

Part 1 - What is HRM

- **HRM**
 - series of tasks that all organizations must do to better manage workforce
- **Departments of HRM /**
 1. design jobs
 2. Hire
 3. training and development
 4. performance management
 5. rewards
 6. Labour relations
- **Ensuring Compliance**
 - having clear HR policies help with complex legal regulations
 - helps defend lawsuits
 - having good HRM reduces legal issues
- HRM Staff sets policies and Line Managers implement those policies and manage the employees
- HRM strategy must align with the company business strategy to better succeed
 - HR professionals should participate in the strategy discussions
 - should be consistent
 - Benefits include
 - increased profits
 - long term survivability
 - increased shareholder ROI
- **HR is:**
 - rare
 - Valuable
 - cannot be imitaed
 - no good substitutes
- **Importance of People**
 - they provide human capital (which is the knowledge, experience, and judgment) to help companies develop a competitive advantage
- **Seven Best Practices of Good HRM**
 1. Employment Security
 - more people want to work there
 - Once a person joins a company they are not likely to leave
 2. Selective Hiring

- best prospects
- 3. Self-managed Teams
 - motivate employees by giving responsibility
 - people feel accountable
- 4. Effective Compensation Systems
 - organizations that better compensate their employees outperform those that don't
- 5. Extensive Employee Development
 - motivates employees since they feel like the organization is focused on their careers
- 6. Minimum Status Differences
 - creates a better work culture where everyone feels valued and fosters employee commitment
- 7. Sharing Information
 - shows trust in employees and helps companies reach their goals
- **Outsourcing**
 - let another company provide services
- **Offshoring**
 - setting up a business in another country
- **Ethics in HRM**
 - greatest good for the the most people
 - fair and equitable
 - respect for human rights
- **Trends**
 - An Aging Workforce
 - Canada's workforce is aging and it is expensive
 - A diverse workforce
 - company workforce is becoming more diverse and that is a good thing
 - Skill Deficiencies
 - hiring people with more social skills and technological understanding
- **High-Performance Work System**
 - where people and technology work together to create a competitive advantage
 1. Knowledge Workers
 2. Employee Engagement
 3. Teamwork
 4. Increasing Levels of Education

Part 2 - Legal HRM

- **Legal Frameworks**

- Employment Law: everyone
- Labour Law: applies to unionized employees
- Employment Issues Covered by Legislation
 - Employment Standards Act
 - Sets minimum working conditions
 - wages
 - holidays
 - minimum break periods
 - Human Rights Legislation (federal and provincial)
 - provides protection against discrimination (age, gender, race, religion)
 - Health and Safety Legislation (provincial)
 - ensures safety among working conditions
- Discrimination
 - Direct
 - straight up
 - Indirect
 - fitness tests
- BFOR
 - job related, fair discrimination
 - can't have a male working as a female washroom attendant
- Steps ensure a workplace free of sexual harassment
 1. federal regulated employees required to develop an anti-harassment policy
 2. All employees must receive training and are aware of policy
 3. Disciplinary actions must be used to protect against harassment
- **Employment Equity**
 - women, aboriginals, disabilities, minorities
- **PIPEDA** (privacy information) Privacy Act
 - federal that says how private organizations may collect, use, or share that information
 - gives individuals the right to access and change their information collected about them
- **Pay Equity**
 - skill, effort, responsibility, working conditions
 - needed to address the pay gap
- Employers, managers, supervisors have a duty to provide a safe workplace
- **Employee Rights and Responsibilities**
 1. right to refuse unsafe work
 2. right to know about potential dangers
 3. right to participate in workplace health and safety activities

Module 3

- The objective of **job analysis** is to collect the information needed to produce the job description and job specification
- **Job Description**
 - What the job entails
 - who you need to report to
 - tasks duties and responsibilities
- **Job Specification**
 - requirements for the job
 - the skills needed
- **Ways to Collect the Information**
 - interview job incumbents
 - makes their jobs seem more difficult than what it actually is
 - log kept by incumbents
 - observation of incumbents
 - quantitative techniques that use questionnaires
- **Job Design**
 - defining what jobs are needed and tasks the job requires
 - it has to be efficient that also motivates employees
 - Jobs that motivate employees should
 - have a variety of skills
 - have a significant impact
 - Allow some employee autonomy
 - allow the employee to identify with a complete task
 - allows employees to go through with the finished product
- **Work Flow Analysis**
 - Identifies the inputs, the work process, and output of the work
- **Human Resource Planning** (Workforce Planning)
 - What is it?
 - it finds the number and types of employees required
 - Why is it important?
 - it addresses future needs
 - staffing takes time
 - implementing organizational strategic plan requires a workforce plan
- **Effective Human Resource Planning Include**

- Forecasting future HR needs (demands)
 - technology changes
 - Competitors
 - labour demand
- Forecasting future internal workforce (supply)
 - census of current workforce
 - shows the skills, training, and knowledge of the current workers
 - Flow analysis of the workforce
 - how many people are retiring, laid off, turnover
- Balance supply and demand
 - hiring freeze
 - reduce hours
 - try to avoid layoffs, but it is a last resort
- Monitor and evaluate results on an ongoing basis
 - show how effecting HR planning has been
 - adjust techniques based off of it
- **Objectives of Downsizing**
 - Reducing costs
 - Replacing Labour with Technology
 - Moving to more economic locations
- **Cons of Downsizing**
 - Demoralization
 - employees will be afraid to take risks
- **Succession Planning**
 - the process of identifying and teacking high-potential employees to fill top positions
- **Recruitment Sources**
 - Internal Sources
 - job positing on company bulliten boards
 - generates applicants who know the organization well
 - generally cheaper and faster
 - specific to the organization
 - don't bring new perspectives
 - External Sources
 - entry level
 - new ideas
 - online
 - University
- **Evaluating the Quality of a Recruitment Source**
 - Yield Ratio: how successful an applicant move from one stage to the next

- a high yield ratio means the source is an effective way to find candidates to interview
 - Cost per hire
 - low cost per hire means that the recruitment source is efficient
- **Goals of Recruitment**
 - increasing the number of applicants
 - influencing the type of people who apply
 - Increase diversity
 - reducing numbers of unqualified applicants
 - improving the quality of applicants
 - enhance the 'fit' of applicants
 - increase the likelihood of applicants accepting positions if offered
 - you want to show that this is a great place to work
- **Human Rights Legislation**
 - prohibits discrimination based on protected categories
 - *Adverse Impact*: organization's recruitment practices that indirectly discriminate
 - this may not be intentional but it is illegal regardless unless BFOR
- **Criteria of Good Selections Methods**
 - *Reliability*
 - measurement of the selection method must be consistent
 - if you cannot reliability measure it, you cannot use it to predict future job performance
 - free from random error
 - *Validity*
 - the relatedness of the selection method
 - Predictive Validation
 - gives the applicant a test beforehand and then after hired, then measure performance to see if there is a correlation between test and performance
 - useful but takes lots of time
 - Concurrent Validation
 - gives the current workers a test and then measure performance to see if the test is valid
 - can be done quickly
 - Generalizability
 - if a selection method is valid for one job is it valid for other jobs
 - eg. if you are physically fit, you can become a police officer or a fire fighter
- **Contamination**
 - the extent of factors unrelated to the job affect your selection method

- **Deficiency**

- the extent of job related factors excluded from your selection method

Module 4

- **Employee Training**

1. Training Needs Assessment

- only training employees that want to learn and are under-performing
- if employees are performing well, then training may not be beneficial
- training is a possible solution to correct deficiencies and make things more efficient
- they must be willing to learn

2. Designing the Training Program

- you want the training program to have measurable outcomes
- ensure that the stuff learned transfer back

3. Implement the Training Program

4. Evaluate the Results of Training

- Do a cost/benefit analysis
- critical for ensuring that the training was beneficial
- many organizations skip the first and last steps
 - they often train those that do not need further training
 - they may also perform training that does not work

- **Training**

- trains the employee's competency for the current position

- **Development**

- helps prepare employees for future careers

- Training helps organizations remain competitive, people want to learn new things on the job

- **When do we need training?**

- new jobs
- new products
- new technology
- underperformance

- **Organization Analysis**

- context in which training will occur
- are there enough resources for training (eg. management support)

- **Person Analysis**

- are they ready for training?
- are they eager to learn?
- do they need to be trained?

- **Task Analysis**

- Identifying tasks that should be emphasized
- **Training Methods**
 - Audio Visual
 - On the Job
 - Computer Based
 - Simulation
 - Team training
 - Action Learning
- **Approaches to Employee Development**
 - Future-oriented
 - prepares for other positions + increases ability to move into other jobs
 - 4 categories
 - Formal Education
 - Assessment
 - help find strength and weaknesses
 - Job Experiences
 - having them experience a variety of tasks
 - promotions and transfers
 - Interpersonal Relationship
 - Mentorship or coaching
- **Glass Ceiling**
 - invisible barrier that keeps members from moving up in the company
- **Dysfunctional Managers**
 - close-minded, insensitive

Performance Management

- similar to hiring in a sense that there is reliability and validity
- **Purposes of Performance Management**
 - Strategic Purpose
 - relates to linking employee performance with the organizations strategy
 - Administrative Purpose
 - refers to how organizations use the information from performance appraisals to make HRM decisions
 - this includes training needs, pay decisions, layoffs
 - Development Purpose
 - to guide employee development
 - to improve performance in current jobs

- **Criteria for Effective Performance Appraisal**

- Reliability
 - Inter-rater reliability is the consistency of the measurement results across different raters
- Validity
 - performance measures have to reflect actual performance
- Acceptability
 - is it acceptable by the employees on how they are evaluated and is it accepted by the supervisors
 - is it cost effective?
- Specificity
 - refers to how precisely the measures tell employees what their performance expectations are
 - are they meeting these expectations?
 - what do they need to improve on?

- **How is Performance Measured?**

- objective
 - quantity and quality
 - this is objective but it may not be fair (eg. sales from different locations)
- subjective
 - sometimes better
- to reduce errors make your evaluation more specific

Module 5

- **Types of Total Rewards**

- Pay (direct)
- Benefits (indirect)
- Work-life balance
 - holidays, and vacations
 - breaks
- Employee Development
- Recognition

- **Purposes of Total Rewards Management**

- Attract qualified employees
- Retain qualified employees
- Motivate employees
- Legal compliance

- Efficiency or controlling costs
- Labour Relations
- **Internal Equity**
 - pay structure of different jobs in an organization
 - it is important because people always make comparisons to each other (equity theory) and you want the ratio of input and rewards to be balanced
- **Why Don't Just Pay Market Rates**
 - for entry level you can but for specialized jobs for the organization it is different
 - many jobs are unique to the organization
- **Job Evaluation**
 - process of establishing fair rates of relative pay
- **Point System**
 - most common and reliable method as it provides consistent results
 - Four Steps to establish the point system
 1. Choose the compensable factors it will use
 2. Levels must be established for each factor
 3. Relative weighting of each factor
 4. Established for every level on each of the factors
 - Advantages
 - easy to use once established
 - suitable for a number of jobs
 - easy to maintain and lasts long
 - Disadvantages
 - time-consuming and expensive to develop initially
- **External Equity**
 - Pay level relative to other organizations in the market
 - Benchmark jobs
 1. Common in many organizations
 2. Standardized across many organizations
 3. tasks and duties of the jobs should be stable
 4. The labour market for these jobs should be in equilibrium
 - Sources of Data
 1. Government statistics
 2. Consultants
 3. Large firms may have their own surveys
 4. Employer associations
 5. Collective Agreements
 - Pay Grades
 - very common in organizations because it is easier and cheaper to implement

- instead of having job evaluations for every job, they group similar jobs together
 - It can lead to some dispute that are close to the cutoff lines
 - similar to having pay thresholds
- **Total Compensation**
 - Direct + Indirect Compensation
- **Pay Level**
 - the average amount of compensation an organization pays for a particular job
- **Job Structure**
 - relative pay for different jobs within the organization
- **Pay Structure**
 - the pay policy resulting from Pay level and job structure
 - eg. hourly wage
 - Piecework rate
 - Salary
- **Legal Requirements**
 - Employment Standards Act
 - minimum requirements for wages, hours of work, overtime pay, vacation
 - Human Rights Legislation
 - no decision based on race, gender, only job-related differences
 - Pay Equity Legislation
 - addresses the wage gap between female and male-dominated jobs

Module 6 - Individual Pay and Incentive Pay

- **Methods of Individual Pay**
 1. Flat Rates
 - Common for unionized workers
 - easy to understand
 - does not motivate employees
 2. Seniority
 - based on loyalty and experience
 - valuable to the organization
 - easy to administer
 - more experience to train employees
 - lack of incentives to work hard
 3. Merit Pay Raises
 - permanent raises based on past performance

- motivates employees
 - seems fair
 - difficult to measure
- 4. Performance Based Incentive Pay
 - does not carry over
 - changes the work culture
 - hires individualistic employees
 - hard to measure fairly
- **Incentive Pay**
 - Can be really effective if it has valid performance measures
 - Individual vs Team Incentive Pay
 - individual leads to lower turnover
 - team incentive leads to higher turnover based on the freerider problem
 - productivity for both still increases
 - team incentive also focuses on the goals of the team
 - Attract, Retain, Motivate employees
- **Employee Benefits**
 - Most organizations provide flexible benefits now
 - Advantages:
 - provides a higher perceived value
 - good for making employee aware of the costs
 - Disadvantages
 - higher admin costs
 - employees will choose the benefits that they will use the most
 - Expensive
 - Disadvantages of Benefits
 - it does not motivate employees since it is not linked to job performance
 - employees underestimate or are unaware of the value of the benefits

Module 7

- **Union**
 - an organization that represents employees as a group or collective basis
 - purpose to ensure fair treatment and improve the terms and conditions of employment
 - *Collective Agreement*: specifies the terms and conditions of employment and is negotiated by union and the employer
 - the terms and conditions of employment
 - Union's Bargaining Power

- its ability to force employer to agree to its demands
 - Strike
 - all employees stop working until certain demands agreed by the employer
 - Or works a lot less
 - Union's represent 28.8%, HR practices are improving
 - Lockout
 - the employer closes the factory/does not provide work until employees meet the conditions they set out
- **Alternatives to Stricks and Lockouts**
 - Mediation
 - facilitates the negotiations
 - Conciliation
 - consults and provides recommendations
 - Arbitration
 - final say/decision and is binding
- **Types of Unions**
 - Local Union
 - most of the action takes place
 - take action
 - grievance processing
 - contract negotioans
 - National Unions
 - the parent union
 - support services for locals
 - administer strike funds
- **Labour Relations**
 - where managers and union leaders work together to reach collective agreements
 - this is highly regulated
- **Key Provisions of Labour Relations Legislations**
 1. Protecting the rights of employee to union representation
 2. Protecting the right of employers to form employer's associals
 3. Guards against unfavor labour practice by both
 4. Adminster the union certification process
 5. Sets rules for collective bargaining and legal strikes/lockouts
 6. Provide mediation, arbitration and other dispute resolution services
- **Union Certification**
 - determining if the majority of employees in a group wants to be represented by a union
- **Processes During Negotiations**
 - Distributive Bargaining

- one side's gain is an equal loss to the other side
 - eg. price negotiations
 - Positive Contract Zone
 - overlap of resistance points and should be able to settle
 - Negative Contract Zone
 - no overlap of resistance points
- Integrative/Mutual Gains Bargaining
 - finding something that is beneficial to both sides
- Attitudinal Structuring
 - focused on how the parties deal with each other and how they treat one another
- Intra-Organization Bargaining
 - Negotiation that goes on within their own party
- **Distributive Bargaining Strategies**
 - Know your resistance point, know theirs, push them towards yours
 - get to their lowest resistance point
- **Grievance**
 - a violation of the collective agreement
 - Shop Steward
 - the union official who will file a grievance
 - When a grievance is filed it should include
 - the nature of the alleged violation
 - the remedy or settlement desired
- **Grievance Procedures**
 1. Shop steward and first line supervisor try to resolve the grievance
 2. Involves a higher-level manager from both sides to resolve the issue
 3. Binding Grievance Arbitration
 - arbitrator is picked and conducts a hearing for both sides then makes a final decision that is binding

Module 9

- **Voluntary Turnover**
 - Initiated by the employee when the employee wants them to stay
 - Organizations should monitor and try to determine why they are leaving
 - done through exit interviews/surveys
 - if it is personal reasons then employers can't do much but otherwise they can make improvements

- **Involuntary Turnover**

- initiated by the employer when the employee wants to stay
 - Downsizing/Layoffs
 - Firing/Dismissal

- **Discipline Procedures**

- Purposes
 - try to correct employees
 - to be deterrent through punishment
 - to dismiss employees if warranted
- Three Foundations of Fairness
 - rules are clearly established and communicated to employees
 - A system of progressive discipline
 - The discipline process should include an appeal process