

CERTIFIED SECRETARIES (CS)

PART III

SECTION 5

HUMAN RESOURCE MANAGEMENT

STUDY TEXT

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CHAPTER 1

NATURE OF HUMAN RESOURCE MANAGEMENT

Human resource management defined

A study group of managers of Great Britain defined HRM as the part of process of management which is specifically concerned with the people employed in an organization. Its purpose is to establish and maintain sound personnel relations at all levels of organization and to secure its effective use of personnel by ensuring such conditions of employment as well enable all persons in the enterprise to contribute most effectively to its purpose in the performance of their duties, as well as to attain those personal and social satisfaction which they tend naturally to seek within their working environment. Human resource management has been defined by (Gary D. 2008), as “ the policies and practices involved in carrying out the “people” or human resource aspect of management position, including recruiting, screening, training, rewarding and appraising”. We can therefore conclude that human resource management is the process of acquiring the right number and type of workers, training, appraising and compensating employees, attending to their labor relations, health and safety.

Why human resource management is important to all managers

It is assumed that all managers have a keen interest in human resource management. In other words every manager in any one given organization can not do without human resource management function. May we can explain this by listing down some of the personnel mistake that you would not want to make while managing.

NATURE OF HUMAN RESOURCE MANAGEMENT

a) People-Centered:

Human beings are diverse in every aspect. Therefore all people in the organization should be treated and motivated differently so as to make them contribute their utmost to the organizational effort

b) Recognition as a total Human Being:

Individuals working in an organization contribute to it through their work, talent, drive etc. yet it is not possible to employ only a person’s skill, talent or such other characteristics. A whole person is to be employed because his characteristics are inseparable.

c) Human Dignity:

Human beings can not be equated with other factors of production. They represent the freest creation of nature and expect and deserve to be treated with respect and dignity.

d) Multi-disciplinary:

Human beings are rather unpredictable in their behavior in organizations. Such unpredictability of their behavior arises from their deep-seated needs and value systems. To understand human behavior, personnel management seeks to achieve this by adopting multi-disciplinary approach drawing heavily on the theory and practice of economics, sociology, psychology etc.

e) Extended scope

Personnel management is concerned with the people employed in an organization but it doesn't confine itself to affording personal and social satisfaction to employees of an organization. It views an individual as a total person and not merely in terms of his skills, talent or knowledge. It seeks to make him a better person, besides a better employee so that he can be able to contribute fully to the society of which he is part of.

f) Continuous exercise

To be productive as desired results, personnel management has to be practiced on a continuous basis. Personnel management requires a constant alertness and awareness of human relations and their importance in everyday operations.

g) Personnel might as profession

A profession may be defined as an occupation based upon specialization in intellectual study and training, the purpose of which is to supply skilled service or advice to others for a definite fee or salary. It is a service occupation and therefore useful to the society.

OBJECTIVES OF PERSONNEL MANAGEMENT

1. Social objective

- a. Provision of employment opportunities
- b. Better productivity
- c. Maximum material and mental satisfaction to workers
- d. Healthy human relations and social welfare

2. Personal objective

- a. Adequate remuneration
- b. Job security
- c. Facilities for proper training and development
- d. Increased job satisfaction

e. Opportunities for advancement

3. Enterprise objective

- a. Recruit competent employees
- b. Maintain satisfied/motivated employees
- c. Retain productive employees

4. Union objective

This requires utmost fact and caution, particularly in matters concerning recognition of representative unions, formulation of personnel policies in consultation with them, and creation of an atmosphere where they are obliged to practice self discipline and co-operate with management

FUNCTIONS OF HUMAN RESOURCE MANAGERS

Personnel management involves in two types of functions

A. Managerial functions

I. Planning :

Planning means looking ahead and to provide for an uncertain future. It means determining the personnel objectives, policies and programmes in advance. It aims at making sure that the organization has adequate number of persons, rightly placed so that they are able to efficiently contribute to accomplishment of enterprise objectives.

II. Organization

The organization structure should clearly lay down the inter-relationship between persons, job and physical factors. Every person should be made to know the requirement of his job, how his job is related to other jobs, what types of relations he should have with his immediate superiors and subordinates and what channel of communication should be followed. This is normally done by top level management in conjunction with personnel office.

III. Direction

Proper direction and motivation is provided by issuance of appropriate order and instructions to workers at various levels. Orders should be complete, precise, to the point and easy to understand.

IV. Controlling

This is to see to it that the performance at each level is as per the plan. It involves establishing reasonable and attainable standards, levels of performance expected of workers and effective feedback i.e. comparison and evaluation of performance, discovery of deviation and *citations of necessary corrective action.

- i. **Operative function**-Procurement, Development, Remuneration or compensation, Integration, Maintenance

JOB ANALYSIS

The purpose of this topic is to show you how to analyze a job and write job descriptions. We will see that analyzing jobs involves determining in details what the job entails and what kind of people the organization should hire for the job.

Basic Terminology

The simplest unit of work is the micromotion. A micromotion involves a very elementary movement such as reaching, grasping, positioning or releasing an object. An aggregation of two or more micromotions forms an element. An element is a complete entity such as picking up, transporting and positioning an item. A group of working elements makes up a work task. Related tasks comprise the duties of a job. Duties when combined with responsibilities (obligations to be performed) define a position. A group of positions that are identical with respect to their major tasks and responsibilities form a job. A job may be held by more than one person whereas a position cannot.

Job analysis defined

A job may be defined as a collection of duties, tasks, and responsibilities which as a whole is regarded as a regular assignment to individuals and employees. Therefore job analysis can be defined as a detailed and systematic study of information relating to the operations and responsibilities of a specific job it is the process of determining, by observation and study and reporting pertinent information relating to the nature of a specific job. It is the determination of tasks which compromise the job and of the skills, knowledge, abilities and responsibilities required of the worker for successful performance and which differentiates one job from all others. (Edwin B. Flippo)

The basics of job analysis

A well done job analysis will give you information used for writing job descriptions (a list of what the job entails) and job specifications (what kind of people to hire for the job). Job analysis tries to answer the following:

- What is the employee doing in a job?
- How is he doing the job?
- What tools are employed in the job?
- How is the job understudy related to other jobs?
- What skills, ability, qualification are needed to perform the job?
- How do we determine the requirements for measuring employees' performance?
(Performance standard.)
- What are the operational procedures adopted, what are the safety hazards faced, how is the line of authority and responsibility to be classified?

In the process of answering the above questions, the human resource specialist would collect one or more of information.

- **Work activities.** The human resource specialist would first collect information about the job's actual work activities. This includes how, why and when the workers performs each activity.
- **Human behaviors.** He would also collect information about human behavior which is needed to perform a particular job activity. For example, communicating, deciding and writing.
- **Machines, tools, equipment and work aids.** This category includes information regarding tools used, material processed, knowledge dealt with and applied (such as finance or law), and service rendered (such as counseling or repairing)
- **Performance standards.** These are the standards which are used for performance appraisal. Management would also want to know the quality, quantity and level of each job duty.
- **Job context.** This includes information such as matters as physical working conditions, work schedule, and the organizational and social context. For example the number of people the employee would normally interact with.
- **Human requirement.** This includes information regarding the job's human requirement, such as job related knowledge or skills (education, training, work experience) and required personal attributes (aptitudes, physical characteristics, personality, interests).
- Job analysis is the cornerstone of all human resource functions. Data obtained from job analysis produces the following information about a job:
 - Overall purpose – why the job exists, and in essence, what the jobholder is expected to contribute.
 - Content – the nature and scope of the jobs in terms of the tasks and operations to be performed and duties to be carried out i.e. the processes of converting inputs (knowledge, skills and abilities) into outputs (results).
 - Accountabilities – the results or outputs for which the jobholder is accountable.
 - Performance criteria – the criteria, measures or indicators that enable an assessment to be carried out to ascertain the degree to which the job is being performed satisfactorily.
 - Responsibilities – the level of responsibility the job holder has to exercise by reference to the scope and input of the job; the amount of discretion allowed to make decisions; the difficulty; scale, variety and complexity of the problems to be solved.
 - Organizational factors – the reporting relationships of the jobholder, the people reporting directly or indirectly to the jobholder and the extent to which the jobholder is involved in team.

- Motivation factors – the particular features of the job that are likely to motivate or demotivate jobholders.
- Development factors – promotion and career prospects, and the opportunity to acquire new skills or expertise.
- Environmental factors – working conditions, health & safety considerations, unsocial hours, mobility and ergonomic factors relating to the design and use of equipment & workstations.
- The above information would enable you to attract the right candidate for a job opening. Therefore job analysis must be done carefully it would cost an organization a fortune.

Uses of job analysis information

Several human resource management activities are supported by the information derived from job analysis. They include;

- **Recruitment.** One among many other requirements for an organization to be successful is having the right people hired for the job. Job analysis therefore, provides information about what the job entails and what human characteristics are required to perform these activities. This information, in the form of job description and specifications, helps managers what sort of people to recruit and hire.
- **Compensation.** Job analysis information enables the management to estimate the value of each job and its appropriate compensation. This is because compensation depends on the job's required skill and education level, safety hazards, degree of responsibility, etc. all these factors you can assess them through job analysis. Job analysis provides information to determine the relative worth of each job and thus appropriate class.
- **Training.** The job description lists the job's specific duties and requisite skills. Thus managers are able to determine the kind of skills the job candidate requires to perform the job activities.
- **Performance appraisal.** Performance appraisal is done to see whether the employees' actual performance measures the set standards of marches with the performance of the other workers. Doing so requires the knowledge of duties and standards. This is specified in the job analysis information.
- **Discovering unassigned duties.** Unassigned duties can be revealed by job analysis information. For example, your company's production manager says she is responsible for a dozen or so duties, such as production scheduling and raw material purchasing. Missing, however, is any reference to managing raw material inventories. On further study, you learn that none of the other manufacturing people are responsible for inventory management, either. You know from the review of other jobs like these that

someone should be managing inventories. You have been able to discover this unassigned essential assignment through job analysis.

- **EEO compliance.** EEO stands for Equal Employment Opportunity. This is where the marginalized and disadvantaged are given equal opportunity to apply for a job opening. U.S. Federal Agencies' Uniform Guidelines on Employee Selection stipulate that job analysis is a crucial step in validating all major human resource activities.
- **Job definition:** A job analysis results in a description of the duties and responsibilities of the job. Such a description is useful to the current jobholders and their supervisors, as well as to prospective employees. The jobholders can get a clear idea of their main responsibilities from a job description.
- **Job Redesign:** A job analysis often indicates when a job needs to be redesigned.
- **Selection and Placement:** Selection seeks to match an individual with a job. For this to succeed the job and its requirements must be clearly and precisely known. Job analysis produces job descriptions, which can provide essential evidence for selection interviewers.
- **Orientation:** Effective job orientation cannot be accomplished without a clear understanding of the job requirements. The duties and responsibilities of a job must be clearly defined before a new employee can be taught how to perform the job.
- **Career Counseling:** managers and HR specialists are in a much better position to counsel employees about their careers when they have a complete understanding of the different jobs in the organization. Employees can better appreciate their career options when they understand the exact requirements of other jobs.
- **Employee Safety:** A thorough job analysis often uncovers unsafe practices and/or environmental conditions associated with a job. Focusing precisely on how a job is done usually uncovers any unsafe procedures.

Steps in job analysis

There are six steps in doing job analysis. Let us look at them as analyzed by Gary Dessler (2008)

Step 1:

Decide how you will use the information, since this will determine the data you collect and how you collect them. Some data collecting techniques-like interviewing the employees and asking what the job entails are good for writing job description and selecting employees for the job. Other techniques, like the position analysis questionnaire, which we will describe later, do not provide qualitative information for job descriptions. Instead, they provide numerical ratings for each job; these can be used to compare jobs for compensation purposes.

Step 2:

Review relevant background information such as organizational charts, process charts, and job description. Organizational chart show the organization wide division of work, how the job in

question relates to other jobs, and where the job fits in the whole of the organization. The chart should show the title of each position and, by means of interconnecting lines, who reports to whom and with whom the job incumbent communicates.

Step 3

Select representative positions. There may be too many similar to analyze them all. For example, it is usually unnecessary to analyze the jobs of 200 assembly workers when a sample of 10 jobs will do.

Step 4

Actually analyze the job-by collecting data on job activities, required employee behaviors, conditions and human traits and abilities needed to perform the job.

Step 5

Verify the job analysis information with the worker performing the job and with his or her immediate supervisor. This will help confirm that the information is factually correct and complete.

Step 6

Develop a job description and job specification. These are the two tangible products of job analysis.

TECHNIQUES IN JOB ANALYSIS

• ***Personal observation***

A job analyst collects the information regarding the materials and equipment used the working conditions and the probable hazards, and the nature of work performed by the employees, through personal observation. This method can not be used in jobs whose physical abilities are not observable. It can also not be useful if the employee only occasionally engages in important activities, such as a nurse who handles emergencies. And reactivity- the worker's changing what he or she normally does because you are watching- can also be a problem.

Jobs in which the observation method is successful include: -

- Machine operator/adjuster
- Construction worker
- Police officer/patrol officer
- Flight attendant
- Bus driver
- House keeper/janitor
- Skilled crafts worker

The observation method is derived from the techniques of work-study. The method is appropriate for situations where a relatively small number of key jobs need to be analysed in depth.

Time and Motion study are the most frequently used observation methods. Motion or methods study involves determining the most efficient way to do a task or job. It involves studying the motions and movements necessary for performing a task or job and then designing the most efficient methods for putting those motions and movements together.

Time study is the analysis of a job or task to determine the elements of work required performing it, the order in which these elements occur and the times required to perform them effectively.

Work sampling is a type of observation method based on taking statistical samples of job actions throughout the workday. By taking an adequate number of samples, inferences can be drawn about the requirements and demands of the job.

Observation is used to analyze jobs that are relatively simple and straightforward. It can be used independently or in conjunction with other methods of analysis. Information includes; what was done, how it was done, how long it took, what the job environment was like, and what equipment was used.

Advantages

- Simple to use
- Can be used effectively for manual repetitive tasks

Disadvantages

- A skilled worker can make a job look easy
- An experienced worker can make a job look difficult
- Mental processes are not revealed
- Some manual work is too fast or intricate to be observed accurately
- Not suitable for highly skilled manual work where the actions are too speedy to observe accurately
- Observer must be well trained to know what to look for & record

- ***Questionnaire methods***

Another sophisticated and scientific approach is the questionnaire method employed in obtaining the data regarding job. This involves having employees fill up questionnaire to describe their job related duties and responsibility. Here you have to decide how to structure the questionnaire and what type of questions to ask. The questionnaire can be open ended or close ended. Whether structured or unstructured, questionnaires have both pros and cons. A questionnaire is a quick and efficient way to obtain information from a large number of employees; it is less costly than interviewing hundreds of workers, for instance. However, developing a questionnaire and testing it can be very expensive and time consuming. The

success and effectiveness of this method largely depends on the efficiency of the drafted questionnaire. A carefully drafted questionnaire is sent out to job holders for completion and is returned to the supervisor. It should be remembered that the information obtained through questionnaire is haphazard and unsystematic. Therefore the information should be tabulated properly and systematically.

Examples of Questionnaires

Some of the standard questionnaires used include: -

- Comprehensive Occupational Data Analysis Programmes (CODAP)
- Position Analysis Questionnaire (PAQ)
- Functional Job Analysis (FJA)
- Management Position Description Questionnaire (MPDQ)
- Supervisory Task Description Questionnaire (STDQ)

The questionnaire method inhibits direct rapport between analyst and respondent and the respondent's cooperation and motivation are not guaranteed due to impersonal approach.

• *Maintenance of log records*

In big organization workers are asked to keep a record of all the activities he or she is involved in. For each activity, the employee records the activities along with the time in a log. This can produce a very complete picture of a job, especially when supplemented by subsequent interviews with the workers and the supervisors. But log record does not provide information regarding the equipment used, the supervisor subordinate relationships in the work environment, working conditions etc. Some employees can exaggerate some activities and down play others. It is also a time consuming activity. However log have gone high-tech. Some firms give employees pocket dictating machines and pagers. Then at random times during the day, they page the workers, who dictate what they are doing at that time. This approach can avoid one pitfall of the traditional log method: relying on workers to remember what they did hours earlier when they complete their logs at the end of the day.

• *Material of work*

A study of the tools, working materials, machines, documents, communication, media etc frequently provides a useful check on information obtained in other ways, and may suggest questions to be asked.

• *Pervious studies*

Work study records, training manuals and accident reports are sometimes available and can be brought up to date or added to other information. His approach utilizes existing documentation as a rich source of information about jobs in the structure. Typical documents studies include; organization charts, budget statements, letters of appointment and statement of objectives for

units. This particular approach is more likely in an organization planning or job redesigned exercise.

- ***Critical Incidents***

This method seeks to distinguish between effective or ineffective behaviours of the workers in the job. Job holders are requested to describe several incidents based on their past experience on a given job. The incidents collected are analysed and categorized. The end result draws a fairly clear picture of actual job requirements.

The method is time consuming and requires high level of skill, from the analyst.

- ***Do-It-Yourself***

In some jobs it is feasible for the analyst to spend some time actually performing the work personally. The analyst should then be careful not to form too subjective an impression.

- ***Checklist and inventories***

A checklist for completion by jobholders is similar to a questionnaire but response requires fewer subjective judgments and tends to be of the YES and NO variety.

Checklists to be thoroughly prepared and a field study is essential to ensure the responses sought are adequate and make sense. Checklists can be used only where a large number of jobholders exist.

Rating scales or inventories are an improvement of the checklist. They present a jobholder with a list of activities and require him to rate them accordingly to time spent on them and importance.

- ***Personal interview***

Job analysts may conduct personal interviews with the job holders and the managers and record the answer for the purpose of job analysis. Interview techniques may be used for comparing the data obtained through observation and questionnaire methods. Interviews reveal the reason for non-performance and enable the personnel manager in improving the job contents to suit the requirement of employees. It should be remembered that while interviewing, the interviewer should take into account the job position but not the person holding the position.

Unstructured interviews have no definite or pre-planned format; the format develops as the interview unfolds. A structured interview follows a predesigned format. Structured interviews have the advantage of ensuring that all pertinent aspects of the job are covered. Also they make it easier to compare information obtained from different people holding the same job. A major drawback to the interview method is it can be time consuming – planning and conducting the interview. Also inaccurate information may be collected due to bias. If the purpose of interview is not clear, the worker may provide information to protect his own interest.

The interview method is flexible and can provide in depth information and is easy to organize and prepare. A disadvantage may be seen in unstructured interviews where the information collected is not easy to analyze.

Interview with the Job-Holder

This is always necessary but difficulties always do occur, largely because the worker may be suspicious of the job analysis. He may exaggerate the importance of the job or occasionally try to make it seem unimportant. The main problems with such interviews are: -

- The workers attitude may influence his account of the job.
- The employee may, even if co-operative, forget some details of the job only remember the most recent events
- The employee may not be able to express himself clearly
- The employee may, even if co-operative, forget some details of the job & only remember the most recent events
- The employee may not be able to express himself clearly

Interview with the supervisor

This is quite inevitable, but its values vary due to the following:-

- Supervisor may be out of touch with details of the job
- Some have never performed the job themselves
- Some allow their description of the job to be influenced by their opinion towards the jobholder.

They may exaggerate the duties& responsibilities of the job in order to increase their own performance.

Interview Questions

These may cover such aspects as:-

- Amount of supervision received and discretion allowed in making decisions
- Typical problems to be solved and guidance available to solve the problems
- Relative difficulty of the tasks performed
- Qualifications and skills required to carry out the work

Conducting the Interview

- Have questions arranged in a logical sequence to help interviewees to order their thoughts about the job.
- Probe as necessary to establish what people do
- Ensure jobholders are not allowed to get away with vague or inflated descriptions of their work
- Ensure answers contain only relevant data
- Obtain a clear statement from the jobholder about the amount & level of decision-making allowed for the job.
- Avoid asking leading questions that make the expected answers obvious

- Allow the jobholder ample time & opportunity to talk by creating an atmosphere of trust.

Checking Information

It is always advisable to check the information provided by jobholders with the managers or team leaders. To get systematic information from several jobholders, a checklist is necessary. The aim is to structure the job analysis interview in line with predetermined headings. In interviewing several jobholders for the same job, information from different interviews, can be:

- i. Hard to bring together
- ii. Have a potential for interviewer bias
- iii. Certain areas of the work may fail to be picked up
- iv. An interview may stress one area & neglect others
- v. There may be problems in interpretation and analysis with the possibility of distorted impressions
- vi. Consider subjectivity of the data captured
- vii. Interviewers need skills in communication & must be trained

Advantage: Allows the incumbent to describe tasks and duties that are not observable.

• ***Hierarchical tasks analysis***

This breaks down jobs or areas of work into a hierarchical set of tasks, sub-tasks and plans. Tasks are defined in terms of objectives or end products and the plan needed to achieve the objective is also analyzed. The process starts with an analysis of the overall task. This is then subjected to further analysis in order to develop a hierarchy of sub-plans needed to achieve them. The method involves: -

- Using verbs to describe what has been done.
- Defining performance standards- desired level of performance
- Listing the conditions associated with task performance

This method is used for process or manufacturing jobs.

• ***Self-description***

Jobholders can be asked to analyze their own jobs and prepare job descriptions. This saves time for the analysts. But jobholders do not always find it easy to describe their jobs objectively. The method is helpful to produce a model job description to illustrate the format required.

It is the quickest and most economic form of job analysis. But it relies on the often-limited ability of people to describe their own jobs. It is therefore necessary to offer guidance in the form of questionnaires and checklists.

COMPONENTS OF JOB ANALYSIS

Let us now look at the components of job analysis. We are going to focus on job description, job specification and job design.

1. *Job description*

Just to remind ourselves, a job description is a written statement of what the worker actually does, how he or she does it and what the job's working conditions are. Job description is a summary of the tasks, duties and responsibilities of a position holder in an organization. It describes the job and not the holder. Job description is significant in personnel management because of the following uses.

- a) It aids development of job specification which is necessary in recruiting and selecting people in the organization.
- b) It can be used for orientation for newly recruited employees.
- c) It is useful in job evaluation, performance appraisal and wage salary administration.
- d) It is an important and basic document in developing performance standards.
- e) It is used in group discussion at executive levels for improving the standard and productivity.
- f) It is a vehicle for organizational change and improvement.

Contents of job description

A job description contains the following information.

- a) **Job identification:** This is also known as organizational position. Job description spells about the job title, alternative title, department, division, plant and the code number of the job.
- b) **Job summary:** This comprises of brief job summary that renders a reader a quick capsule explanation of the content of the job.
- c) **Responsibility and duties:** The heart of a job is the responsibility and the duties. Thus job description provides a comprehensive list of duties and responsibilities connected with the job.

- d) **Authority of the job holder:** The authority vested upon this position is spelt out. It is also here where the job below it and above it is indicated showing the relationships between jobs. The number of subordinate is also indicated.
- e) **Standards of performance:** This list the expected standards of performance expected from each job description's main duties and responsibilities. The employees get to know the direction and actions to take to achieve the organizational goals.
- f) **Working conditions:** It is also very important that you tell your potential employee the conditions under which he or she would be performing his or her duties. These may comprise of heat, dust, wetness, moisture, fumes etc. this enable both the organization and the individual employee to take the necessary precaution depending on the environment he or she would be working under.
- g) **Hazards:** Job description provides information about the possible work hazards while performing a job. Examples include; risks to limb, risks of getting poor eye sight, risk of dangerous chemicals etc. Below is a sample of job description as illustrated by Salemi (1997) in his book personnel management simplified.

Job Title: Director of Wage and Salary Administration.

Job Summary: Responsible for company wage and salary programs, including job analysis,

Job evaluation, wage survey and benefit administration.

Job duties:

1. Supervises job analysis studies and approves final form of job descriptions.
2. Develops, executes and monitors job evaluation procedures in corporation with operating management.
3. Acts as chairman of the company-wide job evaluation committee.
4. Conducts periodic wage and surveys in the community and in the industry.
5. Administers the company's supplementary benefit programme. Recommend changes and additions to existing benefits.
6. Supervises members of the wage and salary division.

Working conditions: Normal working condition. Eight hour per day.

2. **Job specifications:** This is also known as person's specifications. This spells out the minimum acceptable human qualities required for the effective and efficient performance of the job. It includes the skills, knowledge and abilities of the job incumbent. This would give you an idea of the kind of person to recruit to fill the vacant position. You will only be able to come up

with a good job specification if only the job analysis was well done. According to Edwin Plippo, “a job specification is a statement of acceptable human quality necessary to perform a job properly.” Dale Yoder contends, “Job specification is a specialized job description emphasizing personnel requirement and designed especially to facilitate selection and placement”

Content of job Specification

- a) Physical characteristics
- b) Personal characteristics
- c) Psychological characteristics
- d) Responsibilities
- e) Knowledge, Skills and Abilities

Uses of job specifications

For personnel functions a detailed account of the job is necessary. The most important of these are for: -

- Selection
- Promotion
- Appraisal
- Setting performance standards
- Job evaluation
- Training

There is no standard layout or a set of headings for a job specification; it s found that variations are necessary according to the type of work e.g. manual or non-manual, and to the organisation. In general, a job description must emphasize activities and behaviour.

3. Job design.

What is a job? We can define a job as positions that have similar characteristics as regards to the kind and content of work. A particular job consists of one position e.g. human resource manager of an organization. Job design is a process of bringing out the content of a job in terms of its duties and responsibilities, on methods to be used in carrying out the job and on the relationship that should exist between the job holders and his superiors, subordinates and colleagues. The aim of job design is to increase productivity and performance. It also tries to improve the working relations hence enhancing the working life of employees. And job satisfaction. Therefore we can conclude that job design aims at satisfying the organization requirement as well as taking keen interest of the employees’ welfare and needs.

Limitations of Job Analysis

In analysis jobs, certain problems can occur. Some of the problems stem from natural human behaviour, others, from the nature of the job analysis process.

Some problems encountered include: -

- i. Top management support missing. Top management should make it clear to all employees that their full and honest participation is needed. Such a message is at times not communicated.
- ii. Only a single means and source are used for gathering data. All too often an analysis process depends on only one of the many available methods, when a combination of methods might provide better data.
- iii. The supervisor and the jobholder do not participate in the design of job analysis. Too many analyses are a one-man show. The job holder and his supervisor should be involved early in the planning of the project
- iv. No training or motivation exists for jobholders. Jobholders are the most important sources of information for analysis yet they are seldom trained or prepared to generate quality data. Some are rarely made aware of the importance of the data and almost never rewarded for providing good information.
- v. Employees are not allowed sufficient time to complete the analysis. Usually companies conduct analysis as if it was a crash programme and employees are not given sufficient time to do a thorough job analysis.
- vi. Activities may be distorted. Without proper training and supervision, employees may submit distorted data. Those being watched may speed up if they are made aware.
- vii. There is a failure to critique the job. Many analyses just report what the jobholder currently does. Yet, the job should be critiqued to determine whether it is being done correctly or whether improvements can be made.

HUMAN RESOURCE PLANNING

DEFINITION OF HUMAN RESOURCE PLANNING

Human resource planning is the process of ensuring that the organization has the right number of people, the right type of people at the right time doing the right job. There are many definitions of manpower planning as there are authors of human resource books. Let us now look at some of the definitions from various authors.

1. Michael Armstrong (2001) defines human resource planning as the process that “determines the human resource required by the organization to achieve its strategic goals.
2. Saleemi N.A (1997) “human resource planning involves an accurate determination of the present and the future manpower needs of the enterprise and exploration of the source to meet the same”.

3. Gary Dessler (2005) “personnel planning is the process of deciding what position the firm will have to fill, and how to fill them”.

HRP is seen as a strategy for the acquisition, utilization improvement and retention of an enterprise’s human resources. HRP is therefore a strategic process.

HRP is the process for ensuring that the HR requirements of an organization are identified and plans are made for satisfying those requirements. It addresses HR needs in both qualitative and quantitative terms i.e., how many people and what sort of people.

NATURE OF HUMAN RESOURCE PLANNING

Below is the salient feature of human resource planning as described by Saleemi (1997)

1. Human resource planning involves forecasts or projection of the future manpower needs so that adequate and timely provisions may be made to meet those needs. It is future oriented.
2. The basic purpose of human resource planning is to determine the right number and the right type of people for effectively accomplishing the tasks and goals of the organization.
3. Planning for human resource is the primary responsibility of the management to ensure proper utilization of the present and the future manpower. Human resource planning is complementary to organization planning.
4. Human resource planning is a continuing or never-ending process because the demand and supply of manpower are subject to frequent change. It is a dynamic activity.
5. It represents a system approach to personnel in which the emphasis is on the interrelationships among various personnel policies and programmes.
6. Human resource planning includes an inventory of the current manpower in order to determine its status and to identify untapped talents available in the programmes.
7. Human resource planning has two aspects; qualitative and quantitative.
8. It results in the development of policies, programmes and procedures for the acquisition, development, preservation and utilization of the organization human assets.
9. Human resource planning is an integral part of corporate planning.

The objective of human resource planning includes the following.

- a) To ensure the necessary personnel are available for performing different tasks in the organization efficiently.
- b) To ensure optimum use of the current manpower.
- c) To forecast future knowledge, skills and ability requirement.

- d) To provide control measures so that human resources are available they are required.
- e) To promote the development of existing personnel.

Purpose of Human Resource Planning

- HRP can help management in making decisions in the following areas:
- Recruitment
- Avoidance of redundancies
- Training-numbers and categories
- Management development
- Estimates of labour costs
- Productivity bargaining
- Accommodation requirements

BENEFITS OF HUMAN RESOURCE PLANNING

1. Reduces labor costs.
2. Facilitates internal succession of managerial personnel in the event of unforeseen turnover.
3. Enables personnel to be developed so as to make the optimum utilization of the current manpower.
4. Possible to formulate management succession plans.
5. Enables the management to identify the gap and fill it in time.
6. Helps in growth and diversification of business.
7. It is useful for economic development.

We can therefore conclude that, systematic planning for human resource requirements is an essential part of the overall business planning and no organization can do without it. Human resource forms the intellectual capital of the organization. It is the human in the organization who thinks and manipulates all other resources to achieve the organizational goals.

THE PROCESS OF HUMAN RESOURCE PLANNING

The process of human resource planning is one of the crucial, complex and continuing managerial functions. This is because it embraces organization development, management development, career planning and succession planning of an organization. The steps of human resource planning include:

1. **Current assessment**

For an existing organization, it is only logical to begin human resource planning by assessing the current manpower in the organization. This you do by preparing a human resource inventory using the information from the application forms filled by the employees at the time of recruitment into the organization. This inventory will allow you as a manager, to know the talents and skills that are currently available in the organization. You are also required to look at the job analysis so that you would determine what human behavior each job requires. After this you compare the skills available and the skills required to see if there is any gap to be filled. As a manager you should look at job specification and job description and see if the manpower you have in the organization has the requisite skills to handle the responsibilities successfully.

2. **Future assessment**

You remember we said that human resource planning is an integral part of strategic corporate plans. Corporate plans are strategic such that they spell out future activities. Therefore, human resource planning also estimates the future personnel requirements. The estimate depends on the nature and the type of growth of the organizational unit, nature of the product produced the rate of growth of the organization. Further, budgets and financial statements also helps the personnel department in establishing the workload in the organization. This workload determines the demand for future employees.

3. **Development of future programme**

After assessing the future requirement for human resource, you are required to develop plans for that future. For example if the assessment shows that you are likely to have shortage of manpower in future, plans are made to make sure that in that future adequate human resource are available. This can be done by highlighting the major areas where there is overstaffing and plans are made to transfer them in the shortage areas. However they may require some training to have the required skills. Or on a sharp contrast, if you estimate surpluses in almost all the departments, its solutions might include attrition, early retirement, demotions, layoffs, termination of employees, or opening up new branches or diversification of production. The most difficult situation that may face a manager is surplus of employees.

4. **Career development**

Career development is part and parcel of the organization plans. No organization can afford to ignore this. Career development is important because it prepares managers to deal with the dynamic environment. The job the employees usually perform may require advanced

techniques. This is very common which uses technology more often. If career development is not done, the employees' capability may become obsolete. Career development is of value to the organization because it ensures that the needed capabilities are available now and in the future. This in turn enables the organization to attract and retain talented employees. Career development does not necessarily mean that one has to be taken for training, but one can also be developed by being assigned challenging tasks. We are going to deal with development in the later chapters.

DETERMINATION OF HR REQUIREMENTS

A critical decision facing organizations before procurement is done is the determination of the number and type of personnel that should be provided to the organization. HRP seeks to ensure that a certain desired number of people with the correct skills will be available at some specified time in future.

The determination of HR requirements therefore involves: -

- i. HR Demand forecasting**
- ii. HR supply forecasting**
- iii. HR actions**

Manpower Forecasting

Manpower forecasting may have three ranges i.e. short range, intermediate range and long range. A short range forecast usually grows out of normal budgetary processes, covering two year period whereas intermediate range forecasts range between 2-5 years. Long range forecasts goes beyond 5 years

The demand for services and products in terms of authorized expansion, technological changes, and new legislation necessitates short range manpower forecasting internal changes in terms of expansion or contraction coupled with the working budget and modified efficiently or productivity force the personnel department to go in to short range manpower forecasting. Essentially there are 3 organizational approaches to manpower forecasting. This can be labeled under top-down approaches or bottom-up approaches. When the headquarters can forecast the demand for the entire market, it is called top-down approach. On the other hand, where the units can forecast their own demand, it is called bottom-up approach. There are three top-down approaches and one bottom-up approach.

Long Range Factors

Though specific numbers are difficult to develop in forecasts, encompassing 2-5 years or more, those responsible for HRP, must consider the following: -

- The firms long range business plans
- Demographic trends
- Economic factors
- Technological trends
- Social trends

1. The firms Long Range Business Plans

Such plans may be to expand the firms operations by moving into new product lines. This would require estimates of the needed number of employees and skills of the anticipated growth.

If plans call for more efforts in the international market in future, then decisions must be made regarding the utilization of the host country's nationals. Long-range plans may also call for reduction in labour due to elimination or product LINES OR PLANTS. Relocation of a company may also have HRP implications.

2. Demographic trends

Demographic trends in a country can determine future demand patterns of labour by organizations. Fluctuations in population affect the labour supply available in various categories – education, size, age characteristics, gender characteristics, diseases, birth & death rates.

3. Economic Trends

Movement from prosperity to recession and back to prosperity poses considerable problems for HR Managers. During prosperity demand for jobs by firms is likely to increase. The reverse happens during a recession.

4. Technological Trends

Advances in technology have definite effect on the nature and mixture of jobs available. For instance, advances in I.T, resulted in a decrease in the number of bookkeepers and an increase in demand for computer programmers. It has been noted that the current level of technology for building robots will enable the replacement of 2/3 of the factory workforce.

5. Social Trends

Changes in custom and civil rights would influence labour projections. Mobility of personnel due to family commitments also affects demand for labour.

Short Range Factors

The short factors to be considered in demand forecasting include:-

- Production schedules/budgets.
- Affirmative action plans.
- Relocation/plant closings.

1. Production Schedules/Budgets

Specific sales forecasts for the coming year must be translated into a work programme for the various sections of an enterprise. Some plans must be made concerning the amount of work that each segment of the organization is expected to accomplish during some coming period.

2. Affirmative Action Planning

An organization may be forced to hire certain categories of employees – minority tribes or females. This must be reflected in the HRP.

3. Relocation/Plant Closings

Recession in the economy may lead to temporary closures or relocations. This may lead to reduction in the labor force. Poor company development and expansion strategy also may lead to relocations and closures.

1. Forecasting Demand

Demand forecasting is the process of estimating the future numbers of people and the likely skills and competences they will need. The ideal basis of the forecast is an annual budget and a long term business plans, translated into activity level of each function and departments or decisions on down sizing. Details are required of any plans or projects which would results in the demand for additional employees or different skills.

- Projected turnover – resignations/terminations
- Quality and skills of your employees – in relation to the changing needs of the organization
- Decisions to upgrade the quality of products or services that enter into the market.
- Technological and other changes resulting in increased productivity.
- The financial resources available to the department

Whichever method one uses, managerial judgment will play a big role. Judgment is thus needed to modify the forecast based on factors – such as projected turnover, or a desire to enter new markets.

Techniques used in forecasting Demand

The most common personnel planning approaches involves the use of the simple techniques like ratio analysis or trend analysis to estimate staffing needs based on the sales projections and historical sales to personnel relationships. The usual process is to forecast revenue first, and then estimate the size of the staff required to achieve this sales volume.

The methods of demand forecasting involve the following 4 steps: -

- i.** Select from among the leading indicators, those most likely to be relevant in the particular situation at hand.
- ii.** Establish the nature of historical relationships between the leading indicators selected and the labour demand
- iii.** Obtain forecasts or projections of the leading indicators
- iv.** Forecast demand (make estimates using data from steps (ii) & (iii). This helps identify the gap between the current and needed workforce.

Let us now discuss some of the techniques human resource manager use to forecast the demand for human resource.

a) *Trend analysis*

This means you study variations in your firm's employment levels over the last few years. One way that you can do is by counting the number of employees at the end of each year for the last five years, in relation to the level of production. The purpose is to see trend which might continue even into the future years. For example, in many big business houses, sales levels are related to employment needs, so that the personnel planner can develop a table or graph showing past relations between sales and employment. Thus, here a firm may forecast the employee needs based on the sales and production budgets. While forecasting the employee needs, a personnel manager considers the past productivity of the existing employees and the expected increase in productivity to match the needs for expected productivity gains.

However, trend analysis can provide an initial estimate, but employment levels rarely depend just on the passage of time. Other factors like changes in technology, changes in sales volume and productivity, can also affect staffing needs.

b) *Ratio analysis*

Ratio analysis means making analysis on the ratio between some casual factors, (e.g. sales), and the number of employees required, (e.g. salesmen). For example if you require 10 employees to produce 1000 tons, it means for you to produce 1500 tons you would require 5 additional employees. The assumption here is that the productivity of every employee remains the same.

c) The scatter plot

A scatter plots shows graphically how two variables such as a measure of business activity and your firms staffing levels are related. If they are, then you can forecast the level of business activity. You should also be able to estimate your personnel requirement.

However there are several limitations associated with this technique. They include:

1. They focus exclusively on projected sales volume and historical sales/personnel relationships, and generally assume that the firm's existing structure and activities will continue into the future.
2. They generally do not consider the impact the company's initiatives may have on future staffing levels.
3. They tend to support outdated compensation plans that reward managers for managing ever larger staffs, and will not uncover managers who will continue to expand their staff irrespective of the company's strategic needs.
4. They tend to "bake in" the nonproductive ideas that increases the staffs are investable.
5. They tend to validate and institutionalize the existing planning processes and ways of doing things, even inn the face of rapid change.

d) Use of computer

This is the determination of future staff needs by projecting sales, volume of production, ad personnel required to maintain this volume of output, using software package. Typical data needed include direct labor hours required to produce one unit of product (a measure of productivity), and three sale projections- minimum, maximum and probable- for the product line in question. Based on such data, a typical program generates figures on average staff levels required to meet product demands, as well as separate computerized forecasts for direct labor (such as assembly workers), indirect staff (such as secretaries), and exempt staff (such as executives)

Whichever methods you use, managerial judgment will play a big role. It is rare that any historical trend, ratio, or relationship will simply continue unchanged into the future. You therefore have to modify the forecast based on the factor such as projected turnover or a desire to enter new markets you believe would be important.

e) Managerial Jugement

Under the managerial estimates method, managers make estimates of future staff needs based primarily on past experience. These estimates can be made by top-level managers and passed on to other managers. The managers simply, sit, think about their future workloads, and decide how many people they need. It may be a top-down or bottom-up process. The forecasts made one man reviewed and agreed with departmental managers.

The best way to managerial estimates is by se of both top-down and bottom-up processes. The two forecasts are reviewed by a HR planning committee and approved. This is known as the right-angle method.

f) Ratio-Trend Analysis

This is carried out by studying past ratios between the number of direct workers and indirect workers (support) in a manufacturing plant and forecasting future ratios. The number of direct workers needed can be used to determine the number of indirect workers needed.

This means making forecast based on the ratio between (i) Same causal factor (e.g. sales volume) and ii) number of employees required. Ratio analysis assumes that productivity remains about the same.

g) Work study Technique

These can be used when it is possible to apply work measurement to calculate how long operations should take and the number of people required. This starts from a company’s production budget. Work-study techniques for direct workers can be combined with ratio-trend analysis to calculate the number of indirect workers needed.

h) Modelling

Mathematical modelling techniques using computers and spreadsheets can help in the preparation of demand and supply forecasts.

Employers also use computer programs to forecast personnel requirements. Typically data needed include direct labour hours needed to produce one unit of the product and three sales projections – minimum, maximum and probable. Based on such data a typical programme generates figures on average staff levels required to meet production demands, as well as separate computerized forecasts for direct labour and indirect staff, plus the exempt staff.

Method also known as modelling.

i) Time Series and Analysis

Past staffing levels (instead of workload indicators) are used to project future HR requirements. Past staffing levels are examined to isolate seasonal and cyclical variations, long-term trends and random movements. Long-term trends are then extrapolated or projected.

Here one studies a company’s employment level over the last 5 years or so to predict future needs. Trend analysis is valuable as an initial estimate, but employment levels rarely depend solely on the passage of time.

j) Productivity Ratio

Historical data are used to examine past levels of a productivity index.

$$P = \frac{\text{Workload}}{\text{Number of people}}$$

Where constant, or systematic, relationships are found human resource requirements could be computed by dividing predicted workloads by P.

k) Regression Analysis

Past levels of various workload indicators, such as sales, production levels and value added are examined for statistical relationships with staffing levels. Where sufficiently strong relationships are found, a regression model is derived. Forecasted levels of the related indicator are entered into the resulting model and used to calculate the associated level of HR requirements.

l) Delphi Technique

With this method, each member of a panel of experts makes an independent estimate of what the future demand will be, along with any underlying assumptions. An intermediary then presents each experts forecast and assumptions to the others and allows the experts to revise their positions if they desire. This continues until some consensus is reached.

2. Human Resource Supply Analysis

In assessing the supply of labour available to the organization there are two major areas to be reviewed.

- i) The existing workforce (the internal labour market)
- ii) The supply of potential employees (the external labour market)

Supply forecasting measures the number of people likely to be available from within and from outside the organization, having allowed for absenteeism, internal movements and promotions, wastage and changes in hours and other conditions of work.

The supply analysis covers: -

- Existing human resources
- Potential losses to existing resources through employee wastage
- Potential changes to existing resources through internal promotions
- Effect of changing conditions of work and absenteeism
- Sources of supply from within the organization
- Sources of supply from outside the organization – national and local labour markets

A typical analysis of supply will focus on the following: -

▪ Existing staff:

Numbers, categories, skills, performance, flexibility, and promotability

A detailed analysis is needed to provide inventories of skills and potential, and knowledge of the number of promotable people available. An analysis of employees by age helps to identify problems arising from a sudden rush of retirements, a block in promotion prospects or a preponderance of older employees.

Length of service analysis will provide survival rates, which are a necessary tool for use by planners in predicting future resources.

The analysis of current resources should look at the existing ratios between different categories of employees – managers and team leaders, skilled to semi-skilled, direct to indirect, office staff to production. Recent movements in these ratios should be studied to provide guidance on trends and to highlight areas where rapid changes may result in supply problems.

▪ **Potential staff:**

Location, categories, skills, trainability, attitudes and competition

▪ **Less Leavers:**

Retirement, wastage rates, redundancies and dismissals

Sources of Labour Supply

Internal labour market sources include the output from established schemes or management development programmes and the reservoirs of skill and potential that already exists within the organization. But the availability of people from the local and national labor markets are also a vital factor when preparing plans.

It is necessary to identify at an early stage any categories of employees where there might be difficulties in recruiting the numbers required so that action can be taken in good time to prepare a recruiting campaign, or to develop training or re-training programmes to convert available staff to meet the company's needs.

The factors that can have an important bearing on the supply of manpower are: -

1. Local Labour Market

- Population densities within reach of the company
- Current and future competition for employees from other employers
- Local unemployment levels
- Traditional pattern of employment locally, and the availability of people with the required qualifications and skills
- The output from the local educational system and training establishments.
- The attractiveness of the area as a place to live
- The attractiveness of the company as a place to work
- The availability of part-time employees
- Local housing, shopping and transport facilities.

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