation policy** is to pay the going rate for a particular job, within a particular market based on research and salary studies. The organization that uses a market plus philosophy will determine the going rate and add a percentage to that rate, such as 5 percent. So if a particular job category median pays $57,000, the organization with a market plus of 5 percent philosophy will pay $59,850. A market minus philosophy pays a particular percentage less than the market; so in our example, if a company pays 5 percent less, the same job would pay $54,150.

An example of an organization with a **market plus philosophy** is Cisco Systems, listed as one of the top-paying companies on *Fortune*'s annual list. For example, they pay $131,716 for software engineers, while at Yahoo! software engineers are paid an average of $101,669, using a market philosophy. The pay at Cisco reflects its compensation philosophy and objectives:

Cisco operates in the extremely competitive and rapidly changing high-technology industry. The Board's Compensation Committee believes that the compensation programs for the executive offi-

cers should be designed to attract, motivate, and retain talented executives responsible for the success of Cisco and should be determined within a framework based on the achievement of designated financial targets, individual contribution, customer satisfaction, and financial performance relative to that of Cisco's competitors. Within this overall philosophy, the Compensation Committee's objectives are to do the following:

Offer a total compensation program that is flexible and takes into consideration the compensation practices of a group of specifically identified peer companies and other selected companies with which Cisco competes for executive talent.

Provide annual variable cash incentive awards that take into account Cisco's overall financial performance in terms of designated corporate objectives, as well as individual contributions and a measure of customer satisfaction.

Align the financial interests of executive officers with those of shareholders by providing appropriate long-term, equity-based incentives.

An example of an organization with a **market minus philosophy** is Whole Foods. The executive compensation for Whole Foods is a maximum of nineteen times the average store worker (or $608,000), very low by *Fortune* 500 executive pay standards, which average 343 times (Allen, 2011). According to John Mackey, Whole Foods CEO, paying on a market minus philosophy makes good business sense: "Fewer things harm an organization's morale more than great disparities in compensation. When a workplace is perceived as unfair and greedy, it begins to destroy the social fabric of the organization" (Hamner & McNichol, 2011). Another example of an organization with a market minus philosophy is Southwest Airlines. Despite the lower pay (and more hours), the organization boasts just a 1.4 percent turnover rate, which can be attributed not to pay but to the workplace culture and, as a result, loyalty to the company (Eggers, 2011).

There are many reasons why an organization would choose one philosophy over another. A market minus philosophy may tie into the company's core values, as in Whole Foods, or it may be because the types of jobs require an unskilled workforce that may be easier and less expensive to replace. A company may use a market plus philosophy because the industry's cutting-edge nature requires the best and the brightest.

Other internal pay factors might include the employer's ability to pay, the type of industry, and the value of the employee and the particular job to the organization. In addition, the presence of a union can lead to mandated pay scales.

External pay factors can include the current economic state. Unemployment rates are a factor in this assessment. As a result of surplus workers, compensation may be reduced within organizations because of oversupply of workers. Inflation and cost of living in a given area can also determine compensation in a given market.

Once an organization has looked at the internal and external forces affecting pay, it can begin to develop a pay system within the organization.

Key Takeaways

- Before beginning work on a pay system, some general questions need to be answered. Important starting points include questions ranging from what is a fair wage from the employees' perspectives to how much can be paid but still retain financial health.
- After some pay questions are answered, a pay philosophy must be developed, based on internal and external factors. Some companies implement a market compensation philosophy, which pays the going market rate for a job. Other companies may decide to utilize a market plus philosophy, which pays higher than the average. A company could decide its pay philosophy is a market minus philosophy, which pays less than the market rate. For example, an organization may decide to pay lower salaries but offer more benefits.
- Once these tasks are done, the HR manager can then build a pay system that works for the size and industry of the organization.

Exercise

1. Think of your current organization or a past organization. What do you think their pay policy is/was? Describe and analyze whether you think it was or is effective. If you haven't worked before, perform an Internet search on pay policies and describe/analyze the pay policy of an organization.

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6.1 Goals of a Compensation Plan

So far, we have discussed the process for strategic plan development and the recruitment and selection process. The next aspect of HRM is to develop compensation plans that will help in the recruitment and retention of employees.

Should pay and compensation be discussed.

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Most of us, no matter how much we like our jobs, would not do them without a compensation package. When we think of compensation, often we think of only our paycheck, but compensation in terms of HRM is much broader.

This is the concept of **Total Rewards Package.** A **compensation package** can include pay, healthcare benefits, and other benefits such as retirement plans, which will all be discussed in this chapter.

First, the compensation package should be positive enough to attract the best people for the job. An organization that does not pay as well as others within the same industry will likely not be able to attract the best candidates, resulting in a poorer overall company performance.

Once the best employees and talent come to work for your organization, you want the compensation to be competitive enough to motivate people to stay with your organization. Although we know that compensation packages are not the only thing that motivates people, compensation is a key component.

Third, compensation can be used to improve morale, motivation, and satisfaction among employees. If employees are not satisfied, this can result not only in higher turnover but also in poor quality of work for those employees who do stay. A proper compensation plan can also increase loyalty in the organization.

Pay systems can also be used to reward individual or team performance and encourage employees to work at their own peak performance.

With an appropriate pay system, companies find that customer service is better because employees are happier. In addition, having fairly compensated, motivated employees not only adds to the bottom line of the organization but also facilitates organizational growth and expansion. Motivated employees can also save the company money indirectly, by not taking sick days when

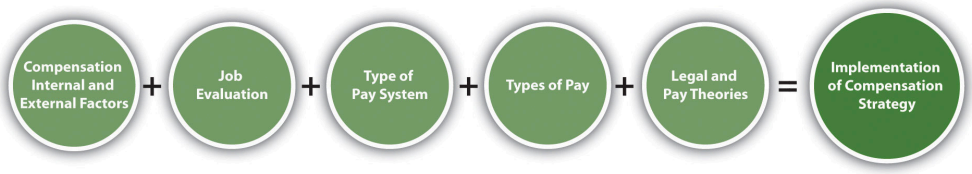
the employee isn't really sick, and companies with good pay packages find fewer disability claims as well. Websites such as **Glassdoor** or **Indeed** give you easy access to salary information of companies.

So far, our focus on HRM has been a strategic focus, and the same should be true for development of compensation packages. Before the package is developed for employees, it's key to understand the role compensation plays in the bottom line of the organization. The next few sections will detail the aspects of creating the right compensation packages for your organization, including legal considerations.

6.3 Types of Pay Systems

Once you have determined your compensation strategy based on internal and external factors, you will need to evaluate jobs, develop a pay system, and consider pay theories when making decisions. Next, you will determine the mix of pay you will use, taking into consideration legal implications.

Figure 6.2 The Process for Implementing Compensation Strategy



Job Evaluation Systems

As mentioned when we discussed internal and external factors, the value of the job is a major factor when determining pay. There are several ways to determine the value of a job through job evaluation. **Job evaluation** is defined as the process of determining the relative worth of jobs to determine pay structure. Job evaluation can help us determine if pay is equitable and fair among our employees. There are several ways to perform a job evaluation.

Job ranking system

One of the simplest methods, used by smaller companies or within individual departments, is a job ranking system.

In this type of evaluation, job titles are listed and ranked in order of importance to the organization. A **paired comparison** can also occur, in which individual jobs are compared with every other job, based on a ranking system, and an overall score is given for each job, determining the highest-

valued job to the lowest-valued job. For example, in **Table 6.1 "Example of a Paired Comparison for a Job Evaluation"**, four jobs are compared based on a ranking of 0, 1, or 2. Zero indicates the job is less important than the one being compared, 1 means the job is about the same, and 2 means the job is more important. When the scores are added up, it is a quick way to see which jobs are of more importance to the organization. Of course, any person creating these rankings should be familiar with the duties of all the jobs. While this method may provide reasonably good results because of its simplicity, it doesn't compare differences between jobs, which may have received the same rank of importance.

Table 6.1 Example of a Paired Comparison for a Job Evaluation

Job	Receptionist	Project Manager	Account Manager	Sales	Director
Receptionist	X	0	0	0	0 = 4th
Project Administrative Assistant	1	X	0	0	1 = 3rd
Account Manager	2	1	X	0	3 = 2nd
Sales Director	2	2	2	X	6 = 1st

Based on the paired ranking system, the sales director should have a higher salary than the project administrative assistant, because the ranking for that job is higher. Likewise, a receptionist should be paid less than the project administrative assistant because this job ranks lower.

Job Classification System

In a **job classification system**, every job is classified and grouped based on the knowledge and skills required for the job, years of experience, and amount of authority for that job. Tied to each job are the basic function, characteristics, and typical work of that job classification, along with pay range data.

Point-Factor System

Another type of job evaluation system is the **point-factor system**, which determines the value of a job by calculating the total points assigned to it. The points given to a specific job are called **compensable factors**. These can range from leadership ability to specific responsibilities and skills required for the job. Once the compensable factors are determined, each is given a weight compared to the importance of this skill or ability to the organization. When this system is applied to every job in the organization, expected compensable factors for each job are listed, along with corresponding points to determine which jobs have the most relative importance within the organization. Some organizations use a point-factor system. Examples of some compensable factors include the following:

1. Knowledge
2. Autonomy
3. Supervision
4. Psychological demands
5. Interpersonal skills
6. Internal and external contacts

Each of the compensable factors has a narrative that explains how points should be distributed for each factor. The points are then multiplied by the weight to give a final score on that compensable factor. After a score is developed for each, the employee is placed on the appropriate pay level for his or her score.

Another option for job evaluation is called the **Hay profile method**. This proprietary job evaluation method focuses on three factors called know-how, problem solving, and accountability. Within these factors are specific statements such as "procedural proficiency." Each of these statements is given a point value in each category of know-how, problem solving, and accountability. Then job descriptions are reviewed and assigned a set of statements that most accurately reflect the job. The point values for each of the statements are added for each job description, providing a quantitative basis for job evaluation and eventually, compensation. An advantage of this method is its quantitative nature, but a disadvantage is the expense of performing an elaborate job evaluation.

Pay Systems

Once you have performed a job evaluation, you can move to the third step, which we call **pay grading**. This is the process of setting the pay scale for specific jobs or types of jobs.

The first method to pay grade is to develop a variety of **pay grade levels.** Then once the levels are developed, each job is assigned a pay grade. When employees receive raises, their raises stay within the range of their individual pay grade, until they receive a promotion that may result in a higher pay grade. The advantage of this type of system is fairness. Everyone performing the same job is within a given range and there is little room for pay discrimination to occur. However, since the system is rigid, it may not be appropriate for some organizations in hiring the best people. Organizations that operate in several cities might use a pay grade scale, but they may add percentages based on where someone lives. For example, the cost of living in Charlevoix, Quebec is much lower than in Montreal, Quebec. If an organization has offices in both places, it may choose to add a percentage pay adjustment for people living within a geographic area—for example, 10 percent higher in Montreal.

One of the downsides to pay grading is the possible lack of motivation for employees to work harder. They know even if they perform tasks outside their job description, their pay level or pay grade will be the same. This can incubate a stagnant environment. Sometimes this system can also create too many levels of hierarchy. For large companies, this may work fine, but smaller, more agile organizations may use other methods to determine pay structure.

For example, some organizations have moved to a **delayering and banding** process, which cuts down the number of pay levels within the organization. General Electric delayered pay grades in the mid-1990s because it found that employees were less likely to take a reassignment that was at a lower pay grade, even though the assignment might have been a good development opportunity (Ferris, 1995). So, delayering enables a broader range of pay and more flexibility within each level. Sometimes this type of process also occurs when a company downsizes. Let's assume a company with five hundred employees has traditionally used a pay grade model but decided to move to a more flexible model. Rather than have, say, thirty pay levels, it may reduce this to five or six levels, with greater salary differentials within the grades themselves. This allows organizations to better reward performance, while still having a basic model for hiring managers to follow.

Rather than use a pay grade scale, some organizations use a **going rate model**. In this model, analysis of the going rate for a particular job at a particular time is considered when creating the compensation package. This model can work well if market pressures or labor supply-and-demand pressures greatly impact your particular business. For example, if you need to attract the best pro-

ject managers, but more are already employed (lack of supply)—and most companies are paying $75,000 for this position—you will likely need to pay the same or more, because of labor supply and demand.

Compensation Strategies

In addition to the pay level models we just looked at, other considerations might include the following:

1. **Skill-based pay.** With a skill-based pay system, salary levels are based on an employee's skills, as opposed to job title. This method is implemented similarly to the pay grade model, but rather than job title, a set of skills is assigned a particular pay grade.
2. **Competency-based pay.** Rather than looking at specific skills, the competency-based approach looks at the employee's traits or characteristics as opposed to a specific skills set. This model focuses more on what the employee can become as opposed to the skills he or she already has.
3. **Broadbanding.** Broadbanding is similar to a pay grade system, except all jobs in a particular category are assigned a specific pay category. For example, everyone working in customer service, or all administrative assistants (regardless of department), are paid within the same general band. McDonald's uses this compensation philosophy in their corporate offices, stating that it allows for flexibility in terms of pay, movement, and growth of employees (McDonald's Corporation, 2011).
4. **Variable pay system.** This type of system provides employees with a pay basis but then links the attainment of certain goals or achievements directly to their pay. For example, a salesperson may receive a certain base pay but earn more if he or she meets the sales quota.

Pay Theories

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Now that we have discussed pay systems, it is important to look at some theories on pay that can be helpful to know when choosing the type of pay system your organization will use.

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https://opentextbooks.concordia.ca/hrmcanadian/?p=66#oembed-2

The**equity theory** is concerned with the relational satisfaction employees get from pay and inputs they provide to the organization. It says that people will evaluate their own compensation by comparing their compensation to others' compensation and their inputs to others' inputs. In other words, people will look at their own compensation packages and at their own inputs (the work performed) and compare that with others. If they perceive this to be unfair, in that another person is paid more but they believe that person is doing less work, motivational issues can occur. For example, people may reduce their own inputs and not work as hard. Employees may also decide to leave the organization as a result of the perceived inequity. In HR, this is an important theory to understand, because even if someone is being paid fairly, they will always compare their own pay to that of others in the organization. The key here is perception, in that the fairness is based entirely on what the employee sees, not what may be the actual reality. Even though HR or management may feel employees are being paid fairly, this may not be the employee's belief. In HR, we need to look at two factors related to pay equity: external pay equity and internal pay equity. External pay equity refers to what other people in similar organizations are being paid for a similar job. Internal pay equity focuses on employees within the same organization. Within the same organization, employees may look at higher level jobs, lower level jobs, and years with the organization to make their decision on pay equity. Consider Walmart, for example. In 2010, Michael Duke, CEO of Walmart, earned roughly $35 million in salary and other compensation (Gomstyne, 2010), while employees earned the minimum wage or slightly higher in their respective states. While Walmart contends that its wages are competitive in local markets, the retail giant makes no apologies for the

pay difference, citing the need for a specialized skill set to be able to be the CEO of a *Fortune* 500 company. There are hundreds of articles addressing the issue of pay equity between upper level managers and employees of an organization. To make a compensation strategy work, the perceived inputs (the work) and outputs (the pay) need to match fairly.

The **expectancy theory** is another key theory in relation to pay. The expectancy theory says that employees will put in as much work as what they expect to receive in return for it. In other words, if the employee perceives they are going to be paid favorably, they will work to achieve the outcomes. If they believe the rewards do not equal the amount of effort, they may not work as hard.

The **reinforcement theory**, developed by Edward L. Thorndike (Indiana University, 2011), says that if high performance is followed by some reward, that desired behavior will likely occur in the future. Likewise, if high performance isn't followed by a reward, it is less likely the high performance will occur in the future. Consider an extreme example of the reinforcement theory in the world of finance. On Wall Street, bonuses for traders and bankers are a major part of their salary. The average bonus in 2010 was $128,530 (Smith, 2011), which does not take into account specific commissions on trades, which can greatly increase total compensation. One interesting consideration is the ethical implications of certain pay structures, particularly commission and bonus plans. Traditionally, a bonus structure is designed to reward performance, rather than be a guaranteed part of the compensation plan. Bonus and commission plans should be utilized to drive desired behavior and act as a reward for the desired behavior, as the reinforcement theory states.

Think about the recent deal between Air Transat and Air Canada where Air Canada bought the company for much less than anticipated but the C-level Air transat employees still kept their bonus…was this ethical? (clip in French)

https://www.tvanouvelles.ca/2020/10/13/des-millions-en-bonus-pour-les-dirigeants-de-transat

All these theories provide us information to make better decisions when developing our own pay systems. Other considerations are discussed next.

Pay Decision Considerations

Besides the motivational aspect of creating a pay structure, there are some other considerations. First, the size of the organization and the expected expansion of the organization will be a factor. For example, if you are the HR manager for a ten-person company, you likely use a going rate or management fit model. While this is appropriate for your company today, as your organization grows, it may be prudent to develop a more formal pay structure.

If your organization also operates overseas, a consideration is how domestic workers will be paid in comparison to the global market. One strategy is to develop a centralized compensation system, which would be one pay system for all employees, regardless of where they live. The downside to this is that the cost of living may be much less in some countries, making the centralized system possibly unfair to employees who live and work in more expensive countries. Another consideration is in what currency employees will be paid. Most US companies pay even their overseas workers in dollars, and not in the local currency where the employee is working. Currency valuation fluctuations could cause challenges in this regard (Watson, 2005).

How you communicate your pay system is extremely important to enhance the motivation that can be created by fair and equitable wages. In addition, where possible, asking for participation from your employees through the use of pay attitude surveys, for example, can create a transparent compensation process, resulting in higher performing employees.

Organizations should develop market pay surveys and review their wages constantly to ensure the organization is within expected ranges for the industry.

Table 6.3 Types of Pay

Pay	Attributes
Salary	Fixed compensation calculated on a weekly, biweekly, or monthly basis. No extra pay for overtime work.
Hourly Wage	Employees are paid on the basis of number of hours worked.
Piecework System	Employees are paid based on the number of items that are produced.
Types of Incentive Plans	**Attributes**
Commission Plans	An employee may or may not receive a salary but will be paid extra (e.g., a percentage for every sale made).
Bonus Plans	Extra pay for meeting or beating some goal previously determined. Bonus plans can consist of monetary compensation, but also other forms such as time off or gift certificates.
Profit-Sharing Plans	Annual bonuses paid to employees based on the amount of profit the organization earned.
Stock Options	When an employee is given the right to purchase company stock at a particular rate in time. Please note that a stock "option" is different from the actual giving of stock, since the option infers the employee will buy the stock at a set rate, obviously, usually cheaper than the going rate.
Other Types of Compensation	**Attributes**
Fringe Benefits	This can include a variety of options. Sick leave, paid vacation time, health club memberships, daycare services.
Health Benefits	Most organizations provide health and dental care benefits for employees. In addition, disability and life insurance benefits are offered.
401(k) Plans	Some organizations provide a retirement plan for employees. The company would work with a financial organization to set up the plan so employees can save money, and often, companies will "match" a percentage of what the employee contributes to the plan.

Types of Pay

After a pay system has been developed, we can begin to look at specific methods of paying our employees. Remember that when we talk about compensation, we are referring to not only an actual paycheck but additional types of compensation, such as incentive plans that include bonuses and profit sharing. We can divide our total pay system into three categories: pay, incentives, and

other types of compensation. Pay is the hourly, weekly, or monthly salary an employee earns. An incentive, often called a pay-for-performance incentive, is given for meeting certain performance standards, such as meeting sales targets. The advantage to incentive pay is that company goals can be linked directly to employee goals, resulting in higher pay for the employee and goal achievement by the organization. The following are desirable traits of incentive plans:

- Clearly communicated
- Attainable but challenging
- Easily understandable
- Tied to company goals

Laws Relating to Pay

As you have already guessed from our earlier chapter discussions, people cannot be discriminated against when it comes to development of pay systems. One issue hotly debated is the issue of comparable worth. **Comparable worth** states that people should be given similar pay if they are performing the same type of job. Evidence over the years shows this isn't the case, with women earning less than men in many industries. On average, a woman earns 79 cents for every $1.00 a man earns.

Remember that gender is one of the protected categories in the Canadian Human Rights Act and thus gender should not be a factor in pay determination.

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6.4 Other Types of Compensation

As you already know, there is more to a compensation package than just pay. There are many other aspects to the creation of a good compensation package, including not only pay but incentive pay and other types of compensation.

Some of the benefits are **mandatory** and they are provided by the employer due to the laws and the provincial regulations. These includes Canada and Quebec pension plans, Employment Insurance, Medical services (Medicare), Leaves without pay (Compassion leave or other) as well as those that are governed by the Employment Standards (ex. holidays). These can be seen by direct deductions on your paycheck, every pay has a deduction that is taken for the pension plans and for employment insurance. These deductions are there to protect the employee in the future during retirement or any loss income due to lose of job. By contributing to Employment Insurance in the event that the employee would unfortunately lose their job, they would be entitled to unemployment benefits.

Other benefits are **voluntary** and are at the discretion of the employer. Many different benefits can be offered from the employer. The most common ones will be highlighted here. Most employers will offer health benefits, such as extended medical plans and dental coverage with different providers such as SunLife or others. These can include private medical consultations, eye doctor examination, private professional consultations, dental consultations and procedures etc.

In addition to the standard Quebec and Canada pension plan, some companies allow employees to contribute even further to their retirement plans. This can be done with a defined benefit or defined contribution plan.

Some employers also provide vacations with pay, and paid sick leave as well. This will vary from organization to organization, and the details will be highlighted in the company policy and procedures.

More and more employers are also offering employees wellness programs that include access to mental wellness and alternate programs such as gym memberships, yoga, Employee Assistance programs and so forth.

Furthermore, some also allow educational assistance programs where they will reimburse for courses taken.

Another key benefit that some employees look for and that may be supplied by the employer include childcare services and elderly care.

The range of offers depend on the employer, their size, and their capability to offer the benefits.

One aspect to note is that once these benefits are offered, the employer should not remove them as this will cause employees to feel unmotivated.

A Final Note on Compensation and Benefits Strategy

When creating your compensation plan, of course the ability to recruit and retain should be an important factor. But also, consideration of your workforce needs is crucial to any successful compensation plan. The first step in development of a plan is to ask the employees what they care about. Some employees would rather receive more pay with fewer benefits or better benefits with fewer days off. Surveying the employees allows you, as the HR professional, to better understand the needs of your specific workforce. Once you have developed your plan, understand that it may change to best meet the needs of your business as it changes over time.

Once the plan is developed, communicating the plan with your employees is also essential. Inform your employees via an HR blog, e-mails, and traditional methods such as face to face. Your employees might not always be aware of the benefits cost to the company, so making sure they know is your responsibility. For example, if you pay for 80 percent of the medical insurance premiums, let your employees know. This type of communication can go a long way to allowing the employees to see their value to you within the organization.

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CHAPTER 9: SAFETY AND HEALTH AT WORK

Training for Safety during the Pandemic

You have recently been hired as the new Safety and Training Coordinator for a multinational pharmaceutical company. You are aware of the general Occupational Health and Safety Practices that you need to follow and spend the first few weeks in your new role ensuring all employees receive a refresher training on the Material Data Safety Sheets and the Chemical Hazards in the Workplace principles.

The third week on the job, you receive a call from your director and she says that she is very disappointed with the number of medical leaves that have increased since you started. You are confused as you did what you normally do when you work in this domain based on your previous roles and ten years plus experience in Occupational Health and Safety. Perplexed by the results, you ask to see the report of health and safety absences. You notice that most employees lost more than one day of work due to Covid-19 symptoms and the remainder are due to mental issues related to anxiety felt in this global context.

Your director asks you what went wrong?

You take a moment and you realize that although you did standard Occupational Health and Safety training, you omitted a crucial part of safety training in this new global context. You assure your director you are on top of the situation and start your remediation plan.

First on your to do list: you consult the CNESST site that encompasses all of the employers obligations related to the pandemic.

https://www.cnesst.gouv.qc.ca/salle-de-presse/covid-19-info-en/Pages/toolkit.aspx

To ensure this does not occur in the future, you devise a clear plan on safety training in a global pandemic.

As seen in this aforementioned example, safety training is at the forefront of everyone's mind these days. The global pandemic has shifted the way we work. Companies must adapt to the new security measures that are ever changing and ensure that the health of their employees is protected. The organization has the overall responsibility to ensure that their workers have the proper

personal protective equipment (PPE) and that they are aware of the safety norms. Training is paramount. There needs to be clear metrics to ensure that the rules are being followed and that the issues of non-compliance are being tracked.

13.1 Workplace Safety and Health Laws

Learning Objectives

1. Understand employer and employee obligations in regards to occupational health and safety (H&S)
2. Be able to explain the impact of non compliance in H&S
3. Be able to explain health concerns that can affect employees at work.

Workplace safety is the responsibility of everyone in the organization. HR professionals and managers, however, play a large role in developing standards, making sure occupational healthy and safety laws are followed, and tracking workplace accidents. Health and safety is a key component of any human resource management (HRM) strategic plan.

9.1 Rules and Regulations

What does the law say?

In Canada, the **Canadian Labour Code**, in particular, the **Canadian Occupational Health and Safety Regulations**, have provisions regarding what employer's and employee's responsibilities are.

Health and Safety is both a federal and provincial responsibility in Canada. In essence, Health Canada contributes to occupational health and safety (OHS) issues by coordinating the Workplace Hazardous Materials Information System and by monitoring workplace radiation exposure. Health Canada also provides employee assistance services and occupational health services to federal employees.

Approximately 6% of the Canadian workforce falls under the OH&S jurisdiction of the federal government. The remaining 94% of Canadian workers fall under the legislation of the province or territory where they work.

In Quebec, the Commission des Normes, de l'équité, de la santé et de la sécurité du travail, **CNESST**, dictates the best practices and steps to follow for both management and employees.

According to the latest statistics from the CNESST dated from 2018, 228 employees lost their lives during a work related accident or illness. There were 91,711 employees who were injured in the workplace which can be equivalent to 251 accidents per day or 1 accident every six minutes!

What is the CNESST's role in Québec?

The Commission de la santé et de la sécurité du travail (CSST), now referred to as the CNESST, is the organization mandated by the Government of Québec to administer the province's occupational health and safety plan. It acts in the capacity of a public insurer for workers and employers while also overseeing prevention in the workplace. The occupational health and safety plan evolved from a wide consensus, which led to a social contract linking over two million workers to their respective employers. Under this contract, workers are compensated for employment injuries, and employers are protected from legal action.

- The CNESST offers victims of work-related accidents or occupational diseases financial support, along with the medical and rehabilitation assistance necessary to enable a return to work.
- The CNESST benefits employers who fund the system through the payment of premiums (assessments) by helping them to ensure a healthier, hazard-free workplace.
- The CNESST is responsible for applying the two main laws governing the rights and obligations of workers and employers with regard to occupational health and safety.

This is why it is essential to advise the CSNESST the moment you get hurt in the workplace so that the process of reimbursement and claim can commence. It is the **EMPLOYEE**'s responsibility to advise CNESST of the accident or health injury that occurred at the workplace and to get the process started.

9.2 COVID-19 and its implications on Occupational Health and Safety

In the beginning of the COVID-19 pandemic it became clear that there was a lack of awareness of Personal Protective Equipment that needs to be used in the workplace. One area that was strongly hit was the CHSLD, the Quebec nursing homes.

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How can the CNESST help in these situations?

In matters of prevention, it is responsible, in particular, for monitoring compliance with the Act respecting occupational health and safety and its regulations and for ensuring that workplaces meet occupational health and safety requirements.

The CNESST is playing a leading role in preventing the spread of COVID-19 and is working closely with the public health department on a daily basis.

From the outset, inspectors were deployed throughout Québec to help workplaces implement adequate occupational health and safety measures.

The inspectors take action, particularly in workplaces where employees have exercised their right to refuse to work under the Act respecting occupational health and safety (AOHS), where complaints have been filed or where serious industrial accidents have taken place. They are authorized to verify compliance with the AOHS and regulations and, if necessary, demand that unsafe situations be rectified. Thus, they can intervene to check whether the employer has put in place the preventive measures required to protect the health and safety of workers. For example, between March 13 and August 9, 2020, they performed over 9,152 interventions regarding COVID-19, particularly following 2,387 complaints and 25 rights to refuse work exercised in accordance with the AOHS and related to COVID-19.

Inspectors also provide support, responding to concerns and providing workplaces with information, in particular on the obligations of employers and workers concerning the preventive measures to be put in place to reduce COVID-19-related biological risks that could affect the health of workers.

To help workplaces implement adequate occupational health and safety measures, the CNESST has developed awareness and information tools. A COVID-19 toolkit is now available on its website. It includes several COVID-19 sanitation standards guides, quick reference guides, checklists and a

poster summarizing the preventive measures to put in place. These tools were developed by the CNESST in collaboration with employer and labour representatives, and in conjunction with Direction générale de la Santé publique and Institut national en santé publique du Québec (INSPQ) to address the concerns of workplaces in various industries regarding the measures to be put in place to prevent the spread of the virus **https://www.cnesst.gouv.qc.ca/salle-de-presse/covid-19-info-en/Pages/toolkit.aspx**.

A mobile app on the measures to be implemented to avoid the spread of COVID-19 is now available on Google Play or App Store. This scalable app is meant to be an essential awareness tool to accompany and support employers and workers in the continuity of operations of Québec businesses. Its goal is to assist them in compliance with the sanitary instructions of the Direction de la santé publique. Free and easy to consult, this mobile app is accessible everywhere at any time.

The CNESST created teams with the aim of promoting prevention. Thus, nearly 1,000 prevention promotion officers coming from several departments and bodies are deployed in the work environments to inform employers and workers and raise their awareness about workplace sanitary standards to be implemented to reduce and control the spread of COVID-19.

To start the movement to fight COVID-19 in the workplace, CNESST invites all workplaces to sign a **charter of commitment (french only)** to undertake the actions required to reduce the risk of the spread of this virus. To date, the Minister of Labour, Employment and Social Solidarity, the Chair of the Board of Directors and Chief Executive Officer of the CNESST and the National Director of Public Health and Assistant Deputy Minister, Ministère de la Santé et des Services sociaux and all members of the joint board of directors of the CNESST have signed this charter of commitment.

Moreover, in the event of a work-related injury, the CNESST will compensate victims of employment injuries and see to their rehabilitation. Here is a **list of Q&A** that CNESST has published to help employers.

9.3 Human Resource and Occupational Health and Safety

Respecting the governing laws and how incidents and accidents will be reported should be facilitated by the HR professional. Although HR employees may not know the chemical makeup of the materials used or the exact details of every job function, they are responsible for facilitating the process to ensure that reporting is done timely and accurately.

In order for a company to ensure a safe working environment, every single person in the organization has a part to play. The company is tasked with ensuring that the environment is safe, but employees are responsible to know their right and to adhere to the guidelines. Let's explore the specific rights and responsibilities of each.

What are the employer's duties?

The employer is responsible to:

- Provide a hazard-free workplace
- Comply with regulation
- Take every reasonable precaution to ensure employee Health and Safety (H&S)

... including these specific duties:

- Inform employees about H & S requirements
- Investigate accidents and keep records
- Compile annual summary of work injuries & illnesses
- Report accidents that cause injuries and diseases
- Ensure supervisors are familiar with the work and hazard
- Provide H & S training

It is the supervisor of the given department who:

- Advises employees of potential hazard
- Ensures workers wear safety equipment, devices, or clothing
- Provides written instructions about H & S
- Takes every reasonable precaution to guarantee H & S of workers

Some companies may also have a Joint Health and Safety committee who is responsible for:

- Advising employers
- Creating a non-adversarial climate
- Investigating accidents
- Training others in H & S obligations

What are the employee's duties?

- Comply with acts and regulations
- Report hazardous conditions or defective equipment
- Follow H & S rules and regulations
- Request and receive info about health & safety conditions
- Refuse unsafe work (with exceptions)

Record keeping and tracking incidents

The purpose of the record keeping does not imply that the employee or the company is at fault for an illness or injury. In addition, just because a record is kept doesn't mean the employee will be eligible for worker's compensation. The record-keeping aspect normally refers to the keeping of incidence rates, or the number of illnesses or injuries per one hundred full-time employees per year, as calculated by the following formula:

incidence rate=number of injuries and illness × 200,000 / total hours worked by all employees in the period

Two hundred thousand is the standard figure used, as it represents one hundred full-time employees who work forty hours per week for fifty weeks per year. An HR professional can then use this data and compare it to other companies in the same industry to see how its business is meeting safety standards compared with other businesses. This calculation provides comparable information, no matter the size of the company. If the incidence rate is higher than the average, the HR professional might consider developing training surrounding safety in the workplace.

9.4 Liabilities

Can a company ever be legally responsible for H&S violations?

Yes it can, due to the Westray Law or the Bill C-45.

Westray Law or former Bill C-45

The *Westray Law*, former Bill C-45, *An Act to amend the Criminal Code* (*criminal liability of organizations*), came into force on March 31, 2004. It modernized the criminal law's approach for establishing the criminal liability of corporations for workplace deaths and injuries. Specifically, it:

- established rules for attributing criminal liability to organizations, including corporations, for the acts of their representatives
- established a legal duty for all persons directing the work of others to take reasonable steps to ensure the safety of workers and the public

- set out factors that a court must consider when sentencing an organization
- provided conditions of probation that a court may impose on an organization

An organization can be held criminally liable if:

1. a representative or representatives of the organization acting within the scope of their authority were a party to the offence; and,
2. a senior officer responsible for the aspect of the organization's activities relevant to the offence, departed markedly from the standard of care that could reasonably be expected to prevent the representative from being a party to the offence.
3. a senior officer acting within the scope of authority was a party to the offence; or,
4. the senior officer had the *mens rea* for the offence, was acting within the scope of authority and directed the work of other representatives to perform the act element of the offence; or,
5. the senior officer did not take reasonable measures to stop the commission of the offence by a representative.

Section 217.1 of the *Criminal Code* creates an occupational health and safety duty for all organizations and individuals who direct the work of others in Canada. It requires all organizations and individuals who undertake or have the authority to direct how others work or perform a task, to take all reasonable steps to prevent bodily harm to the person performing the work or task, and to any other person.

Some real life examples of Westray Law

On March 17, 2008 a paving company (Transpave) was charged and convicted of criminal negligence and fined $100,000 in the death of an employee, plus a $10,000 victim surcharge.

On May 17, 2007, Mark Hritchuk, a Service Manager at a LaSalle, Quebec auto dealership was charged with criminal negligence after one of his employees caught on fire while using a makeshift fuel pump that had gone unrepaired and broken for several years. Mr. Daoust, a 22 year employee with the company, was engulfed in flames after a spark ignited fuel which had spilled on him, while he attempted to fill the gas tank of a vehicle whose fuel gage had broken and needed repairing. The employee survived but received third degree burns to 35% of his body. The case was brought before a court of inquiry on March 10, 2009. The case went to court in March 2012. Mr Hritchuk pleaded guilty of unlawfully causing bodily harm.

https://www.ccohs.ca/oshanswers/legisl/billc45.html

9.5 Main purpose of worker compensation

It is important to note that the main intent of the worker's compensation is to ensure that the employee return to his/her original job.

However if the employee cannot return to his job due to permanent injuries there are four options available.

•Cash payouts (for permanent disability)
•Wage loss payments (if worker can no longer earn as much)
•Medical aid
•Vocational rehabilitation

[1]"Workplace Injuries and Illnesses: 2009," Bureau of Labor Statistics, US Department of Labor, news release, October 21, 2010, accessed April 14, 2011, **http://www.bls.gov/news.release/archives/osh_10212010.pdf**.

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13.2 Health Hazards at Work

9.6 Types of health incidents

The main different types of health incidents that can occur are:

Occupational injury: Cut, fracture, sprain, or amputation resulting from a workplace accident or from an exposure involving an accident in the work environment

Occupational illness:Abnormal condition or disorder caused by exposure to environmental factors associated with employment

Industrial disease: Disease resulting from exposure relating to a particular process, trade, or occupation in industry

One such illness that has received wide attention in the media is that of the consquences of working with Asbestos. Think about all of the workers who were affected by working with Asbestos, whether it be the construction workers or the miners.

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9.7 Stress and other safety concerns

In addition to issues that are directly linked to injuries there is another facet that is also part of Health and Safety.

Stress management, office-related injuries such as carpal tunnel syndrome, and no-fragrance areas are all contemporary issues surrounding employee health and safety. In addition , given our new reality, employer's need to also have provisions in place for communicable diseases such as COVID-19 as we discussed in the previous section.

Let's have a closer look at the most common issues experienced at work.

Stress and Being Overly Productive

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In its annual survey on stress in America, the American Psychological Association found that money (76 percent), work (70 percent), and the economy (65 percent) remain the most oft-cited sources of stress for Americans.

Job instability is on the rise as a source of stress: nearly half (49 percent) of adults reported that job instability was a source of stress in 2010 (compared to 44 percent in 2009). At the same time, fewer Americans are satisfied with the ways their employers help them balance work and non-work demands (36 percent in 2010 compared to 42 percent in 2009). The implications of these findings are obviously important for HRM professionals.

Before we discuss what HR professionals can do, let's discuss some basic information about stress. As it is currently used, the term *stress* was coined by Hans Selye in 1936, who defined it as "the nonspecific response of the body to any demand for change" (The American Institute of Stress, 2011).

In other words, we can say that **stress** is the reaction we have to a stressor. A **stressor** is some activity, event, or other stimulus that causes either a positive or negative reaction in the body. Despite what people may think, some stress is actually good. For example, receiving a promotion at work may cause stress, but this kind of stress is considered to be positive. Stress is very much a personal thing, and depending on individual personalities, people may have different opinions about what is a stressor and what is not.

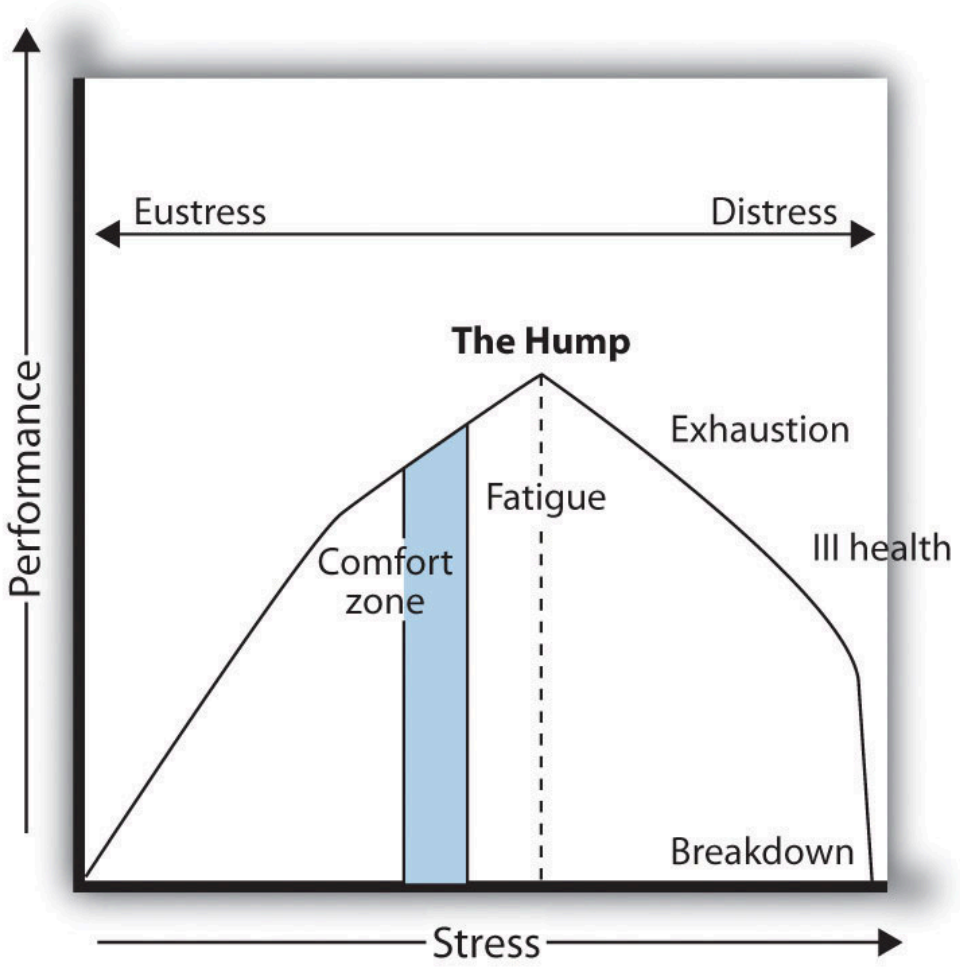
For example, a professor does not normally find public speaking to be a stressor, while someone who does not do it on a daily basis may be very stressed about having to speak in public.

Stress Management

Selye recognized that not all stress is negative. Positive stress is called **eustress**. This type of stress is healthy and gives a feeling of fulfillment and other positive feelings. Eustress can cause us to push ourselves harder to meet an end goal. On the other hand, **distress** is the term used for negative stress. While eustress can push us, distress does not produce positive feelings and can go on for a long time without relief. We can further classify distress by **chronic stress**, which is prolonged exposure to stress, and acute stress, which is short-term high stress. For example, someone who receives little or no positive result from stress and is continuously stressed may experience chronic stress. **Acute stress** occurs in shorter bursts and may be experienced while someone is on a tight deadline for a project.

Two other terms related to stress are hyperstress and hypostress. **Hyperstress** is a type of stress in which there are extremes with little or no relief for a long period of time. This type of stress often results in burnout. **Hypostress** is the lack of eustress or distress in someone's life. Remember, some stress can be good and pushes us to work harder. We see this type of stress with people who may work in a factory or other type of repetitive job. The effect of this type of stress is usually feelings of restlessness.

Figure 13.3 The Stress Curve



Source: Adapted from P. Nixon, 1979.

One last important thing to note is how a person goes through the cycle of stress. **Figure 13.3 "The Stress Curve"** shows an example of how stress is good up to a point, but beyond that point, the person is fatigued and negatively affected by the stress. Bear in mind, this varies from person to person based on personality type and stress-coping mechanisms.

As you have already guessed, stress on the job creates productivity issues, which is why it concerns HR professionals. We know that stress can cause headaches, stomach issues, and other negative effects that can result in lost productivity but also result in less creative work. Stress can raise health insurance costs and cause employee turnover. Because of this, according to *HR Magazine* (Tyler, 2011), many employers are taking the time to identify the chief workplace stressors in employees' lives. With this information, steps can be taken to reduce or eliminate such stress.

PricewaterhouseCoopers, for example, implemented several strategies to reduce stress in its workplace. The firm restructured its work teams so that rather than having one employee work with one client, teams of employees work with groups of clients. Rather than having an employee say, "I can't go to my son's baseball game because I need to wait for this client call," this arrangement allows employees to cover for each other.

The organization also requires employees to take vacation time and even promotes it with posters throughout the office. In fact, even weekends are precious at PricewaterhouseCoopers. If an employee sends an e-mail on the weekend, a popup screen reminds her or him it is the weekend and it is time to disconnect.

Offering flextime is also a way to reduce employee stress. It allows employees to arrange their work and family schedule to one that reduces stress for them. This type of creative scheduling, according to Von Madsen, HR manager at ARUP Laboratories (Tyler, 2011), allows employees to work around a schedule that suits them best. Other creative ways to reduce stress might be to offer concierge services, on-site child care, wellness initiatives, and massage therapy. All these options can garner loyalty and higher productivity from employees.

Being a Student Can Also Be Very Stressful

Here are the most common stressors for college students:

- Death of a loved one
- Relocating to a new city or state
- Divorce of parents
- Encounter with the legal system
- Transfer to a new school
- Marriage
- Lost job
- Elected to leadership position
- New romantic relationship
- Serious argument with close friend
- Increase in course load or difficulty of courses
- Change in health of family member
- First semester in college
- Failed important course
- Major personal injury or illness
- Change in living conditions
- Argument with instructor
- Outstanding achievement
- Change in social life
- Change in sleeping habits
- Lower grades than expected

- Breakup of relationship
- New job
- Financial problems
- Change in eating habits
- Chronic car trouble
- Pregnancy
- Too many missed classes
- Long commute to work/school
- Working more than one job
- Impending graduation
- Argument with family member
- Sexual concerns
- Changes in alcohol and/or drug use
- Roommate problems
- Raising children

Cumulative Trauma Disorders

Cumulative trauma disorders (CTDs) are injuries to the fingers, hands, arms, or shoulders that result from repetitive motions such as typing.

Carpal tunnel syndrome, or CTS, is a common cumulative disorder in which the hand and wrist is particularly affected. According to one study of CTS (Matias, et. al., 1998), the percentage of a workday at a computer, posture while at the workstation, and the individual's body features all contribute to this workplace issue. More recently, CTD can be found in people who text a lot or use their smartphones to type or surf the Internet.

There are a number of keyboards, chairs, and other devices that can help limit or prevent CTD issues.

Microsoft is attempting to relieve CTD by developing "surface" technology. First introduced in 2007, the system is controlled through intuitive touch rather than the traditional mouse and keyboard. Microsoft and Samsung in early 2011 introduced the newest consumer-ready product, which looks like a large tablet (or iPad) used to perform the same functions as one normally would on her computer (Microsoft News Center, 2011).

Chemical and Fragrance Sensitivities

Some people have **multiple chemical sensitivity (MCS) or environmental illness (EI)**. MCS or EI is the inability to tolerate an environmental chemical or class of foreign chemicals. Symptoms can include headache, dizziness, inability to breathe, muscle pain, and many more depending on the person. As a result, implementing policies surrounding MCS may be not only a legal requirement but a best practice to keep employees safe and healthy in the workplace. Some examples of such policies might include the following:

1. Institute a fragrance-free workplace policy (e.g., no scented lotions, hair products, or perfumes).
2. Limit use of restroom air fresheners, cleaning agents, and candles.
3. Ensure the ventilation system is in good working order.
4. Provide a workspace with windows where possible.
5. Consider providing an alternate workspace.
6. Be cautious of remodels, renovations, and other projects that may cause excessive dust and odors.

If an organization is going to implement a fragrance-free work policy, this is normally addressed under the dress code area of the organization's employee manual. However, many employers are reluctant to require employees to refrain from wearing or using scented products. In this case, rather than creating a policy, it might be worthwhile to simply request a fragrance-free zone from employees through e-mail and other means of communication. An example of such a policy is used by Kaiser Permanente:

We recognize that exposure to strong scents and fragrances in the environment can cause discomfort, as well as directly impact the health of some individuals. Since we hope to support a healthful environment for employees, physicians, and visitors, it is the intent of Quality and Operations Support to strive for a fragrance-controlled workplace. Therefore, for the comfort and health of all, use of scents and fragrant products by QOS employees, other than minimally scented personal care products, is strongly discouraged (Kaiser Permanente Fragrance Policy, 2011).

9.8 Chemicals and Substances

One or more interactive elements has been excluded from this version of the text. You can view them online here:
https://opentextbooks.concordia.ca/hrmcanadian/?p=71#oembed-3

Chemicals should be labeled in English, and employees must be able to cross-reference the chemicals to the materials safety data sheet, which describes how the chemicals should be handled.

In Canada, the Workplace Hazardous Materials Information System gives directives on how to properly label, use, manage, store and dispose of chemical substances. http://whmis.org/

It is estimated that 1,200 new chemicals are developed in North America alone every year (International Labor Organization, 2011). For many of these chemicals, little is known about their immediate or long-term effects on the health of workers who come into contact with them. As a result, policies should be developed on how chemicals should be handled, and proper warnings should be given as to the harmful effects of any chemicals found in a job site

9.9 Workplace Violence and Bullying

Another concern of Health and Safety is mental health.

Approximately 2 million American workers are victims of workplace violence every year[6].

Workplace bullying is defined as a tendency of individuals or groups to use persistent or repeated aggressive or unreasonable behaviour against a coworker or subordinate. The Workplace Bullying Institute found that 35 percent of workers have reported being bullied at work. This number is worth considering, given that workplace bullying reduces productivity with missed work days and turnover. Examples of workplace bullying include the following:

1. Unwarranted or invalid criticism
2. Blame without factual information
3. Being treated differently than the rest of your work group
4. Humiliation
5. Unrealistic work deadlines
6. Spreading rumors
7. Undermining or deliberately impeding a person's work

Closer to home, according to the Canadian Centre for Occupational Health and Safety:

- 1 in 5 Canadians experience a psychological health problem or illness in any given year.[Footnote 1]
- Psychological health problems and illnesses are the number one cause of disability in Canada.[Footnote 1]
- Psychological health problems cost the Canadian economy ~$51 billion per year, $20 billion of which results from work-related causes.[Footnote 1]
- 47% of working Canadians consider their work to be the most stressful part of daily life.[Footnote 1]
- Psychological health problems affect mid-career workers the most, lowering the productivity of the Canadian workforce.[Footnote 1]
- Only 23% of Canadian workers would feel comfortable talking to their employer about a psychological health issue.

It is up to the organization and human resources to implement policies to ensure the safety of workers and provide a safe working environment.

According to the government of Canada, here are some measures that an organization can take to prevent workplace violence.

Practical Strategies for Improving Psychological Health and Safety at Work: A Checklist*https://www.canada.ca/en/employment-social-development/services/health-safety/reports/psychological-health.html*

Employee

- Be supportive of peers who are experiencing stress
- Come to work with a positive attitude
- Ask for help and offer help in situations of workplace abuse
- Report any incidences of workplace abuse, violence, or harassment
- Take rest during designated breaks and holidays
- Achieve work-life balance
- Achieve a healthy lifestyle by eating well and exercising

Manager and Supervisor

- Clearly outline employee responsibilities.
- Be able to recognize early indicators of workplace stress.
- Accommodate employees who need flexible work arrangements.
- Provide training on workplace psychological health.
- Recognize employee contributions.
- Be accessible and actively listen to employees' concerns.
- Respond effectively to employee concerns or conflicts.
- Encourage employee participation in team-building exercises.
- Lead by example for respectful workplace behaviours.
- Keep up to date on psychological health policies.

Organization

- Involve employees in the development of workplace psychological health programs
- Develop a policy statement that supports workplace psychological health and related initiative
- Assess the current workplace culture
- Connect employees with resources on psychological health
- Financially support workplace psychological health programs
- Establish peer support and/or counselling networks
- Designate one individual per organization to be the psychological health coordinator, who sits on the Policy Health and Safety Committee, and where there is no policy committee, sits on the Work Place Health and Safety Committee
- Establish an incident-reporting system
- Establish a conflict resolution system
- Recognize employee contributions
- Organize stress-reduction activities at work
- Keep up to date on workplace psychological health research
- Share health promotion strategies with other organizations

Government

- Promote the National Standard of Canada for Psychological Health and Safety in the Workplace (CSA Z1003)
- Establish the protection of psychological health at work as an employee's right

- Survey the state of workplace psychological health among public and private sector industries

Development of workplace policies surrounding these items is important. Ongoing training and development in these areas are key to the creation of a safe workplace. While outside influences may affect employee safety, it is also important to be aware of the employee's safety from other employees. There are several indicators of previolence as noted by the Workplace Violence Research Institute (Mattman, 2010):

1. Increased use of alcohol and/or illegal drugs
2. Unexplained increase in absenteeism
3. Noticeable decrease in attention to appearance and hygiene
4. Depression and withdrawal
5. Explosive outbursts of anger or rage without provocation
6. Threats or verbal abuse to coworkers and supervisors
7. Repeated comments that indicate suicidal tendencies
8. Frequent, vague physical complaints
9. Noticeably unstable emotional responses
10. Behavior indicative of paranoia
11. Preoccupation with previous incidents of violence
12. Increased mood swings
13. Has a plan to "solve all problems"
14. Resistance and overreaction to changes in procedures
15. Increase of unsolicited comments about firearms and other dangerous weapons
16. Repeated violations of company policies
17. Escalation of domestic problems

Anyone exhibiting one or more of these preincident indicators should get the attention of HRM. The HR professional should take appropriate action such as discussing the problem with the employee and offering counseling.

Prevention of workplace bullying means creating a culture in which employees are comfortable speaking with HR professionals and managers (assuming they are not the ones bullying) about these types of situations.

Similar to traditional bullying, **cyberbullying** is defined as use of the Internet or technology used to send text that is intended to hurt or embarrass another person. Examples include using Facebook to post negative comments or setting up a fake e-mail account to send out fake e-mails from that person. Comments or blogs and posts that show the victim in a bad light are other examples of cyberbullying. Similar to workplace bullying, cyberbullying is about power and control in workplace relationships. Elizabeth Carll's research on cyberbullying shows that people who experience this

type of harassment are more likely to experience heightened anxiety, fear, shock, and helplessness, which can result in lost productivity at work and retention issues (White, 2011), a major concern for the HR professional.

9.10 Employee Privacy

In today's world of identity theft, it is important that HR professionals work to achieve maximum security and privacy for employees. When private information is exposed, it can be costly.

Employee privacy is governed by the Personal Information Protection and Electronics Documents Act (PIPEDA) in Canada.

Some of the things to combat employee identity theft include the following:

1. Conduct background and criminal checks on employees who will have access to sensitive data.
2. Restrict access to areas where data is stored, including computers.
3. Provide training to staff who will have access to private employee information.
4. Keep information in locked files or in password-protected files.
5. Use numbers other than social security numbers to identify employees.

Another privacy issue that comes up often is the monitoring of employee activities on devices that are provided to them by the organization. Case law, for the most part, has decided that employees do not have privacy rights if they are using the organization's equipment, with a few exceptions. As a result, more than half of all companies engage in some kind of monitoring. According to an American Management Association[7] survey, 73 percent of employers monitor e-mail messages and 66 percent monitor web surfing. If your organization finds it necessary to implement monitoring policies, ensuring the following is important to employee buy-in of the monitoring:

1. Develop a policy for monitoring.
2. Communicate what will be monitored.
3. Provide business reasons for why e-mail and Internet must be monitored.

Working with your IT department to implement standards and protect employee data kept on computers is a must in today's connected world. Communication of a privacy policy is an important step as well. Agrium, a Canadian-based supplier of agricultural products in North America, states its employee privacy policy on its website and shares with employees the tactics used to prevent security breaches[8]. The statement is:

At Agrium we are committed to maintaining the accuracy, confidentiality, and security of your personal information. This Privacy Policy describes the personal information that Agrium collects from or about you, and how we use and to whom we disclose that information.

9.11 Promoting a Culture of Safety and Health

Employee health and safety is a must in today's high-stress work environments. Although some may see employee health as something that shouldn't concern HR, the increasing cost of health benefits makes it in the best interest of the company to hire and maintain healthy employees. In fact, during the recession of the late 2000s, when cutbacks were common, 50 percent of all workplaces increased or planned to increase investments in wellness and health at their organization (Sears, 2009).

Example of Health and Safety Policy

Cordis (A Johnson & Johnson Company) Environmental, Health, and Safety Policy

Cordis Corporation is committed to global Environmental, Health, and Safety (EHS) performance and leadership with respect to its associates, customers, suppliers, contractors, visitors, and communities. To fulfill this commitment, Cordis Corporation conducts its business emphasizing regulatory compliance and collaboration.

We strive for:

- Comprehensive risk management
- Pollution prevention
- Healthy lifestyle culture
- Continuous improvement and sustainability
- Engaging partnerships
- Possession of outstanding EHS capabilities and skill sets

We affirm that EHS is:

- A core business value and a key indicator of organizational excellence
- Considered in every task we perform and in every decision we make

We believe that:

- All incidents and injuries are preventable
- Process Excellence is the driver for continuous improvement and sustainable results in all aspects of EHS
- Every associate is responsible and accountable for complying with all aspects of EHS, creating a safe and healthy work environment while leaving the smallest environmental footprint

A safe culture doesn't happen by requiring training sessions every year; it occurs by creating an environment in which people can recognize hazards and have the authority and ability to fix them. Instead of safety being a management focus only, every employee should take interest by being alert to the safety issues that can exist. If an employee is unable to handle the situation on his or her own, the manager should then take suggestions from employees seriously; making the change and then communicating the change to the employee can be an important component of a safe and healthy workplace.

A culture that promotes safety is one that never puts cost or production numbers ahead of safety. You do not want to create a culture in which health and safety priorities compete with production speedup, which can lead to a dangerous situation.

Another option to ensure health and safety is to implement an **employee assistance program (EAP)**. This benefit is intended to help employees with personal problems that could affect their performance at work. The EAP usually includes covered counselling and referral services. This type of program can assist employees with drug or alcohol addictions, emotional issues such as depression, stress management, or other personal issues. Sometimes these programs are outsourced to organizations that can provide in-house training and referral services to employees.

Possible techniques you can implement to have a safe and healthy work environment include the following:

1. Know safety laws.
2. Provide training to employees on safety laws.
3. Have a written policy for how violations will be handled.
4. Commit the resources (time and money) necessary to ensure a healthy work environment.
5. Involve employees in safety and health discussions, as they may have good ideas as to how the organization can improve.
6. Make safety part of an employee's job description; in other words, hold employees accountable for always practising safety at work.
7. Understand how the health (or lack of health) of your employees contributes to or takes away from the bottom line and implement policies and programs to assist in this effort.

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[3]"Section 902: Definition of the Term Disability," Equal Employment Opportunity Commission, accessed April 25, 2011, **http://www.eeoc.gov/policy/docs/902cm.html#902.1**.

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[7]"Electronic Monitoring and Surveillance Survey," American Management Association, 2007, accessed April 27, 2011, **http://press.amanet.org/press-releases/177/2007-electronic-monitoring-surveillance-survey/**.

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CHAPTER 10: LABOUR RELATIONS

Unhappy Employees Could Lead Unionization

As the HR manager for Raggamuffin, a two-hundred-person company, you tend to have a pretty good sense of employee morale. Recently, you are concerned because it seems that morale is low, because of pay and the increasing health benefit costs to employees. You discuss these concerns with upper-level management, but owing to financial pressures, the company is not able to give pay raises this year.

One afternoon, the manager of the marketing department comes to you with this concern, but also with some news. She tells you that she has heard talk of employees unionizing if they do not receive pay raises within the next few months. She expresses that the employees are very unhappy and productivity is suffering as a result. She says that employees have already started the unionization process by contacting the Labour Relations Board and are in the process of proving 35 percent worker interest in unionization. As you mull over this news, you are concerned because the organization has always had a family atmosphere, and a union might change this. You are also concerned about the financial pressures to the organization should the employees unionize and negotiate higher pay, which they will surely do. You know you must take action to see that this doesn't happen. However, you know you and all managers are legally bound by rules relating to unionization, and you need a refresher on what these rules are. You decide to call a meeting first with the CEO and then with managers to discuss strategy and inform them of the legal implications of this process. You feel confident that a resolution can be developed before the unionization happens.

The Nature of Unions

Learning Objectives

1. Be able to discuss the history of labor unions.
2. Explain some of the reasons for a decline in union membership over the past sixty years.
3. Be able to explain the process of unionization and laws that relate to unionization.

A **labor union**, or union, can be broadly defined as workers banding together to meet common goals, such as better pay, benefits, or promotion rules. In Canada, unionization rate is approximately 32% which remains more than twice that of the United States (14%). Quebec's unionization rate is the highest of any province or state at 40.0 percent. In this section, we will discuss the history of unions, reasons for a certain decline in union membership, union labour laws, and the process employees go through to form a union. First, however, we should discuss some of the reasons why people join unions.

People may feel their economic needs are not being met with their current wages and benefits and believe that a union can help them receive better economic prospects. Fairness in the workplace is another reason why people join unions. They may feel that scheduling, vacation time, transfers, and promotions are not given fairly and feel that a union can help eliminate some of the unfairness associated with these processes. Let's discuss some basic information about unions before we discuss the unionization process.

History of unions in Canada

Celebrated across the country, Labour Day is often thought of as the last hurrah before the long, hot days of summer give way to the crisp, fading days of autumn. Labour Day, however, is more than just the unofficial end to summer — a fact many Canadians tend to forget. The Labour Day holiday, however, was established to recognize the contribution that ordinary working people have made

to the Canadian way of life, said Ken Georgetti, president of the Canadian Labour Congress. This includes the right to fair wages, safe working conditions and compensation for injury, and equitable labour relations. "Lots of people lost their lives in order to establish the right to refuse unsafe work and the right to be treated fairly and without discrimination," said Georgetti.

Trade unions were developed in Europe during the Industrial Revolution, when employees had little skill and thus the entirety of power was shifted to the employer. When this power shifted, many employees were treated unfairly and underpaid. In the United States, unionization increased with the building of railroads in the late 1860s. Wages in the railroad industry were low and the threat of injury or death was high, as was the case in many manufacturing facilities with little or no safety laws and regulations in place. As a result, the Bortherhood of Locomotive Engineers and several other brotherhoods (focused on specific tasks only, such as conductors and brakemen) were formed to protect workers' rights, although many workers were fired because of their membership.

Here is an interactive timeline of the history of unionization in Canada.

Canada – union coverage rate by province 2019 | Statista

Learn more about how Statista can support your business. StatCan. (January 10, 2020). Union coverage rate in Canada in 2019, by province [Graph]. In Statista. Retrieved August 07, 2020, from https://www.statista.com/statistics/442980/canada-union-coverage-rate-by-province/ StatCan. "Union coverage rate in Canada in 2019, by province." Chart. January 10, 2020. Statista. Accessed August 07, 2020.

Craft unions first arose in Canada in the 1820s; these are made up of a specific trade or skilled workers (e.g. printers, shoemakers, masons, bakers and tailors). The first union action in Canada occurred when the Toronto Typographical Union went out on strike in 1872 when its demands for standardized shorter working days were ignored. The rapid industrialization associated with the first World War, led to a rapid growth of the labour movement in the country. The failure and violence of the Winnipeg General Strike (1919) combined with the Depression of the 1930s hurt Canadian unionization until World War II. The post-war era saw union membership soar to 4 million members in the 1990's. Part of this growth is related to the unionization of government employees that grew rapidly from 1965 to the present. Today, Canada has a relatively high unionization rate, as can be seen in this report:

Union structure

Unions have a pyramidal structure much like that of large corporations. At the bottom are locals that serve workers in a particular geographical area. Certain members are designated as stewards to serve as go-betweens in disputes between workers and supervisors. Locals are usually organized into national or regional unions that assist with local contract negotiations, organize new locals, help negotiate contracts, and lobby government bodies on issues of importance to organized labour. In turn, national or regional unions may be linked by a labour federation which provides assistance to member unions and serves as a principal political organ for organized labour. Here are the basic units that compose unions:

Local represents workers in their own workplace or town (e.g., Quebec Crane Operator, Local 791G)

Parent union decides on union policy for all locals across the province, country or world (e.g., CSN, FTQ)

National unions represent union members across the country (e.g. PSA, Unifor).

International unions represent union members in more than one country (e.g. UAW, Teamsters).

Central labour organizations do not negotiate union contracts but lobby government to pass laws favourable to unions (e.g. Canadian Labour Congress).

Fortune 500 Focus

Perhaps no organization is better known for its antiunion stance than Walmart. Walmart has over 3,800 stores in the United States and over 4,800 internationally with $419 billion in sales[4]. Walmart employs more than 2 million associates worldwide[4]. The billions of dollars Walmart earns do not immunize the company to trouble. In 2005, the company's vice president, Tom Coughlin, was forced to resign after admitting that between $100,000 and $500,000 was spent for undeclared purposes, but it was eventually found that the money was spent to keep the United Food and Commercial Workers union (UFCW) out of Walmart (Los Angeles Times Wire Services, 2011) (he was found guilty and sentenced to two years of house arrest).

Other claims surrounding union busting are the closing of stores, such as the Walmart Tire and Lube Express in Gatineau, Quebec (UFCW Canada, 2011), when discussions of unionization occurred. Other reports of union busting include the accusation that company policy requires store managers to report rumors of unionizing to corporate headquarters. Once the report is made, all labor decisions for that store are handled by the corporate offices instead of the store manager. According to labor unions in the United States, Walmart is willing to work

with international labor unions but continues to fiercely oppose unionization in the United States. In one example, after butchers at a Jacksonville, Texas, Walmart voted to unionize, Walmart eliminated all US meat-cutting departments.

A group called OUR Walmart (Organization United for Respect), financed by the United Food and Commercial Workers* (UFCW) union, has stemmed from the accusations of union busting. Walmart spokesperson David Tovar says he sees the group as a Trojan horse assembled by labor organizations to lay the groundwork for full-fledged unionization and seek media attention to fulfill their agenda. While the organization's activities may walk a fine line between legal and illegal union practices under the Taft-Hartley Act, this new group will certainly affect the future of unionization at Walmart in its US stores.

*Note: UFCW was part of the AFL-CIO until 2005 and now is an independent national union.

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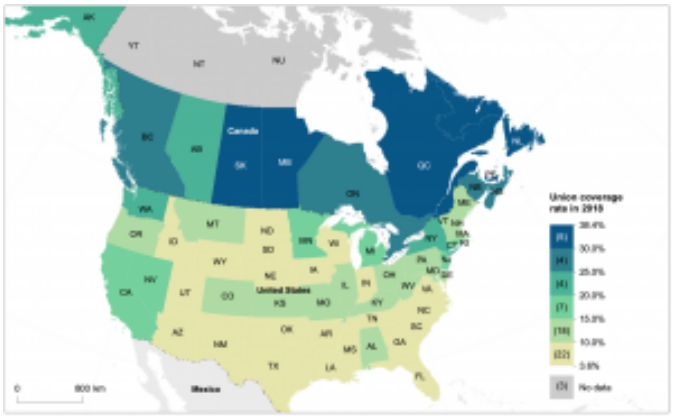
Unionization process

Employees, as separate individuals, have very little power when it comes to their relationship with companies' management. When organized as a group, however, employees gain some power and can start leveraging that power to negotiate with their employer. In this section we discuss the process that a group of employees must undertake to become an official union.

Legislation and unionization



The path to unionization and the process of maintaining a union is heavily regulated. These regulations can greatly vary from one legislation to another. In Canada, the system of collective bargaining is embodied in federal and provincial labour relations acts and labour codes. Canadian workers have the right to join trade unions, which may be certified to collectively bargain conditions of employment with their employers on their behalf. The Federal *Public Service Labour Relations Act* (PSLRA) is the law that regulates the collective bargaining and grievance adjudication systems in the federal public service. Provincial legislation, such as the *Labour Relations Code* in British Columbia, the *Labour Act* of Prince Edward Island, and the Quebec *Labour Code*, regulate various aspects of labour relations for most workplaces. In North America, **the legislation with the most pro-union legislation is found in the province of Quebec.** Coincidentally, it is also the jurisdiction with the highest unionization rates (40%; check out the map to see how much variation exists in North America).

Process of forming a union

The creation of a union follows has to follow a fairly strict process. First, an established union may contact employees and discuss the possibility of a union, or employees may contact a union on their own. The union will then help employees gather signatures to show that the employees want to be part of a union. To hold an election, the union must show signatures from over 35 percent of the employees of the organization.

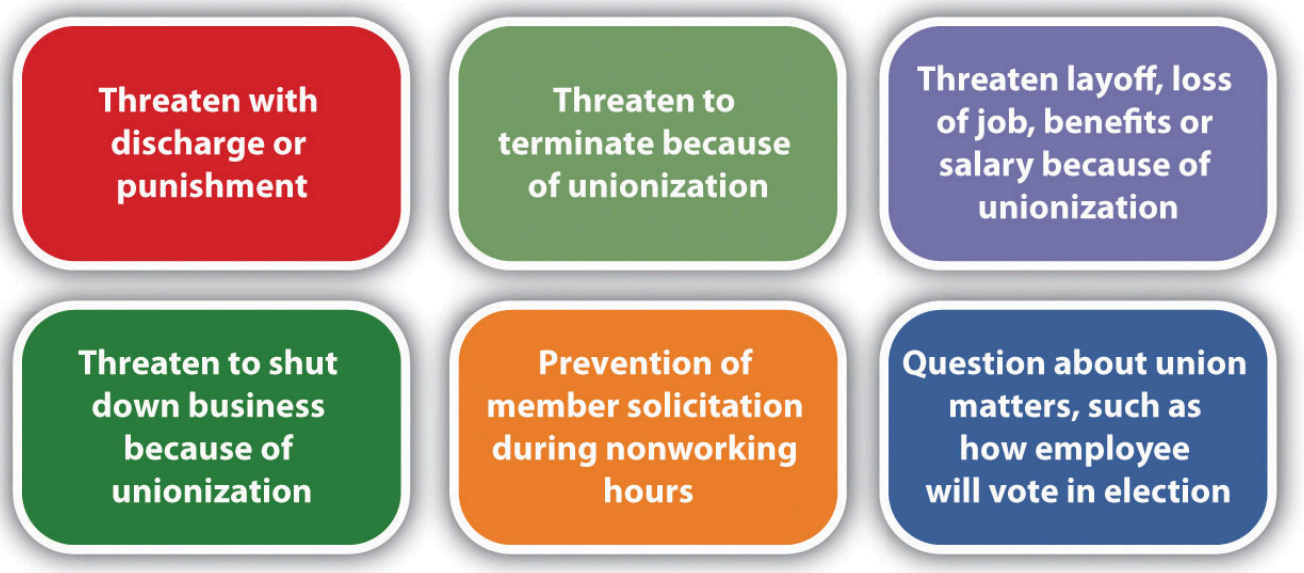
Figure 1. The Unionization Process

Union and employees make contact	As a result of employee dissatisfaction, union and employees make contact and discuss possibility of joining forces.
Initial Organization Meeting	Initial meeting with union is scheduled to gather employee support.
Formation of organizing committee	Local union leadership is identified. Its objectives is to organize a campaign to obtain the signature of a majority of workers willing to join the union.
Application to Labour Relations Board	Once a majority of these signatures are gathered, the workers can apply for official recognition to the Labour Relation Board.
Certificate is issues by the Board	After checking the process and the signatures, the Board certifies the union.
Election of bargaining committee and contract negotiation	After having been certified, the first step for the newly formed union is to elect a bargaining team that will be tasked with negotiating a contract with the employer.

Unions approach prospective members with promises like higher pay, better health insurance, and more vacation time. Not surprisingly, then, management resist unions because they generally add to the cost of doing business. A a result, the union organizing process can be a very delicate process because most employers feel the constraints of having a union organization are too great. Collective bargaining can put management at odds with its employees.

There exists legal protection for employees considering unionization and it is advisable for HR and management to be educated on what can legally and illegally be said during this process. It is illegal to threaten or intimidate employees if they are discussing a union. Employers cannot threaten job, pay, or benefits loss as a result of forming a union. **Figure 1 "Things That Shouldn't Be Said to Employees during a Unionization Process"** includes information on what should legally be avoided if employees are considering unionization.

Figure 1. Things That Shouldn't Be Said to Employees during a Unionization Process



Despite all of the above, some organizations will go to great length to prevent unionization of their workforce. In Quebec, there has been some illustrious examples of how motivated some organizations are to keep unions out. Most notably, the Wal-Mart in Jonquière became the first store in North America to be unionized in 2004. A few months later, Wal-Mart closed its store and put approximately 190 employees out of work claiming that the store was not profitable. The laid-off

employees took Walmart to court and the case made it to the Supreme Court of Canada. The court found that Wal-Mart did not adequately prove the four-year-old store was in financial difficulty and violated a provision of the Quebec labour code by changing the workers' conditions of employment without consent while the terms of the collective agreement were being negotiated. **You can read about this landmark case here**.

Collective Bargaining

Learning Objectives

1. Be able to describe the process of collective bargaining.
2. Understand the types of bargaining issues and the rights of management.
3. Discuss some strategies when working with unions.

When employees of an organization receive their accreditation from the Labour Relations Board and are officially recognized as a union, the process for collective bargaining begins. **Collective bargaining** is the process of negotiations between the company and representatives of the union. The objective of this process is for management and the union to reach a contract agreement (also known as a 'collective agreement'), which is put into place for a specified period of time. Once this time is up, a new contract is negotiated. In this section, we will discuss the components of the collective bargaining agreement.

The Process of Collective Bargaining

Negotiations start when each side states its position and presents its demands. As in most negotiations, these opening demands

simply stake out starting positions. Both parties usually expect some give-and-take and realize that the final agreement will fall somewhere between the two positions. If everything goes smoothly, a tentative agreement can be reached and then voted on by union members. If they accept the agreement, the process is complete and a contract is put into place to govern labour-management relations for a stated period. If workers reject the agreement, negotiators from both sides must go back to the bargaining table.

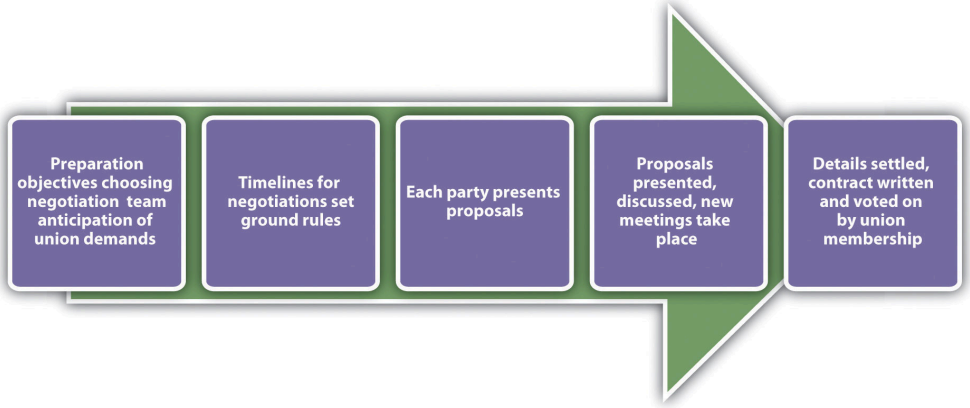
In a collective bargaining process, both parties are legally bound to bargain in good faith. This means they have a mutual obligation to participate actively in the deliberations and indicate a desire to find a basis for agreement. A wide variety of elements can be included as bargaining material, here are some examples of these elements:

Examples of Bargaining Topics

- Pay rate and structure
- Health benefits
- Incentive programs
- Job classification
- Performance assessment procedure
- Vacation time and sick leave
- Health plans
- Layoff procedures
- Weight of seniority in personnel decisions
- Training process
- Severance pay
- Tools provided to employees

The collective bargaining process has five main steps; we will discuss each of these steps next in sequence.

Figure XXX Steps in Collective Bargaining



Step 1: Preparation of both parties. The negotiation team should consist of individuals with knowledge of the organization and the skills to be an effective negotiator. An understanding of the working conditions and dissatisfaction with working conditions is an important part of this preparation step. Establishing objectives for the negotiation and reviewing the old contract are key components to this step. The management team should also prepare and anticipate union demands, to better prepare for compromises.

Step 2: Parties agree on the timelines and ground rules for the negotiations such as the frequency of meetings and the order with which elements will be discussed. For example, both parties may decide that the compensation issues, often the most contentious, will be dealt last or first.

Step 3: Each party present initial proposals. It will likely involve initial opening statements and options that exist to resolve any situations that exist. The key to a successful proposal is to come to the table with a "let's make this work" attitude. An initial discussion is had and then each party generally goes back to determine which requests it can honour and which it can't. At this point, another meeting is generally set up to continue further discussion.

Step 4: A series of meetings are always necessary for both parties to agree on a collective agreement. This can be a very lengthy process and it often takes hundreds of meetings to come to an agreement.

Step 5: Once the two negotiating teams agree on a collective agreement, it needs to be ratified and voted on by the union membership. If the membership does not agree, then the process continues.

Bargaining impasse and pressure tactics

When the two parties are unable to reach consensus on the collective bargaining agreement, this is called a **bargaining impasse.** This situation is quite common as the interests and objectives of labour and management are often very different. **Take the case of the Federal prison chaplains who were negotiating their first collective agreement** to secure better wages and working conditions. The 180 chaplains, from a variety of faiths and spiritual practices, are represented by the United Steelworkers union and negotiations between both parties have stalled. Each party has access to certain tactics that can force the hand of the other side. These 'pressure tactics', as they are often referred to, are allowed by the law but they must respect certain parameters. They also need to be used judiciously because they can backfire spectacularly. Labour negotiations are like a chess match, and the repercussion of every move has to be considered. In this section, we describe the various tactical moves available to labour and management.

Union Tactics

Unions have several options at their disposal to pressure company management into accepting the terms and conditions union members are demanding. The tactics available to the union include striking, picketing, and boycotting. When they go on strike, workers walk away from their jobs and refuse to return until the issue at hand has been resolved. Note that due to the impact of a strike, an employer may wish to hire replacement workers and continue partial business operations. However, some jurisdictions (British Columbia, Quebec, Nova Scotia, and Newfoundland) preclude the use of temporary workers. Though a strike sends a strong message to management, it also has consequences for workers, who do not get paid when they are on strike. Unions often ease the financial pressure on strikers by providing cash payments, which are funded from the dues members pay to the unions.

When you see workers parading with signs outside a factory or an office building (or even a school), they're probably using the tactic known as picketing. The purpose of picketing is informative—to tell people that a workforce is on strike or to publicize some management practice that is unacceptable to the union. There is a fair amount of solidarity across workers from different unions and, by principle, many workers, regardless of their affiliation, will typically not cross picket lines. In 2009, approximately 24,000 City of Toronto Municipal Workers, unhappy about wages and loss of the right to bank and cash out unused sick leave, went on a five-week strike. At first, many citi-

zen supported this right, but some of the most noticeable effects of the strike, including the halting of waste collection and the cancellation of summer recreation programming, created widespread concern and negative reactions from the Toronto population.[2]

The final tactic available to unions is boycotting, in which union workers refuse to buy a company's products and try to get other people to follow suit. The tactic is often used by the Canadian Labour Congress, who often endorses national boycotts. In 2009, for example, they called for a **boycott of Old Dutch snack products** in support of 170 locked out union workers at their Calgary plant.

Management Tactics

During difficult labour negotiations, management does not typically sit by passively, especially if the company has a position to defend or a message to get out. One tactic available to management is the lockout which essentially means closing the workplace to workers. If you are a fan of professional basketball, you may remember the NBA lockout in 2011 (older fans may remember a similar scenario that took place in 1999) which took place because of a dispute regarding the division of revenues and the structure of the salary cap. Lockout tactics were also used in the 2011 labour dispute between the National Football League (NFL) and the National Football League Players Association when club owners and players failed to reach an agreement on a new contract. Prior to the 2011 season, the owners imposed a lockout, which prevented the players from practicing in team training facilities. Both sides had their demands: the players wanted a greater percentage of the revenues, which the owners were against. The owners wanted the players to play two additional regular season games, which the players were against. With the season drawing closer, an agreement was finally reached in July 2011 bringing the 130-day lockout to an end and ensuring that the 2011 football season would begin on time.[3]

Another management tactic is replacing striking workers with replacement workers — non-union workers who are willing to cross picket lines to replace strikers. As is the case for a strike, the use of replacement workers is allowed in some jurisdictions, but not in others.

Working with Labour Union

First and foremost, when working with labour unions, a clear understanding of the contract is imperative for all HR professionals and managers. The collective agreement is the guiding document for all decisions relating to employees. All HR professionals and managers should have intimate knowledge of the document and be aware of the components of the contract that can affect dealings with employees. The agreement outlines all requirements of managers and usually outlines how discipline, promotion, and transfers will work.

Because as managers and HR professionals we will be working with members of the union on a daily basis, a positive relationship can not only assist the day-to-day operations but also create an easier bargaining process. Solicitation of input from the union before decisions are made can be one step to creating this positive relationship. Transparent communication is another way to achieve this goal.

[1]"Best Workforces Are in Right to Work States," Redstate, June 30, 2011, accessed August 14, 2011, **http://www.redstate.com/laborunionreport/2011/06/30/best-workforces-are-in-right-to-work-states-survey-finds/**.

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Administration of the Collective Bargaining Agreement

Learning Objective

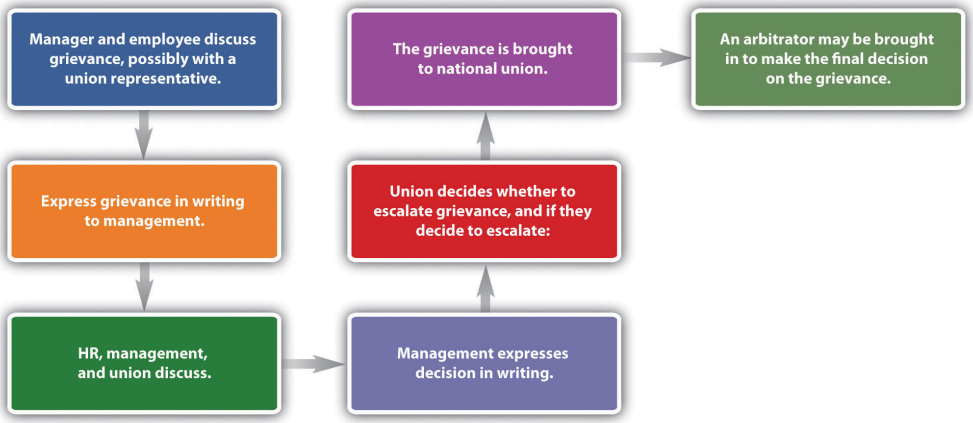
1. Be able to explain how to manage the grievance process.

Once an agreement is in place, there still may be disagreements in how it is interpreted by management. The grievance procedure outlines the process by which perceived contract violations can be handled. This will be the focus of our next section.

Procedures for Grievances

A violation of the contract terms or perception of violation normally results in a grievance. The process is specific to each contract, so we will discuss the process in generalities. A grievance is normally initiated by an employee and then handled by union representatives. Most contracts specify how the grievance is to be initiated, the steps to complete the procedure, and identification of representatives from both sides who will hear the grievance. Normally, the HR department is involved in most steps of this process. Since HRM has intimate knowledge of the contract, it makes sense for them to be involved. The basic process is shown in **Figure XXX "A Sample Grievance Process"**.

Figure 12.8 A Sample Grievance Process



The first step is normally an informal conversation with the manager, employee, and possibly a union representative. Many grievances never go further than this step, because often the complaint is a result of a misunderstanding.

If the complaint is unresolved at this point, the union will normally initiate the grievance process by formally expressing it in writing. At this time, HR and management may discuss the grievance with a union representative. If the result is unsatisfactory to both parties, the complaint may be brought to the company's union grievance committee. This can be in the form of an informal meeting or a more formal hearing.

After discussion, management will then submit a formalized response to the grievance. It may decide to remedy the grievance or may outline why the complaint does not violate the contract. At this point, the process is escalated.

Further discussion will likely occur, and if management and the union cannot come to an agreement, the dispute will normally be brought to a national union officer, who will work with management to try and resolve the issue. A **mediator** may be called in, who acts as an impartial third party and tries to resolve the issue. Any recommendation made by the mediator is not binding for either of the parties involved. If no resolution develops, an arbitrator might be asked to review the evidence and make a decision. An **arbitrator** is an impartial third party who is selected by both parties and who ultimately makes a binding decision in the situation. Thus arbitration is the final aspect of a grievance.

Some examples of grievances might include the following:

1. One employee was promoted over another, even though she had seniority.
2. An employee does not have the tools needed to perform his job, as outlined in the contract.
3. An employee was terminated, although the termination violated the rules of the contract.
4. An employee was improperly trained on chemical handling in a department.

Most grievances fall within one of four categories. There are **individual/personal grievances**, in which one member of the union feels he or she has been mistreated. A **group grievance** occurs if several union members have been mistreated in the same way. A **principle grievance** deals with basic contract issues surrounding seniority or pay, for example. If an employee or group is not willing to formally file a grievance, the union may file a **union or policy grievance** on behalf of that individual or group.

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The future of unions

The labour movement is currently experiencing several challenges, including a decrease in union membership, globalization, and employers' focus on maintaining nonunion status. As mentioned in the opening of this section, there has been a steady decline in Canada of union membership since the 1950's. This decline is even more steep for the US. Claude Fischer, a researcher from University of California Berkeley, believes the shift is cultural. His research says the decline is a result of North American workers preferring individualism as opposed to collectivism (Fischer, 2010). Other research says the decline of unions is a result of globalization, and the fact that many jobs that used to be unionized in the manufacturing arena have now moved overseas. Other reasoning points to management, and that its unwillingness to work with unions has caused the decline in membership. Others suggest that unions are on the decline because of themselves. Past corruption, negative publicity, and hard-line tactics have made joining a union less favorable.

To fully understand unions, it is important to recognize the global aspect of unions. Statistics on a worldwide scale show unions in all countries declining but still healthy in some countries. For example, in eight of the twenty-seven European Union member states, more than half the working population is part of a union. In fact, in the most populated countries, unionization rates are still at three times the unionization rate of the United States (Federation of European Employers, 2011). Italy has a unionization rate of 30 percent of all workers, while the UK has 29 percent, and Germany has a unionization rate of 27 percent.

Globalization is also a challenge in labour organizations today. As more and more goods and services are produced overseas, unions lose not only membership but union values in the stronghold of worker culture. As globalization has increased, unions have continued to demand more governmental control but have been only somewhat successful in these attempts. For example, free trade agreements such as the new Canada-United States-Mexico Agreement (CUSMA) have made it easier and more lucrative for companies to manufacture goods overseas. Globalization creates options for companies to produce goods wherever they think is best to produce them. As a result, unions are fighting the globalization trend to try and keep jobs in Canada.

There are a number of reasons why companies do not want unions in their organizations. One of the main reasons, however, is increased cost and less management control. As a result, companies are on a quest to maintain a union-free work environment. In doing so, they try to provide higher wages and benefits so workers do not feel compelled to join a union. Companies that want to stay union free constantly monitor their retention strategies and policies.

CHAPTER 11: HR ANALYTICS

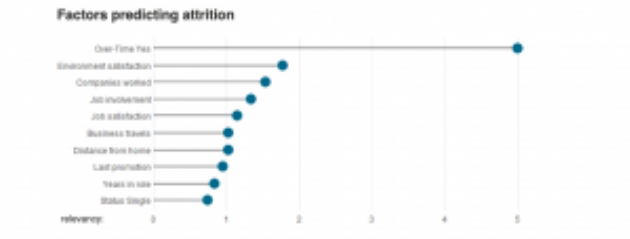
The Power of HR Analytics for ACME Inc.

ACME Inc. has a problem, a big problem. It's bleeding employees to the rate of 18% a year. Benchmarks in their industry is half of this number, at 9%. For the past few years, new government regulations have been making this industry more competitive and profits are on a steady decline. The CEO has identified curbing the high turnover rate as a primary objective for the HR department. The VP HR hired a team of data analysts to look at the issue. The team performed advanced analysis on the anonymous corporate employees' data integrated from several HR information systems. The dataset contains common and specific HR-oriented features for 1560 individual employees regarding topics such as demographics, satisfaction with the job and the company, absences, salary and even travelling schedule. Importantly, for each individual record there is an information determining whether the corresponding employee left the company at the end of analyzed period. This information is used to identify key features connected to attrition issue. Uncovering hidden data patterns to predict present employees in the risk of attrition, outcomes of this study show the way how to save a value by identifying possible causes of talents.

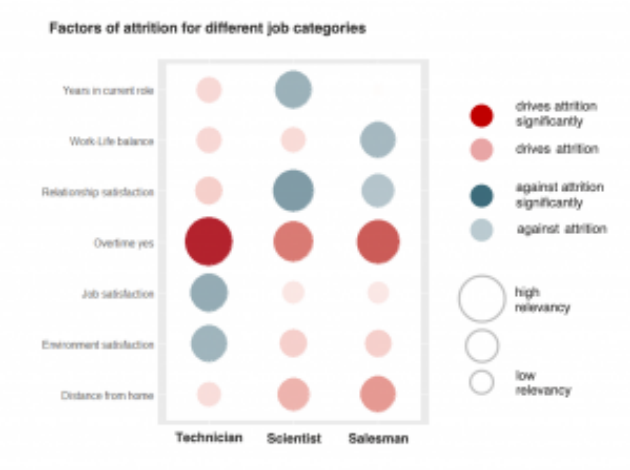
For the purpose of the case-study, the dataset was inspected and using logistic regression method, two different questions were answered:

- Which specific factors increase or decrease the probability of attrition?
- Which individual employees across different jobs are in high risk of attrition?

Regarding the first question, advanced modelling techniques like neural networks were able to identify "drivers" that influence the target variable: risk of attrition.



This figure shows the most relevant factors influencing attrition. This kind of information provides seemingly straightforward insight. However, in order to deliver more thorough and usable conclusions it is necessary to go a little bit deeper. One possible way how to do that is for example to perform such an analysis separately for different job types and roles. The next figure shows the importance of various factors for three different job categories: technician, scientist and salesman



Answering the second question -who are the employees in a danger of the attrition, a prediction model was developed and applied. For validation purposes, one third of the dataset was separated to test the model accuracy. The rest was used to train the model and perform previous analysis.

The newly-developed model is able to predict 88.9% of employees with "left-the-company" flags.

Now equipped with this information, the VP HR is working at addressing the issues with a concrete and aggressive plan of action to curb turnover.

Human Resource Information Systems

As we have seen throughout this book, technology is increasingly influencing HR processes. The advent of relational Database Management Systems and database management/programming in the mid-1980s, has helped HRM evolve from manual, transaction-based bookkeeping to semi-automating HR processes. A good example is the onboarding process, which can now be individually tailored and automatically triggered by the data points obtained in the recruitment process. For example, new recruits with experience with a specific POS (point of sales software) will not be included in the software orientation session but, because they have never worked in a team environment before, they will be included in the session on teamwork. Twenty years ago, such precise customization was unthinkable.

Today, every HR process has a technological element that enables it. Take a simple recruitment scenario for example. A job posting can generate hundreds of applications. All of the CV's received are housed on a server somewhere and recruiters spend countless of hours screening these CV's to decide which applicants should be interviewed. This scenario is representative of a typical HR process: information is used to make decisions. Now imagine, if there was a way for you dig into the database and look at the decisions of each recruiter to see whether they are consistent in their evaluation of the CV's. Imagine being able to detect that one specific recruiter tends to become more lenient as the day goes by, as she gets tired. Or that another recruiter has a slight bias against applicants that graduated from the Université de Sherbrooke (his ex-boyfriend went there; it's a long story but let's just say that there is still a grudge there…) or, more problematic, that a recruiter is less favourable to applicants with Asian-sounding names. If you think of this scenario, all of the information used to draw these conclusions is available: Content of the CV's, the decisions of the recruiters, who made these decisions and when, etc. A very motivated HR manager could input all of this information into an Excel sheet and manually extract meaning out of this data. However, to do this efficiently, there needs to be a way to have the data already collected and organized. This is what a Human Resource Management System (HRIS) does.

Basically, an HRIS helps companies organize and manage people-related data. Because all this information is housed in one location, it serves as a single source of accurate data and often allows users to create reports that can be used to identify trends and make business decisions. Using an HRIS, HR managers can, in just a few clicks, find out the average salary of junior sales associates in the Granby store, who was the last employee promoted in the Saskatoon plant, how many times employees consulted their performance feedback reports, or how much was invested in leadership training company-wide in 2020.

A human resource information system (HRIS) system is an expensive and time-intensive commitment for any organization. Therefore, organizations should do their due diligence and involve the appropriate stakeholders in the evaluation and selection process of the HRIS. Many HRIS choices are available at different price points providing different levels of functionality. The cost

for HRIS is based on various pricing models. Some are based on the numbers of employees and the price varies between $1 to $20 per employee each month. Other systems are based on 'users', which are defined as the employees that actually use the system, mostly HR managers.

Given the importance of the choice the employer is making, the package selected should meet its current needs and have the flexibility to grow and expand with the organization into the foreseeable future. However, constraints from budgets, hardware and time will affect the choice made. Following is a framework for making the best choice possible for the organization.

Here is **an article that lists the top HRIS on the market** at the moment

Benefits of HRIS

There are many advantages to adopting an HRIS system. Here are the main ones:

Organization: An HRIS allows for information to be easily collected, tracked, updated, and searched.

Compliance: An HRIS will stay current on regulations impacting HR and adapt the software to make it easy for organizations to meet compliance requirements, if for example, the government were to change

Time Savings: Many HR processes are made quick and simple with an HRIS. For instance, employees can ask for time off using the mobile application and manager can approve it in seconds the same way.

Employee Experience: A HRIS can help improve employees' perceptions of their organizations. Whether through a smooth and quick onboarding process, an app that allows employees to look up a coworker's contact information, or the ability to update and request time off, a good HRIS can help employees have a better experience.

Convenience: Most HRIS now are multi-platform and managers have the ability to pull together a report in only a few clicks on their phone.

HR Strategy: With fewer operational tasks to manage, HR managers can spend their valuable skills and time on strategic HR initiatives that improve business outcomes. Improving retention, increasing productivity, and monitoring the company culture are just a few ways HR can spend their time when they have an HRIS.

What is HR analytics?

While the HRIS is responsible for collecting and organizing HR data, HR analytics is the process of analyzing this data in order to improve an organization's workforce performance. The process can also be referred to as talent analytics, people analytics, or even workforce analytics.

HR analytics: HR analytics specifically deals with the metrics of the HR function, such as time to hire, training expense per employee, and time until promotion. All these metrics are managed exclusively by HR for HR.

People analytics: People analytics, though often used as a synonym for HR analytics, is technically applicable to "people" in general. It can encompass any group of individuals even outside the organization. For instance, the term "people analytics" may be applied to analytics about the customers of an organization and not necessarily only employees.

Data

At the base of HR analytics is data. The wealth of data currently available to HR managers has increased exponentially in the past few years. As a result of high-performance HRIS and new technology such as employee tracking, HR managers now have a great deal of information at their disposal. Here is a list of the type of data that is commonly collected in organizations:

Revenue per employee: Obtained by dividing a company's revenue by the total number of employees in the company. This indicates the average revenue each employee generates. It is a measure of how efficient an organization is at enabling revenue generation through employees.

Offer acceptance rate: The number of accepted formal job offers (not verbal) divided by the total number of job offers given in a certain period. A higher rate (above 85%) indicates a good ratio. If it is lower, this data can be used to redefine the company's talent acquisition strategy.

Training expenses per employee: Obtained by dividing the total training expense by the total number of employees who received training. The value of this expense can be determined from measuring the training efficiency. Poor efficiency may lead you to re-evaluate the training expense per employee.

Training efficiency: Obtained from the analysis of multiple data points, such as performance improvement, test scores, and upward transition in employees' roles in the organization after training. Measuring training efficiency can be crucial to evaluate the effectiveness of a training program.

Voluntary turnover rate: Voluntary turnover occurs when employees voluntarily choose to leave their jobs. It is calculated by dividing the number of employees who left voluntarily by the total number of employees in the organization. This metric can lead to the identification of gaps in the employee experience that are leading to voluntary attrition.

Involuntary turnover rate: When an employee is terminated from their position, it is termed "involuntary." The rate is calculated by dividing the number of employees who left involuntarily by the total number of employees in the organization. This metric can be tied back to the recruitment strategy and used to develop a plan to improve the quality of hires to avoid involuntary turnover.

Time to fill: The number of days between advertising a job opening and hiring someone to fill that position. By measuring the time to fill, recruiters can alter their recruitment strategy to identify areas where the most time is being spent.

Time to hire: The number of days between approaching a candidate and the candidate's acceptance of the job offer. Just like time to fill, data-driven analysis of time to hire can benefit recruiters and help them improve the candidate experience to reduce this time.

Absenteeism: Absenteeism is a productivity metric, which is measured by dividing the number of days missed by the total number of scheduled workdays. Absenteeism can offer insights into overall employee health and can also serve as an indicator of employee happiness.

Analytics and the law

The sort of data collection that HR analytics uses is governed heavily by compliance laws. Some legal considerations to keep in mind when implementing an HR analytics solution are:

1. Employee privacy and anonymity
2. Consent from employees about the amount and type of data being collected
3. Establishing the goal of data collection and informing employees accordingly
4. IT security when using third-party software to run HR analytics
5. Location of the HR analytics vendor – with whom the data will be stored – and their compliance with local laws

People analytics company Humanyze offers electronic badges that capture information from employee conversations as they go about their day, including the length of the conversation, the tone of voice involved, how often people interrupt, how well they show empathy, and so on. Using this technology, a major bank noticed that its top-performing call centre workers were those who took breaks together and let off steam collectively. Based on this knowledge, the bank implemented group break policies. The result? **Performance improved by 23% and stress levels dropped by 19%.**

While it is easy to see the benefits of using this type of data which can lead to fantastic insights, there is also a legal and ethical angle to consider. How would you feel if your organization used these badges? What could the company do to make you comfortable with the technology? These are important issues to consider as technology is becoming more intrusive.

HR analytics applications

In this chapter so far, we've discussed the exponential increase of HR data in organizations. In this section, we'll tackle what to do with this data. Basically, HR analytics is the process of analyzing and using data to make informed business decisions. For example, talent acquisition managers will tell you that the most difficult part of the recruitment process is determining which applicants will make the best hires. Analytics can help you determine which qualities are most important for a certain position, then sift through applications and find the candidates that best match those qualities. Analytics can also tell you when a certain quality or data point actually has little to do with an employee's success. For example, imagine if your company found out, after analyzing the profile of your top salespeople, that college grade point average is not a strong indicator of future sales performance. You can now expand your recruitment pool to anyone with a university degree instead of restricting it to those with high GPA's!

Job design

In one of the first chapters of this book we discussed how to structure jobs to make them more motivating and to increase the performance of employees. Data, and more specifically data analytics, can allow HR managers to pinpoint areas that facilitate or impede motivation or performance. For example, during the pandemic, organizations such as **Rabobank**, **Merck**, and **National Australia Bank** are all using quick surveys to understand how their employees are coping with remote work, how their needs for support are changing, and what their preferences are for returning to work. Using **text analytics on free text** comments (software that decodes words and word frequency into emotional sentiment or different psychological traits) and discussion boards, companies can gain valuable insights into what's important to their employees in a rapidly changing environment, while avoiding survey fatigue and preserving anonymity at an individual level. Using this information, they can develop initiatives that directly impact their employees; instead of guessing they can be very precise in the nature and timing of their interventions. They can even custom-tailor these solutions to individual employees.

Recruitment

The objective of recruitment being to generate the maximum number of quality applications possible, recruitment analytics borrows heavily from marketing science. Recruiters that use analytical tools rely on segmentation, statistical analysis, and the development of optimal people models (i.e., ideal candidates). Since an increasing majority of recruitment occurs electronically, there is a vast amount of data available to recruiters to seek to optimize their processes. An example of this is the segmentation in job advertising and the deployment of programmatic advertisement. In programmatic advertisement, target groups for a job opening are defined and then targeted through multiple online sources. In this case, the ad spent (per click or per thousand impressions) is closely monitored and when needed, adjusted. Because of the segmentation, different advertisements can be tested against different job-seeker segments in an effort to optimize conversion and lower cost.

The virtual nature of recruitment also allows for very innovative and 'out-of-the-box' recruiting techniques. In the world of motorsport, for example, Nissan is recruiting through an unusual channel: racing video games! Nissan joined forces with Sony to create the GT Academy, a global annual contest designed to find the best gaming racers and **turn them into real-life racing drivers**. Hundreds of thousands of hopefuls now enter the contest each year. And all of the winners selected in the past few years are still racing, proving what a useful recruitment channel this has been for Nissan.

Staffing

The objective of staffing is to find the best employee for a specific job. As we've seen in the staffing chapter, this can be a daunting task. People are complex and evaluating them is fraught with obstacles such as biases. HR analytics allows the HR department to cut through this complexity and complexity. For example, HR managers can analyze the profiles of their top performers, identify their characteristics (e.g., they have MBA's, were involved in high level athletics, or are introverts) and align their staffing processes accordingly.

Training

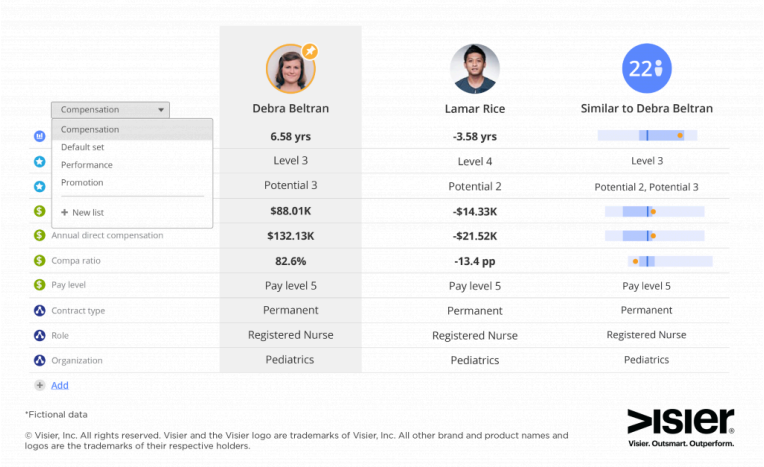
With the rise of online learning, corporate learning and development is becoming increasingly personalised to individual learners. Fuelled by data and analytics, 'adaptive' learning technology allows courses, course segments, activities and test questions to be personalized to suit the learner's preference, pace of learning, and best way of learning.

Individual, self-paced online learning is also arguably more cost effective than pulling employees out of their job for a day or week to send them on expensive training courses. Importantly, self-directed learning like this helps integrate ongoing development into employees' everyday routines. Danone's online **Danone Campus 2.0** is one example of this in action. The food giant has created a user-friendly online platform where employees can boost their development and share best practices and knowledge with other staff.

Compensation

Whether it's managing job candidate salary expectations or looking for evidence of pay equity, data allows HR managers to make decisions based on facts. For example, when an employee receives a competing offer, their manager's first instinct may be to match it. The key word here is *instinct*, which can lead to costly mistakes: intuition can cause even the best managers and HR professionals to make poor judgment calls. The way to mitigate this risk is to look to the data: to find out how the employee compares to the rest of their team and what the market is paying for a similar role.

Visier, an HR consultancy, specializes in compensation allows to compare compensation profiles, incentive rates, performance ratings, and attributes of employees to others on the same team or in similar positions. Armed with this information, managers can make decisions that are no longer based on emotion, but reality.



Performance management

UPS has taken the use of data and analytics in performance management to an entirely new level. For example, the handheld computer that drivers have been carrying for years (those electronic boxes you sign to say you received your parcel) is actually a sophisticated device that helps drivers make better decisions, such as which order to deliver parcels in for the most efficient route. In addition, UPS trucks are fitted with more than 200 sensors that gather data on everything from whether the driver is wearing a seatbelt to how many times the driver has to reverse or make a U-turn.

By monitoring their drivers and providing feedback and training where needed, UPS has achieved a reduction of **8.5 million gallons of fuel and 85 million miles per year**. Plus, drivers now make an average of 120 stops a day. That number used to be less than 100 – meaning the same drivers with the same trucks are now able to deliver more packages than before.

You'd think that monitoring employees so closely might cause a backlash among staff. But enhanced performance means the company can pay its drivers some of the highest wages in the industry, which no doubt helps support employee buy-in for data-driven performance. The company has also taken other steps to ensure they don't face a driver backlash; for example, under the terms of drivers' contracts, UPS cannot collect data without informing drivers of what they're gathering. Nor can they discipline a driver based only on what the data has told them.

Health and safety

In another example, Australian company Seeing Machines has developed technology for mining trucks that **tracks the driver's eyes in order to spot driver fatigue**. The system uses a camera, GPS and accelerometer to track eye and eyelid movement, such as how often a driver blinks, how long those blinks last, and how slowly the eyelids are moving – and it can do all this even if the driver is wearing sunglasses. When a driver closes their eyes for longer than 1.6 seconds, an alarm is triggered inside the truck – both a noise and a vibration within the seat. Then, if the alarm is triggered for a second time, a dispatcher or supervisor is alerted, so that they can make contact with the driver via radio.

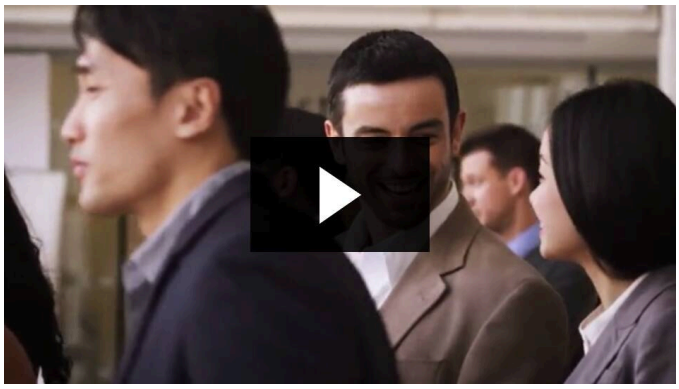
Steel producer North Star BlueScope Steel has been working with IBM to design a safety program that incorporates IBM Watson's cognitive computing power and sensors in wrist bands and helmets. The program, called **IBM Employee Wellness and Safety Solution**, delivers safety alerts in real time to workers and supervisors. For example, if the technology detects a worker is not moving and they have an increased heart rate and high temperature, it could mean they're suffering from exertion or even extreme heat stress – in which case, a supervisor could be alerted, or the employee advised to take a break.

Reference
https://hbr.org/2020/10/tech-is-transforming-people-analytics-is-that-a-good-thing

EPILOGUE

You've done it!

This book is meant to be an introduction to a field, Human Resources Management, that is both complex and in constant evolution. Every major business trend points to a growth in the importance of HRM for organizations. Regardless of the career path that you choose, you will have to handle some level of HR tasks and your success will in large part be determined by how well you execute these tasks (e.g., hiring your executive assistant, training your staff, etc.). We encourage you to further deepen your knowledge of HR by taking additional HR courses or simply by keeping up-to-date on the topic.



We leave you with this video produced by an HR consultancy, Visier. It drives the point home that HR is at the core of the most significant moments in organizations. HR matters when things are rough, when things are great, and also in between these two extremes; the video is entitled: "People moments are HR moments".

We, Nora and Stéphane, wish you all the best with your respective careers!

About the Authors

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Stéphane Brutus is the RBC Professor of Motivation and Work Performance at Concordia University. Stéphane's research focuses mainly on feedback processes, from an individual, team and organizational level. For the past 10 years, the peer evaluation system, an application of his research on feedback for pedagogical purposes, has been used by thousands of JMSB students working on group projects. Stéphane has published over 30 articles on feedback processes in peer refereed journals including *Personnel Psychology*, *Journal of Management*, *Academy of Management Learning and Education*, *Journal of Business and Psychology*, and *Leadership Quarterly*. He also served as President of the Canadian Society for Industrial/Organizational Psychology.

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Nora Baronian is a professor in management at Concordia University. She has taught in the last 10 years in the Undergraduate and MBA level, specializing in the area of Human Resources and Strategy. She is the Director of the Undergraduate Case Competition Program. She holds a degree in Biochemisty with an MBA and is a Certified Ethics and Compliance Professional. She has worked for over 15 years in many Fortune 500 companies such as Wyeth (now Pfizer), Accenture and Bombardier head office in various roles in Project Management, Consulting and Ethics&Compliance.

Versioning History

This page provides a record of changes made to the open textbook since its initial publication. If the change is minor, the version number increases by 0.1. If the change involves substantial updates, the version number increases to the next full number.

Version	Date	Detail
1.0	Sep 2020	Concordia University pilot version released
2.0	Oct 2023	NSCC: editioni is an adaptation of the Concordia edition