

## Human Resource Management (HRM)

### Introduction (p181-202):

- *Understand the role and purpose of the human resource managers in an organization*
- *Appreciate the relationships between human resource management , staff motivation and staff welfare in a business organisation*
- *Evaluate the different approaches to recruitment and selection*
- *Assess the different types of employment contracts that can be offered to staff*

### Introducing the topic (read the topic):

What HRM tasks or responsibilities can you find in the text?

HR problems that may face an Australian company opening in China could be:

Human resource management: purpose and role

HRM's **central purpose** is to:

Old style 'personnel' departments	The new 'HRM' role
<p>rather <b>bureaucratic</b> in their approach with an <b>inf</b>_____ approach to staff issues</p> <p>focuses on <b>recruitment, selection</b> and <b>disc</b>_____ <b>e</b> rather than <b>development</b> and <b>training</b></p> <p>reluctant to give any HR roles to any other department <b>man</b>_____ <b>s</b></p> <p>not represented at board of directors level and not part of the <b>str</b>_____ <b>c</b> management team</p>	<p><b>pl</b>_____ <b>g</b> the workforce needs of the business</p> <p><b>re</b>_____ <b>g</b> and selecting appropriate staff, using a <b>var</b>_____ <b>y</b> of techniques</p> <p><b>app</b>_____, <b>tra</b>_____ and developing staff at _____ stage of their careers</p> <p>preparing <b>cont</b>_____ <b>s</b> of employment for all staff and deciding on whether these should be <b>permanent</b> or <b>temporary, full-or part-time</b></p> <p>involving <b>all</b> managers in the <b>dev</b>_____ of their staff-emphasising that this is not just an HR <b>responsibility</b></p> <p>improving staff <b>mo</b>_____ <b>e</b> and <b>we</b>_____</p> <p>developing <b>appr</b>_____ pay systems for different categories of staff</p> <p><b>Mea</b>_____ and <b>moni</b>_____ <b>staff performance</b></p>

**Planning the workforce needs of the business-strategic workforce planning:**

**Workforce planning is:**

**I. The number of staff required in the future depends on many factors**

- *Forecast demand for the firm's product*

- *The productivity levels of staff*

- *The objectives of the business*

- *Changes in the law regarding workers' rights*

- *The labour turnover and absenteeism rate*

**2. The skills of the staff required: better qualified & different skills**

- *Pace of technological change*

- *Need for flexible or multi-skilled staff*

**Business in focus—economic downturn results in Electrolux job losses**

- *workforce can be effective only if it is linked in closely with the firm's long-term objectives*

**Recruiting and selecting staff:**

**Recruitment is**

*The recruitment and selection process involves several steps:*

- 1. Establishing the exact nature of the job vacancy and drawing up a job description***

***Job description is***

*Complete picture of job and will include:*

- a.*
- b.*
- c.*
- d.*
- e.*
- f.*

**2. Drawing up a *person specification***

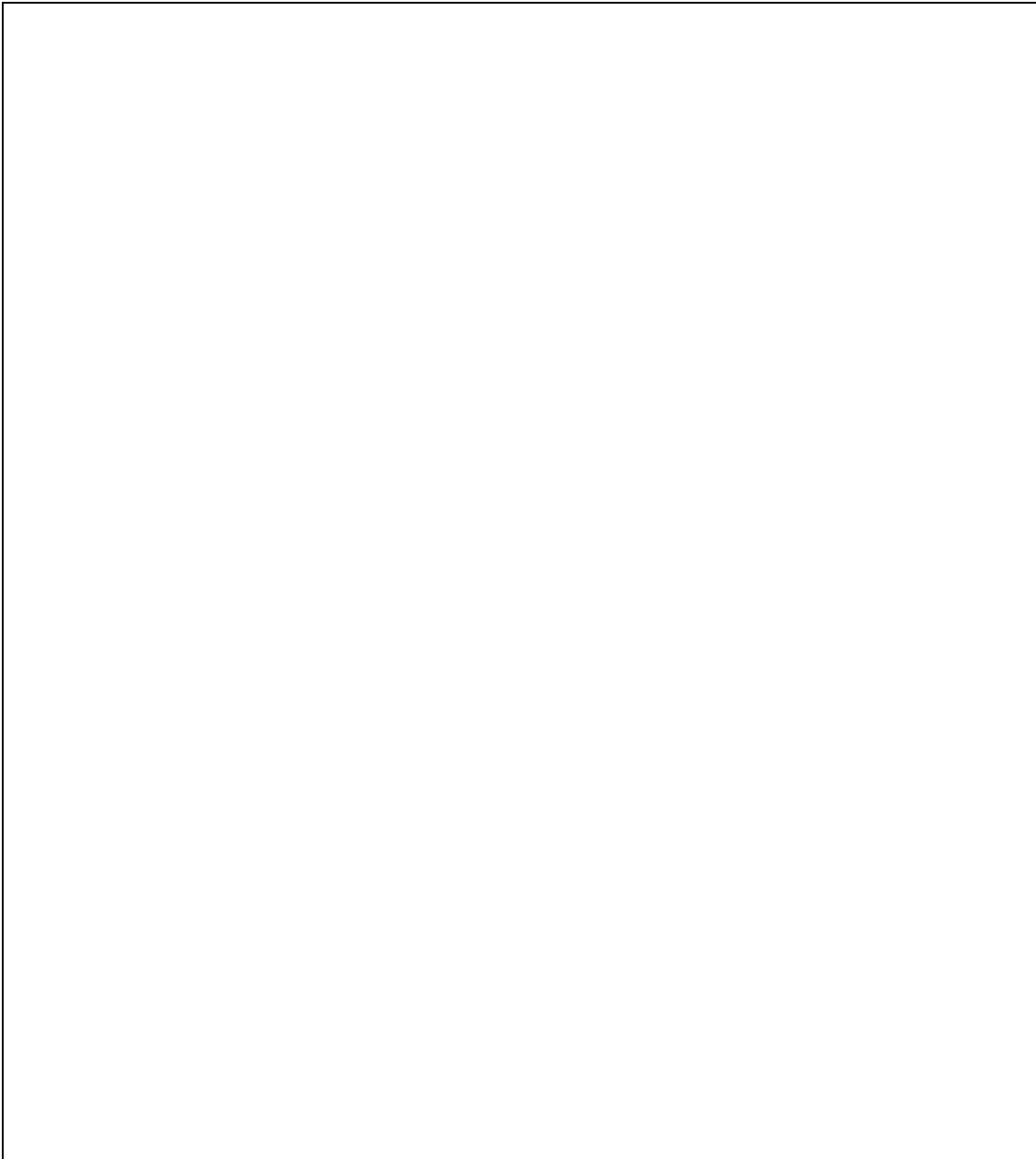
*Personal specification is and includes*

**3. Preparing a job *advertisement* reflecting the requirements of the job and the personal qualities needed**

**4. Drawing up a *shortlist* of applicants**

**5. Conducting interviews - or using other selection methods**

Activity 10.2



Benefits of internal recruitment	Benefits of external recruitment
<ul style="list-style-type: none"> <li>• applicants may already be known to the selection team</li> <li>• applicants will already know the organisation and its internal methods – no need for induction training</li> <li>• culture of the organisation will be well understood by the applicants</li> <li>• often quicker than external recruitment</li> <li>• likely to be cheaper than using external advertising and recruitment agencies</li> <li>• gives internal staff a career structure and a chance to progress</li> <li>• staff will not have to get used to new style of management approach if vacancy is a senior post.</li> </ul>	<ul style="list-style-type: none"> <li>• external applicants will bring in new ideas and practices to the business – this helps to keep existing staff focused on the future rather than ‘the ways things have always been done’</li> <li>• should be a wide choice of potential applicants – not just limited to internal staff</li> <li>• avoids resentment sometimes felt by existing staff if one of their former colleagues is promoted above them</li> <li>• standard of applicants could be higher than if just limited to internal staff applicants.</li> </ul>

**Table 10.1** Advantages of internal and external recruitment

***Why involve all managers?***

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***Training, developing and appraising staff***

*Understand these three training types and give a simple explanation of each of them:*

<p><b>Introduction training</b></p>	<p>Example:</p>
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<p><b>On-the-job training</b></p>	<p>Example:</p>
<p><b>Off-the-job training</b></p>	<p>Example:</p>

***Drawing up contracts of employment:***

Why draw up a contract?

What would be included?

**Discipline and dismissal of employees:**

Discipline:

**KEY DEFINITIONS**

**dismissal** being dismissed or sacked from a job due to incompetence or breach of discipline

**unfair dismissal** ending a worker's employment contract for a reason that the law regards as being unfair

**Dismissal**

Fair dismissal	Unfair dismissal

**Staff redundancies**

**What is redundancy?**

**Why does it happen?**

**Employee welfare:**

*The claimed advantages and disadvantages of a part-time and flexible employment contract*

<b>Advantages for the firm</b>	<b>Disadvantages for the firm</b>

<b>Advantages for the employee</b>	<b>Disadvantages for the employee</b>

Teleworking:

**Core workers & Peripheral workers:**

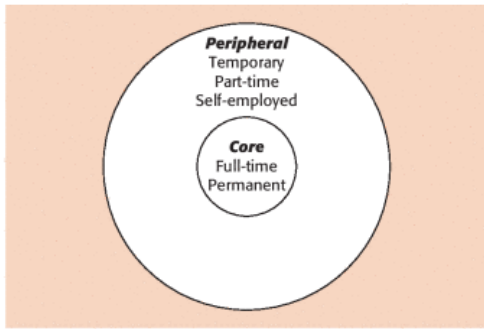


Figure 10.1 Core and peripheral workers



Figure 10.2 Charles Handy's 'Shamrock organisation'

**‘Hard’ or ‘Soft’ HRM?**

Hard	Soft

**KEY DEFINITIONS**

**hard HRM** an approach to managing staff that focuses on cutting costs, e.g. temporary and part-time employment contracts, offering maximum flexibility but with minimum training costs

**soft HRM** an approach to managing staff that focuses on developing staff so that they reach self-fulfilment and are motivated to work hard and stay with the business

**KEY DEFINITIONS**

**temporary employment contract** employment contract that lasts for a fixed time period, e.g. six months

**part-time employment contract** employment contract that is for less than the normal full working week of, say, 40 hours, e.g. eight hours per week

**flexi-time contract** employment contract that allows staff to be called in at times most convenient to employers and employees, e.g. at busy times of day

**outsourcing** not employing staff directly, but using an outside agency or organisation to carry out some business functions

**KEY DEFINITIONS**

**training** work-related education to increase workforce skills and efficiency

**on-the-job training** instruction at the place of work on how a job should be carried out

**off-the-job training** all training undertaken away from the business, e.g. work-related college courses

**induction training** introductory training programme to familiarise new recruits with the systems used in the business and the layout of the business site

**staff appraisal** the process of assessing the effectiveness of an employee judged against pre-set objectives

**Worksheet summary quiz and activity:**

1. Explain the **difference** between 'dismissal' and 'redundancy'.

2. **Explain** why it is **important** to both the firm and the employee to have a contract of employment between them.

3. State **three** reasons why the skills requirements of the workforce of a firm are likely to change over time.



**Summary of the worksheet in your own words (in English and Chinese):**

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*Vocabulary check:*

<b>English</b>	<b>Chinese</b>