Strategic Human Resource Management

Introduction

```
                        ┌─────────────────────┐
                        │  Corporate Strategy │
                        └─────────────────────┘
        ┌──────────────────┐  ┌──────────────────────┐  ┌──────────────────────────┐
        │   Work Design    │  │ Indirect Compensation│  │ Performance Management   │
        └──────────────────┘  └──────────────────────┘  └──────────────────────────┘
┌──────────────────┐  ┌──────────────────┐  ┌──────────────────┐
│ Personnel Planning│  │ Direct Compensation│  │   Socialization  │
└──────────────────┘  └──────────────────┘  └──────────────────┘
┌──────────────────┐                          ┌──────────────────┐
│    Recruitment   │                          │     Training     │
└──────────────────┘                          └──────────────────┘
┌──────────────────┐                          ┌──────────────────┐
│     Selection    │                          │    Development   │
└──────────────────┘                          └──────────────────┘
                                               ┌──────────────────┐
                                               │Performance Appraisal│
                                               └──────────────────┘
```
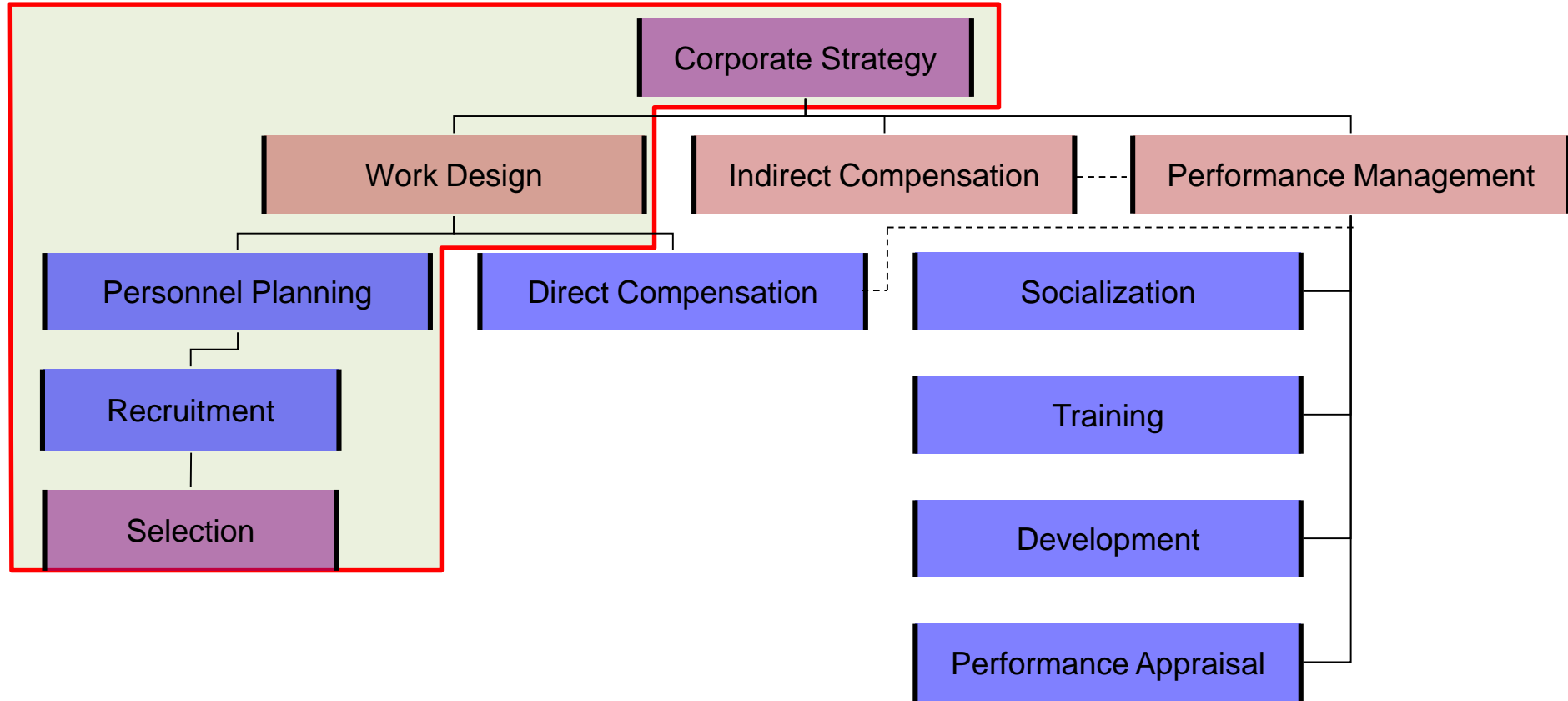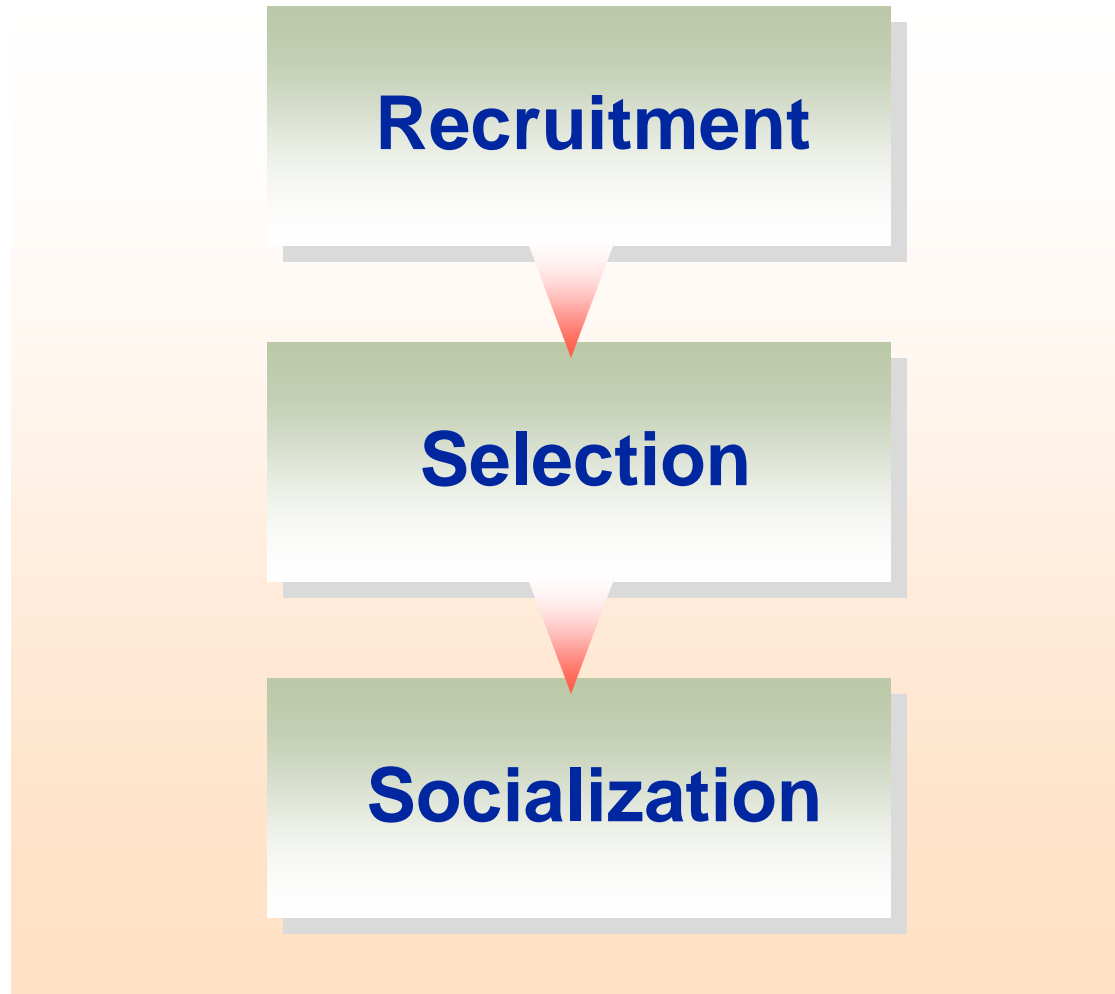
Staffing   **Compensation**   **Performance**

Staffing:
Selection of Qualified People

The Hiring Process

Recruitment

Selection

Socialization

Section Overview

- This section focuses on the selection process.

- We will link this process to Corporate Strategy.

- By the end of this section, you should be able to link job requirements to selection requirements, understand the underlying principles of the selection process and be able to place these principles into practice.

Selection

- Make a hire, no hire decision.

- Determine the characteristics required for effective performance through job analysis.

- Measure candidates on these characteristics.

- Be consistent across all candidates, eliminate bias.

Challenges

- Distinguish among the major selection methods and use the most legally defensible of them.

- Make staffing decisions that minimize the hiring and promotion of the wrong people.

- Provide reasonable job expectations to new recruits.

- Understand the legal constraints on the hiring process.

Purpose and Importance of Proper Selection

- To ensure that an organization's financial investment in employee's pay off.

- To evaluate, hire, and place job applicants in positions that are in the best interest of the organization and the individual.

- To minimize multi-million dollar verdicts and settlements in litigation brought by victims of criminal, violent, or negligent acts perpetrated by employees who should never have been hired.

- To enable organizations to fulfill their strategies.

- To ensure unbiased hiring and eliminate unnecessary discrimination.

The Selection Process

- Assess the job demands and organizational needs.

- Infer the type of person needed.

- Define the selection method, and the information analysis and decision approach.

Job Demands/Organizational Needs

- Understand the specific tasks and organizational context.

- Use job analysis and human resource planning.

- Use information to establish relevant criteria that are critical to job performance.

- Use this information in the recruitment process.

Type of Person Needed

- Use predictors relevant to:
  - Skills, knowledge, and abilities
  - Personality, interests, and preferences
  - Other characteristics essential to job performance.
- Predictor information serves as the basis for projecting how well a person will perform a specific job.
- Choose job-related predictors.

Selection Method Design

- ## Determine how to measure the predictors.
  - For each predictor multiple means can be used to rate applicant (resume, cover letter, references…).
  - Test – retest reliability.
  - Inter-rater reliability.
- ## Decide when to measure each predictor.
  - General staging, pass/fail, screening…
- ## Consider economic utility.
  - Cost of gathering data vs. performance gains.

Analysis and Decision Approach

- Multiple Hurdles.
  - All predictors are considered critical to performance.
  - Applicant must exceed fixed proficiency level on every predictor.
  - No trade offs
- Compensatory Approach
  - Above average performance on one predictor can compensate for below average results on another.
  - Selection is made at completion of entire process.
  - Uses a composite index or weighted averaging approach.
- Combined Approach
  - Mandatory proficiency level on some predictors.
  - Balance are compensatory.

Obtaining Information

- Background
- Written tests
- Work simulations
- Assessment centres
- Selection and placement interview
- Medical and physical exams

Background Information

- Education
- Experience
- Interests, self-perception, work attitudes
- References
- Sources include:
  - Application forms.
  - Resumes.
  - Essays.
  - Cover letters.
  - Verifications.
  - Interviews.
  - NOT handwriting analysis, pictures, other unreliable sources.

Written Tests

- Cognitive ability tests.
  - Measures the ability to perform in specific situations.
  - Generally seen as a good predictor.
- Psychomotor tests.
  - Measures ability to perform specific manual tasks.
  - Generally seen as a good predictor.
- Personality tests.
  - Measures behavior patterns.
  - Difficult to define and measure variable specific to performance.
- Interest inventories.
  - Measures preferences for type of work or environments.
  - Generally seen as a reliable predictor.

Work Simulations

- Work sample tests.

- Applicant performs work related activities in a controlled test environment.

- Generally valid but expensive to design and administer.

Assessment Centers

- Popular selection device used to determine performance in management or higher-level positions.

- Used for new recruits and internal candidates.

- Intensive evaluation of ability related to job situations.

- Candidates are observed by <u>trained professionals</u> and performance is rated using standardized criteria.

Selection and Placement Interviews

- Degree of structure.
  - Unstructured may lack focus or continuity. Allows for story telling
  - Structured are more restrictive in focus.
- Job relevance.
  - Situational questions about job specific skills and duties.
  - Based on job analysis.
- Systematic scoring.
  - Raters use specific evaluation criteria and scoring key.
- Number of interviews.
  - Multiple level interviews, panel interviews, team interviews.
- Training.
  - Interviewers need to be trained!

Structured Interview

- Based directly on a thorough job analysis.

- Applies a series of job related questions with predetermined answers.

- Uses a scoring key.

- Used consistently across all interviews.

Structured Interview Questions

Type	Example
Situational	**You're packing things into your car and getting ready for your family vacation when it hits you that you promised to meet a client this morning. You didn't put the meeting into your calendar and it slipped your mind until just now. What do you do?**
Job Knowledge	**What is the correct procedure for determining the appropriate oven temperature when running a new batch of steel?**
Worker Requirements	**Some periods are extremely busy in our business. What are your feelings about working overtime?**

Hiring for Teamwork

- Effective team members should be able to:
  - Recognize and resolve conflict
  - Participate and collaborate in problem solving
  - Communicate openly and supportively
  - Coordinate and synchronize activities
- Effective team members usually have the following personality characteristics:
  - Conscientiousness
  - Agreeableness
  - Active listening skills

Interviewing Questions to Avoid

- Don't ask applicants if they have children, plan to have children, or what child-care arrangements they have made.
- Don't ask an applicant's age.
- Don't ask whether or not the candidate has a physical or mental disability that would interfere with doing the job.
- Don't ask for such identifying characteristics as height or weight on an application.
- Don't ask a female candidate for her maiden name.
- Don't ask applicants about their citizenship.
- Don't ask applicants about their arrest records.
- Don't ask if a candidate smokes.
- Don't ask a job candidate if he or she has AIDS or is HIV-positive.

Medical and Physical

- Physical examination.
  - Typical for final candidates.
  - Only valid for job specific screening.
- Genetic screening.
  - Many ethical questions.
  - Useful to determine hypersensitivity to environmental factors.
  - Normally not done for selection purposes.
- Drug and alcohol testing.
  - Used primarily on employees.
  - Requires a clearly defined policy and disciplinary procedure.

Seminar 2 Presentation: Recruitment

Read:
1. Recruiting the Cisco Way
2. USAID Job Fair

Scenario:

Your team has been hired as recruitment specialists by a major construction company in one of your team members' home country. The company's major issue is that they are expanding quickly but can't find new employees. They have positions for unskilled labour, plumbers, electricians, cabinet makers, and cabinet installers. They have tried to get referrals from existing employees but have had no success.

Your job is to develop a comprehensive recruitment campaign that will attract qualified people and provide the company with a qualified pool of candidates from which they can select new hires. Prepare a presentation based on your work and be prepared to present it in the March 24th seminar.